

W. Brian Reddaway (1913 - 2002)

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With the death of the English economist, W. Brian Reddaway, Australia has now lost the last living link with practising economists of the interwar period. Reddaway died on July 23 2002 after a brief illness. This obituary highlights the interwar Australian dimension in Reddaway's long and eventful life. When I interviewed him in 1997 at his home in Cambridge upon aspects of his remarkable two years in Australia he recalled them with relish. He had an obvious soft spot for Australia and apparently sported a tie with a kangaroo emblem upon it. His passing, too, marks the end of the last living links with Keynes (Harcourt 1993). His death comes only a few months after that of Sir Leslie Melville who was, in some respects, Australia's answer to the mercurial Reddaway.

Apart from his mental acumen, Reddaway, in the early part of his career, had the knack of turning up as the right man at the right time. Cambridge born and bred, Brian Reddaway never really left his beloved town except in 1936-7 when he lived for a while in far-off Australia. While many Australian economists might think that his experiences in the Antipodes were the making of Reddaway as an economist, he had already published a book on the Russian financial system by the time he landed there. Reddaway was a 'natural' at economics even though his earlier studies had been in the natural sciences and mathematics. Like many other greats, it was the Depression that made Reddaway turn his attention to understanding why the world was suffering from poverty in the midst of plenty. Instructed by Shove, Kahn and Keynes, Reddaway became one of the best King's College-trained economists of the 1930s. Finding himself restless and bored at the Bank of England, Reddaway called upon his mentor to see if he knew of a more interesting post. As the story goes, Keynes had just received a letter from Giblin asking whether he knew of any promising economist who would be prepared to take up a two-year research scholarship at the University of Melbourne. Giblin had created the position from the fees that he drew from being a director of the Commonwealth Bank. Reddaway quickly consented and Keynes alerted Giblin. While Copland and Giblin had entertained the idea of inviting Austin Robinson, Reddaway, despite his youth, would prove something of a godsend. Copland wrote to the young scholar, telling him: 'You will not find Australia as interesting as Russia, but I think it has many things to interest anyone who has the blood of the pioneering spirit in them'.¹ Copland would quickly find out that Reddaway had plenty of spirit within him. H.V. Hodson of the *Economist* told John La Nauze of the qualities of the impending visitor: 'He was Keynes' star pupil...and is strikingly intelligent to talk to. He hasn't, I think, got the rarefied intellectual atmosphere of the set-part genius of any science but he has commonsense and intelligent perception raised to a very high power'.² These attributes were what many would associate with Giblin. Moreover, Reddaway's *oeuvre* in the quantitative treatment of economic phenomena was similar to Giblin's.

Many will, of course, already know that Reddaway carried an advance copy of the *General Theory* on his trip out to Australia (Reddaway 1995). The voyage provided the ideal opportunity to digest the import of the book. Two months after arrival, Reddaway presented his interpretation of Keynes's theoretical

system before the Shillings Club, with Melbourne economists in attendance. His presentation, oddly entitled 'Is the idea of a fair rate of interest a mere convention?' was rushed into print in the June 1936 issue of the *Economic Record*, making it the first published review of the *General Theory*. More importantly, it met with the approval of his mentor. Warren Young later discovered that, within Reddaway's treatment of Keynes's theoretical schema, lay the seeds of the Hicksian IS-LM apparatus.

Reddaway's next task was to present evidence before the Royal Commission on Banking and Monetary Systems, which echoed Keynes's earlier advice to Giblin that Australia resort to exchange rate changes only as a last resort. As one of the supposedly young Turks of Keynesianism, Reddaway was, in fact, quite conservative on the question of what monetary and fiscal policy could actually achieve. For instance, in 1937 he wrote some newspaper articles critical of the NSW Premier's call for the continuance of cheap money with the economy already overheating. Copland, at the time, was advising Premier Stevens and in league with the legendary A.C. Davidson of the Bank of NSW. Copland, annoyed at Reddaway's independent frame of mind, told an associate he was sorry that Davidson had not done a little deflating of the young Englishman, for '...just at this moment of his career he requires deflation more than anything else...it is a pity to see an able man have his head buried so early in life'.³ Much, much later when Reddaway was asked to reflect upon his days at Melbourne he told Keith Tribe that the level of economics education there when he arrived was 'fairly low level'. He remembered Copland, 'who was very much the business type. He liked being the boss. I don't think he was a great economist' (Tribe 1986, p. 77).

That animosity apart, Reddaway did collaborate with Copland and Giblin in drawing up a memorandum on a National Wage Case that would immortalise his name. Reddaway was amazed to receive a subpoena from the Arbitration Court in 1937 to assess, as an independent witness, the trade union case for a restoration of the 1931 wage cut, together with some increase in recognition of the more prosperous conditions then extant. Reddaway justified the real wage increase for workers on the premise that too large a profit share would merely fuel an investment boom and result in a sectoral imbalance. The resulting new basic wage was christened 'The Reddawage'. With three significant contributions Reddaway, at the ripe old age of 24, was coming to the end of his two-year term. It is not known if he considered seeking a permanent post in Australia. That prospect, however, quickly became redundant with another fortuitous turn. Raymond Priestley, the former Vice-Chancellor of Melbourne University, when told of a number of vacant posts at his *alma mater*, Clare College, Cambridge, put forward Reddaway's name as a suitable candidate. Reddaway was to remain there ever after, though he did happily revisit Australia on a number of occasions after the war.

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Notes

- 1 D.B. Copland to W.B. Reddaway n.d. Faculty of Economics and Commerce University of Melbourne Archives Box 37.
- 2 H. Hodson to J. La Nauze, 16/1/1936, La Nauze Papers, NLA, Mss. 5246.

3 D.B. Copland to C. Janes, 23/6/1937, UMA FECC, Box 51.

References

- Harcourt G.C. (1993) *Post Keynesian Essays in Biography: Portraits of Twentieth Century Political Economists*, Basingstoke: Macmillan.
- Reddaway, W.B. (1995) 'Recollections of a lucky economist', *Banca Nazionale del Lavoro Quarterly Review* 48(192), March, pp. 3-17.
- Tribe K. (ed.) (1997) *Economic Careers: Economics and Economists in Britain 1930-1970*, London: Routledge.