

# **J. E. King (ed.), *A Biographical Dictionary of Australian and New Zealand Economists***

**(Edward Elgar 2007)**

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*A Biographical Dictionary of Australian and New Zealand Economists* is a wonderful resource for anyone interested in the intellectual foundations of Australia and New Zealand. The editor, J. E. King, and the publisher should be greatly commended.

King wisely takes a wide brief as to what constitutes an 'economist', and what constitutes an Australian or a New Zealander. King's subjects had to be *either* born in Australasia and have some Australasian context to their work, *or*, if born abroad, have a significant Australasian context to their work *and* have lived some of their lives in Australia or New Zealand. Importantly for the purposes of this work, all of its subjects also have to be dead.

His included subjects range from Edward Gibbon Wakefield (who wrote about Sydney from his London prison cell in 1829, influenced Marx, and eventually emigrated to New Zealand) to the ANU economist Neil Vousden, who was born in 1947. Examples of people not included are Ron Meek (who, although having one publication in New Zealand before leaving, had no New Zealand context to his subsequent work) and Karl Popper (despite his making a significant impression, while living in Christchurch during the war years, on at least one of the book's subjects, Colin Simkin).

For an Australian book, it is refreshing that many of the subjects are New Zealanders. The Anzac spirit, more honoured in the breach than in reality, is alive and well, at least within the History of Economic Thought Society of Australia, and in the personal commitment of editor J. E. King, and some major contributors such as William Coleman, Alex Millmow and Warren Hogan.

Of particular interest for me were the 'Tas-men', those economists (all men, sadly) who contributed on both sides of the Tasman Sea. For two countries that shared surprisingly little between 1900 and 1980, the main meeting places of economic minds appear to have been the London School of Economics (LSE) and Cambridge. Nevertheless, there were substantial shared contributions, especially in the inter-war years, thanks to the shared membership of Economic and

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Economic History Societies of Australia and New Zealand. Of particular importance was the role played by the *Economic Record*, as the principal publication outlet for economists on both sides of the Tasman.

Those economists who contributed to economic thought and/or policy on both sides of 'the ditch' (as New Zealanders call the Tasman Sea) were Robert Torrens, E. G. Wakefield, Henry Hayter, Timothy Coghlan, William Pember Reeves, R. F. Irvine, Douglas Copland, A. G. B. Fisher, Colin Clark, Colin Simkin and Richard Manning.

I enjoyed Alex Millmow's account of Douglas Copland, a New Zealander who was trained under the auspices of Sir James Hight's 'Canterbury School', along with J. B. Condliffe. Both men went on to stellar global careers while retaining strong identities with their places of origin. Copland would undoubtedly have been one of New Zealand's greatest economists had he not been 'unsuccessful in securing a chair in New Zealand'.

Copland, who played an important role in devising policy solutions to the Great Depression in both countries, sought to find a balance between reliance on changing relative prices and activist macroeconomic solutions. Millmow observes that, in the 1940s, Copland had Keynesian sympathies but was not an advocate of 'hydraulic Keynesianism'.

Another Tas-man (just) was Alban William Housego Phillips, from the backblocks of New Zealand, born in 1914 into a family that generated their own electricity. He started his working life as an apprentice engineer in one of New Zealand's early hydro-electric schemes. Succumbing to wanderlust, he took the long road to Britain (no easy routes to Cambridge via Rhodes Scholarships for this young Kiwi.) His journey included two years carrying his swag and violin across Australia. From Australia he travelled to London via China and Russia.

Following an 'interesting' set of war experiences, Bill Phillips enrolled at the LSE, where he stayed and eventually became one of LSE's many iconic professors. It was his article in *Economica* that gave birth to the Phillips Curve. As a teaching aid, Phillips built Moniac, a large hydraulic machine that simulated the circular flow mechanism that epitomised Keynes' macroeconomic model. Yes, hydraulic Keynesianism was, literally, an Australasian contribution to economics education and to the history of economic thought.<sup>2</sup>

Of course, most of these economists were much more than Tas-men: their contributions were global, or at least regional (in the extra-national sense of that word).

<sup>2</sup> Moniac machines are today on display in the Reserve Bank of New Zealand, Wellington; Cambridge University; and in the Science Museum in London.

An important example is William Pember Reeves, a nationalist journalist and politician from Christchurch who became the architect for a number of New Zealand government reforms to correct for market failure. His efforts stimulated similar reforms in Australia. His classic account was published in 1902 as *State Experiments in Australia and New Zealand*. Reeves was thus the pioneer of 'colonial socialism', a uniquely Australasian form of economic thought which Gary Hawke argues was formalised in the work of Noel Butlin, one of the really dominant personalities of the twentieth-century economic landscape in Australia. In later life in England (from 1897), however, Reeves came to be known as an 'imperialist', even a free-trader. On that basis he was appointed to the directorship of the LSE in 1908. One cannot help wondering to what extent Reeves' position contributed to the subsequent importance of the LSE as a training ground (and place of mutual contact) for Australasian economists-to-be.

Yet the entry on Reeves disappointed me. His LSE directorship is simply noted, and his UK publications (including a contribution to the *Economic Journal* in 1899) are not mentioned. It is hard to avoid the impression that Hawke's account of Reeves' contribution is a case of damning with faint praise.

More commonly, contributors to the *BDANZE* are very close and favourably disposed towards their subjects. An important case in point is Warren Hogan's entry on Colin Simkin. Hogan's closeness works for the reader, in his discussions of Karl Popper's influence, and in Simkin's important regional work on East Asia. However this same closeness has meant that Simkin's role in precipitating the schism in the Economics Department at the University of Sydney in the 1970s has passed unmentioned. Hogan was Simkin's principal deputy at Sydney, and could hardly present a disinterested perspective on that matter. Further, because most of the other key players are still alive, this is a chapter in the economists' history of Australasia that will need to be read about elsewhere.

Having chosen to emphasise the Tas-men in this review, another important impression of the book is the contribution of Tasmania to Australian economic policy. Copland cut his economic teeth in Hobart, with his tenure coinciding in the inter-war years with the tenures of L. F. Giblin, J. B. Brigden and Roland Wilson. Other noted Tasmanian contributions include those of Gerald Firth, Torleiv Hytten, Keith Isles, Frank Mauldon, Arthur Smithies, Ronald Walker and Gordon Wood.

Overall, the dictionary's entries contain a comprehensive mixture of theorists, historical economists, nationalists, metricians, bureaucrats, philosophers and radicals. Historical economics and economic history have certainly punched above their weight, as well as providing some of the most interesting personalities in the history of the discipline.

Finally, I would like to note some relatively recent economic thinkers have made it into the dictionary on account of their premature deaths. In addition to

Vousden, who would be just 61 years old if still alive today, I would like to note the contributions of New Zealanders Richard Manning (1943–89) and Jan Whitwell (1944–93).

Under Manning's leadership in the early 1980s, the University of Canterbury became New Zealand's nearest equivalent to the Chicago School. Manning's graduates were well placed to play critical roles in the implementation of the neo-liberal monetarist reforms of the late 1980s that came to be known as 'Rogernomics' (after Finance Minister Roger Douglas). This phase of economic thought was significant for Australia too, where, as in the period around 1900, Australian policy-makers looked to New Zealand for reasons to implement (or to not implement) a program of economic restructuring.

On the other side of the 1980s' monetarist debate stood Jan Whitwell, one of Australasia's most outstanding female economists and monetary theorists. Easily able to talk the mathematical talk that came to dominate economics (and make economics a very male-oriented discipline), her criticisms of Rogernomics were amongst the most telling. Because of the rigour of her exposition, her views had to be taken seriously by those who didn't sit comfortably with her message.

I have mentioned but a few names in the parade of economic thinkers that this book introduces to both economists and to the wider public. This is a book that belongs in all of Australasia's academic, public service and metropolitan public libraries. It also belongs in many of our private libraries, as a reference work, and as a book to just dip into for a random snippet from our intellectual past.