

10. The last ridge

‘The curious thing is that in my mind he was so “indestructible” that his physical passing makes little difference.’

Ronald Wilson

Introduction

The Second World War did not bring the four the culmination of their careers that might have been hoped or expected. At the war’s close three were over 50 years old, and perhaps none would have been buoyed by any marked sense of the completeness of their accomplishments. Brigden had been dismissed from the inner counsels of government not long after he reached them. Copland’s ambition for a preeminent place in academia had been crushed in 1938, and he had spent the war in a government position more imposing than powerful. In 1946 Wilson was returned to the position he had first been awarded 10 years before – Treasury ‘adviser’ and Commonwealth Statistician – to endure, heavy with expectation, a ‘seat of government’ that brought him to despair. And Giblin? Now an old man, in bad health – where was his monument? He had produced a profusion of reports, pamphlets, lectures, reviews, columns. But nothing more.

For Giblin it was, obviously, the last act, the last stage of the ascent. But it was an ascent which he was to climb until the last moment, and make his most memorable. In the same years, Copland’s academic aspirations were to be handsomely consummated, and Wilson was to achieve his own acme of ambition.

These accomplishments were realised amidst, and coloured by, the contradictions of post-war Australia: an unexpected prosperity co-existent with vexatious shortages and accelerating inflation; and full-employment concurrent with bitter economic tensions. But it was a third incongruity that most specifically absorbed the four: the restoration of fundamental military security coincident with a renewed anxiety about Australia’s ‘independence’. This incongruity was seen sharpest in the controversies over Australia’s place in the post-war international economic order, and it was there that the four for the last time as a group offered their guidance.

The road to Savannah

With the advent of peace Australia found itself excluded from the leading vehicle of economic cooperation of the post-war world: the International Monetary Fund. It had been excluded by its own choice – its own hesitant choice. For the next two years a decision to join or not join the Fund foundered on divisions within the Chifley Labor Government. The four, from Canberra, Washington,

New York and Chungking,¹ added their wary approval to voices supporting joining.

The current of hostility to the Fund that the four sought to moderate was impelled by three considerations.

First, it was widely held that the success of full-employment policies would be obstructed by a commitment to rigidly fixing the value of the Australian pound (except in the face of 'fundamental disequilibrium'), as membership of the IMF would require.

Secondly, any commitment to a financial agreement triggered unpleasant associations on the Left. 'To many Labor stalwarts it smelt of international financiers, Wall Street, 'the Money Power' – the ultimate forces of capitalistic evil which Labor had felt itself to be fighting down the years' (Crisp 1960, p. 201). This resonance provoked crazed responses from maverick MPs, Eddie Ward and Jack Lang.²

Finally, the treaty brought out tensions between economic autonomy and economic internationalism; or 'independence versus dependence' as nationalists would put it.

The four were not immune to the tug of the first and last of these three, and during the war they had sought, as supporters of the Australian Government's policy, to obtain a more acceptable agreement.

During the war the four – like other Australian policy-makers and advisors – had more sympathy with Keynes' Clearing Union than the Stabilisation Fund proposal of the US Treasury. Keynes' plan was an attempt to contrive a system of stable rates that made unnecessary the deflationary policies that a commitment to fixed exchange rates had formerly entailed. It essentially amounted to granting a large pool of credit to deficit countries, thus giving these countries room to pursue full-employment policies while avoiding balance of payments crises. The plan manifested a concern to avoid full employment being sacrificed for the sake of maintaining fixed exchange rates. This sentiment was one that the four strongly shared.

¹ Until 1947 Giblin continued to occupy his room in the Treasury in Canberra, and was available to undertake special projects for the government. In 1946 Copland was appointed Minister to China, surely another diagonal move. His impatience for the Nationalist government and his trustful regard for Mao were evident. In August 1946 Copland 'wrote to Canberra describing the Nationalists as inept and incapable of pulling the country together ... Early in 1951 Copland publicly reproved the Liberal Party for having failed to recognise China' (Albinski 1964, pp. 12, 68).

² Ward was Minister for Labour and National Service from 1941–43, the department of which Roland Wilson was Secretary.

The Assistant Secretary to the US Treasury, Harry Dexter White, advocated an alternative scheme, a Stabilisation Fund, which more strongly resembled the IMF that was to eventuate. The Stabilisation Fund emphasised exchange rate stability, rather than full employment, and consisted of a pool of a number of currencies and gold, accumulated from contributions by member nations, which would be deployed towards maintaining the relative values of member country currencies. As the US dollar would be pegged to gold, and as other currencies were pegged to the \$US, the Stabilisation Fund would in some measure be a revival of the old gold standard, the difference being that each member country would be committing part of its gold and currency reserves to any other member country endeavouring to maintain its exchange rate.

As early as January of 1943, Wilson, fresh from consultations in the United Kingdom and the United States, had expressed his doubts to Curtin about the White scheme:

One of the more important weaknesses of the American scheme is the fact that ... the United States would be the greatest subscriber to any scheme of this kind, and even with what might be regarded as generous concessions in the matter of control, the United States would still remain the dominant partner. With South American voting strength added, other countries and even the British Empire as a unit would find it difficult to exercise much control over operations of the Fund. (DFATHP RW 18 January 1943).

Another 'unpalatable' feature of the US proposals, he reported, is 'the exalted position given to gold'. Finally, 'a country's rate of exchange would be much more under the control of the Stabilisation Fund than would be under the International Clearing Union'. As a consequence, Wilson believed that 'the most useful approach from our point of view appears to be to press the British proposals in regard to the International Clearing Union as strongly as possible'.

At the Hot Springs conference of May 1943 Brigden pressed the same warning against the restoration of a gold standard, and the same support for the Clearing Union. In Brigden's view (Brigden 1943b), the 'C[learing]U[nion] has a more vivid sense of the realities of the post-war world'. He explained: 'There must be an expansionist outlook, and some credit creation'. Predictably, Brigden was on guard against the 'dangers' of credit expansion. 'It will come somehow and it will be dangerous. It will come better if planned and controlled'. He also complained that the draft articles of the putative Fund gave its board no guidance on policy. White sought to deflect this criticism by promising that full employment would be mentioned in the Fund's preamble (Brigden 1943b, p. 2).

The United States had every wish to placate its allies in these discussions, but had no intention of conceding. Brigden was sensitive to how the American sense

of resolution could shade into presumption.³ In 'Discussions on the S[tabilisation] F[und]', he complained of the habit of the American negotiators to treat the US Congress 'as though it were recognised to be in fact a super-national authority. ... Latin American countries and the Canadians accept it from habit. Europeans accept it with varying moods, from a state of chronic indignation among the Norwegians, to fatalistic resignation among the Continentals. The UK attitude is ... quietly watchful for opportunities to escape the oppression' (Brigden 1943b, p. 1). He added that the Canadians 'never feel safe' with the United States. To H.V. Evatt, the Australian External Affairs Minister, he grumbled about the 'puppet states' (mainly Latin American) that voted according to the United States' say so. To his 'horror' this remark was passed on to White.⁴

Other Australian advisers – above all Melville – were also critical of the proposed Stabilisation Fund. Reinforced by this doubt, on 8 June 1944, Curtin told the Australian Legation in Washington that no ministers were to attend the crucial 'monetary conference' that was to be held at Bretton Woods in the first three weeks of July. Australia's presence was to be limited solely to officials. Curtin seems to have initially proposed that Brigden alone attend. In the event, four officials went: one from the Commonwealth Bank (Melville, the delegation leader), one from Treasury (F. H. Wheeler), one from the Department Post-War Reconstruction (A. H. Tange), plus 'in practice' Brigden. At the end of the conference the Australian delegation merely indicated its presence at the proceedings, and declined to sign the Articles of Agreement. A decision to join was put off.

For the next 20 months Brigden's task was to keep Australia at the card table, without ever playing its hand. In the hottest summer in Washington for 70 years, Brigden coped with shingles, and met Keynes for a 'depressing' discussion about Lend-Lease. This meeting was a reminder that Australia had more than one international alliance to cope with, and Brigden tried to convey to Keynes Australia's ambivalent attitude to any reliance on the traditional Imperial link:

The answer may be 'Trust London'. Many of us whose spiritual homes are in England, are always inclined to do so. But we should be neglecting

³ 'The outlook is perhaps no more infected with the mammon of self-righteousness than was that of mid-Victorian England. That it is much more insular is natural enough. It is natural, too, that the people should attribute their success to their own efforts rather than the gifts of nature, and an important virtue in their minds is that of minding their own business. The idea of international co-operation leaves them cold' (Brigden 1943a).

⁴ 'One cannot but remark that there is more sense and stability in the American scene than appears on the surface ... The Americans may be comically and excessively vain about their political and constitutional "way of life", as they are ... But their way has historical roots and probably suits them better than any other' (Brigden 1943c, p. 3).

our duty if we did not at this stage question this policy. In another connection, we remember Singapore. We remember not only that Singapore fell, that the UK could do nothing to help Australia, and that we had to appeal to the USA (all that might have been inevitable), but that for many months previously we had been given repeated assurances. We poured out our men and our munitions on the basis of these assurances, and were left destitute. Now, and for similar reasons, we have poured our dollars into your pool. We want to trust the judgment behind the advice from London, but should we? ⁵

By the time of the inaugural meeting of the IMF (and World Bank) in March 1946 (in Savannah, Georgia) Australia was still a non-member and still undecided. Nevertheless, the United States wished Australia to join, and invited Australia to send a delegation in any case. Melville and Brigden were the two Australians amongst the 600 delegates. It was at Savannah that there perished any lingering hopes that the Fund might bear Keynes' imprint. The US pushed through its wishes with barely a consoling concession. As Brigden told Giblyn '... when Keynes went through the ordeal (to him) of Savannah he found it very distressing. The way in which the International Monetary Fund and [World] Bank were launched was anything but propitious and the whole atmosphere of the occasion must have been very disappointing indeed to Keynes' (RWA JBB to LFG, 21 November 1946). Keynes, to put the matter starkly, went home and died. ⁶

Brigden, too, found much to 'dislike and disapprove' at Savannah. It confirmed his 'fears', and 'did nothing to reduce my general scepticism' (DFTHP JBB 8 April 1946). But where could Australia turn?, Brigden asked. The old imperial connection was derelict: 'whoever won the war', he wrote, 'it was not the British'. The imperial power was now itself the supplicant of the United States. The December 1945 loan agreement between the United Kingdom and the United States, imposed, in Brigden's judgement, 'preposterous burdens on the UK people'. Keynes, Brigden felt, did not deal 'frankly' with the British public.

And total isolation was not an advisable choice either, for 'we can defend ourselves better inside an organisation than outside'. He concluded: 'I see no real alternative to our membership of the Monetary Fund'.

From the discomfort of Chunking, Copland read the post-Savannah reports of Brigden and Melville and sent his own analysis to Chifley (DFTHP DBC 2 July 1946). He noted that the traumatic events of Australia in 1930 would seem to argue against joining the Fund; a fixed exchange rate had then prevented Australia from depreciating in the face of the slump in its export prices. The prospect of a the exchange rate being fixed – except in the case of 'fundamental

⁵ JBB Australian Joint Copying Project T247/62 folio 15.

⁶ Keynes died in April 1946 from a progressive heart condition that first manifested itself in 1937.

disequilibrium' – was intimidating. The spectre of 1930 hung heavily: 'it is ever present in the minds of all of us who have to consider the course Australia should pursue'. Copland and Giblin had, in the inter-war period, pressed hard against the gold standard, and to their minds it was – in attenuated form – being revived as a piece of 'post-war reconstruction'. Giblin was pessimistic about Australia's balance of payments if full employment was to prevail. How could a stable rate of exchange be preserved under full employment?⁷

But on the other hand, Copland suggested Australia would not receive a capital inflow from the UK in the post-war period, so its vulnerability to external shocks was reduced. There was no 'flow' to 'dry up'. Finally, Britain had abdicated from international leadership.

By 1946 the Chifley Government was quietly in favour of joining the IMF, but was still delaying this difficult decision. More than two years after Australia's initial decision to stay out, Brigden was instructed to go to the September 1946 meeting of the Fund and keep alive Australian membership (DFATHP G.P.N. Watts 12 September 1946). Not long after, on 31 December 1946, the official deadline (already once extended) for any joining country to be deemed an 'original' member passed. And Australia was still outside. Finally, on 5 March 1947, not quite three years after Bretton Woods, Chifley manoeuvred his party into agreeing to Australia's membership.

In the same month Wilson visited Washington, having been appointed to a United Nations committee of experts.⁸ He discovered that Brigden was suffering high and uncontrollable blood pressure, which threatened a heart attack. He told Giblin that there was 'a probability of trouble increasing at a rate of 10 per cent per annum as long as he continues at his present work'. And Brigden was hesitating to take the obvious course of action. 'At one moment he contemplates retirement on the 30th June with his return spread out over a period of months ... and at other moments he mumbles somewhat incoherently about this, that and the other, which might keep [him] in the harness for another year or two.' Wilson hinted that Giblin should intervene. 'It would seem to me that somebody should make up his mind for him' (RWA RW 10 March 1947).

Whether Giblin made up Brigden's mind for him is not known. But Brigden resigned in the middle of 1947, with the intention of totally withdrawing from active life. He wrote to Eggleston: 'My intentions are to retire entirely and live quietly somewhere on the outskirts of Melbourne'. His last duty was to attend

⁷ In 1946 Giblin asked student examinees at Canberra University College to give a 'critical account of the provisions against changes in exchange rates, contained in the Articles of Agreement in the International Monetary Fund'.

⁸ In 1948 Wilson was appointed Chairman of the UN Employment Commission in place of Professor Ragnar Frisch, the first Nobel laureate in economics.

the annual meeting of the IMF in London in September 1947, *en route* to Australia. He noted with satisfaction: 'the F[oreign]O[ffice] has had to accept economics as a really serious influence' (NLA JBB 20 August 1947). Wilson filled Brigden's place as Financial Counsellor to the Australian Embassy in Washington, and as Australia's Alternate Executive Director at the International Monetary Fund and World Bank.⁹

On his return Brigden retreated into a retirement that was rarely interrupted. On one occasion he spoke to University of Melbourne students; a witness recalls him leaving the podium several times in mid-speech. The problems were physiological, not mental. But a watchful custody of the mind was a necessary part of the appropriate care of the body. Wilson later commented to Giblin: 'There was never any hope, following his return from the United States, that he would be able to do serious intellectual work without undue danger ...' (RBA RW 2 November 1950). In Brigden's world the problems of the compost heap had replaced the problems of finance. How well he faced up to the empty spaces of an enforced retirement is not clear. Giblin made sure he visited whenever possible. He pressed Eilean to at least make a phone call; such a call, he said, was always a tonic to persons 'feeling they have been forgotten' (NLA LFG).

'Above all, to know the nature of things'

In 1948 Copland returned to Australia from Chunking. He was to now refight – and this time win – a contest for Vice-Chancellorship.

Ten years earlier Copland had been defeated in his pursuit of the Vice-Chancellorship of the University of Melbourne. This was a major trauma in an unquiet life.

A full-time Vice-Chancellor's position had only been created in 1933, and the first holder of the new office, Raymond Priestly, was presented with an institution that was 'small, woefully understaffed and financially starved' (Serle 1993, p. 19). Consequently a struggle between modernisers and the old guard began; or, alternatively, between 'professionals' versus 'amateurs'. The 'amateurs' were concentrated in Council. The Professorial Board was the base of the 'professionals'. And Copland was chairman of the Board. The outcome of this wrestling was undecided in 1938 when Priestly suddenly resigned over the refusal of the Victorian Government to fund his expansion proposals.¹⁰

⁹ Brigden chaired the Contributions Committee of the United Nations, which was responsible for working out the contribution of each member state to the UN budget. Wilson was later to replace Brigden on this committee.

¹⁰ Priestly recorded that 'the Coplands have been a tower of strength'. 'Copland is a strong man and we may not always see eye to eye in the future' (Priestly 2002, p. 23).

The choice of his replacement as vice-chancellor would constitute a test of strength of the rival parties. Copland was the choice of the modernisers. His victory seemed assured. He was already Acting Vice-Chancellor. And there were no other candidates: Clunies Ross and a swathe of economists, including J. B. Brigden, R. C. Mills and Herbert Heaton, were out of the running. Who else but Copland? But the vehemence of the 'amateurs' bred an 'anybody but Copland' movement. Sir Alan Newton, a foundation fellow of the Royal Australasian College of Surgeons, produced the name of John ('Jack') Medley.

The son of a Glasgow professor, Medley had obtained a First in 'Greats' at Oxford, where he befriended Ronald Knox and Harold Macmillan. In 1914 he was granted a grace and favour fellowship at Corpus Christi, Cambridge, on the expectation that he would expose 'the damnable heresies of Lowes Dickinson'. Instead he joined up. With the help of his cousin Viscountess Milner he secured a commission and spent the war in a series of staff jobs that a frontline soldier might describe as 'cushy'. Demobbed and footloose, he accepted an uncle's offer of a commercial position in Australia. He slipped easily into the local social network (including the Melbourne Club), but his excursion into the antipodean world of business was miserable and abortive. Relief came in his appointment of Headmaster of Tudor House preparatory school, the alma mater of Patrick White and Malcolm Fraser.

Medley became, in K. H. Bailey's words, 'the favourite candidate of those who opposed Copland'. A bitter brawl ensued.

The Professorial Board unanimously carried a motion saying that university experience was a necessary qualification. (The Council replied that it was none of the Board's business.) The *Age* and the *Herald* were brought in to provide editorial support for Copland. Scuttlebutts were disposed of. 'Some of the reports of Copland's unpopularity in the business world were in particular cruelly damaging, and we spent a good deal of time gathering comments in rebuttal' (UMA KHB 4 June 1938). Sir Colin Fraser of Collins House mining declared his confidence in Copland. Priestly 'strongly advised' a vote for Copland over Medley (Priestley 2002, p. 430).

On 21 March 1938 there came the day when the 30 Council members were to make a decision. Priestly was 'convinced' that the vote would fall 19:10 in favour of Copland. K. H. Bailey, not long after, wrote that 'on a repeated scrutiny of the Council list I had come to the conclusion that the worst possible result would be 15 to 14 in Copland's favour' (UMA KHB 4 June 1938).

In the debate of Council Copland's supporters dismissed alleged 'rough angles and edges to his personality'; one spoke 'at very considerable length and some heat – unfortunate heat' (Priestley 2002, p. 436). One of them slighted Medley's personal capacity in insulting terms. For their part, the Medley faction's Sir James Darling – head of Geelong Grammar – announced: '[I] would rather choose

a man who knew what a university ought to be than one who knew what this one actually was’.

The voting was by ballot. Bailey told Giblin: ‘I myself was dumbfounded when the voting went 15 to 14 in favour of Medley’.¹¹

The decision was, indeed, extraordinary. The candidate who was prolific in publication, dedicated in teaching, massively experienced in university administration, honoured by invitations to lecture at Cambridge and Harvard, and with extensive academic contacts (Keynes, Schumpeter, Einaudi), had been refused in favour of a prep school head who had not stepped inside a university in 24 years. As Medley put it: ‘There can certainly never have been a previous case of a Headmaster of a Preparatory School being promoted to the Vice-Chancellorship of a University’ (quoted in Serle 1993).

Copland’s failure has been ascribed to his personality. Some economist colleagues allowed that he was ‘difficult to work with’ (Hyttén 1971). But this is not entirely unusual among successful administrators. An even-handed historian later summarised several of Copland’s positive personal qualities: ‘He had the courage of a lion, inexhaustible energy, extraordinary patience with staff, and a better mind and more fineness of sentiment than he was usually credited with’ (Foster and Varghese 1996).

It would be truer to say that Copland lost in a clash of social formations, which might be variously described as classics versus moderns; culture versus trade; gentlemen versus players; the man from New College, Oxford versus the man from the University of New Zealand, Timaru.¹²

Copland’s supporter, Bailey, put what was at stake in more precise terms: ‘It is tempting to explain the whole contest in terms of a struggle for power between the academic and lay members of Council’. Bailey explained the perversity of the outcome: ‘In that view, it was Copland’s own impressive record of achievement and his tried strength of character which caused his defeat’.

It has been suggested that Copland had only himself to blame. This was the view of the outgoing Vice-Chancellor, Priestly. ‘If Copland had been clubbed by someone two months ago he would have awaked after one month to have found himself Vice Chancellor! Unfortunately, no one thought of doing it’ (quoted in Serle 1993, p. 24). Priestley’s claim may be true, and yet be irrelevant. A candidate may cause his own failure, without deserving to fail. The decision to prefer Medley over Copland was a marvel.

¹¹ Giblin had assumed the position was in Copland’s lap. ‘It looks as if DBC could be offered V-C, within the next week or two, if it has not been done already.’

¹² ‘Copland was basically defeated by Council’s old guard, hanging on to power ... the bourgeois revolution failed’ (Serle 1993).

Whether it was, in retrospect, a bad decision is another question. Medley did have 'what is called "charm"' (Bailey). With his charm he balmed and bound the torn flesh of the University. In the following decade his playful nonchalance proved a useful opiate to ideological aches that wracked the University. He is fondly remembered, especially by one section of political opinion (Cain and Hewitt 2004).

Copland assured Giblin that he had not been taken aback by his defeat. 'I feared that the enemy would triumph and would have withdrawn my name had I had my own way a few days before the meeting' (UMA DBC 29 March 1938). But Bailey believed Copland had been confident of victory. Bailey reported to Giblin (then in Cambridge): 'The whole thing has hit Copland exceedingly hard ... His first reactions were quite magnificent, but he has not been able to maintain the nonchalance with which he met the first blow' (UMA KHB 4 June 1938). Copland felt so badly humiliated he did not attend Commencement, and 'his absence was very obvious' (Priestley 2002, p. 453). Copland wrote to Giblin: 'It is a thousand pities that you were not here and that your steady hand is not available at the moment' (UMA DBC 19 March 1938).

To the alarm of his supporters, Copland began to plan a devastating counter-attack. 'He would have liked, himself, to see us all lead an attack, not only on the actual decision itself, but on the whole University administration, and what I think he had in mind was an eventual government enquiry which would result in the complete discredit of the existing regime' (UMA KHB 4 June 1938). Copland also planned to mimeograph copies of the proceedings of the selection committee and the relevant Council meeting, and send them to his professorial peers overseas.

Presumably thwarted in these desperate moves, Copland resolved to leave the University, and on 7 April 1938 cabled Giblin in Cambridge:

Would Cambridge offer me position statistical economics 1000 pounds Sterling with possible College Fellowship (stop).

But Cambridge, it seemed, would not offer a position.

By his own choice, Copland's academic career appeared to be over. 'I feel my future here [in Australia] does not lie in academic work at all' (UMA DBC 29 March 1938). He took leave, and in 1940 presented his resignation.¹³

Copland's academic career was revived 10 years later by one of the quixotic visions of Australian 'nation building': the Australian National University.

The original plan for Canberra had called for a national university, seated at the foot of Black Mountain. In June 1926, with the translation of the 'seat of

¹³ Copland was 'persuaded to withdraw' (Serle 1993, p. 46), but he remained on leave.

government' to Canberra imminent, a committee was gathered to report on a provision of university facilities for residents in the new capital. The committee was composed of what Giblin later described as stars of the first magnitude: Mungo Macallum (Challis Professor of Literature at Sydney University) and R. S. Wallace (Professor of English Language and Literature at the University of Melbourne, and Chief Film Censor). 'I was added as a twinkle', said Giblin. The report recommended the establishment of a small teaching university in Canberra, instructing introductory students in Arts, Law and Commerce. The proposal was in essence accepted. A modestly named University College crept silently and unnoticed into the world, an outpost of the University of Melbourne.

But with the advent of war a more sweeping project gripped imaginations. Australia would have a research university in her national capital, to enlighten her citizens and government.

Giblin was dead against the project (Giblin 1941). Where were the students for such a venture? He pointed out the slender student base of the existing University College. 'Canberra University College has no full time students', and the existing (part-time) enrolments were the equivalent of only 50–60 full-timers. And who would be the staff? Why should anyone want to come to Canberra?' Melbourne University, he observed, 'cannot now attract first-class people ... You might offer 50 per cent more salary and still he won't come'. He disallowed any significance of the location of the proposed university. 'It is suggested that Canberra can contribute something. Canberra cannot contribute very much.'¹⁴ And he disputed the viability of a pure research institution. 'In general, research is built around and grows out of a teaching organisation. Few things are better for research than stating difficulties for students and seeing how to overcome them. Research and teaching mutually help one another.'

He concluded that the project is 'extraordinarily difficult', 'pretty hopeless', 'verging on the impossible'. The 'policy of Canberra should not be at this time to push for a national university, but to go on developing the Canberra University College, expanding facilities, until the Govt. really means to make Canberra a go'. Giblin was much more attracted to prodding Cambridge to be more accommodating to Australian students seeking to study there.

But Giblin's nay-saying was without influence. An Act was passed in 1946. Four 'Advisers' – Howard Florey, Marcus Oliphant, Keith Hancock and Raymond Firth – were to advise the Interim Council on the selection of a Vice-Chancellor.

¹⁴ There is a resemblance between Giblin's posture on the creation of the Australian National University, and Brigden's leadership, as a member of the Senate of the University of Queensland, of the opposition to the relocation of that University from the centre of Brisbane to the new St Lucia site (see Brigden 1937b). On this opposition the historian of the University comments: 'in a sense' the move to St Lucia did 'throw the University back a generation' (Thomis 1985, p. 166).

The clear favourite for the position of Vice-Chancellor had been H. C. Coombs, then Director-General of the Department of Postwar Reconstruction. But he was soon to become the Governor of the Commonwealth Bank, and Coombs declined the position.

It was David Rivett, a professorial colleague of Copland at Melbourne in the 1920s, who suggested Copland. This suggestion caused some consternation. 'Copland was known to everyone – and that was his major problem' (Foster and Varghese 1996). Copland's 'rather beefy, beery and in some ways brash outlook' was 'very uncongenial' to the 'Adviser' who had responsibility for economic studies, W. K. Hancock. Thanks to Hancock, the name of Copland became problematic to some who were not acquainted with Copland. Florey, who had never met Copland, acquired the belief that he was not a 'gentleman'. Did Copland perhaps recall that the bitterest opposition to his appointment as Vice-Chancellor in Melbourne had come from the medicos?

Coombs presented another difficulty for Copland. Coombs claimed to 'like' Copland, despite considering him 'pompous'. But he keenly backed his former boss at the Commonwealth Bank, Leslie Melville, for the vice-chancellorship. Unable to attend the critical meeting of Council, he cablegrammed the Registrar: 'When Question of Vice-Chancellor is discussed at December meeting glad if you would inform Council that I strongly urge appointment of Melville'.¹⁵

Was Melville now to play Medley? He was an infinitely more plausible candidate than the prep school head. But Council contained more strong allies of Copland (Rivett; Bailey; Eggleston) than adversaries. The Advisors might have the prestige, but they didn't have the power. Most of the Interim Council wanted Copland, and it was finally he who was offered the job. He accepted with alacrity. In March 1948 he commenced as first Vice-Chancellor of the Australian National University.

In retrospect, it is clear that Copland was the correct choice for the task of establishing a new university. His energy, entrepreneurial skills, and extensive contacts in academia, in business and government, both in Australia and worldwide, were to prove indispensable in the transformation of some acres of scrub and a few wooden huts into what was later to be recognised as Australia's pre-eminent university.¹⁶

¹⁵ Giblin: 'Coombs ... is supposed to be very opposed to Copland's appointment' (NLA LFG 11 February 1948).

¹⁶ Judgements on Copland's performance as Vice Chancellor are, inevitably, not unanimous. Sir Walter Crocker, Copland's first professorial colleague at the ANU, writes in his memoirs that 'despite some notable merits, including courage', Copland lacked a sense of quality, and had 'early lost interest' in the University (Crocker 1981, p. 174).

Figure 10.1. Copland (centre) in charge at the Australian National University.



Source: ANU: UA 2000/15, Envelope 1, CU457/9

Figure 10.2. Copland and Medley (at left) as friends on the Council of the Australian National University



Source: ANU: UA2000/15, Envelope 2, UN193/2

But the victory of Copland's appointment did not mean the end of his struggles. A new difficulty arose involving one of the advisers who had been doubtful of his appointment, Keith Hancock. The object of the struggle was the guiding philosophy of the new Research School of Social Sciences. A question arose which was absent in Physical Sciences or the Medical School. Would the inspiration to research be specific (and local), or universal (and global)? Briefly, would it be Australian or internationalist? It was not surprising that Copland and Hancock would fall on different sides of this question. Hancock was an Australian native who had been captivated by Oxford. He had assimilated himself to the English environment, and shed the Australian accent that so pained his ears.¹⁷ He now shuddered at the blatancy of the patriotism in the name of the infant institution: the Australian National University. Localism was parochialism in Hancock's reckoning, and when it came to senior appointments, he would seek the best in the world.

These differences crystallised over the appointment of the inaugural chair in economics. Hancock insisted on making the appointment, and in order to keep control over it, refused Copland's wish to advertise the position. Instead he sounded out some of the best talents worldwide: Paul Samuelson, Nicholas Kaldor, A. E. G. Robinson, James Meade, Brian Reddaway. In reaction to Hancock's strategy, Eggleston in January 1949 complained to Copland that Hancock was 'trying to get brilliant specialists'. Copland replied, saying: 'I agree very fully with you that we do not want who you call an 'all-star cast''. Copland wished to reverse the 'bias' Hancock was imparting 'in favour of examining the Australian environment'.

There was, however, no call for anxiety about the arrival of an 'all-star cast' of 'brilliant specialists'. The best in the world had no interest in applying for the chair at the Australian National University. Indeed, on many occasions they had no interest in replying to Hancock's nudging letters. 'One of the disheartening things in this search is the number of people who are not sufficiently interested to answer letters' (ANUA KH to DBC 4 April 1949). Arthur Smithies told Hancock: 'I have been completely at a loss to think of anyone who would be willing to go to Australia and whom I would recommend' (quoted in ANUA WKH 21 March 1949). Copland must have been reminded of his trials in seeking an overseas economist to fill the Ritchie chair in 1928.

In the face of this failure, Copland did in 1948 what he had done in 1928: he turned to champion his own local candidate. 'Do you know Roland Wilson at

¹⁷ 'I must confess that it is harder for Australians to speak well than it is for most other users of the English language, because, for some reason or other, Australians are shy of opening their mouths, which means their tongues have too little room for moving about and their vowels tend to get mixed up with one another' (Hancock 1954, p. 61).

all well?' he asked Hancock (ANUA DBC 18 November 1948). But Hancock was not interested. 'We discussed him here, but I doubted [the] wisdom of trying to steal from the Commonwealth Government one of its most senior servants' (ANUA WKH 27 November 1948). Copland sought to persuade Hancock that the Commonwealth Government would be no obstruction to Wilson's appointment. 'I had the opportunity of talking to the Prime Minister ... the Prime Minister said that if Wilson preferred to go over to the national University he would in no way oppose the move' (ANUA DBC 21 December 1948). Hancock procrastinated. 'There will be, I am afraid, a delay at the approach of Roland Wilson'. For Hancock had found a potential taker in G. D. MacDougall, now best remembered for empirical studies of comparative advantage. But there Hancock had no success either; MacDougall was angling for a Fellowship at Balliol.

The fundamental problem was that while Hancock knew well what he wanted, he was hopelessly unaware of what he could get.¹⁸ This is illustrated by how he – unable to supply a professor – instead turned on Copland over the 'old point of domestic service'. Oblivious to the acute labour shortages in post-war Canberra, he chided Copland: 'It is no private fancy of my own to insist that good professors will not long continue to do their best work unless they are reinforced by good charwomen ... Experience convinces me that the charwoman is the bottleneck. Everywhere good people are frittering away their possibilities by doing many chores'. Copland responded patiently: 'You will be aware of the fact that a matter of this kind requires very careful handling under present circumstances' (ANUA DBC 18 August 1948).

So the approach to Wilson was finally made. It was the tenth offer made.¹⁹ It was to receive the tenth rejection. Wilson was in low spirits at this time. He had written to Giblin in 1947: 'As to my future movements, God only knows at the present stage. There are a lot of possibilities ahead but none of them sound attractive as lazing away the days at Seven Mile Beach or some other sylvan retreat' (RWA RW 10 March 1947). Not long before the offer came Giblin told his wife that 'Roland [was] very gloomy'. 'Roland seems almost nauseated by Canberra – general inefficiency, short of all goods and services ... much worse than other capitals, much worse than Canberra in 1945. Everyone returning to Canberra from US – or even from the UK – feels it a drop into barbarism' (NLA

¹⁸ Copland: 'I must say that I have found it extremely difficult to get Hancock's mind on the basic organisation of the School'.

¹⁹ ANUA WKH 21 March 1949.

LFG 27 October 1949). 'I think he has also fallen out with most people or is suspicious of them'.²⁰

With Wilson's rejection, there seemed nothing left. As Giblin said to Wilson: 'Copland has no alternative. He has a sticky job at present to get anything going' (RWA LFG 19 March 1949). It was perhaps Wilson who gave impetus to the notion of appointing Trevor Swan. Hancock granted it was 'even conceivable' that Swan 'might a few years hence be ready for a chair'. Swan was, in fact, appointed in June 1950. Hancock, in Giblin's summarising words, had not turned out to be an asset.

But Hancock managed to settle the scores. In his memoirs of 1954 he managed to convey to his readers that it was Copland's fault that Australia had forfeited his involvement in the ANU. Wilson dismissed the relevant passages as 'unwise, mischievous and childish' (Foster and Varghese 1996, p. 128). But the newspaper headlines shouted: 'Canberra Lost a Brilliant Brain': 'Who Froze Out This Brilliant Australian?'.²¹ These journalist champions of academic standards need not have lamented: in 1957 Hancock returned to the ANU as director of the Research School of Social Sciences.

Economic policy

With the ANU human coordinates in place, Copland began to write copiously on the Australian economy, and became a regular public affairs commentator on ABC radio (Copland 1951).

By 1949, with several other economists, Copland had become disheartened by the direction of Australian economic policy, and with the failure of the government to deal with the manifold difficulties that faced it. These problems were to some degree the result of failures by the economists themselves. They had failed to identify the major problem that would beset the post-war economy: an excess of aggregate demand rather than a deficiency of aggregate demand, which they had predicted would recur once the immediate post-war reconstruction boom had run its course. The economists (with one or two exceptions) had also failed to emphasise sufficiently the problems of a full-employment economy, including wage pressures, price inflation, exchange rate instability and current account deficits.

²⁰ Copland, as notable as ever of these things, pointed out that Wilson would take a salary cut in being professor.

²¹ Sir Walter Crocker, a supporter of Hancock, recorded in an interview: 'He [Hancock] was one of the academics who do not quite grow up, they're sheltered from the hard cruel world in a way that people that go into business or even into the bureaucracy, let alone politics, have to face ... He was unfair to Copland' (Crocker 1991).

Worst of all, they had failed to educate the public – and ministers – of one of the fundamentals of the new (Keynesian) economics, that when excess demand manifested itself, it was necessary to curtail demand. The public welfare required tax increases, or reduced government expenditure, or higher interest rates, or the appreciation of the exchange rate, or some combination of these and other policies. This was a problem that the economists had first encountered in the early stages of the war when attempting to apply Keynes' policy blueprint for an economy experiencing excess demand. At this time the politicians had been reluctant to adopt measures involving steep rises in taxation and severe limitations on credit expansion. They were equally reluctant to do so in the late 1940s, with Chifley – now Prime Minister as well as Treasurer – hoping to stop the inflationary pressures by clinging to direct controls.

In a veritable flood of publications, most of them written after he returned to Canberra, Copland pursued this line of argument.²² His critical stance on the problems besetting the economy, and his recommendations for change in economic policy, were robustly stated. There was an excess of aggregate demand in relation to aggregate supply. Domestic shortages, fuelled by a backlog of demand and an accumulation of savings manifested in high levels of liquid reserves held by the banking system, were being augmented by a strong demand for Australian exports. Supplies of coal, steel, electricity, transport and housing were in critical short supply, while output was booming for many inessential consumer goods. Australia, Copland asserted, had the hallmarks of a 'milk bar economy': basic industries, such as iron and steel, power and housing, were starved of resources, while consumer goods industries were attracting an over-abundance of essential resources to them.

According to Copland, there 'had been a tendency to concentrate on "full employment" as a goal, regardless of the costs and difficulties that may follow ... Our economic thinking as well as our political outlook has been too much pre-occupied with depression psychology' (Copland 1948, pp. 42–3).²³ What he believed was required was a refocusing of economic policy, so that the emphasis was placed less on preserving aggregate demand for the purpose of achieving full employment (or, more accurately, over-full employment) and more on augmenting aggregate supply for the purpose of alleviating wage and price pressures. In later publications he developed his criticism of post-war economic policy further, arguing that direct controls, and government

²² Several of Copland's articles were reprinted in Copland (1951).

²³ This small booklet is the first publication by an author employed by the ANU.

intervention generally, were adversely affecting productivity, and hence the capacity of the economy to generate increased supply.²⁴

Much of the blame, he asserted, should be directed at the younger economists who had formulated Australia's full-employment policy and who had actively promoted it in Australia and overseas. They had been altogether too pessimistic about the state of the post-war economy, both in its international and domestic contexts. Rather than experiencing balance of payments difficulties, the excessive buoyancy of the Australian economy was a consequence of the vigorous demand for its exports.

The seeds of this disagreement lay in the White Paper on Full Employment in Australia (Commonwealth of Australia 1945). The authors of the official history of the war economy state that 'Coombs was not as closely involved as Giblin and others in the early formulation of the employment approach' (Butlin and Schedvin 1977, p. 648). But as the White Paper²⁵ progressed through its various drafts, Giblin's influence became fainter. He became apprehensive about the inflationary pressures that would arise from the increased wage bargaining strength of labour in conditions of full employment. He was much more optimistic than many others that buoyant levels of demand would continue for many years. Overall, he thought that somewhat greater attention should be placed in the White Paper on the problems of excess demand, rather than being devoted almost exclusively to problems associated with a deficiency of aggregate demand. He doubted whether, when demand was excessive, politicians would be able to discriminate sufficiently between different investment projects, and would probably allow the economy to run at dangerously high levels of domestic demand.

In the same vein, Copland was critical of the idea that public works could be turned on and off at short notice, as public works programs provided basic services. He believed that the White Paper should have given greater emphasis to the stabilisation of private investment expenditure, rather than public works, as the chief mechanism for stabilising aggregate demand.

²⁴ Appreciation of the Australian pound might serve to dampen the demand for the country's exports, but Copland did not favour this, since he thought it would adversely affect some of the weaker export industries, and cheaper imports would jeopardise the profitability of many manufacturing industries. Rather than appreciation, he preferred to see some of the exporters' income attracted into stabilisation funds, the proceeds of which could be released at times when activity was less exuberant.

²⁵ The principal draftsman in the early stages of the paper's preparation was a Giblin protégé, Gerald Firth, who had arrived from the United Kingdom to take the position of Ritchie Research Fellow at Melbourne University, a post funded from Giblin's Commonwealth Bank director's fees. In 1947 he was, with Giblin's benefaction, appointed Professor of Economics at the University of Tasmania.

Copland had lost sight of this difference of opinion during his venture to China. But four years after his return he told Melville: 'Since I have been back to Australia and have come more into contact with the economists, both official and non-official, I am greatly impressed by the fact that the generation to which you and I belong are [sic] really talking a different language from that used by the generation that came after the depression ... I need not dwell too intimately on this but it is extraordinary how far apart we are in our approach to the basic problem'.²⁶ He told a friend: 'I'm sure he [Keynes] would disown Coombs and his school if he was with us now' (Millmow 2005b, p. 1).

Earlier, Brigden had expressed his own distance from the new Keynesian consensus to J. M. Garland, a former pupil of Giblin who was to become the Economic Adviser at the Commonwealth Bank: 'Personally I have always been a sceptic on that theme [of full employment], in any sort of "free society" ... in fact I may be classed as no longer progressive'.²⁷

In this disagreement, Giblin played the peace maker, in spite of his own views: 'The Economics Winter School went off very harmoniously last weekend leaving me nothing to do in reconciling the combatants' he told Eilean. He added: 'Coombs was unexpectedly chastened in his outlook – to everyone's disappointment' (NLA LFG 8 May 1948). For Coombs, the chief architect of the 1945 White Paper, had also expressed publicly his disillusionment with the trend of economic policy in Australia, that was, in his view, an abdication of the government's earlier commitment to the policy of maintaining aggregate demand within the limits of aggregate supply (Coombs 1948).

The problem of industrial relations is another illustration of the distance between the four and more commonly held views. Before peace had been reached, Giblin had grown concerned about the possibility of aggressive trade unions pressing for wage increases and shorter hours, the deterioration in productivity as unskilled labour was engaged in conditions of supply shortages, and disrupted production through industrial turbulence. The chaos of the late 1940s – the weeks of rationed electricity and gas, and consequent factory closures – was the cause of the deep, bitter pessimism of his unpublished memorandum, 'Crisis in democracy'. His thesis was that the wage earner was threatening to halt and even reverse Australia's already slow growth in productivity. 'This crisis has been looming in the distance for the last, perhaps, sixty years [=1890]'. But he refused to accept that there was any simple economic solution for this militancy.

It is difficult to know what the world really needs. It thinks it wants peace and prosperity but that is an obvious delusion. It would be worse than Milton's heaven before the angels fell. The world would be bored

²⁶ ANUA DBC to LM 18 June 1952, Melville Box 2.

²⁷ RBA JBB to Garland 13 December 1949, RBA GJG-51-1.

to death in twenty years – literally to death like the Jesuit communities in Paraguay. Human activity must be kept alive by conflict. (RBA LFG ‘Why the Empire?’).

In brief, man ‘needs a fight at intervals’. ‘The problem is to provide conflict in other terms than high explosive’ – or strikes. ‘The government might establish a National Theatre to provide catharsis. “Hamlet” on the coal fields might well step up the production of coal’.²⁸ More conventionally, ‘the continuing degradation of our economy’ might also be stemmed by a research effort. He nominated Copland, Wilson, Coombs and Melville. This effort could be under the auspices of the Commonwealth Bank or the ANU.

A related initiative was the Dyason Foundation Psychology of Conflict run by ‘old Australian friends’: Giblin, Bailey and Rivett, and funded by Dyason. For this venture they turned to the exotic figure of Kurt Singer: disciple of Stefan George and Martin Buber, refugee from Nazism, nipponophile and economist (Arndt 2000). Deprived of an academic post in Hitler’s Germany, he established himself in Japan. Perhaps it was there that Dyason met Singer, on one of his hopeful, ‘bridge building’ trips to Japan before the outbreak of war. In any case, Singer arrived in Australia – in disputed circumstances – only to be interned as an ‘enemy alien’. Upon his release in 1943, the Dyason Foundation gave him a modest stipend for three years as Research Fellow to write the book, *The idea of conflict*, an ‘immense amount of work’, which was published by Melbourne University Press in 1949.²⁹

Chronicling a central bank

But Giblin was now absorbed in his own book: *The growth of a central bank: the development of the Commonwealth Bank of Australia 1924–1945*.

He had been invited to write this history by the Bank, was granted full access to its archives, and paid £15 per week. Giblin declined to be paid any royalties.

Giblin embarked on this project at the age of seventy-five and in precarious health. His bronchial condition could give him 30-minute coughing fits (NLA LFG 10 July 1947). Midway through writing, he was hospitalised from a suspected heart attack (NLA LFG 8 April 1948). A few months later he was (NLA

²⁸ This was not a casual remark. In the mid 1940s Giblin and Copland actively aired the establishment of an Australian National Theatre that would be a ‘rational entertainment, the entertainment of the people’ (Hyttén 1951). Curtin was supportive – only his death stilled the project – but he wanted the Director to be an Australian. Keynes advised that more attention be paid to getting the right building than the right Director. Sharing the same concern for rationally entertaining ‘the people’, Brigden was excited by the English ‘Little Theatres’ movement, fostered by the Village Drama Society, that was a vehicle for the inter-war vogue of ‘modern’ and ‘authentic’ one-act plays.

²⁹ Mention may be made of Giblin’s role in Bertrand Russell’s tour of Australia in 1950.

LFG 2 Sept 1948) in hospital again, with suppurating ankles, a legacy of his time in the trenches 30 years before.

There were other obstacles. The archival material was 'very scanty' for earlier times. And for the later decades there was too much. The 1937 Royal Commission into the Monetary and Banking Systems was – 'a mine of information' – but a 'low grade ore' (NLA LFG 27 July 1948).

A greater difficulty lay in the sharp and sometimes painful difference in the opinions with his professional peers over what had happened, and why it had happened. Even with such a kindred spirit as Roland Wilson, parts of his manuscript were unsympathetically received. Giblin at one point expressed himself 'amazed' at Wilson's 'fantastic' comments on a draft chapter (RBA LFG 28 December 1949). 'The difference in our impressions of various happenings is rather disturbing' and he implied that a further exchange of the points at question would be unhelpful.

The root of the trouble here was that, if Giblin was to understand the history of the Bank, he would have to excavate past rivalries between Treasury and the Bank, and surmount the different standpoints of these institutions. Midway through preparation Wilson complained to Giblin:

You have written the history as [the Commonwealth Bank Board Chairman Sir Claude] Reading or Melville would have written it. What your Commonwealth Bank records would not have shown was the extremely strong aversion to Reading and all his works, and Melville and some of his works, on the part of the trading banks. In the case of the Government, aversion would be too strong a word but exasperation was frequently felt. (RBA RW 22 October 1949).³⁰

It was not only Treasury who were irked. These draft chapters were read with mixed pleasure by members of the Bank of England. Raymond Kershaw (1898–1981), the Australian-born Bank of England aide of Niemeyer on his 1930 visit, protested: 'If you will allow me to be a frank critic, I should say that it seems rather too wise after the event' (RBA RK 15 November 1949). Melville explained to Giblin: 'What may be irritating Kershaw is a certain levity in these pages. In your references to the Bank of England you do not "pay the deference due to a man of pedigree" ... it could be argued that since in speaking of the tabernacle your tones are not sufficiently hushed there is an implication that you are in some way critical' (RBA LGM 10 December 1949).

³⁰ There were also rivalries between personalities, especially between Wilson and Leslie Melville. As Wilson put it: 'files do not cover the whole story in a matter where personal relationships were more than usually important' (RBA RW 7 December 1949, GLG-51-5).

Not only Bank outsiders had difficulties. At the beginning of 1949 Giblin told Eilean of 'new trouble over bank history. It has to be discussed with three or four people here [the Bank] both for accuracy on certain doubtful matters and for propriety in making public certain matters of policy and certain criticism of persons' (NLA LFG 21 February 1949). Six months later Giblin was still not in the clear. 'History is rather in trouble over a difficult part. I think I mentioned it as open to criticism. I thought I had fairly met this when I found the critics strongly disagreed, and the memoranda go to and fro' (NLA LFG 8 August 1949). A revised draft appeared in October 1949. But there still one hurdle to leap: the Prime Minister. Gladly Giblin could report to Eilean: 'Coombs talked it over with Chifley who is happy about it'.

Giblin's *Growth of a central bank* is an authoritative account of the development of the Bank and major economic events experienced in Australia between 1924 and 1945. It is also an insider's account: 'it is with a sense of witnessing the lifting of a veil that one reads part of the narrative' (Wilson 1952).³¹

Its theme is one familiar to Giblin: the birth and growth of an Australian institution. Its thesis is that the development was slow, fitful, and difficult.

Giblin's history taught that this development could not be hastened by importing a replica of the Bank of England. Giblin records the meagre fruit of the much anticipated visit to the Commonwealth Bank in 1927 of Sir Ernest Harvey, Comptroller of the Bank of England and later Deputy Governor. Commonwealth Bank members considered it 'a compliment to us that one so high up in the Bank of England should take the trouble to come out and have a look at what we were doing ... All Directors were intensely interested in Sir Ernest Harvey, and what he had to say generally' (RBA D. B. Murdoch to LFG 8 April 1947).³² Twenty years later Giblin found little memory of what Sir Ernest actually did say, except for a list of 14 points purporting to be an epitome of the principles of central banking. In *Growth* Giblin does not sew fig leaves to cover their nakedness; he reprints them in their feeble entirety.

In truth, the Bank of England's example was somewhat worse than useless. Giblin complains of 'the shibboleths, promulgated too lightly from the Bank of England from a special experience and accepted too easily by other banking

³¹ Giblin had been appointed to a seven-year term on the Bank Board in 1935, and proposed to take leave from Melbourne University. There was a revolt on the University Council: 'the real objection arises from Giblin's political and economic opinions which are suspect to a good many people' (Priestly 2002, p. 135).

³² Murdoch, the Secretary to the Commonwealth Bank Board at the time, added: 'I am sure that Sir Ernest personally was our good friend and anxious to help us but it was a great disappointment that the Bank of England did not come to our rescue in better effect in 1930 when Australia got into a bad squeeze in London'.

systems; which were a serious obstacle to any rational consideration of the central banking problem in Australia' (Giblin 1951, p. 111). He faulted the 'very cold' response of the Bank of England to Australia's request during the Depression of a loan of a 'comparatively trifling' sum. He scorned as a 'fatuous inference from Bank of England experience' the notion that private ownership of a central bank amounts to political independence of a central bank. Giblin's estimation of the benefit of the Bank of England connection would hardly be encouraged by the hearsay, investigated by Giblin in researches, that Casey had sought advice from Niemeyer over the 1938 banking legislation.³³

Unable to import a ready-made central bank in kit form, neither could a central bank be 'improvised' from materials made for another purpose. In particular, a cadre of experts could only develop with the passage of time. This poverty of proficiency in central banking was exacerbated by legislators' lack of any sincere concern for this proficiency. Earl Page, the author of the 1924 Commonwealth Bank Act, announced he would leave decision-making 'to the experts' on the Bank Board. 'No doubt he was perfectly well aware that there were no real "experts" available, and that, if there were, he would not appoint them'. In the event, Page's appointments to the Bank Board were wholly premised on the assumption that 'successful businessmen and farmers were obviously competent to make all necessary decisions' (Giblin 1951, p. 352).

The benefit that experience would slowly confer on the Bank over time was to some extent counter-weighted by the mythologisation of the Bank's experience. The tribulations of the Bank's Board were illustrative. The Labor Government of 1911 established the Commonwealth Bank without a board. The Board was added by a Nationalist government in 1924, and filled with friends of that government. In consequence, the Labor opposition inferred a board was obviously a bad thing. When that opposition became the government in 1941, 'Now was clearly the time to remedy this disaster and restore the pristine knight-errantry of a single Governor with a horse and lance of Sir Denison Miller' (p. 343). The Board was abolished. *Growth* closes with an entreaty that the merits of a Board not be overlooked by future legislators.

The development of the power and competency of the central bank was also stymied by the interests of the commercial banks. Genuine compacts between the Bank and the commercial banks were resisted, since commercial banks were possessed of 'a natural longing for binding agreements which will not in fact bind' (Giblin 1951, p. 284). A show of alarm by the commercial banks greeted

³³ Giblin recorded in 1938 of Montague Norman: 'The Governor likes to play grandfather to anyone connected with Dominion Central banks and had been very hospitable'. He added 'Every now and then the Old Man gives a very interesting glimpse of his outlook – and the essential hostility between him and Keynes becomes very understandable (RBA LFG 30 April 1938).

Roland Wilson's proposal that statistics on foreign currency reserves be made generally available. 'This was heady and dangerous information for the public.' Throughout *Growth*, the banks make a hypocrites' chorus, which combined noisy professions of conventional morality with a steady-eyed devotion to their own advantage.

These theses are minutely researched. In many instances this does not make for laborious reading; Giblin's great blocks of factual granite are gilded with his gossamer webs of irony. ('Sir Robert [Gibson] had a clear and confident but somewhat imperfect vision of Central banking problems in Australia' (p. 353)). But the density of the material is often excessive. Perhaps Giblin saw himself as writing an official history. The great example of Australian official history in the later 1940s was Charles Bean's *The official history of Australia in the War of 1914–1918*.³⁴ This was ultimately a 12-volume effort. The last of the six volumes that Bean had written himself had only appeared in 1942. The official history is a minutely crowded canvas, without broad strokes. The Australian War Memorial states that the *Official history* was 'warmly acclaimed', but 'it is unlikely that Bean's massive history of the war was widely read'. Something similar may be said of *Growth of a central bank*.³⁵

A portrait of the author

One reviewer of *Growth of a central bank* wrote: 'I found myself increasingly absorbed by Giblin at the expense of interest in the Commonwealth Bank of Australia' (Bopp 1952). The book's author had already been the subject of numerous newspaper profiles, but the most elaborate attempt to convey what Giblin was all about was soon to be undertaken in oil and pointed sable brushes.³⁶

It was Copland who had conceived the project of a portrait of Giblin. Copland in his devotion to Giblin was sometimes undiscerning, and always forgiving. Giblin could receive Copland's tributes ironically: 'I'd a very appreciative audience last-night, though my performance was very mediocre. DBC was there throwing bouquets with great fervour.' (NLA LFG 7 December 1948). But it was this unmeditated urge of Copland to honour Giblin that manifested itself lastingly

³⁴ Giblin had assisted Bean in his research.

³⁵ *Growth of a central bank* was widely and well reviewed. *The Economist*, however, complained 'The honest liberal must admit that some passages in his book suggest that he was the wrong sort of adviser – for example, he does not seem to recognise that a disinflationary monetary policy and pegged low interest rates cannot ride together' (*The Economist* 29 October 1951).

³⁶ Unless otherwise stated the correspondence and quotes in this section are drawn from Reserve Bank Archives, GJG-46-1

in his successful effort in 1945–46 to have Giblin's portrait painted. A committee to achieve this end was formed in 1945, with Copland as the Chairman.

An artist was selected: William Dobell. An interesting choice! Dobell had been embroiled in 1944 in one of the boisterous controversies that punctuate Australian cultural life. He had caused a 'sensational' break with 'academic tradition' by winning the Archibald Prize for his portrait of Joshua Smith. Defenders of tradition had succeeded in taking the decision to court on the grounds that it was not a portrait but only a 'caricature'.

How Dobell came to be asked to paint Giblin is not specifically known, except that Copland was not involved. But the controversy of 1944 had kindled a general interest in Dobell; the painter later claimed that, in its aftermath, 'everybody was clamouring for pictures'. How Dobell came to accept the commission is also unclear, as in later years he would have it understood – falsely – that he had ceased painting portraits in the aftermath of *Joshua Smith*: 'I was afraid of flooding the market and then, on the other hand, I was afraid to touch portraiture in case similar things happened and I didn't want to go through that experience again'.

But a commission of £200 and five shillings was agreed upon. Subscribers were sought, with an upper limit of 200: Curtin, Chifley, Menzies, Ian Potter, Sir John Clapham, Keynes. It appears that Keynes accepted – three colour copies of the portrait were dispatched to him, as to all acceptors.

But some of those approached 'were not altogether happy about our choice of artist'. Sir William Massey-Greene (Assistant Treasurer during the Lyons Government) replied to Copland:

I want a portrait, not a caricature ... Dobell can paint and do good work, but if he allows his ideas to produce Giblin in the same guise as Joshua Smith I could conceive of no greater disservice that we could do Giblin than let the artist loose on the old chap ... Dobell is the last man I would have selected to paint Giblin, because Giblin's fine face wants a kind of understanding that I do not think Dobell is capable of ... I do not want my stomach to roll over every time I look at the result.

Another Depression colleague of Giblin's, Sir Alfred Davidson, the General Manager of the Bank of New South Wales, refused to subscribe: 'I do not approve of the work of William Dobell. I have seen all his recent portraits, so called, but with all diffidence I suggest they would be more appropriately described as caricatures'.

Giblin appeared unperturbed. He minuted himself at the time: 'Chief anxiety – I would offer him a subject totally obstructive to artistic endeavour'.

After Copland had departed for China, Melville took over the task of managing the artist. Copland told Melville: 'Dobell must be a real artist because he has not answered my official letter written to him a month ago'. Melville also had to cope with the artist's wishes. Melville informed Copland that Dobell wanted brushes of sable hair that were pointed. 'He is prepared to do the best he can with his fingers', Melville added. Copland replied: 'I know nothing about sable brushes, but I have asked the Deputy Prices Commissioner in Melbourne to make some enquiries as to whether any such things exist in Melbourne'.

The completed portrait did not invoke enthusiasm among subscribers. Melville complained: 'I do not feel it is quite so satisfactory ... I feel that a few minor adjustments would probably achieve an accurate rather than an approximate likeness' (February 1946). Copland advised Melville to discuss with Dobell 'adjustments in the face'. But Giblin responded: 'I should be sorry if he was pressed'.

The finished work was first displayed in the Commonwealth Bank building in Sydney, and then at 'a little ceremony' in Canberra before the unveiling at the University of Melbourne on 6 April 1946.

But this was not an academic portrait, in any sense. Medley, a humourist and versist, thought these lines fitting:

Inscription For A Portrait in the Union
Pan with his pipe, a leer upon his face
Recalls in rosy mist
The economic nymphs he used to chase
But ah! So seldom kissed (Serle 1993).

Vance Palmer, less facetiously but in the same vein, wrote that it 'hinted at qualities that were earthy, impish, humorously derisive of ordinary social conventions' (Palmer 1954, p. 221).

Giblin was not happy with the portrait. He told his sister Edith: 'Dobell was a little perverse. His painting was quite different from his sketch. [This is correct.] It was of course his imagination of how I might look ... For its personal verisimilitude, I am of all people the worst possible judge. After careful consideration I told William [Dobell] that I thought it was "fair comment". And I leave it at that'.³⁷ Eilean thought the portrait a 'horror'. Wilson called it an 'indignity'.

It was entered for the Archibald Prize. The judges' final choice came down to a choice between Dobell's Giblin, and a portrait of L. C. Robson (the headmaster of Sydney Church of England Grammar School) by William Dargie, a young artist who had won the prize three times in the previous four years. Dargie's

³⁷ RBA LFG January 1948.

Figure 10.3. The Dobell Giblin was expecting



Source: nla.pc-an5418395

precise and opulent portraits represented the traditionalism enraged by *Joshua Smith*.³⁸ Giblin, who was a trustee of the Gallery of New South Wales, absented himself from the judges' deliberations. Dobell received five votes, Dargie seven.

The Giblin portrait made little lasting impression on art critics. It was forgotten by Dobell experts, some of whom have accepted at face value Dobell's claim that for several years he stopped painting portraits after the court case.

The most memorable comment came when the portrait was exhibited in Sydney. 'The first day, an elderly waitress bustled up' and said to Giblin,

'That your photo?'

'Yes'

'Very good, I think it is, *very good*' (NLA LFG12 November 1949).

Death

On 12 October 1950, Brigden, aged 63 years, died from a heart attack. Wilson wrote to Giblin a few weeks later: 'I am sure he would have enjoyed a yarn about the old days. This was about the only thing he was hanging on for' (RBA RW to LFG 2 November 1950).

A haphazard and unnoticed assortment of memorials was instituted. His widow, 'being desirous of perpetuating his memory', endowed the University of Tasmania with the J. B. Brigden Memorial Prize of £1000. The Brigden gate, that he had left the University of Tasmania on his departure, was respectfully transferred to the University's new campus at Sandy Bay. In 1987 a circling street in a new Canberra locality was christened Brigden Crescent. It nestles in the suburb of Theodore, a neighbourhood named in memory of the Treasurer whose policies he abhorred.³⁹

Immediately upon Brigden's death, Giblin took upon himself the task of writing Brigden's obituary. But he never finished it. Giblin was dying. A cancer of the bowel had spread to his liver, and he would be dead in just over four months.

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³⁸ 'A good portrait painter never paints character', Dargie believed. 'People who really like what is called "modern art" are like people who have lost the taste for healthy food.'

³⁹ The planners of the national capital deemed that the 'theme' of street names in Theodore would be civilian service in the world wars. Elsewhere Canberra includes a Giblin Place, a Giblin Street, and a Copland Drive. In addition, Copland College (a government secondary college in Canberra) and the Copland Building, housing the Faculty of Economics and Commerce at the ANU, are named after D. B. Copland. The Sir Roland Wilson Building in Canberra is the home of the National Graduate School of Management.

⁴⁰ It was completed by Wilson.

In these last months he forced himself to complete his labour on the still unfinished *Growth of a central bank*. Late in October he obtained a large file of papers from Wilson 'which I must now tackle'. But, 'I'm so slow in getting about and getting things done' (NLA LFG 25 October 1950). In February 1951 he wrote to his sister, Edith: 'energy gone very low in the last few weeks, and I cannot keep up even with the most urgent business, writing or reading or thinking ... I doubt if you can read this, though it leaves me knocked out with the effort'. Gladly, on 22 February, in the last full week of his life, he was able to tell Coombs that the 'printer started on Monday to print, cuff and bind'.

In that last week he managed to pen notes to those to whom he was closest. One, written on 24 February read:

Dear Roland

Your letter of 22nd Feb came just as I was going to write asking you to cut me out of *all* mailing lists. Everything is moving to zero: use of legs, arms, fingers, voice & mind. I have no interest now except to finish off with the least possible trouble to other people. I shall leave some messages. I shall probably have to go into hospital next week and give up. Everything is very slow. A brief note like this is very difficult and slow. There's a lot I would like to say but cannot write it and could not speak it.

Yours LFG. ⁴¹

Epilogue

The Bulletin truthfully noted that 'Giblin died bravely, as he lived'. More widely registered 'was a general feeling that the country had lost a fabulous old man' (Palmer 1954, p. 221).

Over the next 10 years his former colleagues and friends took pains to give a permanent record to his feats. ⁴² 'Certain friends of the late Lyndhurst Falkiner Giblin' endowed a prize in Sociology. Giblin Libraries appeared at the University of Melbourne and the University of Tasmania. An annual Giblin Memorial

⁴¹ Copland: 'In his closing days he wrote to say farewell to a few intimate friends, to express regret that his powers were failing and say a word of encouragement to the honoured recipient. I have rarely been so emotionally affected as on receipt of one of these letters, almost the last he wrote.' (Copland 1960).

⁴² There is a Mt Giblin and a Giblin River in the south west wilderness of Tasmania that Giblin did much to explore and popularise.

Lecture was commenced in 1958: Copland was the inaugural speaker, and Giblin was his subject.⁴³

Rex Ingamells expressed an interest in writing Giblin's biography, but his sudden and premature death in 1955 extinguished that interesting possibility. A committee that gathered to devise appropriate memorials did consider a volume of essays in Giblin's memory. But it dismissed such a book as likely to have only a very small readership, and concerned itself instead with erecting buildings named in Giblin's honour. Ironically, the buildings never appeared but the volume of essays did, and has weathered the years very well. It was published in 1960 under Copland's editorship: *Giblin: The scholar and the man: papers in memory of Lyndhurst Falkiner Giblin*.⁴⁴ This volume furnished a deep fund of fact, research and appreciation about the man. But it has defects. One is its omnibus character (18 authors and 35 segments). Giblin's tale is fragmented almost beyond recognition to the casual reader. Another defect is that it misses out on the sheer strangeness of Giblin; it implicitly presents Giblin as a normal person who did extraordinary things; as a person of ordinary silhouette who was uniformly expanded in all directions.⁴⁵ But Giblin was not a normal person.

Perhaps the most general way of expressing this was that his pleasures were different. Giblin greatly enjoyed life – if he did not he could not have achieved what he did. But he enjoyed different things.⁴⁶ Giblin took pleasure, for example, in physical toil. After his death Hytten observed that Giblin 'had deliberately chosen a hard life' (Hytten 1951). It was certainly hard, but the point is it was chosen. The passive, comforting entertainment that pleases the millions was insipid to him. One evening he recalled to Eilean: 'I had arranged to see [Chairman] Boyer (ABC) on Tuesday at 3 pm when the [Melbourne] Cup

⁴³ For over 30 years the leading lights of Australian economics were lecturers. They included Richard Blandy (1985), Geoffrey Brennan (1984), H. C. Coombs (1969), Peter B. Dixon (1990), Fred Gruen (1982), Austin Holmes (1980), Joseph Isaacs (1977), Peter Karmel (1975), Allan Lloyd (1987), Leslie Melville (1967), John Nevile (1993), G. A. Rattigan (1971), Brian Reddaway (1965), Richard Snape (1983), Trevor Swan (1972), Sir Ronald Walker (1964), and Sir Roland Wilson (1976). The lecture perished in the late 1990s. Another annual Giblin Lecture was established at the University of Tasmania in 1996.

⁴⁴ Copland, knighted in 1950, left the ANU in 1953 to become Australia's High Commissioner to Canada. When he returned to Australia he was appointed foundation Principal of the Administrative Staff College at Mt Eliza, and displayed there once more his outstanding abilities as an academic entrepreneur. In 1960 he founded the Committee of Economic Development of Australia. He died in Melbourne in 1971.

⁴⁵ The publication of Giblin's letter to E. M. Foster (see Chapter 8) is one significant exception.

⁴⁶ 'He had a habit of reticence, and was always on guard against self-revelation' (Garland in Copland 1960 p. 222).

is run. He had the wireless on and said "Do you want to hear this?" I said "No".⁴⁷

Giblin enjoyed a terrain of human relations different from the ordinary adult. His values were so exclusively masculine – 'mental stamina, endurance ... fortitude, self-reliance, stability, courage' as Wilson summarised them – that he had little toleration for the purely womanly. For all his formidable maturity, his mental landscape remained a pre-adolescent one, of boyish of adventure and comradeship. As Sibyl Giblin told Edith: 'His 78 years made no difference – he was a boy at heart ... I don't know what religious beliefs he held, but I am sure he saw the kingdom of heaven in children'.⁴⁸ One journalist, interviewing Eilean after Giblin's death, recorded the 'extraordinary number of children's books' that Giblin owned, the most numerous being titles by Arthur Ransome, the author of school-holiday adventures that were first published when Giblin was aged fifty-eight.⁴⁹

Giblin's longing for comradeship was sustained in adult life by a suite of fatherly relations with those a generation younger. The soldiers he commanded on the Western Front knew him as 'Dad'. He very plainly took a paternal care of Wilson. Copland frankly accepted him as a father figure, defender and guide.⁵⁰

Giblin's dedication to guiding youth induced Hytten in his funeral oration to shoot much higher, and invoke Socrates.⁵¹ Peter Pan or Socrates? Whatever the answer, there was in Giblin some differentness that left him amongst but apart; amidst but above; that gave him a holiness without saintliness; that made him a Puck and a pilgrim in our foolish, unhallowed times.

⁴⁷ NLA LFG 4 November 1949. He wrote shortly after: 'Much cheered by the news – failure of the favourite for Melbourne cup and win by an outsider'.

⁴⁸ They were not aware that the only person allowed in Giblin's will apart from Eilean was Nicholas Gardley, whose education was funded by Giblin.

⁴⁹ 'Many a boy and girl owe their introduction to the delights of reading to this old man, who seemed to have time to revel with them in the simple virtues of an adventure well told' (*The Bulletin*, 7 March 1951).

⁵⁰ Upon Giblin's death, Wilson wrote to Eilean: 'The curious thing is that in my mind he was so 'indestructible' that his physical passing makes little difference'. A few weeks after Giblin's death, Wilson, at the age of forty-seven, became Secretary to the Treasury, the first economist to hold the position. Holding this post for 15 years, he remains the longest serving Secretary to the Australian Treasury. Knighted in 1955, and for a second time in 1965, he died in Canberra in 1996.

⁵¹ Assuming Hytten's obituary (1951) is substantially the same as his oration.