Raja Jesudoss Chelliah, a renowned economist, the doyen among Indian public finance scholars, was the architect of tax reforms in the country is no more. He passed away on April 7, in Chennai after a brief period of illness. With his passing away, we have lost a peer, a scholar of eminence, a passionate reformer, an institutional builder and, above all, agenial human being. The National Institute of Public Finance and Policy (NIPFP) has lost its founder and many in the institute feel a personal loss. There is hardly anyone in the country today who has done so much for the cause of public finance and policymaking in the country.

With his passing away, we have lost a rare institution of excellence in the southern part of the country, and it goes to the credit of Dr Chelliah that he appointed Dr Chelliah as fiscal advisor to the finance minister to implement the recommendations of policy influence was not confined to India alone. He was appointed as the chairman of the Tax Reforms Commission on Financial Sector Reforms (chaired by Narasimham) were the first two commissions set up when the economic reform programme was in its infancy.

Dr Chelliah served as member and chairman of several committees and commissions appointed by the Government of India alone. He was appointed as the chairman of the Tax Reforms Commission on Financial Sector Reforms, Indirect Taxation Enquiry Committee, Planning Commission, and was called upon to advise the Financial and Fiscal Commission in South Africa. He undertook one of the earliest studies on fiscal devolution in Sri Lanka as well.

Dr Chelliah was not merely a policymaker, but also an acade-mician of great standing. His basic study on Fiscal Policy in Underdeveloped Countries is, perhaps, the most profound work dealing with the problems of fiscal policy formulation in developing countries. The conceptual work he carried out at the IMF on alternative concepts and government financing to the common man, and generations of public finance scholars have learnt this art from him. For me, he was always a teacher and an adviser and I had the distinction of co-authoring a book with him on Trends and Issues in Indian Federal Finance (1981) in early part of my carrier and we also published the Survey of Research in Indian Fiscal Federalism (1996) for the Indian Council of Social Science Research. We, at NIPFP, will surely miss his guidance, and the public finance scholars in the country will miss a scholar and a critic.

The author is director, NIPFP

few people have the courage to start something new when they’re 70 years old, but that’s what Chelliah did when he set up the Madras School of Economics. He'll be remembered for conceptualising and implementing India’s tax reforms, even as his early books on fiscal policy are still widely referred to, says M Govinda Rao

Raja Chelliah: Father of India’s tax reforms

PORTAIT: BINAY SINHA

Dr Raja Chelliah belonged to the rare breed of economists in the country who made tremendous contribution to applied research in public finance and provided strong analytical underpinning for fiscal policy calibration. From his seminal work on Fiscal Policy in Underdeveloped Countries in 1960, in which he expounded the fundamental problems of calibrating fiscal policy in underdeveloped countries, he went on to do research on a variety of issues ranging from the profound to the utterly practical. The above book is still a classic and is widely used as a learning tool by students and policymakers alike all over the developing world.

In a carrier spanning almost 60 years, Dr Chelliah undertook his research on theoretical and policy issues on subjects such as concept of budget deficit, tax policy and reforms, allocative and technical efficiency in public spending, sustainability of public debt in India and intergovernmental finance. His focus was not confined to fiscal policy issues alone: he put together an important book on Income, Poverty and Beyond, and was presently engaged in completing a study on regional equity.

Perhaps, no other economist in India has made such contribution to the fiscal policy debate as Dr Chelliah has. His contribution to the design and implementation of tax reforms in India is particularly notable. He was the main architect of the tax reforms programme when the Government of India embarked on economic reforms in 1991. In fact, the Tax Reforms Committee (TRC) and the Commission on Financial Sector Reforms (chaired by Narasimham) were the first two commissions set up when the economic reform programme was in its infancy.

He passed away on April 7, in Chennai after a brief period of illness. With his passing away, we have lost a peer, a scholar of eminence, a passionate reformer, an institutional builder and, above all, a genial human being. The National Institute of Public Finance and Policy (NIPFP) has lost its founder and many in the institute feel a personal loss. There is hardly anyone in the country today who has done so much for the cause of public finance and policymaking in the country.