

Dr. Millmow, thanks for joining us today. It's great to be able to share with our members the insights you've gained as a historian of economic thought and an expert on Australian economics and policy development.

In your writings you've noted there's been a trend in the last 30 years in Australian schools and universities of declining enrolments in economics, and a recent RBA report has found economics is less likely to attract female and low socioeconomic-background students. We think that one reason might be that young adults might not think that there are good reasons to choose to study economics instead of the variety of other subjects now available.

So, in your opinion why should students consider studying economics today?

I'll just qualify that remark. I recently discovered that two of Australia's greatest economists, Colin Clark and Trevor Swan, writing way back in the 50s and 60s, actually felt that economics shouldn't be taught at secondary school because it was too difficult, too nuanced a subject, too problematic.

Nonetheless, I first detected a problem while working in a business school in the mid-90s; around '94 I wrote a paper on it. It's pretty well documented what are the factors in the change. It's the rise of business studies in the year 12 curriculum, both in New South Wales and Victoria.

I got introduced to economics at form 5 and 6, secondary college, that's where I decided to become an economist.

Yes, males tend to enrol in economics more than females, and students in disadvantaged areas turn off economics, even though it's probably to their detriment.

In '96 the Economics Society of Australia commissioned a survey of economic departments to try and decide what to do about it. One of the initiatives was to try and improve the receptiveness of first year economics teaching to make it much more amenable to young students. Now 20 years on, the RBA has seized the mantle, as it were, and they're claiming that they are the ones that are driving the campaign.

But academic economists were aware of the trend way back in the 1990s and launched a few initiatives. There was a stream of conferences called ATEC (Australasian Teaching Economics Conference). They've been running for 25 years trying to improve the receptiveness of first year economics to students. Because a lot of them turn off, there's a high dropout rate, et cetera. They don't understand university economics compared to year 11 and 12. So it's not a new problem, but it's certainly a troubling problem.

Just looking at one for instance, the lack of financial literacy amongst young adults: buying a house, getting into consumer debt, getting an Afterpay card and not realising it's not that much different from a credit card if you fall back on the payments, if you get into arrears. So that was one of the driving things behind the academic economists, that the RBA is now doing the running on. But the thing about the RBA is it's mostly concentrated in New South Wales: it's not in all the other states, it's a Sydney centric initiative.

Economics is in the pages of the news every day. The lockdowns, public health, economic viability. Economics is everywhere in the media.

For instance, I was reading a story today about Venice where, if you want to go to Venice, you have to book ahead and pass through turnstiles. They're regulating the market of tourists going to Venice because of overtourism. This is an amazing story, because we still think the rest of

the world is stuck in lockdown. It's roughly only Australasia that is in lockdown, the rest of the world is now pushing ahead and has opened up again, particularly Europe.

As another example, COVID-19 has shown that neoliberalism and the libertarian thought that Milton Friedman sowed into people's minds has become a menace and a pest with all those people saying it is their right not to get vaccinated. That attitude places us all at risk. So you could say that COVID-19 is going to challenge the moral legitimacy of neoliberalism and selfishness.

Economics, I always tell my first year students, it's not going to make you a multimillionaire but it will help you understand society, emerging issues, environmentalism, conservatism, doctrines, ideologies. It's a way to civilise your mind, to irrigate your mind to become a responsible adult. It's not about making money so much, it's a philosophy, not so much a science as a way of thinking. If you want to make money go into real estate, or accountancy, or valuation studies or something like that.

At Rethinking Economics, we're committed to reforming the economics curriculum so that it reflects the pluralism of current research. What would an ideal economics curriculum look like to you? and, if it's different to the current curriculum, why do you think it's important to make the adjustments you would advocate?

Couple years ago, a conference of economists had an informal survey of the economists at the conference. This was just after 2008.

Two of the recommendations that came out were to broaden the syllabus and bring back economic history and history of economic thought. But nothing came of it, even though the sentiment was there amongst economists that we had to diversify and widen the curriculum, we've actually done nothing about it. In fact, history of economic thought, which is my cup of tea, is now only taught by six Australian universities. There are nineteen economic departments from what I can make out in Australia. But history of economic thought is only taught at six or seven.

Studying history of economic thought is a wonderful introduction to heterodox economics. It offers the opportunity to see all the different approaches to economics not just the mainstream.

Economic history, on the other hand, has had some rebirth, some renaissance, but it too is a subject that has tended to be put aside. It's all about econometrics, method, formalism, and so on.

Tim Thornton has written about the narrowing of the Australian economics curriculum. It was his PhD topic that he since published as a book, *From Economics to Political Economy: the Problems, Promises and Solutions of Pluralist Economics* and in a 2013 paper in the *Economic Record* titled 'The narrowing of the Australian University economics curriculum: an analysis of the problem and a proposed solution'.

But, more economic history, more history of economic thought, and also some areas like society economics and socioeconomic frameworks dealing with the environmental crisis and climate change, et cetera.

Some universities are pushing ahead with that, but there's also tremendous focus on formalism and econometrics and model building. I sometimes look at the contents of Australian economic

journals, and I can't even make head nor tail of the actual heading of the paper or what it's about. It's so heavily imbued with jargon, formalism and technique. I find the articles or the topics completely unreadable. That's where economics is.

To add to that first question, economics is not helped by turning away from major issues like, for instance, the virus. I've noticed recently in one journal, that when the Spanish flu came in the 1920s, the economists in that generation also had not paid much attention to it, it just came and went. There was very little research about it way back in the 1920s.

I'm all for broadening the economics curriculum to have a more heterodox economics. I did Comparative Economic Systems at Monash way back in the mid 70s, and I think I was the last person to actually be teaching it in an Australian university, at Federation University, a couple of years ago before I retired. I'm all about broadening the agenda, making economics far more of a smorgasbord, instead of a tremendous emphasis upon technique, and formalism.

From your knowledge of the history of economics within universities, have there been any places that stand out for reversing that trend of narrowing the curriculum?

There have been some. La Trobe university and Monash are bringing in a PPE, Politics, Philosophy, and Economics degree, which is certainly catering to what your movement is about. I haven't looked at what's in the Monash PPE course. That's actually where I was from, my initial degree was from there. I did Economic History at Monash, and History of Economic Thought, but I don't think Monash offers economic history anymore, they might offer history of economic thought as a fourth-year unit. So Monash and La Trobe are running on this PPE initiative, and possibly even Sydney University, which is actually modelled on the Oxford PPE, so a broader scope, broader offering of subjects in studies of globalisation, economic history, development studies, et cetera.

Much of your research has focused on the history of economic thought and Australian economics, especially in the contexts of universities and policy development. You've published extensively in a variety of mediums: several books (including *The Power of Economic Ideas: the Origins of Macroeconomic Management in Interwar Australia: 1929-1939* and, more recently, a biography of *The Gypsy Economist: the Life and Times of Colin Clark*), academic journals, as well as op-eds and in *The Conversation*. You're also the president of the *History of Economic Thought Society of Australia*. Across your numerous writings and roles, why should students be interested in your research?

Well, I think I was content with doing that sort of approach because when I was at Monash, I wasn't very good at mathematics anyways, and I didn't do the econometrics major, I just did one unit in econometrics. So I was always going to be a literal economist and I've always been moved by the great thinkers in economics like J.M Keynes and Joan Robinson and even Colin Clark. I was also intrigued by Paul Samuelson's textbook and things like that. I'm fascinated by economic figures in the past and I take a focus on Australian economists because no one else seems to be wanting to do that, because it's only an Australasian interest. The trans-Atlantic academic community doesn't have much interest in Australian or Australasian economics, so that'll be my little pet area. I've become sort of the specialist authority on that area.

My last work was on Colin Clark, before that I had written a history of Australasian economics, and it meant I had to look at New Zealand. That was probably too much because I'm not a specialist on New Zealand economics — there's just too much to fit in one volume, but the publishers wanted me to focus on that.

There will never be a subject at university called 'Australasian Economic Thought', but Australia has done very well in terms of ideas. Australian economists were quite influential in the 20th century, including Clark, Corden, Murray Kemp who's just died a few days ago, Geoff Harcourt who's still with us, Swan, who's biography and collected works is coming out shortly.

Actually, on Trevor Swan, his fatal mistake — he was unwilling to publish his research, but when he did, he only published in the *Economic Record*, and that limited the transmission to the rest of the world community. If he had sent his major, pioneering, ideas to the *Economic Journal* or the *American Economic Review*, he probably would have got an invite to go there, to be at Harvard, Cambridge, or Oxford. Instead, he was at the ANU for all of his career. So I touch upon that — how Australasian economics is somewhat neglected. I think it's quite worthy, we've punched above our weight in terms of theoretical ideas, in terms of economic policy, in terms of practice, we have led the world in some areas, like the Pharmaceutical Benefits Scheme. Even though it's a costly idea, it's still a wonderful bit of legislation to reduce the cost of drugs for people with life threatening illnesses — a major Australian idea, that both parties, Labor and Liberal, support. No one is ever going to take that away from us. So that's been my area of expertise. While I might not have great connections or transmissions to the rest of the world, I'm not looking to raise my publications count on my Google Scholar profile, I'm just happy to write about these somewhat neglected Australian figures.

Have you got a story or a gem from the history of Australasian economics?

Well, the gem I told you at the start, that Trevor Swan and Colin Clark, two of the most influential Australian economists did not think that we should teach economics at secondary school because of its subtlety and the degree of intellectual sophistication, whereas business studies is easy. Some economists have actually said that — we shouldn't worry too much about the decline of economics at schools because it is a difficult subject relative to business studies or geography for that matter. So we shouldn't get too upset about the declining enrolments in year 11 and year 12 economics in New South Wales or Victoria.

A counterargument as well — we have to make sure that most year 12 students have some reasonable degree of financial literacy in going through their lives, in buying a house, buying a car, credit cards, et cetera. Economics gives you some aspect of that, the concept of opportunity costs, positive time preferences, and discounting the future, et cetera. Economics gives you some entrée into that. There are two arguments for the declining economics enrolments in secondary school.

As for me, I've just written this book on Colin Clark and I'm sending out review copies to get greater airplay. He was an Australian economist even though he was born in England, but he was a grand debunker of the overpopulation problem in the 1970s and he was proved right. That the population had hit a bubble and eventually the population growth would go down, and he was proved right, but he didn't win the Nobel Prize because of his rather extreme views with mixing Catholicism with his optimism about the population growth. People would have thought, 'he's only saying that because he's a Catholic'. No, he actually thought that the population problem would sort itself out, in fact the major problem would not be overpopulation, it would be obesity of people in the West overfeeding themselves. I'm now

waiting for the reviews of my book to come back, and a couple so far have been quite positive. Eventually, I'll find another something to look at.

I'm also doing another study on five pioneering women in economics in the 1930s, Australian women. Some suffered discrimination. Economics in the 1930s was totally male dominated. I'm tying that in with the rise of the women in the economics profession. I'm looking into these five pioneering women in Australian economics who did their economics in the 1930s and 1940s and went on to great things. That's my latest journal article.