

The New York Times

William A. Niskanen, a Blunt Libertarian Economist, Dies at 78

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Published: October 28, 2011

William A. Niskanen, an economist who was dismissed by the [Ford Motor Company](#) after bluntly opposing the company's embrace of trade protection, and who later served as a member of President Ronald Reagan's [Council of Economic Advisers](#), died on Wednesday in Washington. He was 78.

His death, of a stroke, [was announced by the Cato Institute](#), the libertarian research organization, where he had been chairman for 23 years before stepping down in 2008.

Mr. Niskanen (pronounced nis-CAN-en) had a long career as an economist, both in and out of government. He taught at the University of California at both Berkeley and Los Angeles, worked as a defense analyst at the RAND Corporation and held prominent positions at the Office of Management and Budget, where he was assistant director, and at the Defense Department, where he was the director of special studies for the secretary of defense.

Mr. Niskanen, who stood 6-foot-4, was rarely one to tailor his message to his audience. A few years after joining [Ford](#) in 1975 and becoming its chief economist, he was critical of the company when it ended its longtime commitment to free trade and pushed for restrictions on Japanese imports. Mr. Niskanen contended that the real challenge to the domestic auto industry came not from Japan, but from the inability of American carmakers to cater to the public's desire for smaller, more [fuel-efficient](#) vehicles. He also thought it inappropriate for corporations to ask Washington for breaks.

"A common commitment to refrain from special favors," he wrote in a memo at the time, "serves the same economic function as a common commitment to refrain from stealing."

His criticism did not sit well with Ford and it fired him.

In 1984, while at the Council of Economic Advisers, he caused a stir when, in a speech before a group called Women in Government Relations, he suggested that one reason men were often paid more than women in comparable jobs was because women interrupted their careers to raise children. Walter F. Mondale, then the Democratic presidential nominee, leapt on the comments and said they reflected the Reagan

administration's attitude toward women. A White House spokesman said Mr. Niskanen had expressed his own views, not those of the administration.

William Arthur Niskanen was born on March 13, 1933, in Bend, Ore., and earned a bachelor's degree from Harvard and a Ph.D. in economics from the University of Chicago, where he studied under Milton Friedman, the free-marketeer and Nobel laureate.

Mr. Niskanen, who lived in Washington, is survived by his wife, Kathryn Washburn, and three daughters; Lia Niskanen of Brooklyn, Pamela Niskanen of West Winfield, N.Y., and Jaime Brunetti of Berkeley, Calif.

Mr. Niskanen's essays are collected in "[Bureaucracy and Public Economics](#)" and "[Reflections of a Political Economist: Selected Articles on Government Policies and Political Processes](#)." He also wrote a memoir, "Reaganonomics: An Insider's Account of the Policies and the People," an occasionally critical look at his time at the White House. In it, he called Donald Regan, a Treasury secretary and chief of staff under Reagan, "a tower of jelly."

He praised Mr. Reagan for vision and charisma, but lamented that as president he had been unable to curtail federal spending.

"In the end," Mr. Niskanen wrote, "there was no Reagan revolution."