

Book Review: A Few Hares to Chase: The Economic Life and Times of Bill Phillips by Alan Bollard

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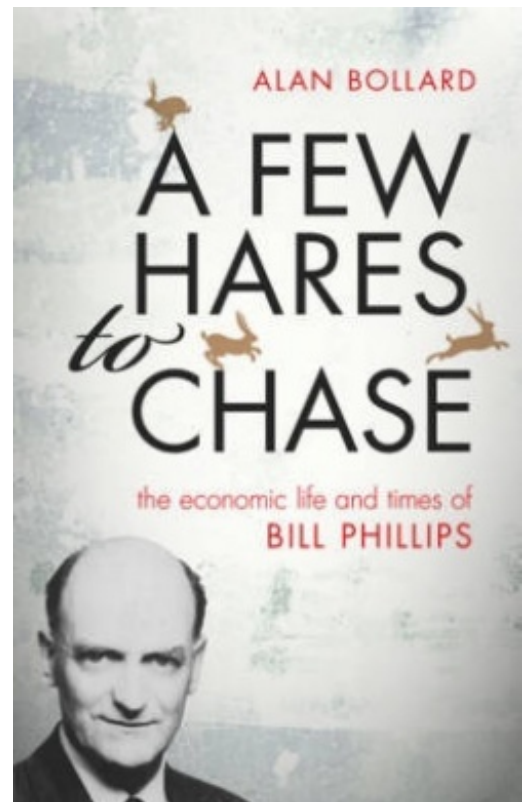
LSE economist and inventor Bill Phillips became world famous for *The Phillips Curve*. Yet, as **A Few Hares to Chase: The Economic Life and Times of Bill Phillips** shows, Phillips's time at the London School of Economics was only one chapter in an extraordinary life. Alan Bollard evidences the breadth of Phillips's talents in a thought-provoking and meticulously researched biography that will help readers appreciate the full extent of Phillip's legacy, writes Jenny McArthur.

A Few Hares to Chase: The Economic Life and Times of Bill Phillips . Alan Bollard. Oxford University Press. 2016.

Find this book: 

Professor A.W. (Bill) Phillips was best known for his academic success as a macro-economist. Alan Bollard's new biography, *A Few Hares to Chase: The Economic Life and Times of Bill Phillips*, shows that Phillips's talents spanned far beyond the academic disciplines, and that his time at the London School of Economics was only one chapter of an extraordinary life.

Phillips's [legacy at the LSE](#) is based on his work on the short-run relationship between inflation and unemployment, and the famous MONIAC machine, which simulated Keynesian economics using a hydraulic system. However, Phillips's path to becoming an academic was unconventional: he began his career as an electrician on one of New Zealand's early hydroelectric power stations, before going on to work and travel across Australia, Asia and the United Kingdom. Working as a Royal Air Force engineer in Singapore during World War II, he was captured and spent three and a half years as a prisoner of war. This book, authored by the former governor of the Reserve Bank of New Zealand, explains Phillips's economic work in rigorous detail. However, despite describing itself as 'the economic life and times of Bill Phillips', *A Few Hares to Chase* also shows how history, politics and individual circumstances shape the development of economics in the first instance.



Phillips was raised on a dairy farm in the small rural settlement of Te Rehunga in New Zealand in the 1920s, and the self-sufficiency and resourcefulness of his family stand out. At that time, many parts of New Zealand lacked basic infrastructure: inland transport was difficult and, until the large-scale public investments undertaken during the Depression, communities like Te Rehunga took it upon themselves to plan, fund and construct local facilities. Basic daily activities were challenging with only rudimentary transport networks – Te Rehunga had rough metal roads, and high school students commuted to school by riding in the guard van on local freight trains. Thanks to his father's ingenuity, Bill grew up in the first house in the settlement to receive electricity, followed by an electric washing machine, heating system and flush toilet.

Early exposure to new technologies stirred Phillips's interest in technical systems and as a child he made crystal

radio receivers, learnt to develop photographs and eventually operated the local cinema. *A Few Hares to Chase* shows how Phillips brought a similar technical problem-solving approach to a variety of situations. As a teenager his commute to school, two hours each way, left little time for homework so he fixed a bookstand to the handlebars of his bicycle. At a prisoner-of-war camp in Indonesia, he built rudimentary immersion heaters for the other prisoners to make tea and a clandestine radio receiver to pick up reliable intelligence on the war. Later, as a student at the London School of Economics, he saw that economic concepts related to the flow of money and commodities could be simulated using hydraulic models. As multiple personal accounts in this book illustrate, at the mere mention of something being broken, Phillips's natural impulse was to repair it with little fuss or further discussion.



Bill Phillips and the Phillips Machine

Phillips left New Zealand at the age of twenty, working and travelling through Australia with brief stints as a mine engineer and crocodile hunter, before continuing through Japan and China, taking the Trans-Siberian Railway to Moscow and eventually arriving in London two years later in 1937. The Second Sino-Japanese War was beginning to break out as he travelled through Asia, re-routing his travel plans several times and no doubt bringing relief when he finally arrived safely in England.

However, by 1940, London was subject to air raids, and in 1941 Bill was posted to Singapore as an armaments officer for the Royal Air Force where he was captured by the Japanese military. Following the war and three brutal years as a prisoner-of-war in Indonesia, Phillips had a brief recuperation in New Zealand and returned to London to complete his studies at the LSE. What happened next was unexpected and swift: Phillips completed his sociology degree with a mediocre result but, upon taking courses in economics, devised a machine that could simulate economic concepts using hydraulic principles. Convincing several academics of the machine's potential, he gained funding to build a prototype and negotiated his way out of scholarship obligations to return to New Zealand following his degree. Despite appearing as fanciful to some of the more serious-minded academics, Bill's MONIAC machine was a success after his first presentation:

Both Phillips and the machine acquitted themselves well. Everyone who mattered was there (some, according to Meade, having come mainly to laugh). They gazed in wonder at this large 'thing' in the middle of the room. Phillips, chain-smoking, paced back and forwards explaining it in a heavy New

Zealand drawl, in the process giving one of the best lectures on Keynes and Robertson that anyone in the audience had heard.

The prototype and several iterations formed the basis of a PhD degree, and Phillips progressed quickly to lecturer and eventually professor. Bollard situates his work within the broader context of macro-economic research at that time, considering the competing schools of thought across British and North American universities as well as other attempts to apply hydraulic models to simulate economic dynamics.

A Few Hares to Chase also acknowledges the difficulties of readjusting to London after Phillips's years as a prisoner of war and due to the distance from his family, who lived far away in New Zealand. The text gives a historical account to the development of economic theory that is often lacking, but particularly insightful for economists:

It is hard to imagine a more volatile period than that which Bill Phillips had already lived through: the destructive effects of the World War I reparations, the abandonment of the gold standard, the Great Depression, the rise of totalitarian governments, World War II, and post-war austerity had all produced very difficult economic conditions. In addition there were many other more minor disturbances that drove economies through recurring cyclical fluctuations.

The uncertain times they were living through thrust the field of economics to the forefront, as governments looked to academics to provide the policy prescriptions that could maintain stability and growth. The Phillips Curve represents the short-run relationship between inflation and unemployment and still forms a basis for many macro-economic models. Before the Phillips Curve, it was believed that macro-economic policy could target inflation or unemployment, independent of each another. However Phillips showed that they are inversely related, and therefore policy decisions require a trade-off between the two. A common goal for central banks is to limit inflation, and the Phillips Curve shows that this comes at the cost of increased unemployment.

A Few Hares to Chase is a thought-provoking and meticulously well-researched biography. It appears that Phillips was modest and self-effacing to the point that his own perspectives on his life and success were poorly recorded, perhaps never even uttered, so secondhand accounts are drawn on heavily. In this sense, the slightly mysterious aspects of Phillips's life are never fully explained – such as where his sense of adventure came from, spurring his decision leaving New Zealand at a young age, or how the war affected his perspective and ambitions for his own career. Bollard tactfully reflects on these questions, whilst leaving readers to ponder for themselves. The only major criticism I can offer is that the book was not published until forty years after Phillips passed away, and almost sixty years after his work on the Phillips Curve was published in *Economica*. His achievements have not received the recognition they deserve, particularly in his home country of New Zealand; however, Bollard has produced an excellent text to appreciate Phillips's legacy.

Jenny McArthur is a PhD candidate at University College London. Her research focuses on the relationship between infrastructure investment, urban growth and liveability. Jenny has a background in civil engineering and economics. Twitter [@jen_m_mcarthur](#). [Read more by Jenny McArthur](#).

Note: This review gives the views of the author, and not the position of the LSE Review of Books blog, or of the London School of Economics.

