H.C. ‘Nugget’ Coombs
1906–1997
Economist

This program is an episode of Australian Biography Series 1 produced under the National Interest Program of Film Australia. This well-established series profiles some of the most extraordinary Australians of our time. Many have had a major impact on the nation’s cultural, political and social life. All are remarkable and inspiring people who have reached a stage in their lives where they can look back and reflect. Through revealing in-depth interviews, they share their stories—of beginnings and challenges, landmarks and turning points. In so doing, they provide us with an invaluable archival record and a unique perspective on the roads we, as a country, have travelled.

Australian Biography: H.C. “Nugget” Coombs
Director/Producer Frank Heimans Executive Producer Ron Saunders
Duration 26 minutes Year 1992
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Also in Series 1: Neville Bonner, Dame Joan Hammond, Jack Hazlitt, Donald Horne, Sir Marcus Oliphant, Nancy Bird Walton

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SYNOPSIS
Dr H. C. ‘Nugget’ Coombs was one of Australia’s most outstanding and influential public servants, serving and advising seven prime ministers over a 30-year period. His many public appointments included Director of Rationing, Director-General of Post-War Reconstruction, Governor of the Reserve Bank, Chairman of the Australian Council for Aboriginal Affairs, Chairman of the Australia Council for the Arts, Chancellor of the Australian National University, Chairman of the Elizabethan Theatre Trust and Governor of the Commonwealth Bank.

Charismatic and energetic, Coombs had a profound influence behind the scenes in business and politics, dealing with prime ministers, officials and top business people. He worked hard to achieve a distinctive social, economic and cultural place for all Australians, particularly Aboriginal Australians.

CURRICULUM LINKS
Australian Biography: H. C. ‘Nugget’ Coombs will have interest and relevance for students from middle to senior secondary levels studying Modern History, Legal Studies, English, Geography, Economics, Citizenship, Aboriginal Studies, Studies of Society and Environment and Business Studies.

HISTORICAL CONTEXT
The Great Depression
Coombs’ student days at the London School of Economics were spent during part of the Great Depression. While studying different economic theories and systems, Coombs also bore witness to a critical time for economics and history.

The Great Depression was the longest and most severe economic collapse in the history of the modern industrial world. It began with the 1929 collapse of the Wall Street Stock Exchange in New York; a crisis brought on by several factors. These included the massive increase in the use of credit to purchase shares and consumables. From New York, the crisis soon spread across to other industrialized countries.

One immediate effect of the Depression was mass unemployment, particularly in heavy industries such as coal, steel and textiles. Suddenly, many people were forced below the poverty line and into homelessness. Governments had to assume more control over their economies and attend to the huge social welfare problems.

Discussion questions
- How does Coombs describe conditions in London during the Great Depression? What do the archival images also suggest about people’s experiences then?
- How do you think Coombs’ exposure to the Great Depression affected his view of economics, particularly his views on the role of the economy?
- What were some of the long-term effects of the Great Depression?
- Why do you think the collapse of Wall Street had an impact on economies outside of the United States of America?
- What does the Great Depression suggest about the relationship between economics, politics and societies?

Australia During the War
As Director of Rationing, Coombs played an instrumental role on the Australian home front during the Second World War.

During this time, Australia’s resources were directed primarily towards the war effort. These resources included raw materials, manufactured goods, food and clothing. Factories and human labour were also mobilized to support the war. Rationing was introduced to ensure a constant supply of necessary materials to the front line, but also to make sure all Australians at home could continue to satisfy their basic needs.

The war delivered huge benefits to Australia’s economy, which previously had been faltering from the Great Depression. This was also the first time since Federation that the notion of a national economy took some concrete form.

On the other hand, the war brought increased government control over people’s lives, including conscription to the armed services and bans on anti-war movements. The then Prime Minister, John Curtin, said: ‘…every human being in this country is now, whether he or she likes it or not, at the service of the Government to work in the defence of Australia.’

Upon the conclusion of war, Coombs continued to play an important role in adjusting the national economy to peacetime conditions. He did this as Director of Post-War Reconstruction.

Discussion questions
- What pressures do wars place on the economy? How does a war economy differ from one in peacetime?
- Do you think war is a solid justification for governments controlling resources and people? What might be some limitations on this control?
- How do you think the war changed an economy affected by the Great Depression?
- Can you think of recent examples where war or conflict has brought economic change?
- Find some examples of war propaganda in the program. What tone does it take? What functions does propaganda play in war?

POLITICAL AND SOCIAL INSTITUTIONS
The Economy
While economic ideas and systems have changed over history, the basic economic questions remain a subject of discussion and debate. These questions include who should produce resources, how they should be distributed and according to what standards they should be distributed.

Government is just one institution involved in making decisions about the economy. It makes laws to control or regulate the production and distribution of resources. The power is held by virtue of the government’s representative character, putting it in the best position to determine the social ends of the economy.

Coombs played a vital role in the development of Australia’s post-war economy. During the War, he was involved in regulation to meet the needs of Australia’s war effort. Afterwards, Coombs assisted in adjusting the economy to meet the needs of a post-war society.
During the late 80s and early 90s, the Australian Government began a process of ‘deregulation’ or ‘privatization’. Essentially, this involved reducing government control over resources, and leaving economic decisions to the marketplace. Supporters of deregulation argued, amongst other things, that the marketplace is better able to make decisions about how resources should be produced and distributed. This economic model is often referred to as a ‘laissez-faire economy’.

Even in a deregulated economy, however, governments remain involved in decisions about resource production and distribution.

Discussion questions

- Coombs argues that the primary function of the economy is to ‘fulfil a function in the service of that society’. What does he mean?
- Why does Coombs say that the economy is not designed to enable people to become wealthy?
- What differences exist between an economy based on satisfying social needs and one based on pursuing wealth?
- Who are the stakeholders in an economic system? What interests do they have?
- Is the marketplace the best ‘institution’ for determining how resources are to be produced and distributed? Justify your response.

Government

Throughout the program, Coombs discusses his relationships with the seven prime ministers he worked with, either as an adviser or senior public servant. He comments on the personal and professional qualities of each and briefly describes the relationship he had with them.

In Australia’s representative democracies, Parliament, the Cabinet and the office of Prime Minister are the key institutions of government. Their political power is possessed by virtue of their ‘representativeness’ of the people. Thus, while these institutions possess significant law-making power, they are accountable to the citizens, who hold the political power of the vote. This is just one of a several checks on political power.

However, there are other political institutions in Australia that are not directly representative, such as the judiciary and Governor-General.

The first of these is the Public Service or bureaucracy, within which Coombs was quite senior. Generally speaking, the bureaucracy is responsible for carrying out the laws and policies of government and providing government services to the public. Senior bureaucrats also advise the Prime Minister and Cabinet Ministers on policy matters. Overall, the bureaucracy is involved in many aspects of policy including social welfare, the administration of justice, national parks, health and education.

Each department or organization within the Public Service is headed by and accountable to a government Minister. In this way, bureaucrats are indirectly accountable to the public.

Discussion questions

- Aside from those mentioned, what other limitations are placed on a government’s power? Why are limitations desirable?
- List some of the qualities Coombs suggests are important for a Prime Minister. Think of three others.
- Coombs says he was more influential than powerful. Do you agree that there is a difference between power and influence? Would you say Coombs was a powerful figure in politics?
- What other institutions in society have significant power while not being directly representative?

Indigenous Self-Determination

Raised in Kalamunda, Western Australia, Coombs saw first-hand the extent of tension between Indigenous and non-Indigenous Australians. This awareness continued throughout his life, informing his position as Chair of the Australian Council for Aboriginal Affairs and his work for Indigenous land rights. Indigenous activist, Mick Dodson, referred to Coombs as ‘White man’s most senior elder’.

A central theme in Indigenous protest is the right to self-determination, whether it relates to land rights, the education and welfare of Indigenous children or customary law. Self-determination involves the right of a group of people to freely determine their political status and pursue their economic, social and cultural development.

The principle legal justification for colonizing Australia was the doctrine of terra nullius. According to this doctrine, territory could be colonized if there was no sovereign people, or people with an established system of government. This understanding shaped future relations between Indigenous and non-Indigenous Australians, including government assimilation of Indigenous people into white society.

Self-determination stands in contrast to this understanding since it recognizes the right of Indigenous people to control and determine their own futures. In 1992, the High Court of Australia, handing down its decision in the Mabo case, rejected the application of terra nullius upon Australia’s settlement. In doing so, it recognized that Indigenous people were in possession of a system of laws and practices for ordering their communities.

The Mabo decision is perhaps most important because it recognizes the continued existence of Indigenous customary law. Since then, much debate has focused on the relationship between non-Indigenous political and legal institutions and Indigenous customary laws.

Discussion questions

- What is the difference between self-determination and assimilation?
- How is self-determination related to more specific issues of Indigenous social justice, such as native title?
- In the program, Whitlam says, ‘all of us as Australians are diminished while the Aborigines are denied their rightful place in this nation.’ Do you agree?
- What achievements for Indigenous people have been made since the Whitlam era?
- How might different systems of law exist together? Can you think of any situations where they may come into conflict?

Social Issues

Poverty

The Industrial Revolution of the 19th century brought significant advances in technology, knowledge and material production at a pace rarely seen in history. However, industrialization also saw the rise of urban working-class slums. On the whole, the process delivered extremes of both wealth and poverty.

Historians and some economic theorists argue that this period saw the emergence of a society structured by class distinctions. Karl Marx,
a political economist, argued that industrial and economic development had a tendency to strengthen class differences between people. Poverty remains a social issue of great import. We see discrepancies in wealth within Australia, but also globally in developing or ‘Third World’ countries.

**Discussion questions**

- Do you think we live in a classless society?
- ‘People have a social obligation to ensure equality is attainable, as well as a personal obligation to fulfil their own needs.’ Do you agree with this statement?
- What are some causes of poverty in our society?
- How is poverty connected to other types of inequality?

**Sustainable Development**

Towards the end of the program, Coombs discusses his concern for the future of society. This concern relates to the demands a growing global population will place on increasingly limited resources.

British economist, Thomas Malthus, raised this problem in 1798. He argued that the rate of population growth was far greater than the rate at which resources such as food could be produced. For Malthus, this was a serious problem that could only be countered by natural decreases in population from famine, war or natural disasters.

Malthus’ central argument, that nature could not sustain human population growth, remains an important one today. Sustainable development and environmental protection are two policies pursued by governments and businesses to control the burdens of population and economic growth.

**Discussion questions**

- What do you understand is meant by sustainable development?
- Give some examples of sustainable development you could implement in your local community.
- Malthus and Coombs suggest that crises are related to the pressures population place on resources. What examples of such crises are presented in the program?
- Does a consumer society encourage us to consider the limited nature of resources?

**ACTIVITIES**

1. **Diary Entry** Imagine you are in one of the situations below and write a diary entry. Mention how you feel, what is going on in society and how that is affecting you and people around you.
   - Coombs growing up in Kalamundra, Western Australia
   - A factory worker during the Great Depression in Australia
   - Coombs studying in London during the Great Depression
   - A civilian on the Australian home front during World War Two

2. **Research** A high-profile economist and public servant, Coombs witnessed some important times in Australian history. Some of these are touched upon in the film. Select one of the events below and write a brief summary of what happened, the long-term effects and why you think it is a significant event.
   - Collapse of Wall Street in 1929
   - Conscription during World War Two
   - Dismissal of Prime Minister Gough Whitlam
   - The High Court’s Mabo decision

3. **Essay** The proper role of the economy should be to provide for social needs and not for individual wants.’ Discuss with reference to Coombs’ arguments.

4. **Advertisement** As a communication tool, advertising can be used in ways other than selling goods and services. Create an advertisement for one of the following campaign themes, thinking about your target audience. Think also about the old newsreels in the program. You can get some creative ideas on advertising from Adbusters at http://www.adbusters.org
   - Buy nothing day
   - Responsible use of resources
   - Reconciliation

**RESOURCES/REFERENCES**

**H. C. Coombs**

Australian Academy of Science – Biographical Memoir on Coombs


**Historical Context**

ANZAC Day Commemoration Committee, teaching material on the Australian home front during the Second World War.

BBC Education—The Wall Street Crash http://www.bbc.co.uk/schools/gcsebitesize/history/mwh/usa/walldepressionrev1.shtml

**Political and Social Institutions**

Federal Reserve Bank of San Francisco—Great Economists and Their Times
www.frbsf.org/publications/education/greateconomists/index.html

London School of Economics—Timeline and Ideas
www.lse.ac.uk/lsehistory


**Indigenous Issues: Mabo and Native Title**


An extensive multimedia resource that explores the Mabo case as well as related issues from colonization and indigenous culture to land rights and native title. Web site at www.MaboNativeTitle.com

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