aftermath of the 2008 market crash. He does not appear in the index at all, and, as near as I can tell, his name appears exactly once in the entire book, as part of a list of seven figures who supposedly showed that Keynes's economics is incompatible with Walrasian general equilibrium, near the beginning of the essay by Mirowski. The other six are Robert Clower, Frank Hahn, John Hicks, Alan Kirman, Franklin Fisher, and Paul Davidson, but there is no further discussion of this group, Minsky in particular, who came at the end of the list. Perhaps it is viewed that Minsky was too far outside the triangle, not even worth the mention that Leijonhufvud gets, or perhaps too much a member of one of the officially established heterodox schools so carefully ignored, the Post Keynesians, although Friedrich Hayek and Ludwig von Mises received many mentions, even if there was not a full discussion of the Austrian school. I confess to being mystified by this curious lacuna involving Minsky.

I conclude by noting in Duarte's essay that one of the most prescient of established commentators he briefly mentions is the completely conventional Frederick Mishkin, author of the most widely used money and banking textbook in the US, who, in 2007, prior to the crash and while serving on the US Federal Reserve Board of Governors, offered the following list for improving monetary policymaking (p. 215): "(1) enrich estimated DSGE models so as to make them more realistic to the eyes of central bankers; (2) improve or extend the way nominal rigidities are usually incorporated in such models; (3) move from models with representative agents to ones with heterogeneity of agents; (4) incorporate (and better understand the role of) financial frictions; (5) go beyond rational expectations and embed behavioral economics into macroeconomics; (6) introduce learning into macro models; (7) keep a scent of art in monetary policymaking because economists 'can never be sure what is the right model of the economy.'"

Needless to say, all this is easier to suggest than to do, and the not-so-subtle implication of many of the authors in this book is that to do these things may well require moving beyond the DSGE models as microfounded as they have been up until this time, even though they fail to offer a clear path as to how that should be done. Nevertheless, their efforts are deeply informative and most worthy of serious attention and consideration in this well-edited and -written book.

J. Barkley Rosser, Jr.
James Madison University
rosserjb@jmu.edu

Alex J. Millmow, *The Power of Economic Ideas: The Origins of Keynesian Macroeconomic Management in Interwar Australia 1929–1939* (Canberra: Australian National University Press, 2010), pp. 310, $A28.00. ISBN 978-1-921-66626-1.

doi: 10.1017/S1053837214000595

This book is concerned with the role of Australian economists in the policy debates and in the formation of macroeconomic policy during the depression years and afterwards of the 1930s. Most of the focus is on the policy debate and response to the dire economic situation faced by Australia in the early 1930s. The catalyst for the depression in Australia was the collapse in the price of its exports, consisting predominantly of primary commodities, which stemmed from the emergence of excess supply in world markets in the late 1920s. This led to a significant deterioration in the external balance, which undermined the ability of the country to raise overseas capital in the London financial market. As a result of significant borrowing in the 1920s to finance public infrastructure, the Australian governments, comprising six state governments and the Commonwealth Federal Government, had built up considerable overseas debt so that when export revenues collapsed, the nation's foreign debt-servicing position critically deteriorated. Together with the liquidity problems in the London financial market, Australia's capacity to obtain overseas capital was drastically curtailed, adversely affecting investment and placing pressure on governments to adopt fiscal austerity measures. Both these developments transpired, so inflicting deep depression on the Australian economy in the period from 1929 to 1932, with the unemployment rate peaking at 26%. There are, indeed, similarities with the current economic difficulties of the sovereign debtor countries in the Euro-zone.

Millmow's book traces the vital role of Australian economists in the formation of the policy response to this depression. The major economists who feature in this period are Douglas Copland (1894–1971), Lyndhurst Giblin (1872–1951), Leslie Melville (1902–2002), and Edward Shann (1884–1935). Millmow shows that these economists, led by Copland, contributed to the three main legs of Australia's policy response: (1) the devaluation of the Australian pound; (2) a cut in the general level of wages through the centralized wage-fixation system; and (3) the 'Premier's Plan,' which essentially consisted of fiscal austerity measures to improve the budgetary balances of Australian governments and enable overseas borrowing on reasonable terms. There was also a push for a more expansionist monetary policy but this was checked for some time by the intransigence of the Governor of the Commonwealth Bank of Australia, Sir Robert Gibson (1864–1934), who appears more concerned with the welfare of British lenders than Australian borrowers. If there is a villain in Millmow's account, Gibson is surely it in showing his failings as a central banker in crisis. Of these policy measures, the cut in real wages remains controversial to this day. While it may have assisted tradable sectors of the economy, it would also have contributed to depressing domestic demand. By contrast, the devaluation represented a major policy success for the economists and appears to have contributed to a recovery in export volumes in the early 1930s. With respect to the Premier's Plan, the impression obtained from Millmow's account is that the economists provided the necessary scientific authority for the need to implement a coordinated fiscal strategy in a situation where Australia had little other choice if she wanted a lifeline to overseas capital. But there can be little doubt that the cutback in public expenditures of the Premier's Plan contributed greatly to the economic depression that unfolded. There was certainly nothing Keynesian about it. The only alternative plan that seriously endeavored to avoid austerity was the fiduciary issue plan of Labor's Federal Government Treasurer Edward G. Theodore (1884–1950), representing an early attempt to establish a quasi-central bank institution that could generate greater internal credit to finance public expenditures. This innovative plan stemmed, in fact, from John Maynard Keynes's ideas in the *Treatise* (1930), but it was dismissed by the Australian economists and sunk by strong opposition in the banking sector.

Millmow's argument is that from the time of their prominent role in the nation's policy response to the depression, Australian economists assumed more influential roles in shaping macroeconomic policy, taking up advisory positions in banks and government institutions as well as using the Economic Society as a stage for promoting their informed views. Millmow carefully traces the development in the positions of these economists as well as new ones who appear on the scene, as the 1930s are played out. It is shown that, generally, these economists became more expansionist in their thinking, especially with respect to monetary policy, and then, in the late 1930s, expansionist also with respect to fiscal policy. In this light, it is shown that a central figure in the transmission of Keynesian economics to Australia was Keynes's student Brian Reddaway (1913–2002), who, on a temporary fellowship at the University of Melbourne, disseminated a clear interpretation of the *General Theory* (1936) that was the basis of his influential review published in the *Economic Record* of 1936. No doubt, it helped economists such as Copland, struggling to comprehend the *General Theory*, better understand Keynes's fundamental principles. By 1939, Copland, Giblin, and Melville are shown to have adopted the central tenets of Keynesian economics, if not all the detail. The most eminent Keynesian economist to emerge in the late 1930s was, in fact, Edward Walker (1907–1988), a Cambridge post-graduate, who apparently possessed the clearest understanding of Keynes's ideas.

This book well documents the emerging role of Australian economists in the 1930s. At times, more insight into the analytical basis of the policy views of these economists could have been usefully provided. One thing I did find annoying was the uncritical attribution to the Australian economists of justifying a policy because it restored "business confidence." It is beyond me how the Premier's Plan of fiscal austerity could have improved the confidence of Australian businesses during the depression. Surely, only the confidence of foreign lenders to Australia in the London financial market could have been boosted by the policy. In this respect, the term "business confidence," with an amorphous, unexplained meaning, is too often employed to justify a policy position. Another, more serious, defect of the book is it has no index. But, overall, Millmow's scholarly book provides a highly informative and, at times, entertaining, account of the influential role of Australian economists in the nation's policy response to its 1930s depression.

Matthew Smith
University of Sydney

Anne Laurence, Josephine Maltby, and Janette Rutterford, eds., *Women and Their Money, 1700–1950: Essays on Women and Finance* (New York: Routledge, 2009), pp. 309, $179. ISBN 978-0-415-41976-5.

doi: 10.1017/S1053837214000601

As the editors of *Women and Their Money* note, discussion of women and money is often couched "in terms of poverty, powerlessness, and absence of money, and of waged and unwaged work" (p. 1). Other than this often disempowering narrative, they