

Friends of the ANU Centre for Economic History,

As our wet winter draws to a close, the Centre is preparing to end the academic year with a number of activities in and around Canberra. These include a workshop on international finance and trade, with a keynote given by Barry Eichengreen; the third Australasian Cliometrics Workshop in Sydney; and a public lecture from David Vines. There will also be a book launch for the latest publication of our colleague William Coleman.

This issue also includes some conference reports as well as an early announcement of a workshop on income inequality for next year. Finally, the Centre would like to note the recent passing of the esteemed economic historian Karl Gunnar Persson, with a personal tribute by Tim Hatton. Thanks again for your support of the Centre and economic history.

John Tang, CEH Director

In Memoriam: Karl Gunnar Persson, 1945-2016

It is with great sadness that we mark the passing of Gunnar Persson, an outstanding economic historian, and a prime mover in the organisation of European economic history. After an early foray into journalism he embarked on an academic career in which economic history became the central focus. While continuing to live in his native Sweden, he spent most of his career at the University of Copenhagen, rising through the ranks to professor and finally to professor emeritus in 2013.

Gunnar's research spanned a range of topics including the integration of grain markets, the mechanics of pre industrial growth, and the role of knowledge and institutions in European economic progress. He was one of continental Europe's early adopters of the cliometric approach to economic history. He based his analysis on solid quantitative foundations and when these were absent he sought innovative ways to tease out economic insights. His research agenda was driven by the historical questions and not by easily available data, and his abiding interest was in early modern Europe at large and not just a small corner of it.

But to those not well versed in his particular academic oeuvre he was best known as an outstanding organiser and leader of the European community of economic historians. He played a major role in founding the European Historical Economics Society, of which he served as the first president in 1991-1996. He did much to put the society on sound footing and to instigate workshops and summer schools that welcomed scholars, and especially graduate students, from all over Europe. Such was his [cont. p.2]



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Jetlog #1: 1st World Congress on Business History, 25-27 August 2016



Some familiar faces in traditional Norwegian conference attire

An Australasian contingent of 4 participated in this business history conference this past August in Bergen, Norway. It was organized under the auspices of the European Business History Association, which has been meeting annually over the last 20 years. Most non-European participants were from Japan and Latin America. Martin Shanahan (University of South Australia), Monica Keneley (Deakin University), Pierre van der Eng (ANU) and Simon Mowatt (Auckland University of Technology) made up the Australasian contingent.

Martin presented a paper on his ongoing research into international cartel registers with Susanna Fellman from Sweden. Monica offered a comparative history of two life insurance companies (AMP and Samlam) together with Grietjie Verhoef from South Africa. Pierre discussed some first results of his project on corporate social responsibility in Indonesia. And Simon presented a paper on the development of the organic food industry in New Zealand with Geoff Jones of Harvard University.

A plenary meeting assessed the state of business history activity around the world. As we know, most business historians are active in Western Europe, North America and Japan. But significant growth was noted in South America, as most EHSANZ members know from Carlos Dávila's paper in AEHR (2013). Another significant development was the growing role of business history teaching in business schools.

Andrea Colli (Bocconi University) made a heartfelt plea for business historians to engage more with 'big issues' in other disciplines, including economic history and economics (the Great Divergence, the Asian miracle, Piketty's concerns about rising inequality), management (CSR, green management), and firm finance (financial fraud and financial crises).

Interaction of European and international business historians yielded discussion and consensus. For example, that the Anglo-American perspective of company organisation and development is not necessarily relevant to other parts of the world. Particularly the role of business groups in Asia and Latin America should not be considered an aberration, but as an integral part of the business systems there.

The next World Congress of Business History will be organised by the Business History Society of Japan in Tokyo in September 2020, following the 2020 Olympics and Paralympics. -PvdE

Karl Gunnar Persson (cont.)

[from p.1] leadership and influence that he was known to his friends simply as "Chair Persson". In the late 1990s, as part of his mission to integrate European economic history, he became a founding editor of the *European Review of Economic History*. His memoir of these formative years can be found on EHS website.

Gunnar was a true scholar and a great organiser, but on a personal level there was much more. He was impeccable in dress and manners with sophisticated tastes and interests in a wide range of political, social and economic issues. A gastronome and bon-vivant, he was a true European in the very best sense. He would chide his less accomplished friends for their ignorance of medieval and early modern history as well as for not being at ease (as he was) in umpteen different languages. To those of us that were fortunate enough to be numbered among his friends he was a delight in every way. -TJH

Jetlog #2: 5th Asian Historical Economics Conference, 2-3 September 2016

If participation in this conference is any indication, economic history of Asia is expanding. On the other hand, it remains concentrated on East Asia, specifically Japan, Korea and increasingly China. But maybe that was related to the location of this conference.



The EHSANZ contingent with conference organizer Duol

The conference was well-organised by the Korean Economic History Society, this time led by Duol Kim of Myoingji University in Seoul. Like the 2013 Asia-Pacific Economic and Business History conference, the event was again located in the facilities of Seoul National University. But this time in lush green surroundings, given the time of the year.

Given the timing of the conference, and teaching commitments in Australasia, the Australian contingent was small. Actually, just one, plus two 'EHSANZ expats' from China. Florian Ploeckl (Adelaide University) presented the first results of his new project on democracy-trade links, using a large database containing 1871-1911 country-level data on the level of 'democracy' and the number of trade agreements countries engaged in.

Stephen Morgan (Nottingham University-Ningbo) analysed monthly grain prices in China during 1740-1820 to compare market integration in China with Europe and argue that the 'Great Divergence' was well-underway by the 1780s, if not earlier. Pierre van der Eng (ANU & Peking University) discussed the long-term growth of manufacturing output in Indonesia to answer the question when exactly Indonesia suffered 'de-industrialisation'.

It looks like the biennial conference of the Asian Historical Economics Society is now well-established. The 2018 version will be organised by Zhiwu Chen at the University of Hong Kong. -PvdE

Book Launch Announcement:

Only in Australia. The History, Politics and Economics of Australian Exceptionalism

Date: Monday, October 17, 5.30pm for 6pm start

Venue: **Muse. Food, Wine and Books**, East Hotel, Kingston, ACT

Speaker: Senator **David Leyonhjelm**

Only in Australia is about the Australian difference. It is about how in economic and social policy Australia now diverges significantly from comparable countries. This volume brings together economists, historians, and political scientists to delve into what makes Australia so different. The book suggests that the 'special path' that Australia has followed for over a century is the product of physical circumstances, historical accidents, fateful choices, and the unique personalities thrown up by an extraordinary land. Contributors include **Geoffrey Blainey, Jonathan Pincus, Richard Pomfret, Henry Ergas, William Coleman, Nick Cater, Phil Lewis, and Peter Yule.**

This event is catered, and copies of the book will be available for sale. For more information, please visit the Oxford University Press website: <http://tinyurl.com/zl5cv2z>

Jetlog #3: Economic History Association Meeting, 16-18 September 2016



Beautiful sunrise over Broomfield, er, Boulder

The annual Economic History Association meeting was in the beautiful setting of Boulder, Colorado, from September 16th to 18th. Over 250 economic historians gathered from around the world (with plenty of Australians!), which was themed “Economic History and Economic Development”. There were too many great papers to cover, so here I will discuss a few highlights from the conference.

First was the plenary roundtable on the conference’s theme of history and development. Nathan Nunn (Harvard University) gave a compelling talk about the necessity of history for understanding the developed world today. Nunn criticized various macroeconomic theories that predict cross-country growth, such as the Solow-Swan model which simplifies countries into a production function of capital and labor, and Jeffrey Sachs’ argument that geography determines growth. Both of these models are ahistorical; for example, development only depends on the capital stock or on whether you are located near water. Instead, Nunn argued that development is much more complex, and to understand today’s outcomes you need be familiar with the long arc of history.

Nunn included numerous examples from the literature where history matters, such as his work on how the slave trade hundreds of years ago influences trust levels across different tribes in Africa today. On the other hand, Rick Hornbeck (UChicago) suggested that the persistence literature should not be oversold and that historians should hesitate to sell their work as policy relevant; rather, Hornbeck wished to see more research on when historical shocks dissipate, or on interactions between different shocks. [cont. p.5]



Standing room only at the plenary session

Advance Notice: CEH Conference Announcement

Workshop on Income Inequality and Living Standards in the Long Run

March 2017 (Date TBA)

with confirmed keynote speaker Jeff Williamson (Wisconsin/Harvard)

For more information, please contact Tim.Hatton@anu.edu.au

Jetlog #3: EHA Meeting (cont.)

[from p.4] Lee Alston (Indiana University) gave his presidential address entitled “Beyond Institutions,” an homage to his mentor Douglass North’s presidential address in the 1970s titled “Beyond New Economic History.” Alston drew on many of the lessons from his research, much of which has been on the effect of institutional settings on outcomes in the United States and Brazil, but, as his title suggests, argued we should look beyond the rules and norms that govern economic interactions. In particular, Alston argued that much more attention should be spent on the political leaders and their impact on institutional changes, and also on the way they are constrained by other elites around them. Drawing on examples from the United States, he argued that the constitution may not have



This was Lee's ride to the conference (not really).

been ratified if it were not for leaders such as Alexander Hamilton and James Madison convincing elites through the Federalist papers.



An animated audience at the conference dinner.

A final highlight of the conference was the “roasting” of Alston at the banquet, in which many of his former graduate students mocked Alston’s penchant for injuring himself while rollerblading, mountain biking, or skiing. One student showed the time series growth rate of health care expenditures in the United States, noting that every spike corresponded to a different Alston injury that required medical attention. What happened when there was a dip in US healthcare expenditures in the 1980s? Of course, the roaster explained, this was when Alston was a visitor at the ANU. -ZW

Editor's note: The next EHA meeting "Macroeconomic Regimes and Policies: the Quest for Economic and Financial Stability and Growth" will be held in San Jose, California, on 15-17 September. Program proposals can be submitted between 1 November 2016 until 31 January 2017 via the EHA meetings webpage on eh.net. Contact meetings coordinator Jari Eloranta (elorantaj@appstate.edu) for more information.



Some happy economic historians and a photobombing waiter enjoying a post-conference lunch.

Conference Programme #1

**Centre for Economic History
Research School of Economics, ANU**

Workshop on: International Finance and Trade History

27th October 2016

Fred Gruen Suite, H. W. Arndt Building (No. 25A), Kingsley Street, ANU

Workshop Programme

9.30-9.45: Welcome

9.45-10.30: Session 1

**Rui Esteves (Oxford University)
"Gold and Trade: An Empirical Simulation Approach"**

10.30-11.00: Tea/Coffee

11.00-12.30: Session 2

**Lyndon Moore (University of Melbourne)
"Foreign Participation in Initial Public Offerings".
Barry Eichengreen (University of California, Berkeley)
"Cables, Sharks and Servers: Technology and the Geography of the Foreign Exchange
Market"**

12.30-1.30: Light Lunch

1.30- 3.00: Session 3

**Christopher Meissner (University of California, Davis)
"Stages of Diversification, France, 1836-1938"**

**Florian Ploeckl (University of Adelaide)
"International Postal Money Order Flows, 1880s-1930s"**

3.00-3.30 Tea/Coffee

3.30-4.15: Session 4

**David Jacks (Simon Fraser University)
"Market Potential and Global Growth over the Long Twentieth Century"**

5.30-7.00: Public Lecture, Innovations Building (124) Eggleston Road, ANU

Goldsmith Lecture

**Barry Eichengreen (University of California, Berkeley)
"International Currencies Past, Present and Future: Lessons of the *Very Long Run*"**

**Registration for the Goldsmith Lecture can be made via Eventbrite:
<https://www.eventbrite.com.au/e/goldsmith-public-lecture-tickets-27560729885?aff=es2>**

Please contact Tim Hatton (tim.hatton@anu.edu.au) for more information.

Conference Programme #2



3rd Australasian Cliometrics Workshop

Preliminary program

University of Sydney

November 4, 2016



- 8:30** Arrival and Registration
- 9:00** **Laura Panza** (Melbourne)
Inequality and conflict intensification in Mandate Palestine
Discussant: **TBC**
- 9:45** **Katherine Eriksson** (UC Davis)
Maternal Education and Child health: Rosenwald schools and Early Childhood Mortality
Discussant: **Peter Siminski** (Wollongong)
- 10:30** Morning Tea
- 11:00** **Kris Inwood** (Guelph)
Can historical changes in military technology explain the industrial growth puzzle?
Discussant: **TBC**
- 11:45** **Alex Cousley** (Wollongong)
The Causal Effects of World War II Military Service
Discussant: **Zach Ward** (ANU)
- 12:30** Lunch
- 13:30** **Sarah Walker** (UNSW)
Just like a prayer, which road will take you there? Cultural vs. physical barriers to market integration
Discussant: **John Tang** (ANU)
- 14:15** **Chris Meissner** (UC Davis)
Globalization, Growth, and the Gains from Trade: A New View From Meiji Era Japan
Discussant: **Florian Ploeckl** (Adelaide)
- 15:00** Afternoon Tea
- 15:30** **Lingyu Kong** (Adelaide)
Elite Networks of the modern bank Industry during the Period of the Chinese Republic in the 1930s
Discussant: **TBC**
- 16:15** Keynote Speaker: **Mauricio Drelichman** (University of British Columbia)
- 19:00** Workshop Dinner (Presenters and Discussants)
Bloodwood - 416 King st. Newtown, 2042

Registration is requested for catering purposes. Please contact Jordi Vidal-Robert (jordi.vidal-robot@sydney.edu.au) for more information.

In cooperation with the Centre for Applied Macroeconomic Analysis, Crawford School of Public Policy, the Centre for Economic History is proud to present the public lecture:



“Institutions, Individuals, and Ideas: Macroeconomic Policymaking in Australia from Federation to 2020”

Professor David Vines (Oxford)

Wednesday, 30 November 2016

5:30-6:30pm

Weston Theatre, Crawford School of Public Policy, ANU

The ending of the global boom in primary commodity prices is leading to a significant macroeconomic rebalancing of the Australian economy. This is being implemented in a surprisingly effective manner, especially when compared with what is happening in Brazil and South Africa. In this lecture, Professor Vines will argue that such a relatively smooth process has been made possible by the strong set of macroeconomic policy-making institutions which have been developed in Australia over more than a century. His lecture will have three parts. He will begin with a discussion of the great post World War 2 Reconstruction Project of the mid-to-late 1940s, led in Canberra by Prime Ministers John Curtin and Ben Chifley, the “Seven Dwarfs”, and their economist colleagues, including especially Lyndhurst Giblin, Leslie Melville and Trevor Swan. Together they invented Australia’s strikingly original form of open-economy Keynesianism. David will then analyse how the Hawke-Keating reforms of the 1980s overturned two further post-Federation legacies: Australia’s unique system of protectionism (“protection for everybody”), and the Australian system of centralised wage-fixing (“fair wages for everybody”). Third, he will describe the important reforms, undertaken over the past 30 years, which have greatly liberalised the Australian financial system, and he will analyse the skillful way in which the Reserve Bank has dealt with the macroeconomic implications of these reforms. In his lecture, Professor Vines will focus not just on the policymaking institutions, but on the ideas which underpinned them, and on the extraordinarily inventive individuals who developed these ideas.

David Vines is Professor of Economics, and Fellow of Balliol College, at Oxford University. He is also Acting Director of the Political Economy of Financial Markets Programme at St Anthony’s College and Director of the Ethics and Economics Programme at the Institute for New Economic Thinking in the Oxford Martin School. In addition he is a Research Fellow of the Centre for Economic Policy Research in London. His recent books include *Capital Failure: Restoring Trust in Financial Services* (with Nick Morris; OUP, 2014), *The Leaderless Economy* (with Peter Temin; Princeton University Press, 2013) and *Keynes: Useful Economics for the World Economy* (with Peter Temin; MIT Press, 2014).

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