

4 CHATHAM HOUSE

Heinz left the internment camp a changed man. He had endured the humiliation of unjust arrest and deportation as an enemy alien. He had been toughened as one of the leaders of the internees in constant, often bitter, unreasonable and sometimes merely tactical disputes with the camp authorities. He had run the camp 'university'. He had been stigmatised as a communist troublemaker. The eight months behind barbed wire had not destroyed his pro-British idealism, but they had indubitably tempered it. On his return to England, he was no longer the uncertain scholar. He was his own man. He was 25.

One thing at least was certain: he was going to marry Ruth Strohsahl. She was, throughout his internment, his principal contact with the world and the centre of his private life. His letters to her, despite restrictions and censorship, have a warmth and passion entirely missing from his earlier correspondence with previous girlfriends.

He also began sorting out his association with the Communist Party. In Québec he had been, as noted earlier, in 'intimate daily contact' with the communist cell led by Colonel Kahle, who held him to the party line, as his communist mentors had done at Oxford and the LSE. Now released from the isolation of the camps, he found it harder to conform.

He would not at the time discuss the communist activities in the camps. In February 1940, he published excerpts from his diary of the voyage to Québec in the leftist magazine *Tribune*, which numbered among its wartime editors no less a figure than George Orwell. His story was headed 'This must never happen again'. It did not mention Colonel Kahle or his faction.

The tensions finally dissolved on 22 June 1941, when Hitler invaded Russia and the communist policy switched to total support of the war in defence of the USSR. Heinz was, however, still sceptical

I found the patriotic fervour of the Communists almost as distasteful as their previous anti-war line. Over the next year or so, as I still maintained contact with some party members and even did occasional donkey work for them—translating, editing, looking

up facts for party literature—I could not get out of my head the 36 hours of my conversion to the anti-war line.

I felt ashamed. I gradually realised that in becoming a loyal Communist (that I was only a fellow traveller, not a party member, did not matter since the party had my allegiance) I had surrendered my intellectual integrity, not by kowtowing to views I did not believe in but, more corrodingly, by convincing myself that the party was right.

Illumination, in Heinz's case, derived not from a formal political treatise but from a novel: Arthur Koestler's *Darkness at Noon* (1940). Its depiction of the self-destruction of the intellectual, 'by the very process which I had experienced in a small way, cured me thoroughly'. He now found the Communist Party and Marxism–Leninism to be 'destructive of all intellectual integrity'. He remained a social democrat, a Keynesian, a supporter of the British Labour Party and a foundation member of the non-communist left.

Resuming his Leverhulme Studentship at the LSE, Heinz completed his research on the rule of law, but he had become disenchanted by the 'intellectual flabbiness' of academic political science and sociology. They seemed to be little more than journalism mixed with pedantry. Did economics, he wondered to himself, offer 'more solid mental nourishment' as well as a more realistic prospect of social reform?

The man who turned Heinz Wolfgang Arndt, political scientist and sociologist, into H.W. Arndt, economist, was Paul N. Rosenstein-Rodan, the founder of structuralism and of development economics. (He coined the expression 'underdeveloped' in place of 'backward'.) A Central European, like Heinz (born in Cracow, he had taught at the University of Vienna), 'Rosi'—to give him his often-used nickname—was in 1941 the full-time Secretary of the Committee on Post-War Reconstruction of Chatham House—that is, the Royal Institute of International Affairs.

The liberal and socialist members of this committee disagreed totally about how best to reconstruct Britain, and its secretary badly needed a reliable research assistant. Still unemployed—his only paid work since his release had been a month's teaching at Loughborough Grammar School and some casual research jobs for the think-tank Political and Economic Planning Institute—Heinz applied for the position.

Rosenstein-Rodan appointed him on a trial basis for two months. Reappointment would depend on his usefulness to Rosenstein-Rodan

(which Rosi had no doubts about) and on a security clearance from the Home Office (which finally reported in September, some weeks after Heinz had started work, that 'Arndt is a convinced anti-Nazi and there appears to be no reason why he should not be employed at Chatham House'). The duties of Heinz's new job included weekly service as a Westminster City Council Fire Guard in St James Square from 6pm to 8pm.

Heinz's new salary of six pounds a week, combined with Ruth's earnings as a social worker (she had taken her diploma in 1940), was enough for the couple to plan a future together. On 12 July, they married at Hampstead Registry Office. On 28 July, Heinz reported to work at Chatham House.

The economists on the reconstruction committee included James Baster, A.G.B. Fisher (author of *The Clash Between Progress and Security*, 1935), J.M. Fleming, R.F. (Roy) Harrod (the biographer of Keynes), Hubert Henderson, Peggy Joseph, James Meade (then chief economist for the economic section of the British Cabinet Office), Joan Robinson (whose books included *An Essay on Marxian Economics*, 1942) and Barbara Wootton (who wrote *Freedom Under Planning*, 1945). Other members represented opposing political parties: the Conservative Party parliamentarian Henry Brooke, later Home Secretary, was chairman of the committee; and the Chairman of the Liberal Party, Sir Andrew McFadyean (who had been active in the campaign for the release of the interned, category-C enemy aliens, such as Heinz). Non-economists included F. Ashton-Gwatkin of the Foreign Office, who had been a member of the doomed Runciman Mission to Prague shortly before the Munich crisis, and J.V. Wilson of the Chatham House Research Department, who later became head of the New Zealand Department of Foreign Affairs.

The stage was set, if not for a Dutch concert, at least for a confrontation. From the first meeting, the basic disagreements between the committee's planners, market economists, Keynesians, protectionists and free traders were plain. Their best way ahead, they decided, was to consider as impartially as possible the successes and failures of the economic policies of the major powers—the United States, the United Kingdom, France and Germany—in the years between the wars.

Heinz was told to draft a report. He accepted the assignment with enthusiasm. It would even be a sort of oblique autobiography, as he examined the Germany and Europe of his disrupted childhood and youth. He wrote nine chapters in five months, roughly a chapter every two to three weeks (two weeks to read the secondary sources and about

a week to write each chapter). When he had added a tenth chapter, he had completed the report that was to become his first book, *The Economic Lessons of the Nineteen-Thirties*.

This remarkable speed was, as Heinz said in later years, explained by his ignorance. He had not been trained as an economist and lacked professional caution. At Oxford he had never understood the microeconomics he had 'read' and macroeconomics was still 'in a state of great confusion'. He had picked up many of his ideas of economic policy from John Strachey's *A Programme for Progress*, published by the Left Book Club in 1940, which had concluded that the basic lesson of the 1930s was the central importance of economic planning. The Nazis had, in Strachey's view, demonstrated this plainly: 'Nowhere but in Germany,' wrote Strachey, 'did the revival of the nineteen-thirties reach within even a close approximation to full employment.' The Nazis put the unemployed back to work by massively increasing government spending on public works, especially armaments, supplemented by wage, price and exchange controls. Progressive governments must, according to Strachey, use the same techniques for their different purposes. Indeed, Strachey went on, they were already using them to wage the war, and the same controls must be maintained in peacetime.

The immediate abolition of capitalism, Strachey argued, might still be politically impossible, but 'there can be no general decontrol after this war. The only real issue before us is, who is to do the controlling? The horse is bitted and bridled. Who is to hold the reins? Who is to be the rider?'

Suitably balanced by opposing (if weaker) arguments, this was to be a theme of Heinz's report. The guiding hand throughout, however, was Rosenstein-Rodan. Whatever was fresh in the report, Heinz said, was due to Rosi. One example was Arndt's treatment of the British abandonment of the gold standard on 21 September 1931. Within the rules of the gold standard, the only way of correcting the dramatic deterioration of the British balance of payments on current accounts in 1931 was by deflation and the reduction of prices and incomes—especially the wages of industrial workers—to a level that would slash imports and stimulate exports. This would almost certainly have resulted in bitter social suffering and class conflict on a scale that the country would no longer tolerate. The national government of Ramsay MacDonald chose instead to abandon the gold standard and depreciate the pound. Generally considered at the time to be a disaster of the first magnitude, it was in fact 'the first important step towards helping Britain out of the depression, the stimulus which

the depreciation of the pound had imparted to the British economy, was probably the decisive factor in the early British recovery'.

A mere research assistant would not have dared present such an argument to the committee without the encouragement and backing of Rosenstein-Rodan. There were, however, many other such cases. In particular, Arndt's Report also followed Rosi in attributing the severity of the Great Depression to 'structural disequilibria' in the world economy — an early hint of what was later called 'structuralism'. Arndt further wrote

...the catastrophe of the world depression of 1929–33 cannot be attributed to the internal instability of the advanced industrial countries alone. It was not merely a phase of the 'trade cycle'. The world depression would not have [been] nearly as severe and disastrous in its consequences if it had not been for the fact that ever since [World War I] the economic structure of the world and of individual countries had been in a state of acute disequilibrium which the existing world economic system proved quite incapable of correcting and the consequences of which it aggravated. These disequilibria, most of which appeared as maladjustments in the balances of payments of different countries but which in reality represented fundamental maladjustments in the economic structure of the countries concerned and of the world as a whole, were too large to be corrected by market forces within the framework of an international monetary system, such as the gold standard. At the same time they prevented the gold standard from functioning smoothly and with the American slump of 1929 led to its complete breakdown.

Arndt concluded

The correction of maladjustments in the world economy of the magnitude of those which confronted the world after the last war [that is, World War I] and [which] will again confront it at the end of this war cannot be left to market forces. The necessary adjustments will have to be carefully planned if we are to avoid a repetition of the international economic chaos of the inter-war period. It is important to see what this implies.

Firstly, there must be a conscious policy designed to ensure the requisite changes in the productive structure of the various

national economies: ‘advanced planning of the types of changes required—changes in the amounts of labour and capital employed in particular industries, in the types and volumes of commodities produced and the methods of production, and the planned execution of these changes.’ This may necessitate ‘direct orders and compulsory powers’.

Secondly, control of the volume and directions of international trade and investment will be essential in the post-war years when most countries will be faced with acute disequilibria in their balances of payments.

Thirdly, there is an ‘inescapable’ need for international co-operation, ‘if not supranational economic authorities’.

Arndt’s concluding words in the report are this almost ringing rejection of free trade and capitalism

The significance of this for our problem is obvious. It means that there is much to be said for superseding the free rule of market forces, by commodity controls, by long-term contracts in trade, so as to effect a compromise between the need for change and adjustment and the desirability of reducing to a minimum that instability which is inherent in the operation of the market mechanism and which exacted a terrible price in terms of social insecurity and economic loss during the inter-war period.

Some critics might argue, Arndt conceded, that this advice appeared to re-enact the international economic chaos of the past. ‘The argument cannot be lightly dismissed,’ he said—but he went on to dismiss it very lightly indeed.

Again, Arndt would not have offered this analysis to the committee without the backing of Rosenstein-Rodan. For his part, Heinz was so impressed by the analysis that he persuaded (‘badgered’) Rosi into writing his 1943 article on ‘Problems of industrialisation of Eastern and South-Eastern Europe’, which is usually considered the starting point of development economics as a distinct branch of the discipline.

In his treatment of the Nazi economy, Heinz echoed Strachey as much as Rosi. He stressed the lessons to be learnt from the successes of Nazi economic policy. ‘The Nazis alone achieved complete economic recovery,

in the sense of the full use of all available productive resources, by means of an expansionist monetary policy.' Their outstanding achievement was the abolition of unemployment linked to the creation of a war machine that in 1939 and 1940 was able to overrun Europe. Their method was the gradual extension of state control into every corner of the economic system and the total abolition of the rights and liberties of the citizens. Yet these same techniques—planned state intervention, exchange control and the manipulation of foreign trade—'may well be applicable in a worthier cause'.

Heinz remained modest and sceptical about his Report. He wrote to his father in Istanbul: 'I can never inform anyone that I am doing "reconstruction" work without blushing to the roots of my hair.'

He went on, however

I am under no illusion that our plans for Europe will ever be realised or will even affect the course of events appreciably. The chances of this country having a decisive say in the future settlement of Europe are smaller I feel than many people here assume. Still, I feel, that it is a good thing, if some people spend some of their time while the war is still going on in thinking about the problems that will face us all when the war is over, and sooner or later it will end, at least in Europe. Chatham House is not exactly the ideal place for reconstruction thinking. There are few people here who have ever entertained the [idea] that at the end of this war Europe may not return to the *status quo ante*. And there are few with whom I have any common ground in my approach to all these questions. My justification is that on [the] ten most important economic problems of a more technical character agreement is possible and enlightenment is urgently necessary. And if I did not have the job someone else would in all probability be less progressive.

Whatever Heinz thought of Chatham House, he inevitably benefited from the committee's expert criticism of his draft chapters. There was some measure of agreement with the amended final text of the chapters on the economic history of interwar Europe and the United States, but no agreement was possible over the decisive and tenth chapter on the

lessons to be learned from that history. The concluding paragraphs make plain why

Economists in the past have tended to concentrate attention on the problem of the optimum allocation of the world's productive resources for the maximization of world output: they have paid far too little attention to the advantages of stability and certainty. They have been fascinated by the uncanny way in which market forces—the 'invisible hand'—tend, with certain qualifications which have been more or less freely admitted, to readjust the allocation of resources to any changes in the framework of demand and supply so as to reproduce optimum conditions; they have tended to ignore the costs in terms of instability which this process involved. These costs were not only social costs—the disruption of established communities, the uprooting of people, personal insecurity—but measurable economic costs—losses due to uncertainty, high risks, and transitional unemployment, or underemployment of resources.

To give but one example, the gain which the peasants of Rumania derived from the long-term contracts which the Nazis concluded with Rumania cannot be measured in terms of the prices they received for their produce alone. These prices may have been higher or lower than the prices ruling at any moment in the world market. But they were stable. This enabled the peasants to grow their crops with the assurance that what they sowed in the spring, they would be able to sell in the autumn. The Nazis, in turn, benefited from being able to rely on an assured supply of the commodities they needed.

We are far from underestimating the importance of ensuring the most efficient use of the world's resources. Changes in methods and forms of production will constantly have to take place. What we do plead for is [that] the economic advantages of the optimum allocation of resources at any one moment should be weighed against the social and economic advantages of instability.

The significance of this for our problem is obvious. It means that, quite apart from any other considerations, there is much to be said for superseding the free rule of market forces, by commodity controls, by long-term contracts in international trade, and in other ways, so as to effect a compromise between the need for change

and adjustment and the desirability of reducing to a minimum that instability which is inherent in the operation of the market mechanism and which exacted a terrible price in terms of social insecurity and economic loss during the inter-war period.

Since the economists, not to mention the lay members of the committee, could never reach agreement on this supposed lesson of the 1930s, Rosi persuaded them to agree on two things. One was to publish the report under Heinz's name alone. The other was to include Dissenting Notes by committee members so disposed (only Sir Andrew McFadyean wrote one).

The first decision was an extraordinary stroke of luck for Heinz. A book on economic history and policy sponsored by the Royal Institute of International Affairs and published by Oxford University Press, drawing on the deliberations of some of the most famous British economists (James Meade later won a Nobel Prize and Joan Robinson was expected to), would have been beyond the wildest dreams of the recently unemployed young man who had not long before been released from internment in Québec and who had just turned to economics. It was a decisive event in Heinz's life.

The second decision, which was reasonable, even inevitable in the circumstances, placed Heinz in the centre of often angry controversy. Although the book was finished in 1943, it was published early in 1945, shortly before the momentous British general elections that were to settle the structure and spirit of postwar Britain. Its espousal of the social and economic planning associated with the British Labour Party ensured that it became the target of Conservative Party and Liberal Party rage. It was also a welcome addition to Labour propaganda, an academic companion volume to the more popular Keynesian polemic *Full Employment* (1944) by Lord Beveridge, and the National Government's White Paper on employment policy.

The Workers' Educational Association (WEA) recommended that its classes study Heinz's book together with Beveridge's and the White Paper—and Heinz certainly did his bit 'to spread the gospel'. (Churchill on the other hand, quoted Friedrich [August] von Hayek in one of his election speeches.)

McFadyean's Dissenting Note opened the argument. Rejecting out of hand the idea that the failures of the past—which had been caused by restrictions on freedom of enterprise—could be remedied by further

restricting that freedom, McFadyean declared it absurd to condemn as *laissez-faire* an economy in which the exchange of goods and services had been hampered at every turn by tariffs, quotas, rings and monopolies and bedevilled by the gigantic burden of unproductive and Great War-related indebtedness. As for postwar reconstruction in an underfed and undeveloped world, it would be, McFadyean said, perverse to seek restriction rather than expansion. In a final stroke, he noted Heinz's defence of the *Front Populaire* in France—which had governed from 1936 to 1938—and its destruction by conservatives who left the industrial working class resentful and embittered, and left the direction of French industry and finance in the hands of men who 'were prepared to deliver themselves up to Hitler rather than risk another attempt from below to oust them from their position of privilege'. McFadyean saw this analysis not only as superficial but as 'calculated to offend even Frenchmen who find much to deplore in the events of the last four years preceding the war'.

Supplying a footnote to McFadyean's dissent, A.G.B. Fisher, at this stage Price Professor of International Economics at Chatham House, added: 'Professor A.G.B. Fisher has read the above Dissenting Note and is in substantial agreement with it.' In his memoir, *Recollected in Tranquillity*, written some 20 years later, McFadyean wrote that he saw no reason to revise his dissent from *The Economic Lessons*.

F.W. Paish took up the McFadyean theme in his review in the specialist periodical *Economica* in May 1945. He mocked Heinz's assertion that, while there must be 'direct planning of international economic intercourse' after the war, the form this planning might take was only a 'secondary' consideration

I do not think that Mr Arndt can be very familiar with the working of the machinery of economic planning, even under the unifying pressure of a common enemy, or he would hardly regard these questions as secondary. In some circumstances a human pilot in an aircraft may be preferable to an automatic pilot. But if the choice is between an automatic pilot and a dozen human pilots, all with different views as to the correct course and all wrestling for the controls, there can be little doubt which the passengers would prefer.

Changing his metaphor, Paish concluded: 'It may well be true that after its previous accident our world was both inadequately treated and discharged

from hospital prematurely; but that is hardly an argument for keeping it this time in splints for the rest of its life.'

But the most telling critique of all was an apparently mildly worded but devastating review in *The Spectator* by F.A. Hayek, the widely respected LSE economist whose *The Road to Serfdom* (1944) drew totally opposed lessons from the 1930s. Hayek found that although the 'young research assistant' who wrote the report exhibited 'industry and ability', he relied entirely on secondary sources ('and not always the best'), lacked perspective and was strongly partisan. Arndt repeatedly quoted the Marxian Strachey, an economist of no standing, but neglected the authoritative F.A. Haight. Arndt also assumed that any opposition to the New Deal was reactionary and that the machinations of big business were to blame for any bad developments in the economy. Propaganda of this sort, Hayek considered, might be treated as a minor blemish in the work of a private person, but was not acceptable in a report of the Royal Institute of International Affairs. Hayek also called Heinz's bluff over his attempts at balance: 'As regards the conclusions, the author himself finds it necessary to mention, as an "argument that cannot be lightly dismissed", the contention that his "advice for the future appears to re-enact the international chaos of the past". The four pages in which he attempts to refute this charge are among the least convincing in the book.'

In other words, Hayek charged Arndt with naïvely dismissing his Report's likely critics and with having recommended still more of that disruption of the markets that had devastated the international economy between the wars.

A shaken Heinz wrote to the Royal Institute: 'I hope that Chatham House were [*sic*] not too shocked by Hayek's vicious treatment of the book.' Inevitably, however, it was. One Chatham House official declared: 'The Group does not wish to be held responsible in any way for the Report.'

Heinz also felt compelled to write almost apologetically to Hayek (who was, as it happened, one of Rosenstein-Rodan's teachers in Vienna). He conceded that he too would have given the book an 'extremely unfavourable' review because 'when I began to write the report I knew even less economics than I do now'.

The only moderate responses in mainstream publications were N.B. Dearle's anonymous but sympathetic notice in the *Times Literary Supplement* and a balanced review in *The Listener*—also anonymous—which cautiously noted: 'It is safe to say that nowhere else is to be found such an authoritative account of the tangled events of the 1930s. This report deserves to be

read and carefully studied.’ (Until 1974, *Times Literary Supplement* house style mandated anonymity for all its contributors. Unsigned pieces in *The Listener* were, by contrast, comparatively rare.)

None of the committee members publicly defended the report or Heinz. They relied on the words of the Foreword: ‘The subject is obviously controversial and the Group decided not to attempt an agreed text, but to publish the document [*sic*] together with such dissenting notes as were submitted. Mr Arndt assumes responsibility for the text.’ Although the 2,000 copies of the book (price 12.6d.) soon sold out, neither Chatham House nor Oxford University Press considered publishing a new edition.

At least the election in July was, to Heinz’s delight, a landslide for the Labour Party—and indirectly for the underlying ideas of *The Economic Lessons*. He had been active in door-to-door canvassing and in taking Labour voters to the polling booths. As the results came in that evening, ‘we cheered ourselves hoarse in the city office of the *Manchester Guardian*’ (he was then living in Rochdale).

Well after the elections, academic reviewers of his book were more generous to it. The Harvard economist Alvin H. Hansen reviewed it favourably in the *American Economic Review*. In Australia, an even more sympathetic Herbert Burton took up *The Listener’s* theme that most readers ‘will be thoroughly grateful for an extremely valuable survey of the economic history of the leading industrial countries in the period from 1919 to 1939’.

This economic history was indeed the aspect of the Report in which Heinz had the greatest confidence. It alone, in his view, would have justified a reprint of the book, which the Economist Bookshop came to call ‘a modern classic’. After almost 20 years, in 1963, Frank Cass and Company Ltd decided to reprint it. In 1994, Gregg Revivals reprinted it again. Then in 1996, more than 50 years after its first publication, Heinz included the first chapter of the report on the 1920s in his *Essays in International Economics 1944–1994* (1996). It would, he wrote, help readers compare the world situation of the 1920s with that of the 1990s. He added a prefatory note cautioning his readers about his own changes of position

Rosenstein-Rodan was the founder of the structuralist school of development economics and his structuralist ideas strongly influenced my analysis. There are also echoes of the Keynes–Hansen stagnation thesis, of pessimism about trade as the engine of growth and other themes now distinctly unfashionable. There

is not a word about the collapse of money supply which Milton Friedman later identified as the main reason for the severity of the Great Depression.

In 1944, at the time of publication, *The Economic Lessons* had an immediate and dramatic consequence for Heinz's career: it placed him among England's younger economists; it created him as a public intellectual; and it won him a new job.

Heinz's contract with Chatham House expired in September 1943. ('I leave with regret,' he wrote. 'I have enjoyed the two years of work here and I know that I have greatly profited from them.') With the war still raging (the Allies had just invaded Italy and the Russians had taken Smolensk), his plan was to volunteer for the Intelligence Corps, but out of the blue J.R. Hicks of Manchester University, encouraged in this by Rosenstein-Rodan, offered Heinz a position as Assistant Lecturer in Economics. The Labour Exchange gave him permission to change his employment; and now, a decade after his arrival in England, he was on the first rung of the English academic ladder in a department headed by one of the most acclaimed economists in England (and later a winner of the Nobel Prize in Economics).

Hicks was not sure what manner of economist Rosi had persuaded him to take in. His first words to the new assistant lecturer were: 'Well Arndt, you are a bit of a dark horse.' He set him to giving the first-year lectures, more or less as published in his new book, *The Social Framework: an introduction to economics* (1942), which started with population and went on to the social accounts.

Heinz finally learned some economics by trying to teach it. He later began lecturing on macroeconomics. Other non-British economists in the shrunken wartime department, such as Hans Singer, Hla Myint and Conrad Leser, encouraged and helped him. Myint would explain any difficult points raised by students. ('One student, in particular, gave me nightmares. He would sit with an indulgent smile playing around his lips while I squirmed. His name was E.J. Mishan.')

Heinz also gave lectures to enthusiastic WEA classes throughout the length and breadth of Lancashire, Cheshire and Derbyshire. This gave him endless opportunities to promote *The Economic Lessons of the Nineteen-Thirties* and also 'eked out my somewhat meagre salary'—the more necessary after the birth of his first son, Christopher, in November 1944.

An assistant lecturer was contracted on an 'up or out' basis. After the return to the department of the liberal Professor John Jewkes, who was completing his anti-socialist polemic, *Ordeal by Planning* (1948), there was no prospect of an 'up' for the socialist Arndt. He applied for such jobs as were advertised, including one for a senior lectureship at Sydney University. Expecting no result from that quarter, he did not, in any case, feel adequately qualified for Sydney.

When an offer came, he consulted his 'Australasian mentor', A.G.B. Fisher (who, it will be recalled, had concurred publicly with McFadyean's spirited rejection of Heinz's recommendations in *The Economic Lessons*). Fisher advised him to take the offer. He also introduced him to E.R. Walker of the Sydney University Economics Department, who was visiting London. A meeting at the Savoy was arranged, and Walker easily persuaded Heinz. Hicks congratulated his temporary assistant lecturer and predicted that Heinz would have a chair in five years. The unemployed Heinz thought this was a joke in poor taste.

At the same time, the Secretary of State finally granted Heinz the Certificate of Naturalisation, for which he had first applied before the war. On 13 July 1946, Heinrich (or Heinz) Wolfgang Arndt formally assumed the privileges and obligations 'to which a natural-born British subject is entitled or subject'. On 18 July at New South Wales House on The Strand, he took the Oath of Allegiance before the NSW Commissioner for Affidavits and swore by Almighty God to be faithful to His Majesty King George VI. On the same day, Ruth Emma Auguste Arndt signed a Duplicate Declaration of Acquisition of British Nationality.

Heinz booked himself, his wife and son on the Blue Funnel liner *Sarpedon* for the nine-week voyage to Sydney via the Cape. They arrived in Australia's largest city on 10 October. He spent the time on board writing notes for the lectures he would give in Sydney.