

ESSA PAST PRESIDENTS FROM 1964 TO 1987:

THE ISSUES REMAIN THE SAME

Abstract

Two earlier papers in the *SAJE* contained biographies of people who served between 1925 and 1963 as presidents of ESSA. This paper supplements the earlier papers by reviewing the presidents of ESSA who served from 1964 to 1987. The overriding conclusion is that *the issues remain the same, only the names of people considering them change.*

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1. INTRODUCTION

An extensive previous review article (Botha, 2002) and a previous note (Rossouw, 2009) in the *SAJE* reviewed the establishment of the Economic Society of South Africa (ESSA) and its past presidents for the period 1925 (the year of its inception) to 1963. One of the earlier papers concluded that similar reviews of past presidents since 1963 should be published to honour the contributions of people who ensured a sound foundation for ESSA. This paper continues where the earlier two ended.

The following 12 sections deal with 12 presidents of ESSA who each served a two-year term between 1964 and 1987. This review period was chosen in a somewhat arbitrary fashion, other than to say that it covers about half the period and half the past presidents serving since 1964. This paper faced as an additional challenge, compared to the earlier papers, the fact that some of the past presidents reviewed are still alive. It is left to the reader to decide whether this impaired objectivity in the compilation of this paper. The brief conclusions are contained in section 14, which is followed by a post script.

2 OWEN PIETER FAURE HORWOOD¹ (1964-65)

Good, but not in politics



Owen Horwood was born in Somerset West in 1916 and passed away in Stellenbosch in 1998. He obtained a BCom degree and a post-graduate diploma in actuarial sciences from the University of Cape Town (UCT). During the World War II he served in the South African Air Force.

Horwood's career can be divided into three distinct periods. The first is his academic career from 1947, which culminated in his appointment as Principal of the University of

¹ This section draws on a comprehensive tribute to Horwood (De Kock, 1984) and on Horwood (1990).

Natal (Natal)² in 1965. This period ended when Horwood joined the (then) ruling National Party as a Senator in 1970. This appointment resulted in considerable criticism from left-leaning academics. As he was Principal of one of the country's liberal universities at the time, this was seen as a sell-out of liberal beliefs.

Commencing with his political appointment, the second period in Horwood's career culminated in his appointment to Cabinet in 1972 and his subsequent appointment as Minister of Finance in 1975. He introduced uniform taxes for all racial groups in the country and reduced the maximum marginal tax rate for individuals from 72 per cent to 50 per cent. He also addressed the balance between direct and indirect tax receipts of the government by introducing a general sales tax (GST). The bold step of Horwood to introduce GST in the face of severe criticism, set an important foundation for subsequent tax reforms, e. g. the introduction of value added tax to replace GST.

Despite these remarkable achievements, Horwood's period of service in Cabinet will forever be overshadowed by the information scandal (see for instance Rees and Day, 1980). This scandal developed out of government's attempts to change international and local public opinion about the domestic apartheid policy. To this end funds were re-allocated between budget votes of departments without parliamentary approval (Alexander, 1979). When it transpired that these transfers were authorised by Horwood in his capacity as Minister of Finance without the necessary parliamentary approval, it is rumoured that he declared that he signed secret documents without looking at them (see for instance Ramphela, 1999:56), and was therefore not responsible for the contents or implications³. Although it is impossible to ascertain whether Horwood ever made such a statement, these words will always be associated with his service as Minister of Finance.

The third period in Horwood's career commenced after his retirement from politics in August 1984. He was appointed as Chairperson of the Board of Nedbank, one of South Africa's largest commercial banks. In this capacity Horwood inherited responsibility for Nedbank's financial difficulties. In the early 1980s Nedbank borrowed foreign currency and advanced loans in rand to its domestic customers, thereby accepting uncovered foreign exchange rate risks for own account (Hirsch, 1989:38; see also Padayachee, 1988:361). When the domestic currency depreciated, Nedbank incurred mounting losses on these positions which had to be added to difficulties with repayment on earlier advances to a number of corporate lenders, including Triomf Fertilizer (Basson, 1996:9; see also Stovin-Bradford, 2008). Horwood was instrumental in negotiating lender-of-last-resort (emergency liquidity) assistance from the SA Reserve Bank in 1984⁴, amounting to some R650 million, and a recapitalisation of Nedbank by Old Mutual in 1986 (see for instance Basson, 1996:9).

Horwood delivered two addresses as President of ESSA. The first of these was on *The financing of higher education in South Africa, with particular references to the universities*, and the second on *Economic balance, dualism and growth*. He established and funded the bi-ennial Owen Horwood stipend, which is offered by ESSA as financial support to a doctoral

² This University subsequently merged with the University of Durban-Westville to become the University of KwaZulu-Natal (UKZN).

³ Indeed, with the conduct of South African politicians often questioned (see for instance Brümmer and Sole, 2006; *Daily Dispatch*, 2008; *Nens24*, 2005; or Webber Wentzel News Release: 2009), it seems that *the issues remain the same, only the names of people considering them change*.

⁴ Basson (1996:9) raises the question whether Horwood's good relationship with the Governor of the SA Reserve Bank at the time of the assistance emanating from his period of service as Minister of Finance, was instrumental in the decision of the SA Reserve Bank to assist Nedbank.

student in the field of development economics. His first address and the stipend support the conclusion that Horwood excelled in an academic environment, but that his talents were wasted in politics.

3 DANIËL GERHARDUS FRANZSEN⁵ (1966-67)
A fiscal genius in a monetary environment



Daantjie Franzsen was born in Bellville in 1918 and passed away in Stellenbosch in 2008. After the completion of three degrees, culminating in a DPhil degree at the University of Stellenbosch (US), he accepted a lecturing position at the same University. Franzsen was appointed as Head of the Economics Department of the University of Pretoria (UP) in 1950 and as Deputy Governor of the SA Reserve Bank in 1961. He was promoted to Senior Deputy Governor in 1971 and took up an appointment at US after his retirement in 1976.

A characteristic of Franzsen's academic career is his considerable attention to the development of a comprehensive system of national accounts for South Africa. It was realised during and immediately after the Second World War that the country lacked national accounts data for use in policy decisions. Franzsen was one of the architects of South Africa's system of national accounts that are still in use today.

During Franzsen's service as President of ESSA, its first conference focusing on South Africa's inflation problems was hosted on 24 and 25 August 1967 in Johannesburg (Richards, 1967:278). Although delegates agreed that "(t)he main strength of the inflation of our time was that we expected it to continue ..." (Hobart Houghton, 1967:292), some debate on the definition to be used for inflation and appropriate ways to contain it is recorded in the conference proceedings (see for instance Du Plessis, 1967:365; Samuels, 1967:341; or Van der Horst, 1967:323). Franzsen paid direct attention to inflation in one of his addresses as President of ESSA (*Inflasie en die finansiële meganisme*), while his other address, *Improvements in the adjustment process and the restoration on international monetary stability*, also touched on this topic. Reflecting on inflation some 40 years later, the reaction is that *the issues remain the same, only the names of people considering them change*.

Franzsen was a member of numerous commissions or committees of enquiry, and chaired at least 12 of these during his long career. He is particularly remembered for his role in the *Commission of inquiry into fiscal and monetary policy in South Africa* (Franzsen Commission), which he chaired from 1967 to 1970. As the Franzsen Commission's far-reaching recommendations for changes to fiscal policy and taxation were all implemented by government (see for instance the mention of GST in the previous section), Franzsen is remembered as a fiscal genius.

⁵ This section draws on a biography completed by Meiring (1994) and benefited from comments by Prof R. C. D. Franzsen, a son of Dr Franzsen.

4 JOHANNES DE VILLIERS GRAAFF⁶ (1968-69)
South Africa's first environmentalist



Jan Graaff was born in Cape Town in 1928. He resides in Cape Town. After obtaining a BA degree from UCT in 1946, he accepted a temporary teaching position at the University of the Witwatersrand (Wits). In October 1947 Graaff was admitted to St John's College at Cambridge University, where he was awarded a PhD for his dissertation on theoretical welfare economics. This dissertation was published as a book by Cambridge University Press, and translated into French, Italian, Spanish and Slovak. After completion of his studies, Graaff was elected a Research Fellow of St John's College and appointed as an Assistant Lecturer in the Economics Faculty, where he served until his return to South Africa in 1953.

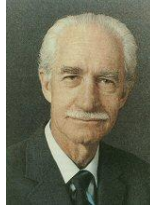
Graaff served for many years on the boards of large South African companies listed on the JSE. He also served on the Economic Advisory Council and the Competition Board. Graaff found the latter appointment problematic in as much as competition law states that competition is always desirable, while economists have a more nuanced approach, e. g. by understanding that a country cannot have competing central banks, as is implied by a strict interpretation that competition is always desirable.

For a period of some 20 years Graaff played an important role in South African tax reform, commencing with his appointment as a member of the Margo Commission in 1984. This was followed by appointments to the Katz Commission and the Tax Advisory Committee. His interest in taxation started in his youth. His father, Sir David Graaff, served as South African Minister of Finance during the First World War. In this capacity he introduced the first domestic income tax, at a rate of 2,5 per cent, but clearly stated that he viewed it as a temporary measure to raise government income. Graaff's interest in taxation was reflected in the topic of his first address as ESSA President, with the title *The future of taxation*. His second address was on a related matter, namely *The national debt*.

Given all these accomplishments of Graaff, it is not often remembered that he became one of the founding shareholders and directors of Table Bay Spinners Ltd in the early 1950s, which spun woollen and other yarns from waste. Subsequently he played similar roles in Southern Paper Industries Ltd, which made fruit-wrap and household tissue from de-inked newspaper and letter waste. This informs not only the conclusion that Graaff was South Africa's first environmentalist, but also that *the issues remain the same*.

⁶ This section is based on information obtained from Dr Graaff.

5 JOHANNES LODEWIKUS SADIE⁷ (1970-71)
A demographer disguised as an economist



Jan Sadie was born in Saldanha in 1918 and passed away in Stellenbosch in 2005. He completed BCom and MCom degrees at US and an EcDr degree at the Nederlandsche Economische Hoogeschool (today Erasmus University). Sadie also received honorary doctorates from the University of Port Elizabeth (UPE)⁸, US and the University of South Africa (UNISA). In addition, Sadie obtained a DCom degree from US at the age of 82, making him the oldest person ever to complete studies for a doctorate at US. Sadie is remembered as a diligent and outstanding academic, but also as the quintessential gentleman.

Sadie accepted a lecturing position at Economics Department of US in 1942 and spent the rest of his career at that University. He was appointed as Director of the University's Bureau for Economic Research (BER) in 1973, the position from which he retired in 1983. Although Sadie was educated as an economist, his most outstanding contributions were in the area of demography. As Sadie focused increasingly on the economics of underdeveloped regions and labour economics in his research and lecturing activities, he soon realised the importance of demographics. This fuelled his interest in demography, which is also reflected in one of his addresses as ESSA President (*Population and economic development in South Africa*). His other address was on value-added tax.

Sadie's single most important national contribution in demography was his comment on South Africa's first post-democracy population census conducted in 1996 (see for instance Udjo, [S.a.] for a description of this census). When the first census results published in 1998 reported the South African population as 39,7 million, Sadie used a meeting of ESSA's Pretoria branch to convince the census enumerators that the published figure was incorrect and should be revised, as was indeed done afterwards (Statistics SA, [S.a.]). This was an impressive performance of a man, already 80 years old at the time, who managed to save South Africa from the burden of wrong population figures and their serious implications for planning purposes. Recurring questions about the size of South Africa's population (see for instance Smit, 2009:23 on South Africa's current demographic challenges and its problems with population statistics) reminds us that *the issues remain the same*.

⁷ This section is based on information obtained from US and from Prof A. B. Boshoff, who paid homage to Prof Sadie at his funeral, on Oosthuisen, 2005:38 and on Terreblanche et al., 2005:355 and 356.

⁸ This University subsequently merged with other higher learning institutions to form the Nelson Mandela Metropolitan University.

6 DANIEL JACOBUS JOUBERT BOTHA⁹ (1972-73)
An unselfish contributor to the *SAJE*



Joubert Botha was born in Koffiefontein in 1928. Currently he resides in Pretoria. Botha obtained BCom and MCom degrees from UP and taught briefly at the same University. He relinquished this position to move abroad and obtain a DrEc from the City University of Amsterdam on the topic *A study in the theory of monetary equilibrium*. His thesis was published as a book by Stenfert Kroese of Leyden. After completion of his degree Botha served for 18 months as a research assistant to Prof H G Johnson at the University of Manchester, followed by an appointment as lecturer at the University of Wales.

Botha accepted an appointment at UCT in 1959, followed by his appointment as Professor in economics at UPE in 1964, where he also served as dean of the Faculty of Economic Sciences. In 1971 he was appointed Head of the Economics Department at Wits. In 1988 Botha accepted an appointment at the Human Sciences Research Council and was appointed as Professor in Economics at UP in 1990, where he retired in 1992. He spent sabbaticals at the London School of Economics (LSE) in 1964, the University of Bonn and the Canadian central bank (1971), where he did research on the Canadian money market, and twice at Oxford University (1979 and 1986).

Botha made a lasting impression on a generation of aspiring authors during his long period of service as editor of the *SAJE* from 1973 to 2000. Only Botha will know how many times he took pride in seeing in print articles that he personally helped to bring to fruition. This period of some 27 years of Botha's career can only be described as one of unselfish service to the *SAJE* and to ESSA, particularly as the editorial position carried no salary, stipend or even honorarium at the time.

Botha's research contribution covers a wide variety of academic topics, book reviews and the paper (Botha, 2002) that served as inspiration for this review. The topics of Botha's presidential addresses were *Some thoughts on devaluation* and *On tariff policy: the formative years*.

Two recurring themes in Botha's research are the erosion of the real value of the remuneration of academics (see for instance Botha, 1980) and his repeated criticism of monetary policy conduct (Botha, 2001:120; see Botha, 2008a; Botha, 2008b; and Du Preez, 2008 for his most recent criticism and Van den Heever, 2008 for comment on this criticism). Botha supports the use of qualitative credit control measures, rather than interest rates, in containing inflation, as he regards interest rates an indiscriminate and crude measure. This cannot but remind us, in view of domestic monetary policy conduct being questioned also by others (see for instance Bell, 2008; Cosatu, 2007; Cosatu, 2008; Epstein, 2002 or Michie, 2006), that *the issues remain the same*. Perhaps Botha had in mind his own marginalisation in criticising the conduct of monetary policy when stating that "(f)or forty years ... (after 1948) ... no English speaking economist was appointed to a

⁹ This section draws on Truu (2000) and on information obtained from Prof Botha.

top public position with executive powers – nor, for that matter, Afrikaners who had been critical of government policies” (Botha, 2002:124 and 125).

7 HENDRIK JOHANNES JACOBUS REYNDERS (1975-76)¹⁰

An all-rounder



Hennie Reynders was born in Bergville in 1923 and passed away in Pretoria in 2007. His studies culminated in a DCom degree at UP and an MBA degree at Harvard University (Harvard). He was appointed as Head of the Department of Business Economics at UP in 1959. While retaining his position in the Department, Reynders also served as Dean of the Faculty of Economic and Government Studies from 1962. During his period of service at the University Reynders edited a text book on business economics that was used widely by South African universities (Rädel and Reynders, 1971).

Reynders left academia in 1973, when he was appointed Executive Director of the SA Federated Chamber of Industries (FCI)¹¹. This was followed in 1979 by his appointment as Chairperson of the National Manpower Commission, where he retired in 1988. During his period of service at the Commission, Reynders played a pivotal role in reforming South Africa’s labour policy. As the framework of a suitable labour policy for South Africa is a recurring issue (see for instance Barnard, 2009; Epstein, 2002; OECD, 2008; Timse, 2009), the conclusion is indeed that *the issues remain the same*.

On occasion Reynders also served in part-time capacity on the Economic Advisory Council of the Prime Minister, the Productivity Advisory Council and the Decimalisation Board. He was a true all-rounder that moved with ease between different challenges. This is also evidenced by his addresses as President of ESSA, which covered wide aspects such as the danger of international economic isolation (*Die mikro- en makro-studie van ekonomiese verskynsels: Die gevaar van isolasie*) and *Aspects of the goal of the firm in world of today*.

8 GEORGE JAMESON TROTTER¹² (1976-77)

An educationist



George Trotter was born in Durban in 1937. Currently he resides in Durban. After obtaining the BA and BA (Hons) degrees from Natal, he completed an MA in economics

¹⁰ This section is based on Kleu, 2008 and on information obtained from Dr S. J. Kleu.

¹¹ The FCI subsequently merged into the South African Chamber of Commerce and Industry.

¹² This section is based on a curriculum vitae obtained from Prof Trotter.

at Duke University. Trotter accepted an academic position at Natal in 1959 and was appointed as William Hudson Professor and Head of the Department of Economics in 1966. He served this institution for the rest of his career, also after its merger (see section 2 above).

In 1971 Trotter was appointed Deputy Dean of the Faculty of Arts and was subsequently appointed Dean. He also served as Dean of the Faculty of Commerce. In 1986 Trotter was appointed as Acting Vice-Principal and subsequently served as Pro Vice-Principal (Finance and Technical Services). This was followed by service in various positions such as Registrar from 2000 and on the staff of the Deputy Vice Chancellor from 2004 to 2006, after the formation of UKZN. He was also responsible for UKZN's Promotion and Assurance Unit from 2004 to 2009.

Trotter's addresses as President of ESSA were on *The economic rationale for education planning* and *Education and income distribution*, thereby reflecting his keen interest in educational matters. This interest is also borne out by his research and by the topics of many of his publications, which focus, *inter alia*, on the challenge of quality education within the economic constraint of limited resources. Recent concerns about the quality education in South Africa (see for instance Nzimande, 2009a; Nzimande, 2009b; or Rademeyer, 2009:4) not only show that Trotter was somewhat of a visionary, but also remind us that *the issues remain the same, only the names of people considering them change*.

9 FREDERICK JOHANNES DU PLESSIS¹³ (1978-79)

Captain of industry



Fred du Plessis was born in Hartebeestfontein in 1931 and was killed in a car accident in Somerset West in 1989. He obtained the BCom, BCom (Hons) and MCom degrees from the University of Potchefstroom (PU for CHE)¹⁴ and a DEcon degree at Vrije Universiteit. After the completion of his studies, Du Plessis accepted a lecturing position at PU for CHE. This was followed by an appointment as Head of the Money and Banking Department at UP. His single address as President of ESSA on *Monetary policy in South Africa* reflects his interest in monetary policy.

Du Plessis was appointed to the Board of Sanlam, a major insurance company, in 1971 and became its Managing Director in 1978. He was appointed Executive Chairperson of Sanlam in 1982. He also chaired the boards of numerous companies controlled by Sanlam, e. g. Bankorp (the holding company of Trustbank, Santambank, Senbank and Mercabank), Federal Mining and Sankorp. His vision was to grow these companies (and in particular the banking group) in the interest of Sanlam's stakeholders (see for instance Basson, 2002). He also served on the boards of companies such as Federale Volksbeleggings, Gencor, Nissan, Sasol and Murray and Roberts. Du Plessis was

¹³ This section draws on a curriculum vitae obtained from Sanlam.

¹⁴ This University subsequently merged with other higher learning institutions to form North-West University.

truly a captain of industry. For this role he was honoured by the Afrikaans Handels Institute and with a government decoration and three honorary doctorates.

Given his interest in monetary policy, Du Plessis challenged policy decisions of the central bank in the 1980s. He was particularly opposed to the use of interest rates in any attempt to contain inflation (see for instance *Business Report*, 2007). It could be argued (although never actually stated at the time) that Du Plessis had a vested interest in high inflation, owing to his position in Sanlam¹⁵. Endowment policies offer good nominal (but dismal real) returns during periods of high inflation (Hazelhurst, 2008). However, notwithstanding any possible ulterior motives, debates about monetary policy conduct (see for instance Bell, 2008; Cosatu, 2007; Cosatu, 2008; Epstein, 2002; Michie, 2006; see also SA Reserve Bank, 1921) reconfirm that *the issues remain the same, only the names of people considering them change*.

The growth strategy followed for the banks comprising Bankorp subsequently backfired. Starting in 1985, Bankorp received a series of lender-of-last-resort (emergency liquidity) assistance packages from the SA Reserve Bank, ultimately amounting to R1 125 million in total (SA Reserve Bank, 2001). In view of the current international financial turmoil and emergency assistance to banks following sub-prime pricing problems (Rossouw and Padayachee, 2009:315) and the earlier assistance to Nedbank reported in Section 2, the conclusion is again that *the issues remain the same*.

10 GERHARD PETRUS CHRISTIAAN DE KOCK¹⁶ (1980-81)

A second generation central banker



Gerhard de Kock was born in Cape Town in 1926 and passed away in Pretoria in 1989. He obtained a BA and an MA degree from UP and MA and DPhil degrees from Harvard. He was appointed in a teaching capacity at the University of Pretoria in 1951 and took up an appointment at the SA Reserve Bank in 1955, where his father, Dr M. H. de Kock, was Governor at the time. His career progress culminated in his appointment as Governor of the central bank in 1981. He still served as Governor when he passed away in 1989.

De Kock chaired *The Commission of inquiry into the monetary system and monetary policy of South Africa* (De Kock Commission) (Republic of South Africa, 1985), which considered a suitable monetary framework for South Africa¹⁷. The Commission's most important recommendation was the introduction of market-oriented monetary policy as a replacement of direct controls. This change to policy was adopted from 1 September 1980 (De Jongh, 1980:10) and still remains in use. De Kock's particular interests in monetary policy, stability and related matters are reflected in the topics covered in his two

¹⁵ Similarly, it could be argued that trade union leadership might have a vested interest in higher inflation in as much as it enables them to negotiate higher (nominal) wage adjustments.

¹⁶ This section draws on a biography completed by Meiring (1994).

¹⁷ With inflation-targeting as a suitable monetary policy framework for South Africa currently being questioned (see for instance Bell, 2008; Cosatu, 2007; Cosatu, 2008; Epstein, 2002 or Michie, 2006), *the issues remain the same*.

addresses as President of ESSA. One address covered *New developments in monetary policy in South Africa*, while the topic of the other was *The new South African business cycle and its implications for South Africa*.

De Kock's tenure as Governor is overshadowed by interest rate adjustments that subsequently became known as the Primrose prime incident. The central bank dropped interest rates 10 days before an election in the Primrose constituency on Thursday, 29 November 1984 (SA Reserwebank, 1985:26) and increased rates back to their previous level on 8 January 1985. This was seen at the time as a move to alleviate pressure on the Government and the governing party at the time, the National Party. This temporary adjustment of interest rates subsequently jeopardised the autonomy of the central bank and resulted in time-inconsistent monetary policy conduct (Kydland and Prescott, 1977). It also reminds of a political business cycle (Nordhaus, 1975). However, it is not clear whether the blame for this incident should in the final analysis be placed at the door of the Minister of Finance who allowed this pressure on the central bank, or at the Bank and Governor de Kock, who failed to withstand this pressure.

De Kock faced many challenges during his long career as central banker. The most pronounced of these is the announcement of a moratorium on the repayment of South Africa's foreign debt (Debt Standstill) in August 1985 (see for instance Knight, 2004; Mboweni, 2001:4; or Padayachee, 1988:361, 368). This was brought about by the introduction of financial sanctions against South Africa to bring pressure on the country to end apartheid. Given the difficulties facing the country and the central bank at the time that De Kock served as Governor, it is difficult to pass final judgement on his service in this position. De Kock is therefore remembered as a second generation central banker, following in the footsteps of his father.

11 AUBREY BRIAN DICKMAN¹⁸ (1982-83)
Corporate economic adviser



Aubrey Dickman was born in Cape Town 1930. Currently he resides in Sydney, Australia. Dickman obtained BCom and BCom (Hons) degrees from Wits and completed a postgraduate course in Business Administration at LSE in 1956/1957.

Dickman's first appointment was as an economic assistant at ASSOCOM¹⁹ and this was followed by an appointment as lecturer in commerce at Wits. He resigned from this position to study at the LSE and was appointed as a trainee at Anglo Vaal when he returned from abroad. Dickman joined Union Acceptances, South Africa's first merchant bank, as Economist in 1959. In this capacity he was closely involved in the development of the South African money market, a topic on which he published a number of articles

¹⁸ This section is based on information obtained from Mr Dickman's eldest son, Mr Anthony Dickman of the Reserve Bank of Australia.

¹⁹ ASSOCOM subsequently merged into the South African Chamber of Commerce and Industry.

in the *SAJE*. This was followed by an appointment to the board of the Discount House, the first pure money market institution in South Africa.

Dickman was appointed Economic Consultant to Anglo American Corporation in 1970 and retained that position until his retirement in 1991. After retirement he lectured as an honorary professor at the Wits Business School for four years and served on the Electricity Council from 1992 to 2000. This followed his much earlier service as member of the Commission of Inquiry into Electricity Supply in South Africa in 1982. Recent problems with electricity supply in South Africa (Spadavecchia, 2008; Tönsing, [S.a.]) remind us once again that *the issues remain the same*.

Dickman was a member of the Prime Minister's Economic Advisory Council from 1970 to 1980. He published numerous articles and papers and served as co-author of the *Annual Survey* of the BER from 1965 to 1970. He gave several addresses on economic matters, including his two ESSA presidential addresses on *Corporate finance and monetary policy* and *Market-oriented policies and financial markets*, which reflect his interest in money market developments.

12 JOHANNES ANTHONIE LOMBARD²⁰ (1984-85)
A political economist serving as an academic and central banker



Jan Lombard was born in Bloemfontein in 1925. Currently he resides in Knysna. His father, Mr Swarrie Lombard, co-authored the first commerce text book to be published in Afrikaans. Lombard completed a BA and a master's degree at UP.

Lombard's career started as a clerk in the SA Reserve Bank in 1947, and ended with retirement as Senior Deputy Governor in 1991. However, this statement disguises a distinguished career outside central banking, as Lombard left the central bank in 1950 for a position in the Department of Commerce and Industry. This appointment included a placement abroad, which provided Lombard an opportunity to obtain a PhD from LSE in 1954. After completion of this degree, he lectured economics at UP until he joined the Department of Finance (as the National Treasury was known at the time). This was followed by an appointment as Deputy Economic Adviser to the Prime Minister in 1960.

In 1961 Lombard returned to academia, when he accepted an appointment as Head of the Department of Economics at UP. In this capacity he held a variety of part-time or seconded positions. These are too numerous to repeat in full, but particular highlights include:

- secondment to the SA Reserve Bank (1981/82) to arrange the various agreements for the establishment of the Development Bank of Southern Africa (DBSA); and
- membership of the De Kock Commission (1977/85), in which capacity Lombard submitted a minority report arguing more strongly than other commissioners for the

²⁰ This section draws on a biography completed by Meiring (1994), and on information provided by Prof Lombard.

protection of central bank autonomy²¹ (Republic of South Africa, 1985). In view of recent debates about central bank autonomy (see for instance Bell, 2008; Cosatu, 2007; Cosatu, 2008; Epstein, 2002 or Michie, 2006), it reminds of the earlier remark that *the issues remain the same*.

Following his retirement from UP in 1985, Lombard was appointed Deputy Governor of the SA Reserve Bank and promoted to Senior Deputy Governor in 1990. This was only the second promotion in his long career, as his career progress was in the main through appointments to various positions. His service at the central bank was overshadowed by the role he played with Dr C. L. Stals (at the time Director-General of the National Treasury and later Governor of the SA Reserve Bank) in South Africa's Debt Standstill negotiations. He has the singular experience of negotiating debt rescheduling on two sides of the balance sheet: At the time of negotiating South Africa's repayment of foreign debt, he also negotiated with Mozambique the rescheduling of that country's foreign debt repayable to South Africa. Lombard retired in 1991, but continued to serve as a part-time Adviser to the central bank and to DBSA until 1994.

Lombard covered in his two ESSA presidential addresses *Monetêre stabiliteit as voorvereiste in die ekonomiese politiek* and *The evolution of the theory of economic policy*. These addresses and numerous other publications confirm the final conclusion that his main contribution was in the area of political economy. Apart from numerous textbooks, academic articles and public addresses, he also published his memoirs under the title *A strange intermezzo: memoirs of a political economist*.

13 MIKHEL LEMMIT TRUU²² (1986-87)
Specialist in economic systems



Mike Truu was born in Estonia in 1935 and passed away in Pretoria in 2001. After obtaining a bachelor's degree from US, he took a sabbatical with the Swedish Red Cross and rendered assistance to Hungarian refugees at the time of the Soviet invasion of Hungary in 1956. This was followed by the completion of honours and masters degrees in economics at US, where Truu accepted a teaching position. After holding similar positions at Rhodes University (Rhodes), where he completed his doctorate, UNISA and Wits, Truu was appointed in 1973 as Head of the Department of Economics and Economic History at Rhodes, during which period he also served as co-editor of the *SAJE*. This was followed by service at Vista University and an appointment as Professor of Economics at UP. During this latter period he served as Managing Editor of the *SA Journal of Economic and Management Science*. As a teacher and mentor, Truu set high academic standards for himself and others.

²¹ This standpoint was indeed called for in view of the Primrose prime incident in 1984, particularly as the De Kock Commission's majority report, released less than a year later, stated that the central bank "... jealously guards its reputation for objectively formulating and applying monetary policy ... " (Republic of South Africa, 1985).

²² This section draws on two obituaries (Black, 2001; and Botha, 2001) and on information obtained from Prof Boshoff, who served as co-editor of the *SA Journal of Economic and Management Science* at the time when it was edited by Prof Truu.

Truu's research interests covered a wide area within the diverse fields of economics, including economic systems, economic policy, migration theory, *perestroika* (change introduced in the former Soviet Union) and systemic changes in economic systems. These interests are reflected in his two addresses as President of the ESSA on the topics *Economics and policy in South Africa today* and *Confused thinking, intellectual fashion and received knowledge in economics today*.

Truu was of the view that university bureaucracy came at a large opportunity cost to academics. His approach was that universities were more than merely institutions of higher learning, but that this role was not understood by the South African government. In his view government under funds universities to the degree that a focus on student numbers becomes an overarching objective in its own right. It would indeed have been interesting to hear Truu's views on recent remarks by the South Africa's Minister of Higher Education and Training on university access, students numbers and the awarding of qualifications (see for instance Nzimande, 2009a; Nzimande, 2009b). Alas, it seems that *the issues remain the same, only the names of people considering them change*.

14 CONCLUSIONS

A diverse group of people made contributions to the growth and sustainability of ESSA between 1964 and 1987. The first conclusion is therefore that ESSA will survive as long as it is supported by its members.

The second conclusion is that *the issues remain the same, only the names of people considering them change*. Many issues that were under consideration during the period under review in this article, were either of a recurring nature or are currently reconsidered.

Lastly, this paper sets the scene for the publication of similar biographical reviews of past presidents serving since 1988. However, a question to be considered is the timing of the continuation of this series. The fact that most past presidents who served since 1988 are still alive, could impair such a review.

POST SCRIPT

The earlier note (Rossouw, 2009) described one of the previous presidents of ESSA (Dr G S H Rossouw who served as President in 1946) as a missing person, as very little information is available on him. Subsequent to the publication of the earlier note, more information on Rossouw was obtained from SA Sugar Technologists' Association in Mount Edgecombe.

From 1925 to 1934 Rossouw was a member of the Board of Trade and Industry in Pretoria, during which period he was responsible for five reports on the sugar industry. In 1932 he served as an advisor to the South African delegation to the Imperial Economic Conference in Ottawa. In 1934 and 1935 Rossouw was professional assistant to the Director of Commerce and Industry in the Department of Trade.

In 1935 Rossouw was appointed as chairperson of the Sugar Industry Central Board in Durban, and it is known that he still held this position by 1952. He served as chairperson of the Durban branch of ESSA from 1937 to 1950.

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