

BOOK REVIEW

Alex Millmow, *The Gypsy Economist: The Life and Times of Colin Clark*. Singapore: Palgrave Macmillan, 12/03/2021. xx+ 396pp. ISBN 978-981 33 6945-0. Pbk: AUD 148.64

The subject of this fascinating biography was a very strange individual, even for an economist. In the 1930s, the young Colin Clark made such a substantial contribution to the emerging consensus on national income accounting that his failure to be awarded the Nobel Prize in economics is widely regarded as scandalous; in fact, he was never even appointed to a university chair. Geographically, he was something of a nomad, spending 36 of his 83 years in Australia, while intellectually, Alex Millmow insists, '[h]is wanderings over the main fields of economics made him the gypsy economist of the twentieth century' (p. 11). The book draws perceptively on a wide-ranging and diverse set of primary sources and on the extensive secondary literature on this celebrated but very eccentric economist.

After a brief introductory chapter (pp. 1–14), there are four parts. The three chapters that make up Part I (pp. 17–70) cover the period 1905–1937, with the title 'The Making of an Applied Economist'. Here, Millmow describes Clark's early life as a scholarship boy at Winchester and then as a chemistry student at the University of Cambridge, where he graduated with second-class honours in 1924 before turning to economics. Part II (pp. 73–207) has seven chapters dealing with his 'Australian Idyll' between 1937 and 1952, while the six chapters in part III (pp. 211–313) set out his achievements as 'A Gypsy Scholar at Oxford' between 1953 and 1969. The much briefer Part IV (two chapters, pp. 317–57) bears the title 'Australia Resumed' and covers the final 20 years of Clark's life, part of which he again spent in Australia (1969–1989). There is an extensive bibliography (pp. 359–79) and a comprehensive index (pp. 381–96).

In Part I, Millmow explains how the young Clark, an enthusiastic social democrat and active member of the Fabian Society, took to economics 'primarily from what was being discussed at the University Labour Club' (p. 25) and soon fell under the influence of GDH Cole. In 1930, he joined the Economic Advisory Council as a research assistant and came to develop a close friendship with Maynard Keynes. Although he arrived too late to be a full member of the Cambridge Circus, Clark could later claim with some justice that he had been there at the birth of the Keynesian revolution. He was already working on the fundamental problems of national income accounting, publishing an article on the subject in the *Economic Journal* in 1931 and his first book, *The National Income, 1924–1931*, in the following year. Clark supplied Richard Kahn with statistics that the latter used in his early estimates of the expenditure multiplier and found himself on first-name terms with Keynes, with 'Dear Maynard' corresponding with 'My Dear Colin' (p. 39). Clark's second book, the 1937 *National Income and Outlay*, was 'a more ambitious and more comprehensive undertaking than his earlier effort' and received 'overwhelmingly positive reviews' (p. 61).

And then he upped and left for the southern hemisphere. Clark's father had worked in Australia for almost 20 years, and Millmow suggests that this intrigued the son and was largely responsible for his own migration. He was appointed as Queensland's most senior public servant with the impressive title of Director of the Bureau of Industry, State Statistician, and Financial Adviser to the Queensland Treasury, at an even more impressive annual salary of £A2,000 (almost 30% more than the state treasurer was paid). Clark served two 7-year stints in this role, taking leave from his state duties to work for the

Commonwealth government during the war. But Millmow reports that this was ‘also the most academically prolific stage of his career’ (p. 94), with a steady stream of articles appearing in an official monthly circular, *Economic News*, and no fewer than three of Clark’s books being published between 1938 and 1942. While the 1940 *Conditions of Economic Progress* was ‘brilliant and overwhelming in its detail, it was inclined to be disordered, poorly presented and marred by poor referencing’ (p. 120). Similar criticisms would be made of almost all of Clark’s subsequent books.

Millmow reports the ‘widely held suspicion’, which he shares, ‘that after 1940 Clark’s work and outlook was animated by Distributivism and Catholic social thought’ (p. 5). In February 1943, Clark addressed the Second Conference of the University Catholic Societies on the subject of the impact of Christian thought on Australian post-war reconstruction. This speech ‘showed how Distributivism had completely won over Clark’ to the vision of ‘a family orientated society, decentralised politically and economically, made up of small-scale producers’, where ‘the main part of the means of production [would be] owned, not by a small class of capitalists or slave owners, but by the people themselves’ (pp. 141–2). It was ‘an ideological, romantic Catholicism’, a vision of ‘a property-owning democracy of independent contractors and craftsmen making provision for their futures’ (p. 144). A Marxist would say that this was a call for the replacement of the capitalist mode of production by simple commodity production and was thus a profoundly reactionary proposal. Clark and his associates, who included the notorious BA Santamaria, seem never to have considered how the massive redistribution of wealth that it would require could possibly be achieved. But apparently, Clark remained committed to Distributivism for the rest of his life. Quite how he reconciled it with his early and continuing support for the Institute of Economic Affairs, which demonstrated that he was a pioneering advocate of proto-Thatcherite neoliberal capitalism, is impossible to say.

Clark returned to England in 1953 as a director of the Agricultural Economics Research Institute at Oxford University. Australian academics seem not to have regretted his departure, Richard Downing welcoming it in a letter to Wilfred Prest on the grounds that Clark was getting ‘steadily madder and more bigoted’ (p. 203). In his new job, Clark ‘interpreted his research duties very broadly, looking at wider issues of demand, prices, international trade, resource allocation and the location of economic activity’ (p. 219) and publishing widely on all these questions. In effect, he had reinvented himself as a development economist, with an early neoliberal perspective that revealed him to be deeply suspicious of the involvement of the state in economic affairs. Clark was also a prominent anti-Malthusian, a proponent of rapid population growth, and in the early 1970s, a strong critic of the Club of Rome and other environmental doomsayers. By then, he had gone back to Australia, with an honorary research position at Monash University and a leadership role in the Institute for Economic Progress, a think-tank established for him by the Catholic church. At last, he received some academic recognition, becoming a Fellow of the Academy of the Social Sciences in Australia. Millmow cannot resist telling us that Trevor Swan resigned in protest at Clark’s selection (p. 322). He concludes that ‘[t]he conceit of this book is that it will do justice to Clark’s legacy in economic science’ (p. 355). Indeed it has.

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