

## References

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Alex Millmow, *A History of Australasian Economic Thought*, Routledge: London and New York, 2017; viii +250 pp., ISBN 9781138861008 (hbk), 9781315716162 (ebk).

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This is a very welcome and in some ways also a very ambitious book. The previous histories of economic thought in the Antipodes by Craufurd Goodwin (1966) and by Peter Groenewegen and Bruce McFarlane (1990) restricted their coverage to the western side of the Tasman Sea, but Alex Millmow has chosen also to include New Zealand; I estimate that somewhere between one-third and one-quarter of his book is devoted to Kiwi economics. In one sense, however, his ambitions have been surprisingly restricted. The book begins not in 1788 but in the mid-1920s, and it ends seven decades later, in the late 1990s; the decision to say nothing about developments in the last 20 years is never satisfactorily explained.

After a brief introduction and a short chapter 1, ‘Setting the scene’, Millmow devotes the second chapter to ‘The professionalisation of Australasian economics’, where he describes the principal university departments of economics in both countries in the 1920s and concludes by examining the formation of the Economic Society of Australia and New Zealand in 1924 and the publication of the first issue of the *Economic Record* in the following year. The next eight chapters are devoted to successive decades, from ‘The practical utopia of economics’ in the 1920s (chapter 3) to ‘The age of economic reform’ in the late 1980s and 1990s (chapter 10). The brief concluding chapter 11 offers Millmow’s assessment of ‘Australasian economics at century’s end’. At every stage, a great deal of attention is paid both to institutional developments and to the role played by Australasian economists in the formation of economic and social policy. A very high level of scholarship is displayed throughout, with the ample footnotes and bibliographies that are provided at the end of each chapter accounting for almost 40 pages of text.

I was particularly impressed by chapter 4, ‘Ordeal by fire: Australasian economists and the Great Depression’, and chapter 5, ‘How Keynes came to Australasia’, both of which draw heavily on an earlier book (Millmow, 2010). Here, Keynes is revealed as a supporter of the Premiers’ Plan, and hence as an advocate of money wage cuts for Australia, in flagrant contradiction to the case against them that he would soon make in chapter 19 of the *General Theory*. Millmow notes that Kiwi economists had much less influence over macroeconomic policy in the wake of the Great Depression than their Australian counterparts, with the post-1935 Labour government in New Zealand increasing its expenditure significantly and imposing exchange and import controls

(pp. 96–99). It is not clear, to say the least, that these *dirigiste* measures produced worse outcomes than those of the Premiers' Plan. Ironically, as Millmow documents in chapter 10, it was the New Zealand Labour government of David Lange that introduced neoliberalism to the Antipodes in the 1980s. He cites research by Paul Dalziel and others that casts serious doubt on the beneficial consequences that were supposed to ensue from what came to be known in Australia as 'economic rationalism' (pp. 218–219). More might have been expected from the practitioners of the discipline after the promising developments that Millmow denotes as the 'Coming of age for Australasian economics' in the 1950s (the title of chapter 7) and 'The flowering of Australasian economics' in the 1960s (chapter 8).

All this is very well done, as is his account of the theoretical achievements of Bob Gregory, Fred Gruen, Murray Kemp, John Nevile, Trevor Swan and several others. But there are three surprising, and to my mind regrettable, omissions. The first has already been noted: Millmow ends his history in the late 1990s and thus makes no comment on the changes in Australasian economics in the past two decades. I would have welcomed his judgement on recent developments in the discipline, both administrative and intellectual. Are other non-Go8 (Group of Eight) institutions likely to follow the lead of La Trobe University, closing their economics departments and discontinuing their BEc degrees? Does the Australian and New Zealand experience confirm the case made for the United States by John Davis (2008), Wade Hands (2015) and others that economics as a discipline is now fragmenting, importing new ideas, techniques and research agendas from biology, neuroscience and cognitive psychology and abandoning much of the intellectual apparatus of the 20th-century profession. Or is the monolithic mainstream still as dominant Down Under in 2018 as it was in 1998?

This leads directly to the second omission. Millmow has very little to say about the long and honourable history of *dissident* economics in Australasia, from the critics of the Premiers' Plan in the 1930s through to the Society of Heterodox Economists in the 21st century. There is only the briefest reference to the split in the economics department at the University of Sydney in the mid-1970s that led to the formation of a separate Department of Political Economy and no mention of the *Journal of Australian Political Economy*. Little or nothing is said about the influence of institutionalist, Marxian, Post-Keynesian and other non-mainstream schools of thought in Australasia, and from the one very brief reference to Michał Kalecki (p. 122), the casual reader would have no idea of the influence that he has exerted on such significant figures as Geoff Harcourt and Peter Kriesler. As for Harcourt, his important role in the Cambridge capital controversies is also neglected. Even more surprising is the third omission: the history of economic thought itself. Millmow ignores Peter Groenewegen's magisterial intellectual biography of Alfred Marshall (Groenewegen, 1995) and has nothing to say about the History of Economic Thought Society of Australia, which for all its faults has managed to run a conference every year since the early 1980s and also to publish a journal, *History of Economics Review*, which is more than its British counterpart has ever achieved.

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