Ray Petridis, HETSA and the Revival of the History of Economic Thought

Paul Flatau and Robert Leeson*

As a consequence of the formalist revolution, the historical sub-discipline of the economics profession appeared to have been 'permanently declining in professional esteem' and, at least in the United States, had become 'a nearly moribund subject' (Stigler 1988, 28; 1982 [1972], 85). But as the fruits of formalism have proven to be disappointing, so this trend has been reversed. The History of Economic Thought Society of Australia (HETSA), founded twenty years ago, has made a major contribution to this intellectual rehabilitation. Ray Petridis (born 13 April 1938) played an important part in establishing and nourishing HETSA and the *HETSA Bulletin*, as the *History of Economics Review* (*HER*) was then called. HETSA took a collection of individual scholars and created a thriving community. The essays that follow are in appreciation of Ray's role.

HETSA's origins can be traced to the sabbaticals Ray spent in the UK in the 1970s and 1980s (centred, as always, in Cambridge). During a sabbatical in 1980, Ray attended a British History of Economic Thought Conference and determined that, on his return to Perth, he would flag the possibility of establishing an Australian society with other historians of economic thought in Australia. He met with John Wood in Perth (en route to a position at the University of New England) and together they sent off letters to potential members advising of plans to establish an Australian society. These letters received an enthusiastic response and a decision was made to hold a conference at Armidale in 1981 and form a society there. John Wood and John Pullen took on many of the organising responsibilities for the conference; Pullen was elected as Secretary and Wood editor of the *HETSA Bulletin*. Ray was chair of the business sessions of the inaugural conference and held the post of HETSA Secretary/Treasurer between 1980 and 1991.

Ray has some 'vivid' memories of that inaugural conference: 'Some of the sessions were extremely boisterous and the discussion was often cutting, if not cruel'. But since the participants remain friends two decades later, the intellectual intensity was obviously productive. Indeed, perhaps the dynamics of that early group are worth exploring. Brutal criticism, combined with encouragement, can fertilise an intellectual cohort. The absence of a stifling institutional hierarchy is, of course, an important component of the Australian intellectual climate.

As Ray was planning the inaugural conference he was also writing a paper on the role of economists in government (1981d). The paper reflected his long-standing interest and periodic practical involvement in the economic policy advisory role. Two decades earlier Ray had been awarded the Commonwealth Bureau of Census and Statistics honours year free place. The following year (1963) he moved to Canberra and worked in the forerunner to the Australian Bureau of Statistics and in the Treasury as a senior research officer. He did not, however, stay long, taking up his first academic post in 1963 as one of the youngest ever appointments as lecturer in the Economics Department at the University of Western Australia. In the 1960s and 1970s he was a frequent commentator on the Western Australian and Australian economies in *Economic Activity*, the *Economic Record*,

and *Die Weltwirtschaft*. In 1988 he moved to Murdoch University which - judged by his publications - he obviously found to be a productive environment. In 1997 he took early retirement but remained at Murdoch as an Honorary Research Fellow.

Ray's HETSA conference paper (1981d) was subsequently published in the *History of Political Economy* (*HOPE*) as 'Economists in a Federal System: Australia' and was reprinted in Bob Coats's edited classic *Economists in Government: an International Comparative Study*. A companion piece (1981c) on 'Economics Degrees and the Australian Public Service' was also published in the *Australian Journal of Public Administration*. The essays in this issue by Bob Coats ('The Role of Economists in Governments and International Agencies: A Fresh Look at the Field') and John Lodewijks ('Training Professional Economists: The Australian Experience') revisit these themes.

An important interest of Ray's has been in the area of industrial relations and labour economics. He was instrumental in the formation of the Industrial Relations Society of Western Australia in 1964, and through the next two decades provided support for various unions preparing wage cases and acting as an expert witness for the unions or the Trades and Labor Council in wage cases. He was commissioned to write three papers on wage determination and the Australian labour market in the *Journal of Industrial Relations* (1988b, 1987a, 1986b), and in the early 1980s he initiated discussions with the head of the Commonwealth Bureau of Labour Market Research with a view to funding research in labour economics. Charles Mulvey and his good friend Ron Peters joined Ray in negotiating an agreement for a grant, which subsequently served as part of the seed funding for the Western Australian Labour Market Research Centre (which subsequently became the Centre for Labour Market Research). He was also an important figure in developing full employment policies in the period of the 1982 recession, arguing strongly for such policies in the Labor Party's 1982 *Strategies for Full Employment*, and the 1983 Western Australian *State Employment Summit*. He was briefly the Economic Adviser to Peter Dowding, Western Australian Minister for Employment and Industrial Relations in the mid-1980s.

Perhaps his most important work in the labour market was his joint research with Ron Peters on the macroeconomics of unemployment in 'The Relation of Actual to Potential (Full Employment) Output for the Australian Economy, 1954-1975' (1977) and his 'Employment, the Labour Force and Unemployment in Australia: A Disaggregated Approach' (1985b). Tony Aspromourgos's paper in this issue ('Is Labour Cheapening a Means to Reducing Involuntary (Labour) Unemployment?') is in the Petridis tradition of seeking Keynesian labour market solutions to macroeconomic problems.

Ray, of course, is best known to readers of *HER* for his work in the history of economic thought. Ray (who obtained BEc First Class Honours at UWA and the J.A. Wood Prize for the outstanding graduand in a group of university faculties) was awarded both the James B. Duke Fellowship and a Fulbright Scholarship (1969-71) to complete his PhD at Duke University under Craufurd Goodwin. His thesis title was 'The Economic Analysis of Trade Unions By British Economists, 1870-1930'. The first publication to come out of his PhD was 'Alfred Marshall's Attitudes to and Economic Analysis of Trade Unions: A Case of Anomalies in a Comparative System' (1973). This paper was followed by a number of contributions in *HOPE* and other history of economic thought journals on Marshall, Langford Lovell Price and Thomas Brassey, among others. In recent years, Ray has been a frequent reviewer particularly on Marshall, including his important review

of Peter Groenewegen's *A Soaring Eagle: Alfred Marshall 1942-1924* (1997b). The essays by Craufurd Goodwin, Peter Groenewegen, Paul Flatau, Michael Schneider, John Pullen and Rob Knowles in this issue reflect the historical component of Ray's intellectual interests.

One of Australia's best-known economists and good friend of Ray's is Geoff Harcourt. Ray (1997a) published the first piece in the fine three-volume Festschrift for Geoff ('A Cambridge Economist but an Australian Patriot'). The essay by Geoff Harcourt in this issue ('Forty Years Teaching Post Keynesian Themes in Adelaide and Cambridge') reflects another important component of Ray's career: the contribution he has made to the training of economists through his teaching.

Three other aspects of Ray's contribution deserve a mention. First, Ray has always been a diligent, fair-minded and perceptive referee. Without such people our sub-discipline would not be as healthy as it is. Secondly, Ray has an irrepressible sense of humour, and Robert Leeson's essay has been in part stimulated by Ray's determination to puncture pomposity and status-bound behaviour whenever possible. Thirdly, Ray has always been a *political* economist. Economic analysis has an historical and political context and can only be properly understood when viewed in that context. The essay by John King and Mike Howard in this issue ('State Capitalism in Soviet Russia') is in that tradition.

In this special issue of *HER* we express gratitude to Ray for his contributions to HETSA, the history of economic thought, Australian labour and macroeconomics, and Western Australian economic policy development. Ray will be remembered generally for his high academic standards but also specifically for his contribution to the revival of the history of political economy.

- Both authors: Department of Economics, Murdoch University, Murdoch WA 6150. Email to flatau@central.murdoch.edu.au and r.leeson@murdoch.edu.au.

References

Stigler, G.J. 1982 [1972]. *The Economist as Preacher*. Chicago: University of Chicago Press.

Stigler, G.J. 1988. *Memoirs of an Unregulated Economist*. New York: Basic Books.

A Select List of Ray's Publications

2002. Review Note, The Rage Against Economic Rationalism, etc. (precise title to be decided by the editors). Forthcoming, *Economic Record*, March.

2001d. Keynes and the Constraints On Policy. *Journal of Economic Ideas*, forthcoming.

2001c. Review of Francisco Louca and Mark Perlman, 'Is Economics an Evolutionary Science? The Legacy of Thorstein Veblen'. *Journal of the History of Economic Thought*, forthcoming.

2001b. Review of Mark Perlman and Charles R. McCann Jr, 'The Pillars of Economic Understanding'. *European Journal of the History of Economic Thought*, forthcoming.

2001a. Review of 'Globalisation and the Asia Pacific'. *Journal of Contemporary Asia* 31, 3.

2000. Mental Health and Wellbeing and Unemployment. *Australian Economic Review* Vol. 33, No. 2, June (with Paul Flatau and June Galea).

1999c. The Leisure Class in the Twenty First Century. Review Note. *History of Economics Review* 30, Summer.

1999b. Review of 'Alfred Marshall's Lectures to Women'. *History of Political Economy*, Winter.

1999a. Neoclassical Economics: History of and Contemporary Developments. In P.A. O'Hara (ed.) *Encyclopaedia of Political Economy*. Routledge: London and New York.

1998. Marshall, Alfred as an Interpreter of the Classical Economists. In H. Kurz and N. Salvadori (eds) *Elgar Companion to Classical Economics*. Edward Elgar: Cheltenham.

1997c. Review of 'Alfred Marshall's Official Papers'. *History of Economics Review* 26, Winter-Summer.

1997b. 'A Towering Enigma: Alfred Marshall the Economist and the Man'. Review Article. *Research in the History of Economic Thought and Methodology* Vol. 15.

1997a. A Cambridge Economist but an Australian Patriot. In *Essays in Honour of G.C. Harcourt.* Vol. 1. Edited by P. Arestis, G. Palma and M. Sawyer. London: Routledge.

1996c. Occupational Segregation and Female Employment Over the Business Cycle. A.G.P.S.: Canberra.

1996b. Brassey's Law and the Economics of High Wages in Nineteenth Century Economics. *History of Political Economy* Winter.

1996a. Occupational Segregation in Full-time and Part-time Employment. *Australian Bulletin of Labour* Vol. 22, No. 3, September (with June Galea and Sue Lambert).

1994c. The Disappearance of Australian Economics: A Review Essay. *Research in the History of Economic Thought and Methodology* Vol. 12.

1994b. Mastering the Old in Order to Appreciate the New: Joseph Shield Nicholson's Rehabilitation of Adam Smith. *Archives of Economic History*.

1994a. Review Article: 'Oxford Economics and Oxford Economists'. *History of Economics Review* 21, Winter.

1991c. Review of J. Whitaker (ed.), 'Centenary Essays on Alfred Marshall' and R. McWilliams Tullberg, (ed.), 'Alfred Marshall in Retrospect'. *Economic Journal*, June.

1991b. Has Australia's Investment Become More Export Oriented? *Australian Economic Review* 2, June (with G. Wood).

1991a. Output Per Employee in Western Australia: A Comment on Howe and Dawson and Further Evidence. *Labour Economics and Productivity* Vol. 3, No. 1, March.

1990. The Trade Unions in the *Principles*: The Ethical and the Practical in Alfred Marshall's Economics. *Economie Appliquée*, September.

1989b. Trends in Employment and Output per Person in the Western Australian Economy. *Labour Economics and Productivity* Vol. 1, No. 2, September (with G. Wood).

1989a. The Role of the Public Services in the Western Australian Economy. In P. Botsman and S. Rix (eds), *State of Siege*. Leichardt, N.S.W.: Pluto Press.
1988b. Wages Policy and Wage Determination in 1987. *Journal of Industrial Relations*, March.
1988a. Langford L.F.R. Price. In *The New Palgrave*. Macmillan: London.
1987b. The State of the Labour Market and the Role of Wages Policy. *Economic Activity* April (with G. Langworthy).
1987a. Wages Policy and Wage Determination in 1986. *Journal of Industrial Relations* 29, March.
1986b. Wages Policy and Wage Determination in 1985. *Journal of Industrial Relations* 28, March.
1986a. Flexibility in the Wage System: A Western Australian Experiment. *Economic Activity* 29, January.
1985b. Employment, the Labour Force and Unemployment in Australia: a Disaggregated Approach. *Australian Economic Review* 4th Quarter (with Ron Peters).
1985a. Review of R. Blandy and O. Covick (eds), 'Understanding Labour Markets'. *Economic Record* Vol. 61, June.
1984d. Trade Unions and the Theory of Competition. *Eastern Economic Journal* X, July-September.
1984c. Prospects for the Australian Economy in 1984. *Economic Record* Vol. 60, No. 168, March.
1984b. The Western Australian Economy: Retrospect and Prospect. In *Year Book of Western Australia*, Australian Bureau of Statistics, W.A. Office, No. 22.
1984a. The Unemployment Morass: Are There Any Options Left? *Western Australian Business* 9, January.
1983. Unemployment: An Intractable Problem? *Economic Activity* Vol. 26, No. 4, October.
1982. Strategies for Full Employment. In M. Willis (ed.), *Strategies for Full Employment*. Australian Labor Party.
1981d. Economists in a Federal System: Australia. *History of Political Economy* Vol. 13, No. 3, Fall. Reprinted in A.W. Coats (ed.), *Economists in Government: an International Comparative Study*. Duke University Press, 1981.
1981c. Economics Degrees and the Australian Public Service. *Australian Journal of Public Administration*, December.
1981b. Review of Commonwealth Grants Commission, *Report on State Tax Sharing Entitlements*. *Economic Activity*, October.
1981a. Western Australia's Budgetary Problem and the Alternatives. *Economic Activity* Vol. 24, January.
1979. Bilateral Monopoly, Tariff Reform and the Teaching of Economics: the Neglected Contribution of Langford Price. *History of Political Economy* Vol. 11, Spring.
1977. The Relation of Actual to Potential (Full Employment) Output for the Australian Economy, 1954-1975. *Economic Record* Vol. 53, September (with Ron Peters).
1973. Alfred Marshall's Attitudes to and Economic Analysis of Trade Unions: A Case of Anomalies in a Comparative System. *History of Political Economy*

Vol. 5, No. 1, Spring. Reprinted in J.C. Wood (ed.), *Alfred Marshall, Critical Assessments*. Croom Helm, 1982.

1972. Commonwealth Economic Policies Affecting the Western Australian Economy. *Economic Activity* Vol. 15, Nos. 3 and 4, July and October.

1964-68. Quarterly Reviews of the Western Australian Economy. *Economic Activity.*

1968. Recent Trends and Potential Output in the Australian Economy. *Economic Activity* Vol. 11, January (with Ron Peters).

1966 and 1967. The Western Australian Economy. In *Encyclopaedia Britannica, Book of the Year*.

1966. Australian Economic Prospects. *Die Weltwirtschaft* Heft 2, December (with Ron Peters).

1965c. A Review of the Australian Economy in 1965. *Die Weltwirtschaft* Heft 2, December.

1965b. The Restricted Opportunities for the Employment of Women in Australia. *The Australian Quarterly* Vol. 37, No. 3, September (with R.L. Smyth).

1965a. The Employment of Women in Western Australia. *Economic Activity* Vol. 7, No. 5, January (with R.L. Smyth).

1964. The Development of the Western Australian Basic Wage System. *Economic Activity* Vol. 7, No. 4, October.