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This is the submitted for peer-review version of the following article:

Millmow, Alex.(2013), Douglas Copland's battle with the younger brethren of economists, *Australian Economic History Review*, 53(2):187-209

This has been published in final form at:

<http://dx.doi.org/10.1111/aehr.12010>

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DOUGLAS COPLAND'S BATTLE WITH THE YOUNGER BRETHREN OF ECONOMISTS

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This article discusses the problematic relationship between Douglas Copland and the new generation of postwar Australian economists. Copland felt that their view of economic policy was contrary to Australia's best interests. The critique and feud was to last right up till Copland's retirement. The article shows how Copland's views differed from those of inside economists and therefore the official policy line.

JEL CODES B22, B31, N17, N37

KEYWORDS: Copland, inside economists, milk bar economy, dissent, full employment

INTRODUCTION

When Keith Isles, the Australian-born professor of economics at Queen's University, Belfast, congratulated his mentor, Douglas Copland, in becoming the first Vice Chancellor of the Australian National University, he put it in lavish terms: 'Australian economics was partly shaped by the social and physical environment in which Australia's economic development is taking place but it is also due, in large measure, to your own work as the principal builder of what I think is a distinctively Australian school of economists'. 'The new job', Isles continued, 'was recognition not merely of your predominant part in building up that school in the past, but also of the importance of

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preserving and developing its special character, in the institution in which it may be expected to reach its highest growth'.¹ Not all felt the way Isles did.

When he returned to Australia from China in April 1948 to take up his appointment, Copland still cherished a voice into shaping that 'Australian school of economists', not least, economic policy. Hitherto, his opposition to prevailing economic wisdom had been contained in private correspondence along with his 1945 Godkin lectures at Harvard on 'The Road to High Employment'. His critique against postwar Australian macroeconomic policy would raise dust.

Most of the issues Copland wrote about - development, immigration, openness, growth, and accumulation - were little different from what Australian economists focus upon today. By nature an optimist, Copland quickly figured that in the postwar world rapid economic progress, rather than depression, was the normal state of affairs for market economies. The new era was marked by rapid rates of technological and economic growth for most countries, including the command economies. Australia had to grapple with a bold development and migration programme in the postwar period beset by a lack of capital which led, in turn, to bouts of inflation and external deficits.

This article discusses Copland's dissent on economic policy in the postwar era set against the changing fortunes of the Australian economy and how, in particular, his views differed from the younger generation of economists. It is, in a sense, complementary to Selwyn Cornish's sceptical account that Australia underwent a Keynesian revolution in economic practice in the postwar era.² Cornish showed that usually political exigencies and dogma overruled any adherence to Keynesian principles. In contrast, Copland's interpretation was that Australian economists adopted too rigid a view of Keynes's model, in particular, the pursuit of full employment, and that it held back Australia's economic development. The second part of the paper discusses Copland's economic philosophy especially his advocacy of the mixed economy before examining his

¹ NLA: Isles to Copland, 14/2/1949.

² Cornish, Keynesian revolution, p. 63.

differences with ‘the new economics’ in part three. Copland’s ambitions for Australian economic development are discussed in part four. Part five covers Copland’s intensive critique against official macroeconomic policy. It was a campaign that was to persist until Copland withdrew from public life. This is covered in part six where, given an international audience, Copland sung the praises of the mixed economy.

COPLAND’S MIDDLE WAY

The seeds of Copland’s postwar economic philosophy were contained in an address he gave at the Harvard Tercentenary in August 1936. Copland was delighted when he, along with a select few, was invited to give an address on the grand theme of ‘Authority and the Individual’ with the sub-theme of ‘The state and economic enterprise’. The conference on Science and Letters was the main feature of the celebration convened by the President and Fellows of Harvard. In what was perhaps his finest hour, Copland was given an Honorary Doctor of Laws with the inscription: ‘Hailed throughout the world as a scientific practitioner of theoretical economics, a scholar who has applied his knowledge most fortunately for the recent history of Australia’. Copland felt the award to be the ‘recognition of the work the Australian economists have done for Australia over the past six years’.³

Initially Copland fretted about the title of his paper and its content. It was with his friend Alan Ritchie’s help that he settled on the title ‘The State and the Entrepreneur’.⁴ He told an acquaintance that the paper was written at Ritchie’s residence where ‘it was discussed very fully with Ritchie and in parts condemned by him for not being rigorous and logical’.⁵ The paper focused on the basic relation between Government and private enterprise in a modern free enterprise economy. At the Harvard forum Wesley Mitchell spoke on ‘Intelligence and the Guidance of Economic Evolution’ while the Cambridge economist D.H. Robertson spoke on ‘The State and Economic Fluctuation’. Copland

³ UMA, Faculty of Economics and Commerce Papers: Copland to Miller, 15/6/1936.

⁴ The original title was ‘The Extension of State Control from Utilities to Primary Production; illustration from Australian experience’. Copland signalled a belated change in title to the conference organizer. UMA, Faculty of Economics and Commerce Papers: Copland to Land, 30/3/1936.

⁵ UMA, Faculty of Economics and Commerce Papers: Copland to McDuffie, 8/9/1936.

marvelled at how three papers, written in isolation, came to the conclusion that unfettered enterprise would not provide enough order to satisfy the aspirations of the common man. He told James B. Conant, the President of Harvard, that his paper would discuss the acceptance in Australia, at least, of the idea that the state should own and control utilities and that state intervention should be extended into the primary sector.⁶ In other words, it was Keynesian but only in the sense that it drew upon the well of economic and social reform that Keynes, amongst others, had contributed to during the interwar period. Copland also drew upon the Australian tradition of state socialism that the public sector should play a positive part in economic development and make capitalism more tolerable.

While the paper was 'a greater success than I had anticipated' Copland was disappointed by the reaction of his American counterparts. He told a colleague in Melbourne: 'Most of the economists fail to see the necessity for social control and they spend their time beating the air about the interference of the government with the economic law'.⁷ He said this when economic institutionalism was particularly strong within American universities.⁸ Copland circulated the paper far and wide. When he gave Joan Robinson a copy she responded, approvingly, saying 'It was very good for the Americans.'⁹

Copland knew the nature of modern capitalism had changed and that it had to be buttressed by greater state regulation and public investment. Copland's blueprint for postwar Australia encompassed a nuanced blend of state control and even a vague form of planning. Copland was so beholden to the paper and the themes within it that he had it republished as an appendix to his 1963 Beatty lectures entitled 'The Changing Structure of the Western economy' given at McGill University.

COPLAND AND THE NEW ECONOMICS

⁶ UMA, Faculty of Economics and Commerce Papers: Copland to Conant, 11/3/1936.

⁷ UMA, Faculty of Economics and Commerce Papers: Copland to Wood, 3/11/1936.

⁸ White, *Clash*.

⁹ UMA, Faculty of Economics and Commerce Papers: Robinson to Copland, 13/11/1936.

In the postwar literature Copland has often been portrayed as a liberal conservative, wary of 'Keynesian' doctrine of pursuing full employment. Copland was seen as somewhat detached from the great postwar crusade of 'Keynesian' economic thought and practice, led and propagated by H. C. Coombs.¹⁰ There was also a chasm in how younger economists, on the one hand, and Copland on the other, interpreted the 'new economics' of Keynes. It was more than just a generation gap or Copland feeling his age. While still, nominally, economic advisor to the Prime Minister, Copland had been largely shut out of Chifley's circle of advisors, many of whom were drawn from the Department of Postwar Reconstruction. The cautious advice of Copland and his colleague L.F. Giblin during the making of the 1945 White Paper on Full Employment had been whittled away.¹¹ Giblin's and Copland's concerns about what would happen to the control over wages at full employment went unanswered.

Copland suggested that 'the over-enthusiasm for the Keynesian theory and its extravagant expectations in a theory of full employment would have been disowned by the Master'.¹² In particular, Copland disagreed strongly with the doctrine of over full employment, of having more jobs than men. On another occasion he lamented that 'Keynes didn't live to castigate his followers who turned his theory of full employment into one of economic stability and security at all costs'.¹³ Copland marvelled at how the 'younger brethren', as he called them, had 'the idea that after all the course of history, they and the central banks had the mystic quality to maintain a stable price level with freedom and growth at the same time'.¹⁴ Copland would fight a losing battle with the neo-Keynesians who did not share his dynamic, long run version of Keynes. This meant channelling resources into investment, rather than consumption.

As Vice Chancellor of the ANU Copland might not have been expected to enter into the fray over economic issues. However, he was used to the limelight and, true to form, would fire off broadsides against official economic opinion. The fact that he was largely

¹⁰ Coombs, *Trial Balance*.

¹¹ Coleman, Cornish and Hagger, *Giblin's Platoon*, p. 225.

¹² Copland, *Economic study*, p. 3.

¹³ NLA: Copland to Barkway, 15/2/1961.

¹⁴ NLA: Copland to Robinson, 12/4/1960.

denuded of power, that he was not an 'inside' economist, did not faze him.¹⁵ He was well-connected with professional and media networks including editors, not just in the Australian press, but also *The Financial Times* and *The Economist*. There were also back channels by which he might influence Australian policymakers. Nothing less could be expected from a figure who was both the Commonwealth Prices Commissioner and Economic Advisor to the Prime Minister during the war. The press loved him. As the editor of *The Financial Times* put it, he had 'the reputation of being a nark' but one 'whom people consistently take notice of'.¹⁶

Some of the older economists welcomed his input. Leslie Melville at the Commonwealth Bank found Copland's sallies uplifting given that 'So many Australian economists have been silenced in Government service that it is refreshing to find one who is still able to raise his voice'.¹⁷ Copland began to orchestrate university economists against the younger brethren. He wanted to see economics at universities strengthened with academic economists taking up an interest in public affairs. He told Wilfred Prest at Melbourne University 'Recent developments in policy here have exposed the dangers of official economists with a hobby-horse to ride'.¹⁸ Prest suggested the ANU host an annual conference of economists instead of the gatherings under the auspices of ANZAAS.¹⁹ Copland saw merit in the idea since 'Most of the economists have been so mixed up with government administration that there is practically no independent voice as there used to be in the old days'.²⁰ Colin Clark, too, liked the idea of a conference but reminded Copland that, firstly, there were more economists around than in 1931 and, secondly, that Australia's economic problems were more complex than in 1931.²¹ Nothing came from it however.

In the event Coombs stole Copland's lead by getting the Commonwealth Bank's economic department to host the visit of six leading university economists in April 1952

¹⁵ Corden, *Australian Economic Policy*.

¹⁶ NLA: Shonfield to Copland, 30/7/1952.

¹⁷ NLA: Melville to Copland, 8/10/1951.

¹⁸ NLA: Copland to Prest, 17/3/1952.

¹⁹ NLA: Prest to Copland, 17/5/1948.

²⁰ NLA: Copland to Wainwright, undated May 1948.

²¹ NLA: Clark to Copland, 1/8/1951.

and later on again that year. It became a regular event. Coombs had acted following complaints that the influence of academic economists had waned. He invited Copland to meet the Commonwealth Bank Board and discuss the economy over dinner.²² Copland declined for personal reasons adding that, in any case, he had ‘reservations about the usefulness’ of the exercise.²³ When a business friend suggested the federal government might consult university economists under his chairmanship, Copland rated the chances of it happening as equal to that of ‘Joe Stalin and the new President of the United States walking down Fifth Avenue on Easter Parade’.²⁴

COPLAND’S POSTWAR VISION FOR AUSTRALIA

Copland would prove to be an unrepentant advocate of growth and development fuelled by immigration, public investment, and capital inflow. He likened economic development to that of pioneer explorers pushing into the Australian hinterland on the belief that ‘the land was better further on’.²⁵ Australia’s development problem was how to expand and absorb a huge amount of migrants without incurring inflation or external imbalance. The policy dilemma was, therefore, how to encourage a high rate of immigration and development without resorting to credit restrictions and import controls to counteract inflationary pressures and balance of payments problems. Copland was concerned these incidental controls might become ends in themselves and militate against further development. He deplored, for instance, import controls and would rather risk meeting the foreign liabilities than ‘having the dead hand’ of planning and control. He went on ‘If we believe in a reasonable amount of free enterprise, we must not fool ourselves that we can get it by expanding economic controls into new fields’.²⁶

Copland also queried the old imperial connection with Britain, believing that Australia should seek greater economic interaction with the Asia Pacific region. Relying

²² NLA: Coombs to Copland, 15/4/1952.

²³ NLA: Copland to Coombs, 17/5/1952.

²⁴ NLA: Copland to Packer, 17/6/1952.

²⁵ Copland and Barback, *Conflict*, p. v. [QUERY TO AUTHOR: insert page number; in the references the second author is BARRACK. Yes its Copland and Barack]

²⁶ NLA: Copland to Wolshel, 13/7/1948.

upon the British market and the sterling area meant limited export growth and fixed prices for wheat, butter, and meat exports. It also meant constraints imposed upon the Australian economy by restricting capital from America. When he first publically raised the idea of accessing American loans to deal with Australia's own dollar shortage, the result of a trade imbalance with the USA, his critics felt he 'had gone over the edge'.²⁷ Given Australia's massive immigration programme, Copland felt Australia had to recruit capital from the United States since Britain was bereft. Copland put the case for large-scale borrowing in the form of dollar loans to finance the import of capital goods from America. In proportion, Australia would liquidate some of its sterling debts to keep overall indebtedness steady. It was a radical proposal since Australia was still a member of the sterling group, nor had she borrowed from overseas for some years. This additional capital would lift Australia's productivity levels, thereby allowing a higher level of economic activity to be maintained. It would be accompanied by a realignment in investment spending towards basic industries, brought about, if need be, by higher taxation. This bold program would also insure Australia against recession when export prices inevitably turned down. It would allow Australia's ambitious development programme to proceed unhindered. It was a revolutionary idea, but neither Chifley nor Menzies, were for walking out of the sterling bloc.²⁸

THE RAGTIME OF AUSTRALIAN ECONOMIC POLICY, 1948-1952

When Copland arrived home in 1948 he told a businessman how he 'was appalled at both the state of the economy and the state of mind of economists'.²⁹ In a series of speeches and articles Copland wanted to fundamentally alter Australian economic policy. The earliest of these articles was designed to make 'a splash', possibly to further a political ambition as a prospective political candidate for the Coalition in the 1949 election. That enterprise came to nothing but his critique of postwar economic policy endured. He would later tell the English economist, Ernest [No Ernest, His wife was the famous Edith]

²⁷ NLA: Copland to Cox, 15/4/1954.

²⁸ Horsfall, *Liberal Era*, pp. 163-4.

²⁹ NLA: Copland to Foletta, 10/5/1954.

Penrose, that the period 1948 through to 1952 was ‘the ragtime of Australian economic policy’.³⁰ He told the Chicago economist, Jacob Viner that the problems befalling Australia during this period were the product of rushing ‘too enthusiastically into Neo-Keynesian practice’.³¹

During this period Copland was preoccupied with university work and told Isles ‘If the pressure of work goes on as it is as present I am in danger of becoming even more of a backwater in even hoping though I may still be able to play a vigorous part in the more immediate problems of economics in relation to policy’.³² It was apparent that Copland’s double life of administrator and economist meant that sometimes he could not keep up with the technical literature. However, this did not prevent him from waging a barrage of criticism upon Australian economic policy and those behind it. Over a four year period, Copland published two books and gave countless speeches against the new economics and Australian economic policy. The first outpouring, in the form of a booklet, was released just three months after he arrived back in Australia.

Back to Earth in Economics: Australia 1948

This booklet was an investigation of the purported success of the postwar economy and a critique of the Keynesianism practiced by Australian economists. Copland told the publishers, Angus and Robertson: ‘The sub-title (**Back to Earth in Economics**) should cause just the right amount of annoyance for people to look at the book particularly people who have not had their feet on the earth in the past few years’.³³ His critique would bear bitter fruit as the Australian economy stumbled from boom to bust within three years. Copland felt that the postwar forecasts had been too dire about the Australian economy and that the ‘obsession with security’ and pumping up aggregate demand was no basis on which to develop the nation.³⁴ He had already told Prest: ‘Most of the official economists of Australia have an obsession that they must plan for a depression. Security

³⁰ NLA: Copland to Penrose, 28/11/1955.

³¹ NLA: Copland to Viner, 20/6/1952.

³² NLA: Copland to Isles, 15/2/1950.

³³ NLA: Copland to Angus and Robertson, undated 1948.

³⁴ Copland, *Back to Earth*, p. 43.

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is their first name, and if they don't take care, they will work themselves into the frame of mind in which they will find it impossible to get out of bed for fear of something terrible happening to them. I think we ought to get away from all this talk of how to ward off the next depression and get to work on the problems here and now'.³⁵

That in mind Copland set out to dispense with the 'depression psychology' permeating through the policy establishment. To develop his case Copland took the line that the postwar boom was more due to accident than design, that is, full employment was basically inevitable. It had been achieved by creating a business environment conducive to an increase in private investment above pre-war levels. While there was a postwar investment boom, it was not, Copland argued, 'a good ground on which to claim the success of a full employment theory of full employment [QUERY TO AUTHOR: IS THIS REPETITION CORRECT? YES]' when that condition was inevitable. The main reasons for the buoyant level of economic activity were the legacy of the war economy, the demands of reconstruction and the expansion of universal welfare. There was also the ephemeral fortune of high export prices. Copland also derided the idea that with simple demand management Australia was bound for a 'golden age' in economic performance when, in fact, the objectives of postwar reconstruction had not been attained.³⁶ He feared that Australian policymakers were becoming complacent with good times masking underlying weaknesses within the economy; nor was Australia investing enough in basic industries to secure vigorous and sustained growth. The culprit was the doctrine of over-full employment which prevented resources flowing to the most productive ends, and enticed absenteeism, over-manning, and labour indiscipline. The concern with economic security meant, too, that the capital development of Australia was held in reserve to deal with a prospective depression. Copland agreed with former Federal Treasurer, R. G. Casey's comment that what Australia needed was some of the ambitious development programmes of the Bruce-Page government of the 1920s.³⁷

³⁵ NLA: Copland to Prest, 27/8/1948.

³⁶ Copland, *Back to Earth*, p. 13.

³⁷ NLA: Copland to Casey, undated September 1948.

Copland also floated the idea of establishing a stabilization fund for booming wool exports as a way of preventing money from pouring into the economy. This device, while not welcomed by graziers, would check the inflationary potential of high export prices by cutting the connection between export prices and money incomes. It was also a better option than appreciating the currency. Copland's overall recommendation was to develop a general plan to recruit resources that were basic to immediate needs and long term priorities. It was a classic long term Keynesian programme that shunned short-termism.³⁸

The milk-bar economy

Copland (1949) recycled the imbalanced economy theme when he gave a short, evocative address making a telling comment about the pattern of Australia's economic development. He drew attention to the imbalance in production patterns between capital goods and consumption goods arguing that it was impairing Australia's development, memorably stigmatizing it as a 'milk-bar' economy. The imbalance could only be rectified by redirecting flows of resources to the basic industries, by allowing more access to foreign borrowing, more immigration, and a longer working week. Copland told a colleague that his moralising critique was a dig at 'planners and advocates of full employment in the extreme form'.³⁹

The term was so telling that a representative of the Federated Retail Confectionary, Refreshment and Mixed Business Association of Australia wrote to Copland resenting the inference that milk bars be 'suppressed, controlled, and, if possible, exterminated in the public good'.⁴⁰ Copland responded saying that it was a generic term, not a specific attack upon milk bars, *per se*. He drew the Association's attention to 'extreme shortages of coal, iron and steel, bricks and mortar' and the 'poor condition of both power supplies and transport services'.⁴¹ Copland immodestly added

³⁸ Copland, *Back to Earth*, p. 49.

³⁹ NLA: Copland to Fisher, 9/7/1952.

⁴⁰ NLA: Jackson to Copland, 12/6/1951.

⁴¹ NLA: Copland to Jackson, 13/7/1951.

that if he had used the term ‘ragtime economy’ it would have brought down the wrath of ‘the rag trade and musicians union’.

When Menzies formed a Coalition government with the Country Party in 1949 there was little change in prevailing economic attitudes. The turn of a new decade, and a new government, did not therefore change economic policy; investment continued to flow into consumer industries, rather than basic industries. Maintaining the economy at full employment meant that large-scale immigration was under threat because of the inflationary danger it posed. Once again, means were being confused with ends. Coombs was retained as Governor of the Commonwealth Bank and sought to be within earshot of Menzies. Copland would have some intermittent influence, especially with the new Federal Treasurer, Arthur Fadden. Copland also lobbied to get Roland Wilson into the Treasury as Secretary in a bid to counter Coombs’ influence. Wilson would take up that position in April 1951. Copland welcomed it as ‘the first breath of clean fresh’ in the Canberra bureaucracy. [QUERY TO AUTHOR: Correct this sentence please DONE]⁴²

Two Economic Society Addresses

Copland returned to assailing the economic perfectionists when he gave an address in May 1950 marking the twenty-fifth anniversary of the founding of the Victorian Branch of the Economic Society. He warned how the ‘more extreme devotees’ of planning were ‘much too confident of their ability to control the powerful forces **ranged** [QUERY TO AUTHOR: should that be ranged? YES] against them’.⁴³ Apart from an illusion about their omniscience, they had not factored in to their analysis the requisite degree of public acceptance needed for the new doctrine especially from the business sector. Copland feared that the planners would not have the courage to prune expenditure when it was needed nor would there be public acceptance for doing so. Maintaining the economy at over-full employment would also cause problems with labour discipline, perpetrate supply bottlenecks, and impede the mobility of resources necessary for the creation of

⁴² NLA: Copland to Osborne, 22/3/1951.

⁴³ Copland, *Inflation*, p. 25.

new industries. It would also, of course, jeopardize price stability and put pressure on Australia's external account.

Copland also sought to redress the social balance within the economy, arguing that the entrepreneurial spirit should neither be belittled nor enslaved for it was the engine that powered a mixed economy. He reaffirmed his long-held faith in the restorative and civilizing powers of public investment for economic development and dismissed notions that the increase in public debt would impoverish future generations. That aside, he saw the need to stabilize private investment as the key problem behind demand management and spoke, albeit vaguely, of using some form of government-business consultation that had been practiced during the war. There was another point of difference between Copland and the economics profession. He bristled at how his younger colleagues were becoming consumed by technical excellence in their model-building.⁴⁴ It may, however, have been a wrong turning for him in the sense of further jeopardizing relations with the economics profession.

An address to the Hobart branch of the Economic Society in March 1952 entitled '1922 and 1952, Economic Thought in Australia, Then and Now: A Pertinent and Slightly Irresponsible Treatment', was even more vitriolic and aimed at the 'long term planners and the full employment artists'.⁴⁵ It was motivated by the fact that his four colleagues who had helped compose *The Report on the Australian Tariff* (1929); namely, James Brigden, Lyndhurst Giblin, Edward Dyason and Charles Wickens had all recently died.⁴⁶

Earlier Copland told Hytten that the invitation to speak would 'enable me to say that some of our younger colleagues really don't know the facts of life'. Reminiscing about his generation of economists and comparing them with the new generation, Copland confessed 'We might have been dumb in our day but at least we had our feet on

⁴⁴ NLA: Copland to Penrose, 25/11/1955.

⁴⁵ NLA: Copland to Massy Green, 12/3/1952.

⁴⁶ Later that year Richard Mills died. Copland told an associate 'Practically all his generation of economists are gone and I don't think Australia is any the better for it.' NLA: Copland to Dunbabin, 10/9/1952.

the ground and some sense of modesty'.⁴⁷ When Copland later sought to have his paper 'lighten the pages of the Record', the new editor, Alf Weller, while sympathetic to its sentiments, decided not to publish it for fear that it would divide the profession.⁴⁸

In his address Copland recalled: 'The economists of my generation had one great advantage: they could still pursue equilibrium with a margin of resources.... that implied that there was always some unemployed resources beyond the margin, but it would be wrong to suppose that economists, or the main body of economic doctrine, accepted this surplus of unemployed resources as inevitable and just.' He then characterized the abiding faith of the new generation:

The most important single impact of the doctrine by the present generation of economists is to encourage inflation, in the sense of an overstrained economy with rising prices until checked by some external influence. Cheap money, full employment, high and increasing government expenditure, the social amenities of the welfare state, all lend to create a perpetual excess of spending power and to make the task of increasing productivity much more difficult.⁴⁹ [QUERY TO AUTHOR: insert footnote reference for this quotation DONE]

Copland gloomily closed his address by pondering whether real progress had been made in economic management.

Inflation and expansion

Copland returned to the 'milk-bar economy' theme when his book *Inflation and Expansion* (1951) was published. The volume's introductory essay, entitled, 'The Malady of Economic Expansion' thematically spoke of how mixed economies, like Australia, became constrained meeting their welfare and full employment obligations such that they could not channel enough resources to meet their development aspirations.⁵⁰ There was none of the impelling urge there had been in wartime to allocate resources to basic

⁴⁷ NLA: Copland to Hytten, undated March 1952.

⁴⁸ NLA: Weller to Copland, 21/ 3/1952.

⁴⁹ NLA: '1922 and 1952, Economic Thought in Australia, Then and Now: A Pertinent and Slightly Irresponsible Treatment' Address to Hobart branch of Economic Society, March 1952.

⁵⁰ Copland, *Inflation*, p. 5.

industries. Australia, in particular, faced an imbalance, though it was, Copland stressed, primarily a political problem of collective choice. The logical outcome was inflation which could only be dealt with by higher productivity.

With a large scale immigration policy in train, Copland (1951, 54-71) felt it imperative that policymakers not be hidebound by the past.⁵¹ The migration programme spelt huge outlays in housing and infrastructure meaning consumption had to be cut by taxation. The 'motto of the age', Copland suggested, might be 'Houses before hotels, tractors before motor cars, electricity before refrigeration'.⁵² The last requirement needed for a rapidly expanding economy was to draw upon foreign supplies of capital goods and, if need be, to access foreign funds to acquire them.

With his advocacy of immigration Copland had been invited by Arthur Calwell, Australia's first postwar Minister for Immigration, to become a foundation member on the Immigration Planning Council. It was charged with examining the industrial and economic consequences of immigration and attempting to integrate it with the overall development of Australia. Appropriately, in a speech entitled 'The economic implications of large scale migration', marking a citizenship ceremony in January 1951, Copland assigned Australia's inflation problem to the fact that she had not been able to borrow from the USA to spend on capital goods.⁵³ He was particularly damning of the 'anti-borrowing psychology' and, with one eye on the stalled construction programme at the ANU, asked 'How can you develop this country with picks, shovels and wheelbarrows?'.⁵⁴ Copland closed by stating that Australia had to choose between stability and progress. Three years later he maintained that 'We are apt to concentrate on the instability and to ignore the development, as though a high rate of development and stability were natural bedfellows'.⁵⁵ To his mind, the instability that came with large scale development had priority. In that same year Copland told Sir Tasman Heyes, Secretary of the Department of Immigration, 'The inflationary bogey can be dismissed as

⁵¹ Copland, *Inflation*, pp. 54-71..

⁵² Copland, *Inflation*, p. 61..

⁵³ Copland, *Inflation*, pp. 46-55..

⁵⁴ Copland, *Inflation*, p. 54..

⁵⁵ Copland, *Inflation*, p. 91..

representing the fears of those who are afraid to take any risk'.⁵⁶ Copland was dismissive that fears about inflation should necessitate a managed slowdown of economic activity. He would sing a refrain on this in 1960. It was clear he took a more relaxed view of inflation so long as it remained at a creeping rate.

Copland presented a paper at the ANZAAS Conference entitled 'Structural problems under full employment'.⁵⁷ He noted how there seemed to be a propensity towards increasing government spending which neither major political party **wanted to** resist. [QUERY TO AUTHOR: correct the previous sentence please] Consequently governments found it difficult to set taxation levels to yield a surplus. This fiscal largesse meant that with a full employment economy forces would eventually give rise to a fiscal check. They were to be prophetic words.

Contesting appreciation

One of the slogans on which the Coalition had campaigned in the 1949 federal election was 'to put value back into the pound'. It would come back to bite them. By mid-1950 the Menzies government was caught by the inflationary pressure of the Korean War boom reflected in high wool and metals prices. The Chifley government had unwisely devalued the Australian pound by 30 per cent against the US dollar to be in line with the sterling bloc.⁵⁸ It had led to a speculative inflow of capital in anticipation of revaluation. The terms-of-trade boost meant foreign exchange flowed directly into the monetary system fuelling consumption spending. Inflation ensued from the levels of social investment needed to absorb a large immigration intake amidst a full-employment economy.

The logical solution was revaluation. From the outset, though, Copland was squarely against it. Besides discounting the effect appreciation would have on the cost of living, Copland said it would fall 'on the just and the unjust alike', that is, damage other

⁵⁶ NLA: Copland to Heyes, 22/11/1954.

⁵⁷ Copland, *Inflation*.

⁵⁸ Cornish, Keynesian revolution.

exporters and jeopardize the profitability and development of Australia's manufacturing industries. There was, however, a more latent rationale behind Copland's objection to appreciation. It would inflict exchange control upon the economy and the dangers of an over-valued currency. He told the New Zealand economist, Jack Condliffe, 'I wouldn't mind a currency going up if it was under its own steam but any currency that has to be "jacked up" can't help but intensify exchange control'.⁵⁹ Working through back channels, Copland's advice swayed Wilson and Fadden, the latter, of course, keen to uphold rural exporting interests. To mollify Menzies on the matter, Copland recycled a quote from a letter to him from the editor of *The Economist*, Geoffrey Crowther that 'the monetary history of the past thirty years entitles one to make it a definite rule that a country never deliberately raises the value of its currency in terms of other currencies without getting into trouble'.⁶⁰

Copland's intelligent alternative to appreciation and dealing with the terms of trade boom was to quarantine the wool and metal producers' export bounty into a price stabilization fund which would immobilize spending power and thereby contain its inflationary potential.⁶¹ Some of the funds could also be used for rural betterment. Funds could then be released when the fortunes of wool exporters turned. While a variation of Copland's prescription was quickly adopted by the Menzies government it came too late to prevent an inflationary impulse surging through the economy.

Ultimately Australia's double-digit inflation would be quelled by the collapse of commodity prices, a surge in imports and fiscal contraction. In the meantime Copland held hope that 'the one unused resource' of productivity reform could break the log-jam of inflationary pressures.⁶² Productivity could be augmented by better work practices, a longer working week, and a redirection of resources into capital goods instead of consumption.⁶³ To curb consumption, Copland provided a comprehensive plan to combat inflation. He took no prisoners. He proposed a National Development and Defence Levy

⁵⁹ NLA: Copland to Condliffe, 7/5/1951.

⁶⁰ NLA: Copland to Menzies, 12/12/1950.

⁶¹ Copland, *Inflation*, pp. 82-5..

⁶² Copland, *Inflation*, pp. 114-5..

⁶³ Copland, *Inflation*, pp. 116-8..

imposed on all incomes, a levy on gross income from high priced exports coupled with credit controls on hire purchase spending, an increase in company and income tax, and some restraints upon new investment. There would also be a move towards a free exchange rate. This would be complementary to fiscal austerity, a productivity drive, and even some limited price control. Implicit in the plan was the intent to root out inflation but based on an equality of contribution.⁶⁴

‘The Dire Economic Consequences of Sir D.B. Copland’

Given his professed views on growth and expansion, Copland was bemused to find himself singled out by the press and the Labor party leadership for the Australian economy’s maladjustment during 1951/52. In the reaction to Fadden’s Budget of 1951/52 when a counter-inflationary budget surplus was implemented, Copland, along with other academic economists, was held responsible by *The Sydney Morning Herald*.⁶⁵ It was a strange line of attack when the budget was entirely the Treasury’s handiwork. Wilson had told Fadden shortly after he had been appointed Secretary that inflation was out of control and endorsed the deflationary measures to be taken in the 1951/52 budget.

Copland must have felt some sense of vindication. For some time he had anticipated the likely anger from an electorate unaccustomed to cutting expenditure outlays consistent with fiscal restraint. The commitment to full employment meant that exuberance could only be checked ‘in the last resort’ by the exercise of ‘a measure of restraint for which there was no precedent in the history of Australia’.⁶⁶ Such was the prospect presented by the Fadden Budget for 1951/52, billed a ‘horror budget’ by the ALP and others. In contrast, Copland felt it was a turn in the right direction and designated it ‘the salvation budget’.⁶⁷

⁶⁴ Copland, *Inflation*, pp. 120-1.

⁶⁵ Whitwell, *Economic policy*, p. 106.

⁶⁶ Copland, *Inflation*.

⁶⁷ Copland, *Australian post-war economy*, p. 432.

In an ABC radio commentary Copland praised the budget as ‘economically sound’, ‘courageous’, and a ‘landmark in Australian finance’. The budget strategy of increasing taxes and deferring public works would allow more resources to be siphoned towards development and defence. Moreover, the tax imposts could be easily reversed and had a low disincentive effect. Sounding a little like Jack Lang, Bert Evatt, the federal leader of the ALP, saw the budget as wholly the handiwork of Copland who was ‘the spearhead of the experimentalists’.⁶⁸ Evatt saw something sinister in Copland’s praise of the budget: ‘The over-eager and dogmatic support of it reveals the politician rather than the detached, aloof, scholarly approach which might have been expected of a great national university’ and called the budget the ‘Copland Plan No.2’, a direct reference to his role in the 1931 Premiers’ Plan.⁶⁹ Copland thought the rebuke ‘a bit odd’ and defended his right to comment upon the budget as an independent economist. He challenged Evatt to a public debate over the rationale of the budget.⁷⁰

Comment [u2]: ??? Very colloquial phrase. No idea what this means.
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Copland’s praise of the budget was, of course, not contrived. He saw the circumstances of over-full employment coupled with inflation as posing a distinct new challenge to economists:

But on the problem of preventing undue expansion we have yet to learn a good deal more about technique and still more about how to influence government and public opinion to accept restraints ahead of danger. This was the new task confronting the new generation of economists. If they succeed they will achieve even more than their predecessors.⁷¹

Copland would not think inside economists had achieved this by 1960.

By 1952, Australia faced what Copland faced a liquidity crisis brought about by a deteriorating external account. Wool prices had steadily fallen since April 1951 while there had been a flood of imports resulting from buoyant economic activity. The Menzies government responded to the challenge by going against type and resorting to

⁶⁸ *Canberra Times*, Censure on budget, 3/10/1951.

⁶⁹ *Daily Telegraph*, Evatt calls the budget, 29/9/1951.

⁷⁰ *Melbourne Herald*, Copland challenges Evatt, 1/10/1951.

⁷¹ Copland, *Economic study*, p. 3.

import licensing in March 1952. The announcement resulted in one of the most extraordinary attacks upon an Australian economist. *The Australian Financial Review*, Australia's new weekly business newspaper, ran a front page story entitled 'The Dire Economic Consequences of Sir D. B. Copland'. It was penned by the editor, Jack Horsfall.⁷² The attack followed an address Copland gave to the Sydney Junior Chamber of Commerce entitled 'The Balance of Payments and Money Incomes in Australia'.⁷³ Surveying the conditions that led to the government imposing trade controls, Copland concluded that Australia was indeed facing a fundamental disequilibrium which necessitated either devaluation or a deflation of money incomes. Full employment, cheap money, an ambitious development and migration policy, and a short-lived export price boom had led Australia to this crisis. However the 'grievous expedient' of import controls, Copland argued, did not address the true cause of the malaise. Copland drew vindication from what he had been saying over the past seven years namely, that economic activity had run too strongly and that productivity had been falling because of the unbalanced nature of investment and poor work practices. Without sourcing enough foreign capital to keep productivity growth steady, Copland had already warned that an external deficit was imminent.

In a long diatribe against Copland's views upon economic expansion, Horsfall suggested that the imposition of import controls lay with Copland's relentless crusade for growth and expansion. Copland had already dubbed import restrictions an insidious form of economic control and that, if they were made permanent, 'economic liberalism would suffer a reverse. Horsfall pointed out that were this to be the case it would be the direct consequence of Copland's advocacy for growth and expansion: 'No single voice has been more responsible than his for bringing Australia to the point where import restrictions were unavoidable. He has persistently plugged the case for unbridled development and unlimited immigration in face of disastrous inflation and the dissipation of overseas funds. In accusing Copland of pushing the cause for expansion even when Australia had

⁷² *Australian Financial Review*, Dire consequences, 20/3/1952. Judging by the sentiments of the article, Jack Horsfall probably wrote the negative review of D. B. Copland's *Inflation and Expansion* that appeared in *The Economist* in May 1952. NLA: Mathews to Copland, 15 /5/1952.

⁷³ *Australian Financial Review*, 'The Balance of Payments and Money Incomes in Australia' , 20/3/1952.

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not secured dollar loans and when he had just supported the Fadden budget, Horsfall questioned Copland's reading of the economy.

There was some history between the two. Horsfall had been a former student of Copland's and differed strongly on the growth parameters needed for Australia.⁷⁴ Four months earlier, Copland had taken umbrage at a story in the paper purporting to show that his views on economic development, public investment, and migration had shifted and were now similar to the editorial line of the newspaper. It was not true. He still supported an ambitious development programme, and, there was 'no way of escape' from a high level of public investment.⁷⁵

Copland had long anticipated the problem of the external deficit and bemoaned how Australia had outgrown the external economic relations of the twenties. He felt that expedients like credit restriction and import restriction to deal with the trade deficit were only 'playing with the problem' and their ultimate effect would be to dampen the pace of economic development.⁷⁶ Menzies' import controls also went against Australia's comparative advantage and Copland wanted the Tariff Board to check against the creation of inefficient industry.⁷⁷

As the 'ragtime' came to an end, Copland had a revealing exchange with Menzies about his role as an economic commentator. Menzies coldly informed Copland how he had been erroneously described in the press as an advisor to the federal government. The Prime Minister had corrected the error but told Copland how both of them, no doubt, found it a very unsatisfactory state of affairs, especially when the latter, who had formerly been an economic advisor and friend to Menzies, was perceived as 'a sort of kite-flyer for the Government'.⁷⁸ Copland readily agreed, adding though that his

⁷⁴ After graduating from Melbourne Horsfall studied economics at Cambridge and was a student of Austin Robinson.

⁷⁵ NLA: Copland to Horsfall, 22/11/1951.

Copland had rejected the offer of writing the first opinion piece for the first issue of the *Australian Financial Review*.

⁷⁶ *Australian Financial Review*, Copland urges a grand course, 12/12/1951, p. 12.

⁷⁷ Copland, Australian post-war economy.

⁷⁸ NLA: Menzies to Copland, 7/5/1952.

expressed views ‘would have left no doubt to any discerning mind of any official relationship I might have with the Government on economic policy’.⁷⁹

To much acclaim, Copland had been knighted in 1950 but he was not beholden to the new government.⁸⁰ In 1952 the new editor of the *SMH*, John Pringle, who had been shown around the ANU by Copland observed that his host was ‘impressive though amazingly vain and very much the politician. He too is jealous of Menzies - the place is riddled with feuds and vendettas - and does not try to hide it. He had a collection of his latest speeches all ready for me to take away’.⁸¹ It was a telling insight from one new to Australia.

In October 1952 Copland was appointed Australia’s next High Commissioner to Canada meaning the government would have respite from his commentary. Meanwhile his old student, Richard Downing, accepted the offer of the Ritchie chair at the University of Melbourne. Copland felt this would be a force for good, that Downing could take up the fight since ‘the unofficial economists have not pursued a sufficiently independent or vigorous line, and that we have not really been alive to the problems of the Australian economy. I think that, whatever you do you will exert a useful corrective to all these tendencies’.⁸² For his part, Copland was dismissive of his own efforts: ‘I have kept the pot boiling on the facts of economic life, but that wasn’t large until recently. Still, I have enjoyed exploding the heresies of the pretentious, but all in all none of this has done much good’.⁸³ To another Melbourne academic he reported he had ‘enjoyed myself’ surveying the Australian economic scene over the past 4 years ‘although I am afraid it [QUERY TO AUTHOR: something is wrong with the quotation hereCORRECTED] was not always pleasing to have to say the things that one felt to be true’.⁸⁴

AFTERMATH

⁷⁹ NLA: Copland to Menzies, 12/5/1952.

⁸⁰ Melville say the award was ‘Popular and obvious’ while John La Nauze said it was overdue. NLA: Melville to Copland, undated June 1950; La Nauze to Copland, 9/6/1950.

⁸¹ Pringle, *Have Pen*, p. 87.

⁸² UMA, Downing Papers: Copland to Downing 31/7/1952.

⁸³ UMA, Downing Papers: Copland to Downing 18/12/1952.

⁸⁴ NLA: Copland to Hocking, undated October 1952.

With the bursting of the wool price export boom Copland sensed a new reality in Australian economic management. Australia was returning to the 'traditional policy' of coping with 'the vigorous forces of the outside world' away from a 'naïve' Keynesianism of instruments and controls.⁸⁵ All this reminded Australian economic planners that, apart from being compatible with the social milieu, economic policies had to be tailored to fit the fact that Australia was a small, open, vulnerable economy. With a fixed exchange rate Australia had to ensure it did not get its price and cost structure out of alignment with the rest of the world.

One of Copland's last addresses before he headed off to Ottawa was to give the Presidential address titled 'Authority and Control in a Free Society' at ANZAAS, the first by a social scientist. It was an address where, he called again upon 'the noble mind' of Ritchie to help formulate it.⁸⁶ Copland again focused on the antagonism between economic freedom and regulation. He suggested the 'planners' and 'neo-Keynesians' had misread the wishes of the electorate about economic controls. The 'high grade technicians' were prescribing a degree of authority and control in pursuit of full employment at odds with popular opinion and 'in advance of the social milieu'.⁸⁷ [NOTE FROM EDITOR TO TYPESETTER: In original MS this fn is empty and does not appear in the footnoting space below. I tried to delete it but it leaves an empty space in the footnoting.] Controls were no longer necessary now that the exigency of wartime conditions had passed. Planned social security was stifling enterprise and initiative. There was also a revulsion against higher taxes and also some fears of a large public service workforce. Moreover the experiment of nationalized industries in Britain had done little to resolve the industrial relations problems between employee and employer. Copland called upon social scientists to resolve the issue and predicted that economic liberalism would triumph over authority and control.

En route to Ottawa, Copland gave the Sidney Ball lecture at Oxford University and spoke of a new economic order represented by the welfare state and the mixed economy

⁸⁵ Copland, Australian post-war economy, pp. 436-7.

⁸⁶ NLA: Copland to Ritchie, 24/10 1951.

⁸⁷ Copland, Authority and control, pp. 1-2..

which would resolve the tension between security and economic freedom. The template for the new western economy would be a blend of public and private enterprise, yet with the maximum degree of social security, consistent with the maintenance of efficiency and the promotion of economic progress. On the matter of wages and industrial relations matters, Copland was more optimistic believing that there would be a basis for a workable consensus between labour and capital than relying upon decrees and controls.⁸⁸

Copland echoed these views in a paper aimed at the Australian business community where he reported that, after decades of experiment and flux, a renovated economic model had crystallized in western minds that afforded the right degree of social progress. This western market-based model came with ‘a judicious blend’ of public and private enterprise and consigned ‘the devotee of the minutely controlled economy’ along with ‘the diehard exponent of private enterprise’ to irrelevance.⁸⁹ The process of economic reconstruction had led to the welfare state coupled with the mixed economy and Copland was happy to evangelize its virtues over any alternative.

Based in Ottawa, Copland could attend sessions of the United Nations General Assembly as the Australian delegate. He also attended sessions of the UN Economic and Social Council, and, in 1954, became the Chairman of Committee Two (the economics committee) at the General Assembly of the United Nations. This allowed Copland to explore the canvas of economic development. He identified the central issue of which economic system would be appropriate for the non-aligned third world economies. These countries would be the playing field for the great contest between totalitarianism and the free economy. It was there that Copland promoted the idea that western countries donate 1 per cent of their GDP to an international fund administered by the UN.⁹⁰

Despite the growth spurt enjoyed by communist economies, Copland abhorred totalitarianism and was suspicious of economic controls. In looking at the problems of a modern mixed economy, the issue of public and private enterprise had long been settled

⁸⁸ Copland, Full employment.

⁸⁹ Copland Structure of the western.

⁹⁰ Copland, *Adventure*, p. xii.

in Copland's mind. He had no qualms about a significant public sector believing it was essential for growth and economic development, but he was wary about the state intruding upon individual freedoms.⁹¹

In a speech to the American Philosophical Society in Philadelphia in April 1956 entitled 'Underdeveloped Countries and the Western World', Copland divided the global economy into 'the western economy, the communist economy and the economy of the under-developed countries'.⁹² There was a new moral imperative facing the free world and that was to counteract the attractions posited by the impressive performance of the communist economies. It would take a concerted effort to steer third world countries away from the seduction of planning and socialism. Copland was optimistic that the western economies with improving economic performance would meet the challenge.⁹³ Only the western economy, he felt, was effectively based, structurally and technically, to give aid to the third world economies. That aid would take the form of technical and financial assistance, education and human capital transfer best represented by the Colombo Plan which Australia later pioneered with Asian nations.

When Copland returned home to become the first Principal of the Administrative Staff College at Mt. Eliza, he resumed his critique of the 'younger brethren'. He felt that Australia was in danger of losing the great opportunities facing it because of the pusillanimous manner of its political leaders. He was amazed to find that the main policy debate among academic economists was still whether Australia was growing too fast or not. Not for the first time he 'preached adventure, advance and expansion with all the power and challenge of an old Testament prophet'.⁹⁴ He was convinced that economic progress since 1953 had been 'relatively sound and vigorous' and in no need of restraint.⁹⁵ Neither the Treasury, nor the majority of the Australian economics profession,

⁹¹ Copland, *Changing Structure*.

⁹² Copland took pride in being invited to become a member of this body since its foreign membership was limited to just 75.

⁹³ Copland, *Adventure*.

⁹⁴ Brown, *Freshest field*, p. 168.

⁹⁵ Copland, *Australian economy: a new look*, p. 143.

shared his optimism. The new generation of economists, he argued, still worshipped ‘the false god of stability’ when ‘there was no future in stability’.⁹⁶

Copland was concerned that the authorities were going to suppress expansion because of worries about inflation. Representing the academics was Heinz Arndt who expressed concern that Australia’s creeping inflation rate, if left unchecked, would compound economic difficulties, particularly with the external account, in the near future.⁹⁷ [NOTE FOR TYPESETTER: another ghostly footnote] It was much better, Copland reasoned, to be discussing growth and expansion ‘than to be worrying about the problems of devastating depression’ of twenty five years ago.⁹⁸

Copland urged policymakers to push on with ‘the adventure of economic expansion on the grand scale whilst enduring the restraints that are necessary for its success’.⁹⁹ This meant that consumption and the obsession with security and employment took a lower priority. The title of his co-edited book, *The Conflict between Stability and Expansion*, encapsulated the dilemma facing Australian economic policymakers. He would repeat his prescription of adventure before stability in one of his last contributions to *The Economic Record*.¹⁰⁰ After discussing the conflict between the two, Copland listed the policy settings needed for Australia to focus upon growth. Fiscal policy would channel a higher level of savings into capital formation which, in turn, would realign the balance between consumption and investment. This policy, if successfully implemented, would make it unnecessary resorting to a credit squeeze to ensure the proper distribution of resources between consumption and investment.

Nor did Copland fear that these developing economies would resort to planning because it had ‘unconsciously and perhaps less coherently’ been a vital feature of the western economy, especially in Australia and New Zealand. In a later essay Copland

⁹⁶ NLA Copland to W. S. Robinson, 23/1/1961.

⁹⁷ Arndt, Australian economy.

⁹⁸ Copland, Australian economy: a new look, p. 141.

⁹⁹ Copland and Barback, *Conflict*, p. xvii. [QUERY FOR AUTHOR: IT IS BARBACK IN THE REFERENCES, IS RIGHT]

¹⁰⁰ Copland, Australian economy: a new look.

decreed that, whatever the state of an economy, only within the framework of a national plan could 'the adventure of development' be both guided and yield fruit ().¹⁰¹ A global plan, even for Australia, would resolve issues of state and national governments, primary and secondary sectors and the public and private sectors of the economy.

Copland took the Menzies government to task for imposing the 1960 credit squeeze to correct an external account problem. Copland queried how a credit squeeze could ever promote growth and development.¹⁰² He felt Menzies had become intimidated by a slight increase in inflation and a balance of payments deficit problem. Copland told Fadden, who had only just retired as Treasurer, that the current policy pronouncements seemed to him one of 'the most confused' he had ever witnessed.¹⁰³ Copland felt it best to push on with expansion rather than stifle enterprise. Against type, he was even prepared to countenance some temporary import controls.¹⁰⁴

Copland's advocacy for growth culminated in 1965 with a Canberra Day address with his renewed call for the establishment of a semi-official 'fourth estate' of government comprised of elder statesmen to advise Australian governments on social welfare and economic development.¹⁰⁵ He had mooted the idea in his last article in *The Economic Record*.¹⁰⁶ It was a call for a mild form of indicative planning to gather resources for economic development. The suggestion was echoed shortly by the Vernon Committee of Economic Enquiry in May 1965. The idea fell on stony ground.

CONCLUSION

Some fifty years after he had first set foot in Hobart as a young academic at the University of Tasmania, Copland was awarded an honorary Doctor of Laws from the

¹⁰¹ Copland, *Adventure*, p. 20.

¹⁰² *Sydney Mirror*, Credit squeeze, 15/2/1961.

¹⁰³ NLA: Copland to Fadden, 15/12/1960.

¹⁰⁴ *The Age*, Import controls, 11/5/ 1961.

¹⁰⁵ *The Age*, Adviser body proposed, 13/3/1965.

¹⁰⁶ Copland, *Problems of 1962*, pp. 38-9.

Australian National University in 1967. A new building, which would house the Faculty of Economics and Commerce, was named after him. Russell Mathews, Dean of the Faculty, complimented his old mentor: 'In the world of ideas, and in the translation of those ideas into action, his life has been characterised by courageous and far-sighted response to one challenge after another'.¹⁰⁷ Copland used the occasion, one of his last public addresses, to remind the graduates of some of the major themes of his life.¹⁰⁸

Often Copland used a line from the Latin poet, Horace, '*Cras ingens iterabimus aequor*' which translates as 'Tomorrow we set out once more upon the boundless sea' in his essays. One line from Horace he didn't invoke was, '*Coelum non animam mutant qui trans mare currunt*', meaning, 'Those who cross the sea change the stars above them, but not their souls'. This was the case with Copland; his compass bearings, often at odds with official economic line, rarely changed.

To many Copland comes across as a windbag, resentful about being excluded by policy-making circles and his loss of status. He was yesterday's man. That aside Copland's critique of postwar economic management carried weight. Mathews, then his research assistant, wrote:

You will be interested to know that nearly all of the post-war reconstruction people who adopted such an exaggerated definition of full employment are now openly saying that some unemployment seems to be necessary in order to maintain internal stability. They are particularly worried about the difficulty of holding down money wages. It has taken them a long time to learn the lesson that you were driving at right through the post-war period, but I think we have now heard the last of the over-full employment doctrines.¹⁰⁹

Copland responded that the 'trouble with the full employment boys' is that they 'won't go to confession and they won't do penance in spite of all the [QUERY TO AUTHOR: missing word?] harm perpetrated by their heresies'.¹¹⁰ Copland was right in pointing out

¹⁰⁷ *Canberra Times*, Invocation address at the ANU, 12/4/1967.

¹⁰⁸ *Australian National University News*, Sir Douglas Copland, June 1967.

¹⁰⁹ NLA: Mathews to Copland, 3/8/1956.

¹¹⁰ NLA: Copland to Mathews, 15/8/1956.

the need for fundamental and long term adjustments to advance Australia's economic development. He was a visionary, too, in advocating against the use of economic controls and alerting policy-makers to the potential of the Asia Pacific.

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