Harry Johnson (1923–1977) was such a striking figure in economics that Nobel Laureate James Tobin designated the third quarter of the twentieth century as the age of Johnson. Johnson played a leading role in the development and extension of the Heckscher–Ohlin model of international trade, wrote fundamental articles on the balance of payments, and later developed the monetary approach to the balance of payments. Within monetary economics, he was also a seminal figure who, in a series of surveys, identified and explained the links between the ideas of the major postwar innovators. His discussion of the issues that would benefit from further work set the profession’s agenda for a generation. Johnson was the consummate editor of his generation; he was managing editor of the Review of Economic Studies and editor of the Journal of Political Economy (twice), the Manchester School, and Economica. Trained at Toronto, Cambridge, and Harvard, he taught at Cambridge (1949–1956), Manchester (1956–1959), Chicago (1959–1977), the London School of Economics (1966–1974), and Geneva (1976–1977). This book chronicles his intellectual development and his contributions to economics, economic education, and, particularly in Canada and Britain, the discussion of economic policy.

D. E. Moggridge has been Professor of Economics at the University of Toronto since 1974. He previously served as a Research Fellow and Fellow of Clare College, Cambridge, from 1967 to 1975. Professor Moggridge was invited by the Royal Economics Society in 1969 to be an editor of The Collected Writings of John Maynard Keynes, thirty volumes of which appeared between 1970 and 1989. His coeditor of the volumes was Elizabeth Johnson, wife of the subject of this book. Professor Moggridge is also the author of British Monetary Policy, 1924–1931 (Cambridge University Press, 1992); Keynes (1993); and Maynard Keynes: An Economist’s Biography (1992). He also coedited with Susan Howson The Wartime Diaries of Lionel Robbins and James Meade, 1943–45 (1990) and The Cabinet Office Diary of James Meade, 1944–46 (1990). Professor Moggridge served as president of the History of Economics Society in 1988–1989 and has also served as review editor of History of Political Economy since 1998.
HISTORICAL PERSPECTIVES ON MODERN ECONOMICS

General Editor: Craufurd D. Goodwin, Duke University

This series contains original works that challenge and enlighten historians of economics. For the profession as a whole, it promotes better understanding of the origin and content of modern economics.

Other Books in the Series

William J. Barber, Designs within Disorder: Franklin D. Roosevelt, the Economists, and the Shaping of American Economic Policy, 1933–1945
William J. Barber, From New Era to New Deal: Herbert Hoover, the Economists, and American Economic Policy, 1921–1933
Timothy Davis, Ricardo's Macroeconomics: Money, Trade Cycles, and Growth
Jerry Evensky, Adam Smith's Moral Philosophy: A Historical and Contemporary Perspective on Markets, Law, Ethics, and Culture
M. June Flanders, International Monetary Economics, 1870–1960: Between the Classical and the New Classical
J. Daniel Hammond, Theory and Measurement: Causality Issues in Milton Friedman's Monetary Economics
Lars Jonung (ed.), The Stockholm School of Economics Revisited
Kyn Kim, Equilibrium Business Cycle Theory in Historical Perspective
Gerald M. Koot, English Historical Economics, 1870–1926: The Rise of Economic History and Mercantilism
David Laidler, Fabricating the Keynesian Revolution: Studies of the Inter-War Literature on Money, the Cycle, and Unemployment
Odd Langholm, The Legacy of Scholasticism in Economic Thought: Antecedents of Choice and Power
Harro Maas, William Stanley Jevons and the Making of Modern Economics
Philip Mirowski, More Heat Than Light: Economics as Social Physics, Physics as Nature’s Economics
Mary S. Morgan, The History of Econometric Ideas
Takashi Negishi, Economic Theories in a Non-Walrasian Tradition
Malcolm Rutherford, Institutions in Economics: The Old and the New Institutionalism
Esther-Mirjam Sent, The Evolving Rationality of Rational Expectations: An Assessment of Thomas Sargent’s Achievements
Yuichi Shionoya, Schumpeter and the Idea of Social Science
Juan Gabriel Valdes, Pinochet's Economists: The Chicago School of Economics in Chile
Karen I. Vaughn, Austrian Economics in America: The Migration of a Tradition
E. Roy Weintraub, Stabilizing Dynamics: Constructing Economic Knowledge
Harry Johnson

A Life in Economics

D. E. MOGGRIDGE

University of Toronto
## Contents

*Photographs and Drawings*  

<table>
<thead>
<tr>
<th>Photographs and Drawings</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>ix</td>
</tr>
<tr>
<td>1 Toronto</td>
<td>12</td>
</tr>
<tr>
<td>2 Antigonish</td>
<td>39</td>
</tr>
<tr>
<td>3 England</td>
<td>55</td>
</tr>
<tr>
<td>4 North American Postgraduate</td>
<td>73</td>
</tr>
<tr>
<td>5 Cambridge Don</td>
<td>93</td>
</tr>
<tr>
<td>6 Cambridge Economist</td>
<td>126</td>
</tr>
<tr>
<td>7 Manchester</td>
<td>161</td>
</tr>
<tr>
<td>8 Chicago</td>
<td>193</td>
</tr>
<tr>
<td>9 Canada, Economic Nationalism, and Opulence, 1957–1966</td>
<td>213</td>
</tr>
<tr>
<td>10 Chicago: Money, Trade, and Development</td>
<td>242</td>
</tr>
<tr>
<td>11 LSE</td>
<td>276</td>
</tr>
<tr>
<td>12 Professional Life – Largely British</td>
<td>307</td>
</tr>
<tr>
<td>13 Money and Inflation</td>
<td>333</td>
</tr>
<tr>
<td>14 The International Monetary System</td>
<td>360</td>
</tr>
<tr>
<td>15 Harry’s “Wicksell Period”</td>
<td>378</td>
</tr>
</tbody>
</table>
Contents

16 Stroke and After  393
17 Conclusion  413

Sources  433
Index  459
Photographs and Drawings

1 Harry’s parents at Spruce Ridges – New Year’s 1946
2 Harry Johnson senior at Mitch Hepburn’s birthday party at Hepburn’s farm in Elgin County – 12 August 1938
3 Harry at St. George’s School – 1926
4 Harry with the UTS 100-lb rugby team – 1936
5 Harry in 1944
6 Harry, Karen, Liz, and Ragnar – Cheadle, 1958
7 Flyer for Pocket Pieces – Manchester, 1959
8 Harry at LSE – late 1960s
9 Harry and Liz with Zvi Griliches and his wife – late 1972
10 The Octograph – 1973
11 Harry carving at the Konstanz Seminar – June 1973
12 Harry in London – January 1976
13 Harry in Tokyo – October 1976
1. Harry's parents at Spruce Ridges – New Year’s 1946 (Elizabeth Simpson)
2. Harry Johnson senior at Mitch Hepburn's birthday party at Hepburn's farm in Elgin County – 12 August 1938 (Harry senior is second from the left in the back row; in the middle of the second row are Eve Hepburn, Peter Hepburn, Mitch and Patsy Hepburn; second from the right in the front row is Maurice Duplessis, the premier of Quebec) (Elizabeth Simpson)
3. Harry at St. George’s School – 1926 (Harry is on the left at the back) (Blatz Papers)
4. Harry with the UTS 100-lb rugby team – 1936 (Harry is third from the right in the front row; Harry Parkinson is second from the left in the back row) (Elizabeth Simpson)
5. Harry in 1944 (Elizabeth Simpson)
6. Harry, Karen, Liz, and Ragnar – Cheadle 1958 (Elizabeth Simpson)
7. Flyer for Pocket Pieces – Manchester, 1959 (Elizabeth Simpson)
8. Harry at LSE – late 1960s (Elizabeth Simpson)
9. Harry and Liz with Zvi Griliches and his wife – late 1972 (Elizabeth Simpson)
10. The Octograph – 1973 (Roger Vaughan)
11. Harry carving at the Konstanz Seminar – June 1973 (Elizabeth Simpson)
13. Harry in Tokyo – October 1976 (Elizabeth Simpson)