

OBITUARY

JAN WHITWELL
(3 APRIL 1944 - 30 OCTOBER 1993)

Lewis Evans*

Jan Whitwell died in a motor accident on Saturday 30 October 1993. At the time she was a Senior Lecturer in money and macroeconomics at Victoria University.

Jan graduated from Victoria University in 1966 with an Honours degree in mathematics. Her professional career began in Massey University's mathematics department where she rose from Junior Lecturer to Lecturer in 1968. Her conversion to economics came in 1970 when she moved to Victoria University and completed a first class Honours degree in that subject. Following a year in Massey's economics department, she moved to the University of Birmingham where she taught mathematical economics for 5 years. She returned to Massey in 1976 where she was appointed Reader in 1987. In 1989 she accepted an appointment to the economics department of Victoria University. At the time of her death she was the chairperson of the money and finance group, and a member of the economics group. Her professional work included two years as president of the New Zealand Association of Economists, and work as a research associate at the Institute of Economic Research.

Twenty four years ago, during her Honours year, Jan became interested in the macroeconomics and money areas of economics. This interest flourished at Birmingham where there was a lively group of academic economists working in these areas. There she met David Sheppard with whom, in 1975, she co-authored her first publication: *Have British Banks Been Imprudent?* This was the beginning of a long fruitful research agenda into monetary economics; an agenda particularly concerned with the stability of financial markets under various monetary policies. It was also the beginning of a long collegial association between Jan and David. They produced a dozen papers together, and David's presence at Victoria was influential in Jan coming to that University in 1989.

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Jan and David Shepard brought quite different skills to the partnership. David's knowledge of financial institutions and judgements about the workings of monetary policy were tested and modified against Jan's ideas and knowledge: and she would examine the logic by developing rigorous economic models which captured the essence of the issues they were studying. Jan held a firm belief in the place of mathematics in economics, but she never used mathematics for its own sake. Indeed, her method of teaching and research was to specify the issue and gradually dig into it: quietly introducing equations and building up the mathematical model which she considered captured the core features of the economic issues under investigation. Jan was vitally concerned about the stability of monetary systems and she fully recognised that mathematical modelling is essential for careful study of dynamic systems.

Jan was very highly regarded for her research on monetary policy in small open economies, particularly that of New Zealand. In her published research she questioned the view that the decline in inflation was entirely due to monetary policy of the 1980s and 1990s. Her standpoint derived from her view that certain markets are characterised by expectational and price inertia, and by the proposition that the money supply is endogenously determined; a proposition which officialdom came to accept although it continued to hold quite different views about the implications of endogeneity. Jan was less confident than officials of the Reserve Bank of New Zealand of the efficacy of monetary policy when the money supply is determined within the economy. Her research was flowering at the time of her death. Her paper "*A Model of the Monetary Transmission Mechanism in a Small Open Economy*" has been very well received by conference audiences. Much of the best research often has a very long gestation period. It is the result of many byways followed and of combining ideas developed and tested over a lengthy period of time. Jan was excited by her most recent paper on dynamic stability, and it represents the culmination of her research programme. The paper will be published.

Jan had a talent for making difficult concepts appear simple. She was an excellent lecturer who engendered economics with life for her students. She was in demand as a speaker and commentator on monetary affairs, and presented her views in open meetings as diverse as the Bankers Institute, public policy forums, and Federated Farmers Regional branches. Indeed, Jan was so concerned about the policy application of her work that she often accorded higher priority to public discussion than academic forums. She saw it as part of her duty to the community to draw on her knowledge of economic history, and monetary economics to comment on existing monetary policy. Jan and David Shepard did this before 1984 and during New Zealand's de-regulatory period until David's accident of 1991. Jan continued after that time. While her debate with officials was very public and very intense at times, her quiet, firm, and reasoned approach meant that she was highly respected by participants on all sides of these debates.

Jan was a reluctant administrator: she enjoyed her economics to the point that the only major administrative positions she sought were with The New Zealand Association of Economists, for which she did a lot of work. She organised conferences and edited the Sesqui Conference proceedings for the Association, and was President for 2 years prior to her death. At Victoria she had taken on the task

unobstructive and effective contribution to University management. In meetings and seminars Jan spoke seldom: whenever she did speak it paid to listen to her considered views.

Jan's quietness and her unfailing good humour hid the fact that she had great inner strength, and that her keenly analytical mind was often constructively applied in the assessment and anticipation of all sorts of issues facing colleagues and Academe. She was capable of most penetrating and unrelenting judgements. In a sense, Jan was always informally administering in that she was always thoughtfully concerned about her colleagues. She gave unstintingly of her time and encouragement to colleagues and to any project she deemed worthwhile.

Jan Whitwell was such a gifted musician she could have embarked on a musical career. She was a violinist in the Manawatu Sinfonia for 22 years from 1966, and, since that time, in the Wellington Chamber Orchestra. Typical of her modesty, most of her colleagues knew little of her musical skills, and her fellow musicians were not informed of her status as an economist. Her slow walk from the University carpark carrying her violin is an enduring memory.

Jan related easily to people, and enjoyed company, good food, and good wine. An evening in Jan's company passed uncommonly quickly even though it would often last to the small hours. She was a real connoisseur of wine and coffee: to the point that she changed the consumption habits of many friends and colleagues. Jan's life was a positive influence on the lives of people who knew her. In expressing sorrow at our loss of Jan as a person and prominent, thoughtful economist, we recognise the immeasurable loss to Jan's husband, Adrian, and her parents and wider family.

Books and Monographs

1. "Monetary Policy with a Deregulated Financial Sector" in A Bolland and R A Buckle (eds), *Economic Liberalisation in New Zealand*. Wellington: Allen and Unwin, 1987, Ch 12, pp 261-282.
2. "Money and Inflation: Theories and Evidence" in K S Birks and S Chatterjee (eds), *The New Zealand Economy*, Palmerston North: Dunmore Press, 1988, Ch 10, pp 162-188.
3. "The Rogernomics Monetarist Experiment" in M Holland and J Boston (eds), *The Fourth Labour Government*, (2nd ed) Auckland: Oxford University Press, 1990, Ch 6.
4. (with M A Thompson, eds) *Society and Culture: Economic Perspectives*, Wellington: New Zealand Association of Economists, 1991.
5. "Money and Inflation: Theories and Evidence" in K S Birks and S Chatterjee (eds), *The New Zealand Economy*, (2nd ed) Palmerston North: Dunmore Press, 1992, Ch 11, pp 192-222.

Articles

1. (with A D Chesher and D K Sheppard) "Have British Banks Been Imprudent?", *The Banker*, January 1975.
2. (with D K Sheppard) "The Post-1960 Management of the New Zealand Financial Sector: An Assessment", *New Zealand Economic Papers*, 16, 1982, pp 1-27.
3. (with D K Sheppard) "The Post-1960 Management of the New Zealand Financial Sector: A Reply", *New Zealand Economic Papers*, 17, 1983, pp 135-140.
4. (with D K Sheppard) "The Government's Monetary Policy: An Assessment", *Quarterly Predictions*, December 1985, pp 23-29.
5. Commentary on L H White "Depoliticising the Money Supply: Constitution or Competition?", Centre for Independent Studies, *Seminar Proceedings*, (forthcoming).

Other

1. (with A D Chesher and D K Sheppard) "UK Financial Instability and the Design of Prudential Controls", *University of Birmingham Discussion Paper*, Series A, No 188, April 1975.
2. "The Short-Period Macroeconomic Framework", *University of Birmingham Discussion Paper*, Series A, No 202, August 1976.
3. (with D K Sheppard) "A Proposal for Establishing a Ceiling Rate of Monetary Expansion: The New Zealand and United Kingdom Situation", *Mimeoograph*, ANZAAS Conference, 1979.
4. (with G Karacaoglu and D K Sheppard) "The Operation and Functions of the Reserve Bank of New Zealand", *Mimeoograph*, Victoria University of Wellington, 1980.
5. (with D K Sheppard and G N Zanetti) "Financial Sector Disequilibrium and the Rate versus Base Control Controversy", *VUW Economics Discussion Paper*, No 9, August 1981.
6. (with D K Sheppard) "Optimal Financial Sector Performance: Market Management versus State Regulation", *VUW Economics Discussion Paper*, No 16, August 1982.
7. "Stagflation", *New Zealand Institute of Economic Research Working*

8. (with D K Sheppard) "The New Zealand Labour Government's Monetary Policy 1984-85: An Assessment", *Massey Economic Papers*, No A8509, December 1985.
9. "The Gibson Paradox: Policy Risks of High Interest", *Massey Economic Papers*, No A8602, January 1986.
10. "Deregulation: An Assessment", *Mimeoograph*, Centre for Continuing Education, Victoria University of Wellington, November 1986.
11. "Monetary Policy: An Anti-Inflation or an Anti-Employment Strategy?", *Victoria Economic Commentaries*, No 9, April 1988 - January 1989, pp 12-21.
12. (with D K Sheppard et al) "Dictionary of Financial Theory and Market Terminology", *Mimeoograph*, Victoria University of Wellington, 1989.
13. (with D K Sheppard) "The Proposed 1989 Reserve Bank Bill: A Critique", *Submission to the Select Committee of the House, Finance and Expenditure*, April 1989.
14. (with D K Sheppard et al) "The Recent Conduct of Monetary Policy in New Zealand: The Theory and Evidence", *VUW Money and Finance Association Discussion Paper*, August 1990.
15. "A Model of the Monetary Transmission Mechanism in a Small Open Economy", Presidential Address to the New Zealand Association's conference, August 1993.
16. "Monetary Disinflation with Inflation Inertia: Central Bank Autonomy in an Open Economy", *mimeoograph*, Economics Group, Victoria University of Wellington, 1993.