Abstract: Seventy years ago a bizarre tragedy befell one of Australia’s most eminent economists just minutes after giving his evening lecture. This paper revisits the case of Edward Shann and, in particular, the forensic evidence that persuaded the coroner to conclude that he took his own life. The paper presents new evidence that might contest that finding. In doing so, a brief account is given of Shann’s illustrious career.

1 Introduction

On the evening of Thursday 23 May, 1935, a mystery descended upon Adelaide University that remains to this day. After completing his evening lecture, and indeed the last for the first term, Professor Edward Shann, laden with student essays, hurried away to his first-floor office. A mere twenty minutes later a student found Shann lying on the footpath outside his first-floor office window. His head, lying in a pool of blood, was pointing in the direction of the second-storey building from which he had apparently defenestrated. His broken timepiece was frozen at the time of his death – 7.35 p.m. His dislodged, gold-rimmed spectacles lay close by. Foul play, a tragic mishap or suicide was suggested. An ambulance was called to take the stricken professor, barely alive, to hospital. He died shortly afterwards from a fractured skull. The tragedy swept through Adelaide, and the university was closed the next day as a mark of respect for one of Australia’s most eminent economists.

It was a tragic and mystifying incident which captured the attention of all of Australia, since Shann had been one of its more outspoken and celebrated economists. The verdict of the authorities, including his personal physician, was that Shann had committed suicide. It was never broadcast. This paper reveals the incriminating evidence leading to this finding and how it struck his colleagues and the university administration as rather odd. The paper re-examines the case and asks whether Shann’s death might have been prompted by a long-standing nervous disorder or, quite conceivably, was accidental, brought upon by nothing else than a dizzy spell. The paper discloses the critical piece of evidence that quickly convinced the police and Adelaide coroner that an inquiry into the circumstances of Shann’s death was unnecessary. Yet Shann, aged 51, was at still at the height of his powers, with much to live for, suggesting that the verdict on his death was questionable.

The first part of the paper proceeds by relating the circumstances leading up to Shann’s death and the conclusion reached by the authorities as to the manner of it. The second section recalls in brief Shann’s life and multifaceted intellectual activities up to his ill-fated move to Adelaide. The third section recalls the aftermath, including the reaction of the university administration, colleagues and students to his death and the attempt to cast doubt upon the police verdict. In this section the paper also speculates upon the reasons, other than poor health, why Shann would ever have wished to take his own life.
The Inquiry into Shann’s Death

The police report into Shann’s death which was quickly compiled was so forceful that, when lodged, it immediately convinced the coroner that no inquest into the Professor’s death would be necessary. Nor was an autopsy undertaken. The police report conveyed the circumstances and events leading up to Shann’s death. Shann’s death certificate was signed by his personal physician, Dr B.P. Funder, who had attended at the scene of the accident.

There is no doubt that Shann was suffering some form of exhaustion in that fateful last week of his life. This can be gathered from the statement given to the police by Sir William Mitchell, the Vice-Chancellor of Adelaide University. Mitchell related how Shann had recently complained to him of feeling giddy. In his last lecture for the term Shann felt unwell and asked his students whether they would object if he sat down to deliver his lecture, and with it some of the dry humour for which he was renowned. They were an attentive audience, as Shann always forbade the taking of notes as he spoke. Shann genuinely liked teaching, but more in small groups than lectures (Alexander 1963). Two nights earlier Shann had delivered an address on Commonwealth-State financial relations to the Economic Society. Interestingly, he had asked the chairman whether he could give his paper whilst seated. Mitchell reported that Shann was ‘exhausted’ after giving the address. It had apparently been preceded by three hours of lecturing at university. In his statement to the police, Mitchell noted how Shann appeared unusually quiet after driving him home from a concert the night before the Economic Society lecture. He recalled, too, how Shann had, some time earlier, told him that he found giving lectures a physical strain and had to support himself by leaning on the desk. Mitchell suggested to Shann that it might have been a heart ailment, but now, upon reflection, he informed the police that he felt that Shann might have been suffering from some form of mental exhaustion.

One of Shann’s students, Raymond Blenman, in his statement to the police, recalled an incident just before Easter 1935 where Shann had cut short his lecture because he became ill. At the end of the fateful lecture on 23 May, Blenman handed Shann an essay and noted how he appeared a little ‘agitated’. Nor would Shann be drawn into conversation about his favourite subject of cricket. Blenman found this ‘unusual’. The last man to see Shann alive was a part-time student and schoolteacher, Raymond Verrel, who, having missed the lecture which had duly ended at 7.15 p.m., asked the caretaker where Shann was. J.F. Conroy, who had greeted Shann before the lecture and found him to be ‘in good spirits’, told Verrel that the Professor had returned to his room. Verrel duly went up to explain why he had missed Shann’s lecture and to deposit his essay. Verrel noted how Shann was standing up and ‘did not appear to be doing anything in particular and appeared normal’. Shann duly took the essay in his hand and walked into a room adjoining his office, which was that of his teaching assistant, John La Nauze.

Just after the fateful incident Detective William Gill visited Shann’s office and that of La Nauze. He found neither a suicide note nor signs of disorder or struggle. Shann’s bag and coat were there and the student essays were neatly piled on a desk. The only points of interest were that there were two pens on the floor and the windows in La Nauze’s room were open, one by a foot, the other by two feet and six inches. This latter window had been seen to be closed earlier. It was from this window that Shann fell. Gill examined it and the armchair which lay directly underneath it for fingerprints. He found some smudged fingerprints but nothing of consequence to indicate foul play or suspicious circumstances.
Gill would have had to look elsewhere to establish whether Shann’s death was deliberate or accidental. The police inquiry revolved around a critical clue. Upon hearing of Shann’s death, G.V. Portus, a Professor of Political Science at the university, had gone to the deceased’s home and quickly located a note placed within a book of poems. The short note was Shann’s financial preparations, should some accident befall him. It opened: ‘Securities (i.e. Placer Development shares and Goliath cement shares in the file under Dyason and Co). If you want cash sell the former but hold on to the latter until after January next when the dividend is, I think, due’. The note also specified which Perth attorney held Shann’s will. There was also a blank cheque to handle immediate financial contingencies. The following day Portus wrote a brief note for the police file, confirming that the handwriting was indeed Shann’s. However, he made no other statement to the police. Nor, in fact, did John La Nauze, Shann’s teaching assistant, whom the police had urgently sought on the fateful evening. Portus handed Shann’s note over to the other policeman handling the case, Constable Edward Davis.

In the police report Davis noticed how Shann’s writing on the note ‘had the appearance of having been written very recently’. He drew the coroner’s attention to this. When the piece of evidence that Portus had quickly located from Shann’s house was shared with Mitchell, it was enough for him to conclude in his statement to the police that ‘I am now certain that he had contemplated suicide.…but this contemplation was not known to anyone’. The incriminating note about financial placements that convinced Mitchell, the police and the coroner that Shann had taken his own life was drawn from a page of a book of poetry. The poem *La Vie Cerebrale* is particularly melancholy. The opening and closing verses read:

I am alone – alone
There is nothing – only I,
And, when I will to die,
All must be gone,

And one day weary groan
Of all my brain has wrought
I shall destroy my thought
And I and all be gone.

These verses merely confirmed the police and the coroner’s suspicion that Shann had indeed taken his own life. The coroner decided that no inquest into the death of Shann would be necessary. Because of this, the Church of England would not allow a funeral service for Shann. It fell upon Portus, a lay preacher, not only to organise a memorial service for Shann but also to give the obituary. The service was held just two days after the accident. The manner of his death, however, could not be so easily buried.

3 Shann’s Public Life

Shann became Australia’s most eminent economic historian with the publication of the *Economic History of Australia*. It followed on from a pamphlet released in 1927 entitled *Boom and Bust*, which foreshadowed the 1930 world depression. Both it and his *magnum opus* had the effect ‘….of a shower of cold, acidic rain on the glooming warm optimism – an expectation of expansion unlimited’.* It was said that Shann’s magisterial work coloured Keith Hancock’s history of Australia. Born in Tasmania and educated in Melbourne, Shann attended Wesley College, followed by Queen’s
College at the University of Melbourne. He gave lectures in constitutional history there while still an undergraduate. In 1906 Shann was briefly Professor of Philosophy at the University of Adelaide. He furthered his studies at the LSE. It was here that Shann suffered from an episode of overwork. Alexander (1963) recorded the incident as a nervous breakdown brought about by overwork. Nervous and excitable by nature, Shann would have more opportunity for frenetic work episodes in helping compose official reports for the federal government. Snooks (1993, p. 17), however, advances a more dramatic interpretation of Shann’s mental health. Referring to letters between Shann and his brother Frank, Snooks argues that the former ‘suffered black periods of intense depression – and breakdown – throughout his life….and in the last weeks of his life. Life for Shann, at both the societal and personal levels, was a struggle against dark oppressive forces’. These letters are contained in the Shann papers held at the National Library of Australia.³ Snooks’s (1988) account of Shann’s life, captured in his entry for the Australian Dictionary of Biography, also refers to the economist’s problematic mental state.

Shann had returned to Australia in 1910 and was the original lecturer in history and economics at the University of Queensland (Kenwood and Lougheed 1997, p. 1). It was, however, his long, twenty-two year tenure at the University of Western Australia as Foundation Professor of History and Economics where Shann came into his own. Initially, Shann harboured some Fabian socialist views and was called ‘Bolshie Ted’ by some of his students (Alexander 1963, p. 148). However, as he matured he returned to the virtues and verities of neoclassical economics, particularly the espousal of market-led solutions to economic problems. In Perth, Shann befriended the mercurial A.C. Davidson, soon to be appointed General Manager of the Bank of New South Wales. Shann tutored him in the subtle art of economics. Shann was eventually asked to become an economic consultant to the Wales bank in 1931 and, in doing so, became the first professional economist to advise an Australian trading bank. His placement there gave him some leverage in altering the Australian exchange rate and also in influencing the policy debate of the early 1930s (Holder 1970, p. 642). It was also a chance to rub shoulders with the small band of economists in Melbourne and Sydney instead of remaining isolated in Perth. Shann looked forward to mixing with Leslie Melville, the young Commonwealth Bank economist who shared his philosophical views.

In a saga best told elsewhere, Shann played a leading part in the drama of the economists’ evolving formulations of a suggested policy for Australia’s economic problems (Millmow 2003). He also was at the forefront of the Australian economists’ advocacy of international reflation (Turnell 1999). Shann attended both the Ottawa Imperial Trade talks of 1932 and the World Economic Conference in 1933. Shann returned to Perth in 1933 to resume teaching, but became unsettled. There was a hankering for Sydney and the excitement of working alongside Davidson. A colleague later told La Nauze that Shann had declined an offer from Davidson to become the permanent head of the economics department at the Wales. The salary on offer was substantially more than he received as a professor.⁴ Alexander (1963, p. 150) suggests that the ‘tragedy’ of Shann was that being enticed to Sydney came at the price of sacrificing his academic career. He further suggests (ibid., p. 178) that Shann was more than half interested in the trappings of power and position. Apart from Davidson, Shann had also been involved in the adrenalin-charged drama of the economists’ deliberations leading up to the Premiers’ Plan of June 1931. This committee work was followed quickly afterwards by the Wallace Bruce Report in April 1932, which had been expressly
commissioned by Prime Minister Lyons. By the end of 1932 Shann was apparently caught in two minds about staying with Davidson and helping to lobby for domestic and international monetary reform or returning to the groves of academe. He chose the latter, but then irritated his colleagues by applying for leave without pay to attend the World Economic Conference as Davidson’s representative. The request caused a political row instigated by John Curtin, the future Labor Prime Minister (Alexander 1963, p. 151). The complaint was that, apart from neglecting his students, Shann was attending the conference as an agent for Davidson, not Australia. The university executive successfully defended Shann against these charges, but they probably unsettled him.

Alleviating this personal ennui was an offer from the University of Adelaide to apply for the chair vacated by Melville and left unfilled due to the effect of the Depression upon university finances. Shann had first applied in September 1933. He provisionally accepted the offer but elected first to sound out his chances of securing the Vice-Chancellorship at the University of Melbourne. When that prospect vanished Shann wrote to Adelaide indicating his acceptance, adding, though, he could only come at the start of 1935.\(^5\) Always attentive to his financial affairs, Shann noted that the salary was £1,100 minus a 10% deduction.\(^6\) Shann asked the University of Adelaide Registrar, F.W. Eardley, whether the deduction applied to all the other professors at the University.\(^7\) Eardley replied that this was the case as it formed part of the Premiers’ Plan austerity measures. Shann had to remain at Crawley till the end of 1934, since the university authorities insisted that he make up for some lost time teaching his students. He could also give them the benefit of his experience advising not just Davidson but also the Commonwealth Government.

The Adelaide position, which was Shann’s fourth teaching post at an Australian university, involved a tradition of teaching theoretical economics. Shann, however, was, first and foremost, an economic historian (Alexander 1963, p. 178). Nor did he have a good grasp of economic theory, particularly its mathematical aspects (La Nauze 1939, p. 227). Shann, then, ‘did not move happily in the realms of pure theory’ (La Nauze 1935, p. 47). In his letter of acceptance of the post Shann requested that he have some statistical help in the form of an assistant. That aside, the prospect of a ‘fresh start’ at Adelaide excited him.\(^8\) It was a fresh start in more than one sense. G.V. Portus would later allude to the onerous preparations Shann had invested in his new post by remarking how he had begun in the last three months to, as he put it, ‘relearn his economics’ (Snooks 1993, p. 28). According to Mitchell, Shann was devising a new approach, escaping from the abstractions of the classical school and the empirical nature of the historical school.\(^9\) In his obituary of Shann, Copland (1935, p. 601) confirmed Mitchell’s view that his Adelaide colleague was excitingly working on a new approach towards teaching economics that would draw upon his experiences as a policy economist.

What had perhaps brought that proposed re-education into place was the philosophical move towards planning and an extensive public sector. Shann was loath to be swept along by the collectivist tide. For Shann, the encroachment of Government into economic affairs went against his elliptical embrace of neoliberal political philosophy. Shann’s aforementioned discourses into Australian economic history raged against tariff protection and industrial regulation, both of which were perceived as conspiracies against the public (Schedvin and Carr 1995). It had been a circuitous journey. In the early 1930s Shann turned to Keynes’s popular writings upon monetary reform and, inspired, lamented the waste of excess fixed deposits in
bank vaults as the Australian economy stagnated (Turnell 1999, p. 85). Shann agreed with Keynes’s finding that a savings-investment equilibrium was the equilibrium condition for the economy and also held faith in a ‘wider planning, a monetary policy that would permit the recovery of equilibrium and an expansion of consumers’ demand’ (Duncan 1934, p. 167). In a radio broadcast Shann commented: ‘It is sheer folly…to encourage owners of unspent money to invest their savings, while sitting high themselves, in claims on the economy and tax-paying powers of their fellows, and to permit this to a degree that shrinks up activity and paralyses the body economic’. 

Later, with economic recovery now underway, Shann shifted ground and re-embraced his earlier philosophy. His antipathy to public works and, presumably, the extent of debt to finance them, resurfaced. Melville agreed, consoling Shann with the thought that ‘Can we really expect a democracy in a hurry to spend its way out of depression, to exercise any discrimination in the works on which it spends its money? To encourage Governments to spend money on public works is, I think, to encourage them to spend it more or less indiscriminately’. Shann conveyed his complaint of wasteful public expenditure to Davidson, explaining how loan expenditure was futile in ‘priming the pump’ of private enterprise. It was akin to having money ‘poured down a rat-hole’. He believed that such borrowing kept up interest rates and gave the economy a distorted or ‘false’ structure. In an unsent reply, Davidson defended public works programmes, stating that they were remunerative and, in the last resolve, were an ‘investment in human welfare’.

As the world retreated into protectionism and regulation, Shann became increasingly pessimistic about the prospects of a return to a market-driven order of liberal internationalism. Shann’s last letter to Davidson, together with his commentaries for The Statist, for which he was the Australian contributor, struck Davidson as an astonishing return to old patterns of thought. He blustered to his new economic consultant, Torleiv Hytten, that ‘Poor old Shann has gone over to the sentimental Economists for the present.…I am afraid that he is suffering from.…an idea that almost every thing in [the] Australian past and present policy is weakened or endangered by wrongful spending, uneconomic propositions etc. I am afraid he, too, has gone up a side street for the present’.

On this note Schedvin and Carr (1998, p. 69) speculate that Shann’s death could be attributable to the sea change in political philosophy as the ‘pendulum swung to the economics of J.M. Keynes’. Another authority on Shann, Graeme Snooks, also links his death to personal depression brought on by the move to economic intervention. In short, Shann could not fathom how more regulation could help when too much intervention in markets had caused the problem in the first case (Snooks 1993, p. 28). The introspective Shann might have felt that he was a spent force. There is, however, no extant evidence that directly supports these interpretations. In fact, as mentioned earlier, there is evidence to show that Shann was setting out on an intellectual journey around the time of his death. On the day of Shann’s death, Copland received a letter from him written in the ‘gayest manner’ concerning commissioning another in the series of anthologies of Australian economic documents (Shann and Copland 1931a, 1931b, 1933). Shann agreed with Copland’s earlier statement that it will ‘do me a deal of good to sort out my ideas with you again’. While the letter had been written two days earlier, it hardly seemed the mark of a man contemplating suicide. Copland went on to record: ‘That same evening I was informed of the accident that befell him’. In his obituary of Shann in the Economic Journal Copland noted that Shann’s ‘new approach’ to
economics would have been reflected in their new book. In other words, Copland was of the opinion that Shann had died by accident.

A few days before his death Shann penned a quote from Keynes into his appointments diary:

We are, in my very confident belief at one of those uncommon junctures in human affairs where we can be saved by the solution of an intellectual problem, and in no other way, I hope we shall await, with what patience we can command, a successful outcome of the great activity among economists today – a fever of activity such as has not been known for a century'.

This was a call to arms for economists – a call to which Shann had responded and to which, it will be argued, he wished to make further contributions.

4 Aftermath

Sorting out the financial arrangements after Shann’s estate reopened the mystery concerning his death. Only two weeks before his death Shann had asked Eardley to increase his assurance with the AMP society by an additional £50 per annum. This alteration was filed at the local AMP office on 10 May. Shann had only attended to this because Eardley had earlier written to Shann, indicating a shortfall in his superannuation arrangements and asking whether he would like to take out an additional policy to cover it. Before the university sought out the status of Shann’s superannuation, it had authorised a gift of £350 to Shann’s wife, Alice, to tide her over until September. Alice Shann personally thanked Mitchell, telling him that ‘Ted’s admiration for you was such that we were so happy to be in Adelaide. I always felt that he looked upon you as a father and got comfort and advice that helped him along’. She later added that ‘We can never know why these things should happen’. On that note La Nauze was told by a friend of the Shann family that ‘Even the family seem unable to make up their minds about the nature of his death’.

Melville felt there was nothing sinister in Shann’s death other than the stress of overwork: ‘I imagine a holiday was all he needed. Nevertheless I suppose he had his own reasons which he decided to take with him’. Frank Mauldon, an economist at the University of Melbourne, provided a tribute which best captured the motif of Shann’s life: ‘Professor Shann brought his own peculiar gifts to the study of economic problems. He was constantly reminding us of the dangers of attempting to depart too far from the historic role which a country like Australia still has to play in the territorial division of labour throughout the world. He was an academic economist in the best sense, always a little uncomfortable in the hurly burly of controversy, but throwing himself into the controversy of the hour and leaving his mark thereon’.

When Eardley applied to access the proceeds from Shann’s three life assurance policies, he was met by a formal rebuff from the AMP Society. The Society had referred the matter to its Principal Board. Following receipt of Shann’s death certificate with its verdict of suicide it decided that it could not honour Shann’s life assurance policies. Instead the AMP Board would make an ‘ex gratia’ allowance of the sum assured, which Eardley had estimated Shann’s estate would be worth some £4,000 pounds had he reached 65.

This decision brought a most interesting response from Eardley, written at the behest of the Vice-Chancellor. The letter stated firstly that the coroner had decided to dispense with an inquest once he had heard all the early particulars.
relating to Shann’s death. It then presented two additional and powerful pieces of evidence that had not been drawn to the coroner’s attention. The first was an extract of a letter from Shann’s brother to the Vice-Chancellor which drew upon an incident related by a student about Shann. It read: ‘Professor Shann was lecturing a couple of years ago back at Crawley and demonstrating on two movable blackboards, one of them unexpectedly fell catching his finger. It was a painful accident and he walked to the window, throwing it open to let in some fresh air. Suddenly he collapsed and fell across the ledge balancing in a most precarious position. Students immediately rushed to his help and carried him to his room where he quickly recovered’. The second piece of evidence was just as powerful. It recalled a letter from Professor W.K. Hancock to the Vice-Chancellor that had just been received from England. It read: ‘I knew that Professor Shann had not been well. Just about two weeks ago I had a letter from him telling me that he had been feeling ill. He said that he had almost fainted in a lecture, he had to break it off and he said then that he must slow down for a bit. I imagine that he has been dragging on and had had a similar attack after a lecture. He would rush to the window for air and then faint and lose his balance. It is very pitiable and tragic’.

Drawing these two pieces of revealing evidence together, the letter concluded: ‘The general opinion here is that the facts are compatible with the theory that Professor’s Shann death was accidental. He interviewed students a few minutes before his death and made arrangements for future work and appointments and seemed to be in a perfectly normal condition’. The fact that Shann’s brother allowed this letter to be passed on is also significant. Mitchell had obviously changed his mind as to the nature of Shann’s death. It seemed more to do with the weight of the new evidence than any strategic response to outfox the AMP Society.

5 Conclusion

In his obituary of Shann, Portus (1935) remarked how rare it was for an economist to win tributes from the great and the good. He praised Shann ‘as a clever man and a good man’. In his tribute, Mitchell recalled Shann’s tendency to rush for a dose of fresh air when he fell faint. It was this practice that most likely led to his death. There has been evidence presented here to show that the police and the Adelaide coroner rushed to judgement concerning the circumstances and cause of Shann’s death. Seventy years on, we may now entertain the distinct possibility that it was a tragic accident and not a puzzling case of taking one’s own life.

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Notes

1 I am indebted to Helen Bruce of the University of South Australia Archives in retrieving the staff files pertaining to Edward Shann. I am also indebted to the meticulous work of two anonymous referees.
3 I am indebted to Graeme Snooks for this information. I have examined the bulk of the correspondence between Shann and his brother, Frank, which is in a separate collection from the Shann papers at the National Library of Australia. The
correspondence, mostly from 1910, exhibits lamentations about being lonely and penniless in London, where Shann was studying, but is rather cryptic about feelings of melancholy.

4 T.G. Wilson to J. La Nauze, 26/7/1935, La Nauze Papers, NLA.
5 E.O.G. Shann to F.W. Eardley, 12/10/1933, Staff Files No. 143, AUA.
6 The position at the Wales Bank paid £1,500.
7 Ibid.
8 E.O.G. Shann to J. La Nauze, 12/10/1934, La Nauze Papers, NLA.
10 Radio Commentary 6WF, 18/6/1934, Shann Papers, NLA.
15 E.O.G. Shann to D.B. Copland, 21/3/1935, UMA FECC, Box 38.
18 A. Shann to Sir W. Mitchell, 3/6/1935, ‘Grant on the death of Professor Shann’, Staff File No. 135, 1935, AUA.
19 H. Roberts to J. La Nauze, 27/7/1935, La Nauze Papers, NLA.
20 L.G. Melville to J. La Nauze, 26/7/1935, La Nauze Papers, NLA.
21 The Adelaide Advertiser, 24/5/1935.
22 AMP South Australia Branch to Registrar, 5/7/1935, ‘Assurance under Superannuation system’, Staff File No. 38, AUA.
23 F.W. Eardley to the Manager, AMP Society, 6/7/1935, ‘Assurance under Superannuation scheme’, Staff File No. 38, 1935, AUA.

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