

Lyndhurst F GIBLIN (1872-1951)

by Greg Philp, September 2004

Lyndhurst Falkiner Giblin was born in Hobart in 1872.

It's likely that he would have had an interesting childhood, as his father was Tasmania's Treasurer (August 1877 to December 1878 and October 1879 to December 1881) and Premier (March 1878 to December 1878 and October 1879 to August 1884).

L F Giblin won one of two annual Tasmanian overseas university scholarships in 1890, and he spent three years at the University College in London. Giblin subsequently studied Mathematics and Statistics at King's College, Cambridge.

Giblin prospected for gold on the Klondike, was a wharfie, a timber worker, taught ju-jitsu in London, managed a Solomon Islands plantation, a cook and then a fruit grower.

Giblin returned to Tasmania in 1905, and he was a Labor member of the House of Assembly from 1913 until 1916. At this time Joe Lyons, who features extensively in Giblin's career, was a member of the State Labor Government.

Giblin joined the AIF in France in 1916, where he was awarded a Military Cross and Distinguished Service Order, retiring with the rank of Major.

Giblin began his career as a statistician/economist in 1919, having been appointed as Government Statistician and Head of the Statistical and Registration Department. In 1924, this state responsibility was transferred to the Commonwealth Government¹, and Giblin thus became the first Deputy Commonwealth Statistician in Tasmania.

According to Davis², Giblin's resignation in 1929 to take up the position of Ritchie Professor of Economics in the University of Melbourne caused an embarrassment to Joe Lyons, the former Labor Premier of Tasmania. Davis also contends that Giblin insisted that Tasmania was naturally poor, not simply a victim of federal discrimination.³ This was an important issue as Lyons had fought, and lost, the 1928 House of Assembly election partly on his success in obtaining federal grants. This was to be an issue which Giblin was subsequently involved as a member of the Commonwealth Grants Commission.

From 1919 until his death, Giblin exercised a significant influence over economic policy making in Australia. He made many substantial contributions to theory which are still applied today, the most noted of which was the concept of the foreign trade or export multiplier, a discovery which he made independently of Keynes and others.

¹ *Commonwealth and State Statistical Agreement Act 1924*, <http://www.thelaw.tas.gov.au/index.w3p>

² Richard Davis, *Eighty Years' Labor 1903 – 1983*, Sassafras Books, Hobart 1983, p.23

³ *ibid.*

Giblin was also on the committee which formulated the [Premiers' Plan](#) to deal with the [Great Depression](#), and he took considerably pains to explain the complexities of economics through his newspaper series, *Letters to John Smith*.

His work on the development of the Commonwealth Bank remains a landmark of Australian economic historiography.

As a basis for Federal financial relations, Giblin pioneered the measurable concepts of relative taxable severity and severity of taxation.

During the 1940's, Giblin devised the money control tool of requiring the trading banks to hold special deposits with the Commonwealth Bank.

While Giblin was never formally part of the Department of Economics at the University of Tasmania, he was very influential in its development, as clearly noted in Alf Hagger's recently published book, *Economics in the University of Tasmania - the first one hundred years*.

Giblin's official positions from 1919 included:

Tasmanian Government Statistician	1919 - 1928
Member of the Committee of Enquiry into the Australian Tariff	1927 - 1929
Ritchie Research Professor in Economics, University of Melbourne	1929 - 1939
Acting Commonwealth Statistician	1930 - 1932
Member of the Commonwealth Grants Commission	1933 - 1936
Member of the Commonwealth Bank Board	1935 - 1942
Chairman of the Prime Minister's Finance and Economic Policy Committee	1939 - 1946

Quoting from the First ANZAAS Giblin memorial lecture delivered by Douglas Copland at the 1958 Conference in Adelaide:

In my own work in developing the Schools of Commerce and Economics at the University of Tasmania, Giblin's influence was decisive. Perhaps I know better than any of the economists of the day what it meant to come under [his] parental care.

Giblin's fundamental contribution may be described with the following words:

He shepherded a small bank of economists to preserve cohesion within the profession, provided links with Governments, and endeavoured to raise public awareness of the nature and dimensions of economic problems.

These are appropriate words to summarise the intent of the Giblin lectures.

Giblin died in Hobart in 1951.

Further Reading

R Dimand, *The Origins of the Keynesian Revolution*, Edward Elgar, 1988

N Cain, "Cambridge and its Revolutions. A Perspective on the Multiplier and Effective Demand", *Economic Record*, June 1979, pp 108 -117

Heather Felton, *From Commissariat to Treasury - The story of the Tasmanian Department of Treasury and Finance 1804 to 2004*, Department of Treasury and Finance, Hobart, 2004

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Douglas Copland (ed), *Giblin: The Scholar and the Man*, F W Cheshire, Melbourne, 1960

Australian Dictionary of Biography, volume 8, p646ff (L F Giblin entry by N Cain)

L F Giblin, *Australia 1930*, Melbourne University Press, Melbourne 28 April 1930, <http://socserv.socsci.mcmaster.ca/~econ/ugcm/3ll3/giblin/australi.htm>

L F Giblin, *The Growth of a Central Bank: The Development of the Commonwealth Bank of Australia 1924 - 1945*, Melbourne University Press, Melbourne, 1951

L F Giblin, State Disabilities – with special reference to Tasmania: a memorandum submitted to the Committee of Public Accounts as evidence of Tasmanian disabilities. Appendix J, *The Case for Tasmania 1930*, Government Printer, Hobart, 1930

L F Giblin, J B Brigden, D B Copland, E C Dyason and C H Wickens, *The Australian Tariff: An Economic Enquiry*, Melbourne University Press, Melbourne, 1929

D Patinkin, *Anticipation of the General Theory*, Blackwells, 1982, pp 189 -199

Edna Carew, *The Language of Money*, <http://www.anz.com/edna/dictionary.asp>

John Eatwell, Murray Milgate, Peter Newman (eds), *The New Palgrave Dictionary of Economics*, Volume 2, MacMillan Reference Ltd, London, 1987, pp520 - 521 (L F Giblin entry by M Harper)