Obituary

Influential and inspiring academic economist

With the passing of Heinz Arndt, the ANU and Australia have lost a prodigiously productive and influential academic economist, a pioneer of the country's engagement with Southeast Asia, an inspiring teacher and researcher, and one of this country's truly remarkable public intellectuals.

His life was diverse, engaged and fulfilled. Born in Breslau in 1915, he spent most of his childhood in Germany. In 1933 his father, also an academic, was dismissed by the Nazi regime and the family emigrated to England. There followed study at Oxford and the London School of Economics (LSE), and an academic appointment at Manchester. His major intellectual achievement over this period, and the first of many books, was his classic study The Economic Lessons of the Nineteen Thirties (1944), a book to which reference was still made half a century later.

In 1946 Heinz accepted an offer of a senior lectureship at the University of Sydney, and he and his young family arrived in this country for a "two-to-three year stint", as he put it in his delightful memoir, A Course through Life (1985). Five years later, he took up the foundation chair of Economics at the then Canberra University College.

For the next 50 years — first in this teaching chair, later in the Research School of Pacific Studies, and finally in "retirement" at the National Centre for Development Studies (NCDs) — Canberra and the ANU were the base from which Heinz made such a profound contribution in so many fields.

Most of his first two decades of academic life in Australia were devoted to work on the Australian economy, and he quickly became the leading authority on money and banking, making substantial contributions in other fields as well. His seminal work, The Australian Trading Banks, went through several editions. He was President of the Economic Society of Australia, and for many years edited its journal, the Economic Record.

In 1963, at the invitation of Sir John Crawford, he took up a research chair at the ANU and with it an entirely new endeavour. Recognizing the importance of the Asia-Pacific region well before it entered the mainstream, he pioneered the study of Indonesian economic development in this country. In what to some appeared a hopelessly ambitious (indeed reckless) initiative, he established the ANU's Indonesian Economy Project. In 1964, he undertook the first of more than 50 visits to that country, the most recent being just last month. In 1964, Sukarno's Indonesia was in disarray and economics as a formal discipline hardly existed, but that did not deter him. The project, including its journal, the Bulletin of Indonesian Economic Studies (now in its 38th year of continuous publication) flourished, and the ANU quickly became the pre-eminent international centre for the study of the Indonesian economy.

In "retirement" from 1981, he was just as active and, freed of a heavy administrative load, even more productive. For several years he chaired a major research program on ASEAN-Australia economic relations. In 1986, he established another significant international journal, Asian-Pacific Economic Literature, and had continued to serve as its very active editor for the life of the journal. He also published several books, including some of his collected papers, and travelled frequently. He remained deeply engaged in discussions about economic policy in Australia, Asian developing economies, and the international economy with colleagues, graduate students and those passing through the ANU. He remained to the end an engaging correspondent with prominent economists all over the world.

In his academic life, Heinz Arndt was diligent and fair of his academic leadership. Students' drafts were almost invariably returned within 48 hours, typically with several pages of typed comments and detailed grammatical corrections.

His contribution to Australian public affairs and political life was also immense, grounded in his firm belief that economics had a social purpose, and that economic literacy was essential to the functioning of a modern democratic state. He was a key figure in adult education in Sydney and Canberra. He founded the ACT Branch of the Australia-Indonesia Association. For many years he edited the influential magazine, Quadrant, and was also a frequent contributor to various Australian newspapers.

Although always part of the economic policy debate, Heinz never occupied a government position. But his substantial influence on Australian policy came mainly through interaction with the many direct participants in affairs of state whom he had taught or with whom he engaged in conversation (sometimes voluminous) correspondence.

Heinz was a liberal, humane, kind and tolerant man who believed fiercely in property eradication in the third world, and in social justice. He moved effortlessly between and among societies, seemingly just as happy at high-level international conferences as playing animated games of chess on the streets of Jakarta. Foreign students in Canberra especially appreciated his kind personal touches, ranging from airport pick-ups to hospital visits and personal counselling.

Heinz had professional capacities and provided personal opportunities without regard to gender from the beginning. Several eminent female academics received their start or important steps forward in Heinz's Economics Department, some as PhD students, others as staff. He rather enjoyed being practically the only male in a period in the NCDs.

He also read voraciously, in several languages. At his home in Deakin a week before his death, one of us noticed a book in French, not one of his three main languages, on a shelf and asked him what he read. He loved classical music, and enjoyed sketching during his travels. He kept a regular diary, especially when travelling abroad. Some of his notes were published in his highly entertaining volume, Asian Diaries (1986).

Heinz loved Canberra. He took pride in its growth, showing visitors its beauty of nature and design. He was an active participant in debates about the planning of Canberra throughout his life. For a period before self-government, he served as a member of the Territory's Advisory Council.

Heinz held passionate views about contemporary politics throughout his life. He also enjoyed recounting the changing emphases in these views. As a student at Oxford and LSE, he was on the left of the political spectrum, and a committed Fabian. In his two decades in Australia, he was an active member of the Labor Party. His first ANU appointment was not without controversy: a former student and future Prime Minister, William McMahon, denounced in Parliament the appointment of a "well-known" pink professor.

Over time, he became more conservative. By the 1970s, he was once remarked, he began to worry less about "market failure", and more about "government failure". After doing much for the Labor Party through its barren years of opposition from 1949, he resigned over unhappy differences with its foreign policy shortly before the election of the Whitlam government. But it would be a mistake to regard Heinz as a libertarian on economic issues. He believed in just and economically efficient government intervention.

He received numerous medals, awards and prizes both in Australia and Indonesia. An ANU chair has been named in his honour.

Heinz's wife, Ruth, whom he married in 1941, also assisted him and was prominent in Canberra circles and beyond, died last year. He is survived by his three children, Bettina, Christopher and Nicholas, nine grandchildren, and one great-grandchild.

ROSE GARNAUT AND HAI HILL

Heinz Wolfgang Arndt 1915-2002

He moved effortlessly between and among societies, seemingly just as happy at high-level international conferences as playing animated games of chess on the streets of Jakarta.