

NIEMEYER, SCULLIN AND THE AUSTRALIAN ECONOMISTS

BY ALEX MILLMOW

Charles Sturt University

1. Abstract of article

This article revisits the Niemeyer mission to Australia in 1930 and shows how it inadvertently facilitated the entry of local economists into the art of economic policy making. Up till then Scullin and Labour politicians held little regard for the worth of academic economists. It was a view shared by bankers and central bankers alike. With Niemeyer's dogmatic advice considered too draconian by a vacillating government Australian economists, led by L.F. Giblin and D.B. Copland were galvanised into providing more palatable expedients. This eventually materialised in the 1931 Premiers' Plan together with a prior devaluation and wage cut. While the Plan was inherently deflationary it was a more equitable and imaginary blueprint than Niemeyer's.

2. Introduction

Sir Otto Niemeyer has a special place, even infamy, in twentieth century Australian history. While the literature has celebrated the political, economic and imperial aspects of the Niemeyer mission to Australia none have explored the impact of it upon the local economics profession. Accessing new archival sources, this article re-evaluates the Niemeyer mission showing, in particular, how it served as a catalyst for the mobilisation of local economic expertise. The publicity and controversy surrounding the visit, together with the draconian advice that flowed from Niemeyer's lips, gave Australian economists recognition and an opportunity to exercise what would ultimately prove a more acceptable solution to Australia's woes. The paper proceeds by examining the economic pre-conditions, which led to Scullin accepting the idea of the Bank of England sending a mission to Australia. Before this, a brief outline of the nature of the Australian economics establishment and their analytical vision and contribution to economic policy is appropriate.

3 Grim Forebodings

In the history of the Commonwealth, no administration has been more challenged by economic circumstances as that which confronted the Scullin Government. Scullin took office only days before the Wall Street Crash of October 1929. Yet for all the scale of the undertaking Labor was elected into, many had foreshadowed that the day of reckoning was coming for Australia. During the federal election campaign of 1929, Scullin warned voters that Australia was heading into a horrendous economic situation by incurring an excessive level of foreign debt to finance infrastructure projects at a time export prices were weakening.¹ Scullin's Jeremiad warnings had an air of Greek tragedy to them. As Robertson, his biographer remarked 'It is often the fate of prophets to be ignored; but it does not always follow that the prophet is destroyed by the calamity he has foreseen'.² Scullin's greatest tragedy was that while having an appreciation of the economic problems besetting Australia he shunned, until too late, the advice of economists. A survey of the economic conditions prevailing in the late twenties illustrates the debt-deflation trap, which the Australian economy was tumbling into. For eight years, Australia had imports running ahead of exports with the debt servicing met from the proceeds of fresh borrowing. While there were institutional checks, the prevailing psychological mood was one of unbridled optimism. In his study of the economic philosophy guiding the Bruce Government, Richmond linked the optimism of 'men, money and markets', to a grand imperial vision.³ The loan proceeds financed a huge appetite for imports, which left, in turn, the Federal Government awash with customs duty. The bellwether of success for Bruce's development schemes was judged in terms of per capita income, rather than the aggregative performance of the economy. The scale and extent of Commonwealth and State undertakings from the London capital market alarmed personages like Keynes, Montagu Norman and Otto Niemeyer. However the trustee status accorded Australia 'silenced tongues and criticisms'.⁴ While Bruce was made aware of

¹ Robertson, *Scullin*, p. 34.

² Robertson, *Scullin*, p. 3.

³ Richmond, *Bruce and economic policy*, p. 257.

⁴ Attard, *Bank of England*, p. 69.

London's concern about Australia's borrowing he remained unrepentant; it was a sparse population, not debt, which was Australia's besetting problem.⁵

There is general agreement that the depression in Australia was triggered by exogenous factors that merely compounded upon the deep-seated internal problems that had been fomenting during the twenties. The loss in export revenue of some forty million pounds, together, with the cessation of borrowing of some thirty million pounds translated into a loss in national income of some 10 per cent in one year.⁶ With the cessation of capital borrowing, servicing Australia's huge overseas loan portfolio would now have to be drawn from local resources.

Apart from marked falls in Australia's two leading exports - wool and wheat - the single leading cause triggering the initial fall in output was the inability to borrow capital from abroad.⁷

The Melbourne University economist D.B. Copland gave the best contemporaneous account of how Australia's economic difficulties had arisen. He identified four 'danger-spots' or 'weaknesses' in the economy, namely, the rising ratio of interest payments to export revenue; the increasing levels of tariff assistance; the growing disparity between Australian and foreign price levels and, not least, State and Commonwealth deficit budgets. All these, Copland reasoned, would have necessitated some adjustment for the economy notwithstanding the ongoing deterioration in the global economy.⁸ Copland rejected the argument that there had been extensive economic mismanagement. A dependent economy, he said, was 'only partially master of its own house'; in that sense Australia had been embarrassed by the calamitous fall in export prices.⁹

Where local economists had expressed alarm at Australia's insatiable demand for funds and their dispersal into unproductive ventures it barely registered. This allocation of funds supposedly went with the scientific administration ambitions of the Bruce government lending a

⁵ Cumpston, *Lord Bruce*, p. 74.

⁶ Copland, *Australian problem*, pp. 644-5.

⁷ Schedvin, *Depression*, p. 4.

⁸ Shann and Copland, *Crisis*, p. 95.

new air of sophistication to policy development.¹⁰ However in the last nine months of the Bruce Government, no long-term loans were issued because of London's concerns about the escalation in debt. 'The market was bled white' wrote E.G. Theodore, the incoming Federal Treasurer in Scullin's Government.¹¹

Within days of Scullin's accession to power, the paradigm of 'development' came to an abrupt end. The Chairman of the Commonwealth Bank Board, Sir Robert Gibson, informed Scullin that the borrowing of overseas funds could no longer be sustained and that he would veto any further floating of Treasury bills until commitments were given towards achieving budgetary equilibrium.

Gibson's unfriendly missive to Scullin marked the beginning of a curious game of cat-and-mouse between himself and the new Government. Strangely, Gibson saw fit to commiserate with Bruce over his electoral defeat even though he had, to the Commonwealth Bank's consternation, allowed borrowing from London to run riot. Bruce was both unrepentant and prescient: 'Notwithstanding our defeat I am still convinced we did all the right things. Australians have got to realise that only by facing realities and getting down to hard work can our problems be faced. For the moment the public have refused to face hard facts and have chosen the easier path of merely changing the Government. I am afraid such experience will only show to them that they have made a mistake. When they do I am certain there will be a tremendous reaction of feeling in our favour'.¹² In private reflection, however, Bruce confided to his colleagues that their defeat was 'one of the most fortunate things that could have happened to us'.¹³

⁹ Copland, *Australian problem*, pp. 638-640.

¹⁰ Castles, *Scientific economics*.

¹¹ Shann and Copland, *Crisis*, p.55.

¹² Latrobe Library: Mss.10823 Bruce to Gibson, n.d. Gibson Papers.

¹³ Hart, *Lyons*, p.1.

There was dithering and inaction in responding to the problem largely because the Scullin Government had been elected upon a non-economic platform.* Scullin had been elected on the promise that he would shelter the living standards of the working man from the economic blizzard. Shaping a meaningful response to the gathering storm was hampered by adversarial politics, complicated further by the Federal-State divide. For instance, while the Commonwealth and the six States were all regarded as equal partners, it was still an era when citizens looked more to their State capitals than Canberra.

Colin White has argued that the delay or 'policy vacuum' in Australia coming to terms with the colossal external shocks of falling export prices and cessation of capital inflow was essentially due to the absence of a 'central economic authority'.¹⁴ The Federal Treasury's standing within the economy was elevated with the establishment of the Australian Loans Council as a statutory body in 1927. Its influence, however, upon the setting of economic policy was still minimal. The Commonwealth Bank Board, in contrast, exercised primary control over monetary policy. The Commonwealth Bank did not truly function as a central bank partly because the trading banks need not keep reserves or share commercial information with it but, rather, regarded it as a competitor. The Commonwealth Bank was, for instance, unable to exert control over the exchange rate or even gauge the depth of Australia's external reserves, and then called 'London funds', held by Australian trading banks. Nor did the Board possess the expertise and knowledge that went with the art of central banking.¹⁵ Gibson and his Board did, however, exercise some authority over interest rates, though here again, the more powerful banks could prove recalcitrant. On matters of monetary doctrine, the Bank Board rigorously upheld the stability of the exchange rate and was vigilant about 'monetary credit' abuse.¹⁶

* Scullin at first took a remarkably benign view of unfolding developments. On 21st November 1929 he publicly intoned '...we do not view the future with alarm - our troubles will soon be over (cited in Anstey, 1978, 371).

¹⁴ White, *Mastering risk*, p. 190.

¹⁵ NLA: Melville transcript.

¹⁶ NLA: Melville transcript p. 26.

These decentralised and vague monetary arrangements brought the banks into almost immediate friction with the Scullin Government over the drain of Australia's reserves and the cessation of borrowing from the London market. The fall in the London funds meant that the banks had to restrict, quite properly, their advances. Labour politicians saw this subsequent credit squeeze, however, as deliberate sabotage.

For all Gibson's intransigence and ignorance of central bank techniques, he was, as Giblin states, the most important individual in determining the course of economic policy during the depression and beyond.¹⁷

Gibson's problematic relationship with the new Government unfolded in an extraordinary scene. Scullin, fazed by the convention of a seven-year term for the Chairman of the Bank Board, wanted to make Gibson's reappointment conditional on the premise that he submit an undated resignation letter. When Gibson rebuffed the offer, Scullin supinely gave him another seven-year term.¹⁸ Gibson was reappointed essentially because of the immense psychological reassurance his presence gave to the local and international banking community - a view echoed by Melville amongst many.¹⁹ Gibson soon showed his metal by informing Scullin before his departure for an Imperial Conference in London that the Federal Government implement immediate expenditure cuts or face impending bankruptcy with the internal and external loans fast maturing.

4 The Australian Economics Profession in the Thirties

Numbering only a handful of souls, Australian economics in the late twenties was a fledgling university discipline with only six chairs (Melbourne, Sydney, Hobart, Adelaide, Brisbane and Perth). It was, in every sense of the word, a Cinderella science, but the economic challenges

¹⁷ Giblin, *Central bank*.

¹⁸ Latrobe Library: Gibson Papers, Mss. 10823, Obituary of Sir Robert Gibson in The Scotsman 5/1/1934, and obituary of Sir Robert Gibson in The Argus 2/1/1934.

¹⁹ ANZ Group Archive, Godward to Cowan, 15/12/1932, D/O correspondence. Edmund Godward of the Bank of Australasia found Gibson 'overly susceptible to praise and not adverse to flattery'.

facing Australia held promise for a growth in demand, even prominence.²⁰ The economists at Australia's disposal were to prove a remarkable vintage.²¹ Like their British counterparts, Australian politicians had begun to solicit the advice of economists. There was something, moreover, in the nature of the Australian economics profession that lent itself to giving practical advice rather than engaging in pure theoretical research. Giblin later reflected upon the values and axioms that characterised the local profession: 'In Australia economists are a particular tribe. Rarely are they nourished by the pure milk of the word. Mostly they have been advisers to governments for many years - permanently or intermittently, publicly or privately. Governments do not love them but are inclined to believe honest...They are frequently more practical and realistic than businessmen...They are resented of course by sectional business interests. The word of complaint or abuse is 'academic'; but, in truth, they are the least academic of God's creatures'.²² Melville recollected that 'Essentially we were all pragmatists dealing with applied economics, applied to practical problems that were developing very rapidly'.²³

This bias in Australian economic establishment towards 'empiricism and pragmatism' as Schedvin notes was sometimes to the detriment of theoretical innovation.²⁴

In terms of ranking, Melbourne was prominent because it was the home of the Economic Society of Australia and New Zealand. The society was, in part, sponsored by the banking and business community, as a means to suppress the radical outpourings of voices arising from the economic underworld.²⁵ It brought businessmen, economists and public servants under the one roof. In that regard, Copland identified with the business community and was regarded as politically safe, 'the proper custodian and expander...of absolute and unbending economic

²⁰ Bourke, *Social scientists*, p. 67.

²¹ Butlin, *Hundredth record*, p. 509.

²² Downing, *Giblin as Ritchie professor*, p. 46.

²³ NLA Melville Transcript p. 9.

²⁴ Schedvin, *Depression* p. 375.

²⁵ Mauldon and Weller, *Sir Douglas Copland*, p. 196.

laws'.²⁶ Neville Cain casts Copland as 'the public relations man of university economics 'selling its "practical usefulness" to city men...and to politicians'.²⁷ Following Keynes's invitation, Copland gave the 1933 Marshall lectures at Cambridge upon how Australia's economic policies and institutions helped extricate the nation from depression.²⁸

Copland entered into the debate over monetary policy when Australia's financial link with London became unstuck with the calamitous fall in export prices in 1929. Under the rules of the game, Australia could only recover external balance by a severe deflation brought about by a direct reduction in bank credit consistent with her dwindling London funds. Inspired by Keynes's *Tract*,² Copland reasoned that internal price stability should rank before exchange rate stability and that the transmission of large movements in credit, via the external account, be avoided in the name of economic stability. In a lecture before the Victorian Branch of the Economic Society in June 1930 Copland made the intellectual leap by urging a break with sterling. Joined by Melville and Shann, Copland set out to enlighten high and financial opinion away from the Anglo-Saxon fetish that a unit of money, in this case the Australian pound become a variable unit and not something fixed in terms of gold. It was to prove a long struggle.

5 Economists and their early contribution to policy

Before Copland's foray into discussing monetary policy Australian high politics had established the precedent of calling upon the 'experts' to advise upon aspects of public policy.²⁹ Copland and Giblin's advice to the Development and Migration Commission was one example

²⁶ Spierings, *Exactng*, p. 133.

²⁷ Cain, *Certain native wisdom*, p. 2.

²⁸ Keynes papers, King's College. Keynes to Copland, 19/5/1932.

²⁹ Fleming, *Australian economists*, pp. 29-30.

but it was the Bruce Government's appointment of the Brigden Committee in 1928 to review the Australian tariff that first made the name of Australian economics.

In the foreword to the *Report of the Tariff Committee* Bruce hailed it as 'a free gift to the Australian people'. This was a reference not just to the Report's clarity and lucidity but also how economists laboured without compensation.³⁰

That effort mirrored comparable developments in Britain where extra-parliamentary economic expertise in the guise of the Economic Advisory Committee was pursued with some vigour.³¹

Bruce's 'eyes and ears' in London, R.G. Casey, serving as a liaison officer with the Foreign Office, wrote of the rising power of economics: 'Economics was beginning to show signs of asserting itself' and 'being recognised as the sharp and effective tool of those in power'.³²

Calling upon a repository of economic wisdom was also in the newfound spirit of 'scientific administration' or 'salvation through science'.³³ By 1929 Bruce had a Bureau of Economic Research on the statute books.³⁴ Bruce's rapture with economics and economists, however, was at odds with his countrymen's dislike of scientific economics.³⁵ The Labour party, for instance, attributed the escalation in unemployment between 1927 and 1929 to the high volume of imports and heavy immigration. The Scullin Government's subsequent decisions to postpone assisted migration, abolish the Development and Migration Commission and raise tariff protection were patent blows to British interests.³⁶ They were also blows to the aspirations of the local economic profession.

The idea, too, of a Bureau of Economic Research was abandoned. Labour had already voted against the proposal whilst in opposition. In complete ignorance of what economists had said about the Australian tariff, Arthur Blakely accused them of being 'brought up in schools of

³⁰ Davidson, *Brigden Vernon*, pp. 146-7.

³¹ Howson and Winch, *Economic advisory board*.

³² Hudson and North, *My dear PM*, p. 502.

³³ Howson and Winch, *Economic advisory board*, p. 159.

³⁴ Castles, *Scientific economics*, pp. 26-28.

³⁵ Hancock, *Australia*, p. 86.

economic thought and ideas quite foreign to conditions prevalent in Australia'. 'The economist', he continued, 'is academic, conservative and anti-working class and lives in a world of his own'.³⁷ Scullin, too, took a swipe at the ostensibly 'academic' orientation of the people who would staff the Bureau; 'The textbooks teem with the opinions of the so-called leading economists of the world on the subject of free trade and protection.... [The people] are not concerned with the opinions of learned persons who talk about a wonderful flow of trade through uninterrupted channels'.³⁸

3. 6 A Precursor to Niemeyer

In the same year economists reported upon the tariff, Australia, as Gilbert put it 'invited trouble' by having an official British economic mission visit to review the Australian economy.³⁹ Rather naively, Bruce had hoped to use the British Economic Mission to alleviate growing concern in the City over Australia's rate of borrowing.⁴⁰ The Mission, in a reprise on London opinion, criticised Australia's new protectionism, especially, the practice of wage indexation. It encouraged the Bruce Government to square the circle by attempting industrial relations reform.⁴¹

The concern about Australian cost levels drew one member of the British Economic Mission to note; 'The nub of the problem had been identified as the great and growing costs of production, for which 'growing tariffs and correspondingly growing costs of living and of labour are primarily responsible, and which are further enhanced by all unremunerative expenditures of borrowed money.'⁴² Sir Hugo Hirst, another member of the Mission, identified the same deficiency in the Australian psyche, that is, borrowing done to the hilt with no provision for bad

³⁶ Roe, *Australia, Britain*, p. 143.

³⁷ 'Another Weapon against workers', *The Worker*, 24/5/1929.

³⁸ Castles, *Scientific economics*, p. 28.

³⁹ Gilbert, *Loans council*, p.114.

⁴⁰ Roe, *Australia, Britain*, p.126.

⁴¹ Cumpston, *Lord Bruce*, p.86

times. Plainly, the local authorities did not envisage a day when the prices of Australia's export staples would fall in tandem.

The Mission heartened economists since it assailed the intrusive nature of government intervention within the economy particularly the link between tariffs and wage arbitration. Indeed Shann's *oeuvre* had been solely dedicated to tracing the growth and development of, in his eyes, the sacrosanct wage-fixing system that arose in the first quarter of the twentieth century.⁴³

The British Economic Mission guardedly found Australia's economy to be fundamentally sound in that she could meet existing debts and provide for local services.⁴⁴ The Commission concluded, however, that Australia 'had been mortgaging the future too deeply and would do well to restrict her expenditure of borrowed money for development'.⁴⁵ The Mission praised deflation as 'the cause of wisdom' and urged that a 'cadre' of highly qualified men staff the economic agencies.⁴⁶ The general impression formed in London from the report, as Casey relayed to Bruce, was that '...they do not think we have been very clever with our nation planning in the past'.⁴⁷ Some correction was in the offing once the State and Federal Governments came to an orderly arrangement with their financial agreement over loan raisings - but the damage had been done. Neutralising to some extent, the impact of the Mission's findings especially on protection was the Brigden Committee's findings, which gave qualified support to the Australian tariff.

Appreciative of the economic problems confronting them, Scullin and Theodore asked the London-based Australian businessman, W.S. Robinson, to make secret representations to the Bank of England about deferring an impending loan maturing. Robinson was given short shrift,

⁴² Malcolm, *Australian Loan*, pp.19-20.

⁴³ Shann, *Economic history*.

⁴⁴ Gilbert, *Loans Council*, pp. 114-5.

⁴⁵ *The Economist*, 16/11/1929.

⁴⁶ Roe, *Australia, Britain*, p. 128.

‘Inform your government to pay to the last shilling. When, and only when they have done that can we give them any help. Then, they will not ask in vain. London will be generous’.⁴⁸ Giblin felt the Bank of England’s action was ‘very cold. Its attitude was rigid...Australia must solve its own trouble for itself’.⁴⁹ Australia, by dint of some years of negative but, for the most part, accurate reporting, had become the ‘bad boy of the Commonwealth’ and an example to be made of.⁵⁰

7 The Niemeyer Mission

It seems local economists were probably taken as much as by surprise as most Labour party officials were when informed that the Bank of England was despatching Sir Otto Niemeyer to undertake an evaluation of the Australian economy’s finances. While there has been some controversy about who invited Niemeyer to visit, Sir Robert Gibson was privately insistent that it was he who had arranged the visit.^{*51} Gibson let it be known that the Bank of England knew everything about Australia’s precarious finances.⁵² In the literature, Scullin is often portrayed as having been inveigled into accepting a visit from Bank of England officials.⁵³ However, given his unilateral decision concerning Gibson’s reappointment, accepting a visitor from Threadneedle Street would give the financial community some psychological assurance. Scullin might have entertained the possibility that the Bank of England might accommodate Australia with a loan to cover liabilities to English banks in London if the Federal Government strictly followed the official’s advice.

⁴⁷ Hudson and North, *My Dear PM*, p. 462.

⁴⁸ Robinson, *Remember rightly*, p. 147.

⁴⁹ DB Murdoch, Secretary to the Commonwealth Bank Board, later told Giblin he was astounded at Sir Ernest Harvey’s refusal to grant emergency financial assistance to the Scullin government given that he had been ‘a good friend’ to Australia earlier (Reserve Bank of Australia: GLG-51-5, DB Murdoch to LF Giblin, 8/4/1947).

⁵⁰ Giblin, *Central Bank*, p. 81.

* One of the conditions of Niemeyer’s visit was that Sir Robert Gibson was to have the first interview with him and be allowed constant access to him (JB.Were, Staniforth Ricketson Diary, 25/6/1930).

⁵¹ JB. Were, Ricketson diary, 2/6/1930.

⁵² JB. Were, Ricketson diary, 27/5/1930,

⁵³ Attard, *Bank of England*.

It could be said that the local nucleus of economists was grateful, too, for Niemeyer's visit since it added a much-needed degree of *gravitas* to the problems at hand. Indeed Giblin, on behalf of his University colleagues, sent Niemeyer a note of welcome.⁵⁴ Davidson brought home perhaps the true legacy of the occasion; 'It is the first occasion in half a century that economic talks may be brought home forcibly to the people of Australia and those who rule over them'.⁵⁵ When the Bank of England team arrived in Australia in July 1930, they were unaware of the political storm about to unfold. For Niemeyer would bring the house of English orthodox economics down upon Australia's head. It would materialise in him attacking the 'Ark of the Covenant', namely, Australia's living standards.⁵⁶ At one point, towards the end of his sojourn, Niemeyer actually put out a public statement telling of the circumstances that led to his invitation to Australia.⁵⁷ He was here, palpably at the invitation of the Commonwealth Government, followed a suggestion by the Bank of England that an independent study of Australia's finances be undertaken.

Niemeyer's brief was to diagnose the nature of the Commonwealth's economic problems and put forward advice as to its resolution. It afforded London another opportunity to wage a critique of Australia's pattern of economic development.⁵⁸ Moreover, Niemeyer entertained a secret agenda; namely to steel the resistance amongst local trading banks to Theodore's Central Reserve Bank legislation - a development the Bank of England looked upon with some trepidation.⁵⁹

So momentous was Niemeyer's visit that he was bombarded by correspondence offering advice on what was ailing the Australian economy. Much of the correspondence pinned the blame on Australia's cost structure upon the tariff-arbitration system lending support to what Niemeyer

⁵⁴ NLA; Giblin Papers Mss. 366/5/45-40 Giblin to Niemeyer n.d.

⁵⁵ Bank of England (BE): OV9/288, Davidson to Niemeyer, n.d.

⁵⁶ 'Sir Otto Niemeyer in Australia' Nation and Athenaeum 17/1/1931.

⁵⁷ SMH 17/10/1930.

⁵⁸ Roe, *Australia, Britain*, p.148.

had already in mind to say. The British Treasury had monitored Australian assisted immigration and development programmers through the twenties. One of its officers, Skevington, had visited a year before Niemeyer and made critical remarks about the Australians' self-belief in the great potential of their country. He found 'their ignorance of economics... pathetic'.⁶⁰ As an old Treasury man, Niemeyer would have read Skevington's despatches. For his own part, he would also be only articulating what he had already written upon for the Bank of England's edification.⁶¹

The South Australian Labour leader, R.L. Butler, informed Niemeyer that Australia's problems had all to do with the political patronage of public works. This seemingly registered with Niemeyer because it is one of the few unsolicited letters to which he made more than a cursory reply. Butler wrote about the possibility of privatising the national assets that Australia had spent millions in developing. To correct Australia's trade account, Butler raised the possibility of manufacturing exports.⁶² Niemeyer agreed that manufacturing exports were a possibility but he had, 'some doubt' whether this would be achieved because the margin between the wages of England's industrial workers in the export industries and the Australian equivalent was immense.⁶³

The high point of Niemeyer's fact-finding tour was his infamous address at the Melbourne Conference of Commonwealth and State leaders where he told his audience that the 'cold facts must be faced'. His diagnosis of Australia's predicament was blunt, if not predictable,

'In short, Australia is off budget equilibrium, off exchange equilibrium, and faced by considerable unfunded and maturing debts both internally and externally, in addition to

⁵⁹ Attard, *Bank of England*.

⁶⁰ Roe, *Britain, Australia*, p. 136.

⁶¹ Attard, *Bank of England*, p. 81

⁶² BE: OV9/288/43, R.L. Butler to Niemeyer 27/9/1930.

⁶³ BE : OV9/288/43, Niemeyer to Butler, 2/8/1930.

which she has on her hands a very large program of loan works for which no financial provision has been made.’⁶⁴

Niemeyer warned Australia had two years ‘to get its house in order’ before a tranche of external debt matured in 1932. Niemeyer’s address was composed after he and his economic adviser, Professor T.E. Gregory, from the London School of Economics and an Australian-born assistant from the Bank of England, Richard Kershaw, audited the budgets of the States and Commonwealth. They had also been privy to each Government’s portfolio of internal and external debts. Niemeyer made much of Kershaw’s data showing the movement in money wages, per capita productivity and unemployment, even finding a spot in his diary. The entries in Niemeyer’s diary doubled as speaking notes succinctly and brutally summing up the prescription. ‘Charity begins at home’ and only Australia ‘could save herself.’ Four staccato points followed it: The first was to balance the budget. The second to do so by curbing government expenditure to facilitate retiring Treasury bills. The third was a general admonition that Australia was embarrassingly appointed with excessive infrastructure. The fourth, earmarked ‘most important of all,’ was that costs outside Government must come down to match the fall in wholesale world prices for her produce.⁶⁵ For Niemeyer, it was an open and shut case.

Niemeyer’s advice at the Melbourne Conference was politely listened to and seemingly consented to in resolution after resolution. However, as Tsokhas identified, the peculiarity of Australia’s political and institutional arrangements, especially the federal structure of governance, deprived Niemeyer of having a ‘single point’ that he could concentrate pressure upon.⁶⁶ While in favour of Niemeyer’s resolutions the States resented having to make greater proportionate expenditure cuts than the Commonwealth. It could be said that the Scullin

⁶⁴ Shann and Copland, *Crisis*, p.21.

⁶⁵ Love, *Niemeyer’s diary*, p.270.

⁶⁶ Tsokhas, *Sir Otto Niemeyer*, pp. 20-1.

Government, while agreeing that Government budgets had to be pruned, exercised a policy of Micawberism. Niemeyer found the Australian's resistance to buckle under disconcerting, believing they were far too optimistic about their country's future prospects. Populist politicians, like Jack Lang and Billy Hughes, penned literature decrying the Niemeyer diagnosis and therapy. What irritated Niemeyer most was the boundless optimism of his hosts and the thought there must exist an easier way out of their predicament. Niemeyer vented his frustration in a missive to Norman: 'They are occupied half the time saying that the present difficulties are not their fault but somebody else's - either Bruce's or the London Markets or the general perverseness of the world and the other half in trying to find ingenious ways by which somebody else should help them out'.⁶⁷ When Niemeyer read in local papers that the British Government was still considering a proposal guaranteeing loans for settlement he cabled the Deputy Governor at the Bank of England, Sir Ernest Harvey:

'Can you tell me whether there is any truth in this, as rumours have had effect on these optimists. Australia is a poor country, probably over-populated with a higher percentage unemployed than U.K. Settlement hitherto has been very costly and unsuccessful; future development at present seems to me insane'.⁶⁸

Niemeyer was horrified to learn, too, of the activities of Scullin in London. Apart from seeking relief for Australia's war debts, Scullin had approached the Bank of England about getting approval or, at least, a vote of confidence for his stand against a Caucus proposal to extend the due date of some maturing debt.⁶⁹ Despite Niemeyer warning to Scullin that London would not give him a warm reception Scullin asked whether the Bank would provide the money to enable the Commonwealth to pay off some five million pounds of maturing Treasury Bonds.⁷⁰ Harvey, who had visited Australia in 1927 to advise upon establishing a central bank, declined both

⁶⁷ BE: G1/291, Niemeyer to M. Norman, 1/9/1930.

⁶⁸ PRO: T161/396/11935/02, Niemeyer to E. Harvey cablegram, 14/8/1930.

⁶⁹ Tsokhas, *A pound of flesh*, p.21.

requests; the second because it was unheard of, and the first because the Scullin Government had, so far, not moved to implement Niemeyer's advice in any way, shape or form. Earlier, the Bank of England, at Niemeyer's suggestion, was prepared to help finance the maturing of Treasury Bonds in late 1930, but only if the Scullin Government implemented the Melbourne resolutions.* Sir Richard Hopkins of the British Treasury annotated the report of the interview between Scullin and Harvey with the comment 'It is a bad business'.⁷¹

Despite his verbal fluency at the Imperial Conference, Scullin did not strike Philip Snowden, the Chancellor of the Exchequer 'as a man of much capacity'.⁷² Nor did Scullin impress Beatrice Webb, the Fabian Socialist, who found him the 'strangest kind of Labour man that I ever came across.' Apparently, Scullin told Webb how he 'deplored' the existence of trade unionism in Australia.⁷³

In Australia, Niemeyer was unfailingly unimpressed by federal politicians, confiding in his diary, that, at the August Conference, they were 'entirely at sea, like a couple of rabbits popping their heads occasionally out of the hole'.⁷⁴ To an Adelaide businessman, W.J. Young, he tellingly wrote 'I am afraid he [Scullin] takes colour from his surroundings like the chameleon and while roaring very loudly in London will bleat like sheep as soon as he gets back to Canberra'.⁷⁵

In fact, Niemeyer was unimpressed by the 'personnel all round - political, administrative and banking - is, with rare exceptions, lamentable, a circumstance which is accentuated by the marooning of the Commonwealth Government and administration on a sheep run 200 miles

⁷⁰ Tsokhas, *Sir Otto Niemeyer*, p.25.

* Scullin's extraordinary requests might be understood by Theodore having received a letter from J.M. Myers of, *The Financial Times*, informing him that the Bank of England might give Australia direct financial assistance as a result of the large gold shipment which had proved extremely useful to the Bank in its dealings (NLA, Theodore Papers, Mss.7222, J.M. Myers to E.G.Theodore, 6/8/1930). Casey had earlier complained to Bruce that Myers' paper was chiefly responsible for fomenting negative sentiment about Australia's finances.

⁷¹ PRO: T161/396/11935/02, Copy of interview with Scullin and Harvey.

⁷² Snowden, *Autobiography*, p. 872.

⁷³ NLA: Passfield Collection, Webb to Holt, 3/12/1930.

⁷⁴ Love, *Niemeyer's diary* p.268.

from anywhere'.⁷⁶ Niemeyer intimated to E.T. Crutchley, the resident British Government adviser upon migration that 'he had had a lot to do with bankrupt countries but have never seen one more utterly impotent to help itself'.⁷⁷

Even Gibson, the only man the Bank of England trusted, 'staggered' Niemeyer by prophesising - correctly as it turned out - that Britain would go off the gold standard within six months.⁷⁸

Apart from that indiscretion, Niemeyer told Lady Gibson that her husband was 'the most outstanding figure of all those I met'⁷⁹ and that 'Australia could never repay Sir Robert Gibson in thousands what he had saved the country in millions'.⁸⁰ Leslie Melville, particularly his espousal of deflationist economics, also impressed Niemeyer that he recommended him to Gibson as the Commonwealth Bank's first economic adviser.⁸¹ Melville, in turn, tried to entice Niemeyer to give the Joseph Fisher Lecture.* Niemeyer declined the honour, as he did with many invitations maintaining a studied reticence on economic policy matters; E.R. Riddle, the Governor of the Commonwealth Bank, called it a 'blasphemous silence'.⁸²

No doubt Niemeyer's unflattering appraisal of Australia's politicians sprang from Montagu Norman's predisposition of distrusting 'all Australian Governments and Ministers'.⁸³ The background to this, as Casey had earlier informed Bruce was that Norman had already found his advice unheeded about setting an issue price on Australian loans floated in London.⁸⁴

⁷⁵ BE OV9/289, Niemeyer to W.J. Young, 24/12/1930.

⁷⁶BE: G1/291, Niemeyer to Norman, 1/9/1930.

⁷⁷ NLA: E.T. Crutchley Diary, 14/8/1930.

⁷⁸Latrobe Library: Gibson Papers, Mss. 10823, Recollections of Sir Robert Gibson by Sir Harold Clapp.

⁷⁹Latrobe library: Gibson Papers, Mss. 10823, Niemeyer to Lady Gibson, 1/1/1934.

⁸⁰ Latrobe Library: Gibson Papers, Mss. 10823 Unfinished Manuscript by Margaret Gibson of her father, Sir Robert Gibson, p. 50.

⁸¹ BNSW: A 53/409, Shann to Young, 17/2/1932.

* Professor Gregory gave the oration and took the opportunity to attack, in a digression, the Melbourne school advocates of 'a little amount of local inflation' whose 'ultimate consequences would be fatal' not just to the banking structure but economy overall' (1933, pp.109-111).

⁸² BE: OV9/286. E.R Riddle to Niemeyer, 17/11/1930.

⁸³ BE: G1/291, Norman to Niemeyer, 22/8/1930.

⁸⁴ Hudson and North, *My dear PM*, pp.440-1.

Interestingly, Niemeyer's diary made no mention of the enigmatic E.G. Theodore,** though Harvey had specifically rebuffed Scullin's dual requests for short-term accommodation on the grounds that the Bank of England maintained 'grave reservations' about the Federal Treasurer's Central Bank Reserve Bill.⁸⁵ Niemeyer reported back to Norman that he had privately 'scattered a good deal of poison' about the Central Bank legislation.⁸⁶

4. 8 Melbourne School Versus Melbourne Agreement

The less austere Copland plan was circulating before Niemeyer gave his Melbourne address. Growing opposition to Niemeyer prescription, however, gave it wider currency. The Melbourne stockbroker, Edward Dyason, told the Acting Treasurer, Joe Lyons, that Niemeyer's advice was 'inimical to the national interest and dangerous to the social fabric'.⁸⁷ Giblin added his weight, telling his old friend, Lyons, that if deflationary policies were carried out Australia was headed for a 'bad smash with the chance of revolution and chaos'.⁸⁸ Lyons consequently commissioned Copland, Giblin and Dyason to frame an alternative plan to Niemeyer. Copland later identified this as the first instance where economists were called in to give official advice to combat the economic crisis. They had, in fact, undertaken a series of meetings to ascertain the loss in national income and the means to restore it.

There was no record in Niemeyer's diary or papers of having met or corresponded with Copland. Giblin, in his recollections to Walker, reported however frequent clashing with Niemeyer especially over protection. For his part, Niemeyer felt Giblin was 'pretty disappointing' especially over his advocacy of schemes to mop up unemployed labour.⁸⁹

** Observing etiquette, Niemeyer did not meet Theodore but, in one instance whilst in the same Commonwealth Bank Building they used messengers to exchange pleasantries with each other (JB.Were, Ricketson Diary, 17/8/1930).

⁸⁵ PRO: T161/396/11935/02. 'Comments on Australia's Central Banking Reserve Bill'.

⁸⁶ BE: G1/291. Niemeyer to Norman, 1/9/1930.

⁸⁷ NLA: Lyons Papers, Mss. 4841, Dyason to Lyons, n.d.

⁸⁸ NLA: Lyons papers Mss. 4841, Giblin to Lyons, 9/9/1930.

⁸⁹ Love, *Niemeyer's diary*, p.273.

Gregory did see Copland and Giblin, a day before Niemeyer's keynote address in Melbourne. Gregory cryptically reported back that the conversation gravitated around two points, the exchange position and real wage cuts. Gregory posed the question to the two academics of what was Australia's optimal path out of its depression namely, deflation or devaluation? He found Copland more careful in his qualifying analysis than Giblin, but also more likely to be 'inflationist', by that, urging a rise in the price level via devaluation. In the record of that interview there is no mention of Copland's expedient, later articulated in his 1930 *Economic Journal* article, of how a money wage cut would deliver a real wage cut. Giblin and Copland spoke rather about how devaluation would suppress imports, and, more importantly, give a stimulus to primary and secondary industries coupled with compensating reductions in the tariff. Gregory insisted that primary producers would not escape a raft of rising costs due to the import bill increasing. The two Melbourne economists confided that they saw unemployment ballooning to 25%. Significantly, Copland mooted the idea of 'a general scaling down' of interest rates, but Gregory thought it was not 'a considered point of view of what was possible, on his part'.⁹⁰

Apart from this interview and his Fisher Lecture, Gregory kept well in the background during his visit. His one contribution to the media, as events unfolded, was to prove an interesting one. He refuted the Labourist argument, then extant, that a reduction in interest rates must precede wage cuts: 'If we look at it strictly as an economic proposition, both rising rates of interest and the growth of unemployment are evidence of maladministration in Australian economic affairs, and, from a strictly economic point of view, you cannot assert that it is unjust that interest rates remain high while wages fall if the high rate of interest is unnecessary to attract capital and a lower rate is necessary to attract a demand for labour.'⁹¹ Niemeyer wrote to Philip Snowdon

⁹⁰ BE: OV9/242. 'Notes on Conversation with Professors Giblin and Copland at Melbourne', 19/7/1930.

⁹¹ BE: OV9/288. Daily Guardian 29/8/1930.

that Gregory was returning home having had a ‘close-up’ of protection, over-expenditure and over-borrowing.⁹² +

As hopes of implementing the Melbourne Agreement receded Niemeyer wrote to Hopkins: ‘This is an odd country, full of odd people and odder theories, but I think it has had a salutary effect...on your friend Gregory who left last week uttering the most orthodox and almost antediluvian sentiments on monetary and other matters’.⁹³ Meanwhile Melville had, at Niemeyer’s urging, gone on the attack against the stabilisation views of the Melbourne school, which was then giving support to Theodore’s idea of price stabilisation achieved by a fiduciary issue. Indeed ‘Melbourne brains’ so antagonised Niemeyer that he cabled Harvey about ‘much wild talk in Caucus about expanding credits and tots of brandy inflation has supporters in Theodore and Melbourne economists’.⁹⁴ Niemeyer encouraged Melville to keep up the fight against ‘Copland and Co’ and their ‘dangerous nonsense’ part of which was about devaluing the exchange rate.⁹⁵ Niemeyer, along with the English-owned Melbourne banks, saw little logic in Australia having to pay more to service its debt or imports. It was held that primary producers, too, would extract little benefit because of the higher costs brought about by the devaluation. In a dig at the Melbourne economists, Niemeyer remarked how ‘curious a commentary it is on human psychology that the same people talk in one breath of the boundless potentialities of Australia and in the next of the necessity of writing down those potentialities by 20 per cent...’.⁹⁶ A heartened Melville replied that the stabilisationists’ camp was technically reduced to monetising the deficits directly since the trading banks would not expedite it by purchasing

⁹² BE: OV9/286. Niemeyer to Snowdon, 29/8/1930.

+ While made in jest, Gregory’s comments through the thirties were certainly from Australian economist’s viewpoint consistent with Niemeyer’s description of him. Copland believed Gregory ‘gave economists a bad name’ with his emphasis on exchange rate stability (BE: OV9/286. Copland to Lemmon, 15/6/1934, UMA, FECC, Box 24).

⁹³ BE: G1/291. Niemeyer to Hopkins, 1/9/1930.

⁹⁴ BE: GI/291. Niemeyer to Harvey cablegram, 3/11/1930.

⁹⁵ BE: OV9/289. Niemeyer to Melville, 1/11/1930.

⁹⁶ BE: OV9/289. Niemeyer to Melville, 1/11/1930.

Government securities and, if that were to happen, there would be a flight from the currency. He sought Niemeyer's opinion about Giblin's contention, reported in the press⁹⁷ that 'our best efforts at balancing the budget were hopeless at the present time.'⁹⁸ Niemeyer felt Giblin's pessimism about balancing the budget was symbolic of a 'quitter' mentality he had found amongst his hosts. Niemeyer's reply to Melville, a few days before he set sail for England, rounded on Giblin and Copland's 'hopelessly academic' measures as meaning only one thing - inflation: 'The fundamental fallacy of course is the common Australian assumption that it is the business of the banks in general and the Commonwealth Bank in particular to provide capital in the strict sense of the word. The provision of capital is, of course, no part of the functions of any bank'.⁹⁹ Niemeyer pointedly remarked that there had already been some 'considerable inflation' in the financing of deficits; he speculated also where Australia would draw upon the resources to balance forthcoming budgets or finance public works. Niemeyer articulated similar forebodings when informed that the Scullin Government had, against all odds, actually managed to raise its December Conversion Loan of 28 million pounds.¹⁰⁰ Unlike the reaction in London and Australia, Niemeyer pinned the success of the conversion to the appeals made by Gibson, not Lyons. It was Lyons' star, however, that shone brightest from the exercise.

Niemeyer knew that the provisions of the Melbourne Agreement were in technical limbo until the outcome of the NSW State election was known. A victory for the conservative leader, T.R. Bavin, would mean that the process of budget balancing in the strongest state in the Commonwealth could proceed and if the Commonwealth Government followed, a loan sponsored by the Bank of England might then be in prospect. Unfortunately, Bavin used the Niemeyer report as the basis of his campaign, giving the unfortunate impression that he was

⁹⁷ The Argus 30/10/1930

⁹⁸ BE: OV9/289. Melville to Niemeyer, 8/11/1930.

⁹⁹ BE: OV9/289. Niemeyer to Melville, 13/11/1930.

¹⁰⁰ BE: OV9/289. Niemeyer to Bavin, 23/12/1930.

advocating economy and retrenchment at the dictate of London.¹⁰¹ Lang, to Niemeyer's horror, mounted his entire electoral campaign opposing the August resolutions - arguing instead for some form of repudiation. Victory for Lang would be a severe blow to the Niemeyer plans and, as Norman told Hopkins 'the game would be up'.¹⁰² When Lang won the election Niemeyer judged that a London issue would 'now be out of the question'.¹⁰³ Even on the day of departure, Niemeyer still strove to expunge the inveterate optimism of his hosts, remarking to journalists that 'there was not enough pessimism around'.¹⁰⁴ He remarked that Australians had 'hard times ahead of them but they don't know how to be pessimistic'.¹⁰⁵ While he left Australia 'to stew in her own juice' Niemeyer had enjoyed the celebrity, or infamy, his sojourn had provoked, telling the Governor of the Commonwealth Bank, E.R. Riddle, that he hated 'being out of the row'.¹⁰⁶ One tangible outcome of Niemeyer's mission, apart from Melville's subsequent appointment to the Commonwealth Bank, was that communication links were formalised between the Australian and British central banks. Niemeyer saw this as an alleviating factor, and cause for some optimism so long as the perception was not sown that the Bank of England was manipulating Commonwealth Bank Board policy. Much later, A.C. Davidson of the Bank of NSW, amongst others, would suspect that the Commonwealth Bank's views on monetary policy were well under the sway of 'a certain influential section of London opinion'.¹⁰⁷ Gibson, and even Melville, would strenuously deny that there was dictation, only conferral.

While many could foresee a looming financial crisis, some saw it as doing a power of good. Crutchley reported that 'The Commonwealth Bank felt, as did other competitive authorities, that

¹⁰¹ 'Sir Otto Niemeyer in Australia' Nation and Athenaeum 17/1/1931.

¹⁰² BE: G1/291. Norman to Hopkins, 23/10/1930.

¹⁰³ Attard, *Financial diplomacy*, p. 123.

¹⁰⁴ Goodwin, *Image*, pp. 230-1.

¹⁰⁵ Adelaide Advertiser 18/8/1931.

¹⁰⁶ BE: OV9/289. Niemeyer to Riddle, 24/12/1930.

¹⁰⁷ BNSW: GM 302/574. Davidson to Robinson, 12/8/1938.

a 'crash' so long as it is internal in immediate effect, was not only unavoidable but should be expected as the only way of forcing the Governments and the public to face facts and accept the hardships of reconstruction'.¹⁰⁸ Theodore was of the same inclination, wanting a crisis to force the Commonwealth Bank to bend to his will. With his reinstatement as Federal Treasurer, the Scullin Government embarked upon the fiduciary issue idea even though it had lost the support of the economists. When informed of Labour's embrace of the Theodore plan Niemeyer told the Governor of NSW, Sir Philip Game 'I am afraid...things have not got much better, as the little wanderer (Scullin) seems to have gone over almost completely to the illusionist'.¹⁰⁹ When that expedient came to a political dead end and Scullin succumbed to the Premiers' Plan Niemeyer felt vindicated: 'I am still optimistic to think if he (Scullin) had done this last summer, as he was pressed to do, he would not only have found the task a much simpler one but would by this time have seen Australia on the upgrade. It is really extraordinary how politicians... fail to grasp the momentum with which economic diseases spread if they are not nipped in the bud'.¹¹⁰

5. 9 Retrospect

The Niemeyer mission was to provide local economists an excellent opportunity to present a fairer, homespun solution to Australia's economic problems. It came to fruition in the form of the Premiers' Plan. This was no mean achievement since the Labour Party had, up till now, shunned the advice of local economists. The degree of subtlety required to negotiate through the crisis could only come from economists with an unerring common touch. They had to be able to tell parables to explain abstruse economics to ordinary folk to generate the consensus for the measures needed. Giblin would later claim that the Australian economists' solution to their country's predicament was quite removed from the Niemeyer blueprint, which he believed was

¹⁰⁸ PRO: T160/807/11935/1. Crutchley to the Under Secretary of State, Dominions Office, 2/4/1931.

¹⁰⁹BE: OV9/289. Nimeyer to Game. 24/2/1931.

¹¹⁰ BE: OV9/289. Niemeyer to Game, 21/7/1931.

unrelentingly harsh.¹¹¹ Nothing Niemeyer had diagnosed about Australia's economic difficulties was new. It was Niemeyer's method of application of remedial policies, together with his air of superiority, which proved mindlessly insensitive to political realities and earning him lasting opprobrium. As R.W. Dalton, Britain's Senior Trade Commissioner, noted 'Niemeyer was not the success he might have been; he lost his head a bit, was tactless and did some very stupid things'.¹¹² Alarmed by the economic situation and the political inertia, Dalton told a British Treasury official that only 'an expert and impartial financial commission from London' could guarantee Australia's economic rehabilitation.¹¹³ Niemeyer had also forsaken Keynes's advice that with Australia's export prices already depressed it was 'not a time to choose for pressing her too hard'.¹¹⁴ Even Niemeyer's strongest supporter, Sir Robert Gibson, chided him for his pessimism that Australia was likely to suffer a financial crisis, and for not giving the Australian people enough credit to pull through.¹¹⁵ Of course, it may well have been that Niemeyer was deliberately painting a gloomy picture to force Australians to take notice - a point Copland felt quite necessary in the circumstances. On that score, Robinson later reported to Theodore that all the Bank of England had really wanted from Australian authorities was a clear-cut policy that the country would balance its budget in 4 or 5 years and that there would be no recourse to external loans in the meantime. If Australia subscribed to that, the Bank would do its utmost to help the Commonwealth. This did not assuage the Melbourne economist, Gordon Wood, who fumed years later that 'The resentment of the Niemeyer mission goes deeper than perhaps you have been led to expect. The personnel was unfortunate, the job was badly handled and the general effect was almost disastrous, despite the necessity for telling

¹¹¹ Giblin, *Central bank*, p. 84.

¹¹² Attard, *Bank of England*, p. 82.

¹¹³ PRO: T 160/366/11935/02. Dalton to Campbell, 20/5/1931.

¹¹⁴ Keynes, *Collected works*, Vol 20, pp.381-2.

¹¹⁵ Latrobe Library: Gibson Papers Mss. 10823, Newspaper obituaries of Gibson.

the Scullin Government the true facts of the case'.¹¹⁶ Some years later, Copland took delight at the sharp criticism of Niemeyer's style and therapy amongst Cambridge economists.¹¹⁷

It was only in April 1931 that the Labour leadership reluctantly turned to the temperate advice of local economists. It was the South Australian Premier Butler's casting vote on the Loans Council that broke the deadlock between the States and the Commonwealth that would eventually allow a homespun economic plan to be put forward.

Before Niemeyer left Australia he cabled Norman 'We have given them a concrete plan to pull on and sooner or later even those who now hold back will follow it'.¹¹⁸ Norman agreed responding '...we have shown (the) Premiers a reasonable way of avoiding bankruptcy'.¹¹⁹ In a very broad sense they were right, and a placatory missive from Claude Reading, a member of the Commonwealth Bank Board, assured Niemeyer that the subsequent Premiers' Plan was 'in effect merely going back to everything you said when you were here and adopting the remedies which you included would be necessary'.¹²⁰ In truth, however, it was far from the Niemeyer prescription both in ambition and imagination.

REFERENCES

Anstey F. (1979), The Scullin Labour Government 1929-32, *Historical Studies* 18(2): 368-392.

Attard, B. (1992), The Bank of England and the origins of the Niemeyer mission 1921-30, *Australian Economic History Review* 32(1): 66-83.

Attard, B. (2000) Financial Diplomacy In Bridge and Attard (eds.) (2000) *Between Empire and Nation* (Australian Scholarly Publishing)

¹¹⁶ Wood to Robinson, 21/4/1932, UMA, FECC, Box 14.

¹¹⁷ BNSW: GM302/412. Occasional notes on Copland's visit to Cambridge 26/5/1933.

¹¹⁸ BE: G1/291. Niemeyer to Norman, 8/11/1930.

¹¹⁹ BE G1/291 Norman to Niemeyer, 6/11/1930.

Bourke, H. (1988), 'Social Scientists as Intellectuals'. From the First World War to the Depression. In B. Head and J. Walter eds *Intellectual Movements and Australian Society*, Melbourne (Melbourne, Oxford U. P.).

Bridge, C. and Attard, B. eds. (2000), *Between Empire & Nation*, (Australian Scholarly Publishing).

Butlin, S.J. (1966), The Hundredth Record, *Economic Record* 42 (98) :508-19.

Cain, N. (1982), Recovery policy in Australia 1930-33: Certain Native Wisdom. *Australian Economic History Review*, 23(1): 193-210.

Castles, I. (1997), Scientific Economics in Australia 1927-31, *Academy of Social Sciences Newsletter*, 16(4): 26-32.

Copland, D.B. (1930), The Australian problem, *Economic Journal* XL (160): 638- 649.

Copland, D.B. (1934), *Australia and the World Crisis*, (Cambridge, Cambridge U. P.).

Copland, D B. (1960) ed. *Giblin, the Scholar and the Man* (Melbourne, Cheshire).

. Cumpston I.M. (1989) *Lord Bruce of Melbourne* (Melbourne, Cheshire).

¹²⁰ Tsokhas, *Sir Otto Niemeyer*, p. 30.

Davidson F.G. (1977) Brigden Vernon Rattigan Jackson. In J Nieuwenhuysen and P. Drake eds. *Australian Economic Policy*, (Longmans).

Downing R.I. (1960) Giblin as Ritchie Professor. In Copland D.B. (ed) *Giblin, The Scholar and the Man* (Melbourne, Cheshire).

Fleming G, (1996), Australian economists and the educative ideal: a Historical Perspective, *Journal of Economic and Social Policy* 1(2): 24-34.

Giblin, L.F. (1951), *The Growth of a Central Bank*, (Melbourne, Melbourne U. P.)

Gilbert, R.S. (1973), The Australian Loans Council in Federal Fiscal Adjustments 1890-1965, (A.N.U. Press).

Goodwin, C. (1974), *The Image of Australia*, (Duke U. P.).

Gregory T.E. (1933), Current Problems in Industrial Finance: In *Gold, Unemployment and Capitalism*, (London, King and Son).

Hancock, W.K. (1930), *Australia*, (London, Ernest Benn Limited).

Hart, P.J. (1965), *J.A. Lyons and the 1931 Split*, ANU Dept of History mimeo.

Howson, S. & Winch, D. (1977), *The Economic Advisory Council 1930-39*, (Cambridge, Cambridge U. P.).

Hudson, W. & North, J., eds. (1980), *My Dear P.M., R.G. Casey's letters to S.M. Bruce*, (Canberra, AGPS).

Love, P. (1983), Niemeyer's Australian Diary and other English Records of his Mission, *Historical Studies*, Vol. 20: 261-277.

Malcolm, D.O. (1929), Australian Loan Policy, *Australian Quarterly*, 1(3): 11-20.

Mauldon F.R.E. and G.A. Weller (1960), Sir Douglas Copland and the Foundation of the Economic Society, *Economic Record* 36(73): 143-5.

Richmond, W.H. (1983), S.M. Bruce and Australian Economic Policy 1923-9, *Australian Economic History Review*, 23 (1): 238-257.

Robertson J. (1974), *J.H.Scullin: a Political Biography*, (U. of W. A. P.).

Robinson W.S. (1967), *If I Remember Rightly*, (Melbourne, Cheshire).

Roe, M. (1995), *Australia, Britain, and Migration, 1915-40*, (Cambridge, Cambridge U. P.).

Schedvin, C.B. (1970), *Australia and the Great Depression*, (Sydney, Sydney U. P.).

Shann, E.O.G. (1930), *An Economic History of Australia*, (Cambridge, Cambridge U. P.).

Shann, E.O.G. and Copland, D.B. (1931), *The Crisis in Australian Finance 1929 to 1931. Documents on Budgetary and Economic Policy*, (Sydney, Angus and Robertson).

Snowden, P. (1934), *Autobiography*, (London, Nicholson and Watson).

Spierings J. (1989), As Exacting as science: the university and the beginnings of economic policymaking, *Arena* No. 86: 122-135.

Tsokhas, K. (1992), 'A Pound of Flesh': War Debts and Anglo-Australian Relations, 1919-1932. *Australian Journal of Politics and History*, Vol. 38: 12-26.

Tsokhas, K. (1995), Sir Otto Niemeyer, the Bankrupt State and the Federal System, *Australian Journal of Political Science*, Vol. 30: 18-38.

White C. (1992), *Mastering risk: environment, markets and politics in Australian economic history* (Melbourne, Oxford U. P.).

Winch, P. (1969), *Economics and Policy*, (London, Hodder and Stoughton).