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The Virtues of Vishnu: Reflecting on the monetary policy contributions of Professor Vishnu Padayachee

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Abstract

This paper reflects on the monetary policy contributions of Professor Vishnu Padayachee. He passed away on 29 May 2021, but his legacy has been enduring. Padayachee's research interests were wide-ranging. Our focus in this paper is Padayachee's contributions to monetary policy and central banking. Outside his own discipline of economics and economic policy, he had an extensive knowledge of sport, with a specific focus on cricket, and was a specialist collector of books. His sober reflections on economic developments and his role in the historical recording of important events in South Africa's economic history will be sorely missed.

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1. Introduction

Much has been said and written about Professor Vishnu Padayachee since his untimely death on 29 May 2021, two days before his 69th birthday. Examples are a tribute by Imraan Valodia (2021) in *The Conversation*, an article by McCain (2021), another tribute by Zainul Dawood (2021) and an obituary by the authors of this paper (Bordiss and Rossouw, 2021).

This paper mainly deals with Professor Mahavishnu Padayachee's (known as Vishnu by his family, friends and colleagues) contributions in the areas of monetary and central banking policy. Vishnu was knowledgeable in so many areas. His interests were legion. One research paper on his work cannot cover all facets of his intellectual life. His influence will be felt for years to come.

The number of citations of his work is one way to assess the impact of Vishnu's research. As of 7 December 2022, Google Scholar reported that Padayachee's total number of citations is 2 929. Google Scholar also reports his h-index as 29 and his i10-index as 62. His most-cited research output is a paper published with Habib in 2000 (Habib and Padayachee, 2000). This paper has 309 citations. These citations strongly suggest that Vishnu was a serious scholar, but they egregiously understate his contributions, a reflection of 'the intellectual marginalization' of African scholars (Obeng-Odoom, 2019). These indices are usually biased against African scholars.

Despite the lack of rigorous academic debate on his views in research publications, his legacy is enduring. Vishnu authored and co-authored more than 30 books and book chapters which have been widely reviewed and cited. His last book, co-authored with Robbie van Niekerk (Van Niekerk

and Padayachee, 2019) was reviewed in this journal by Edward Webster (Webster, 2020). Webster (2020: 294) describes the book as “... the first attempt to comprehensively document and interpret the origins and evolution of the ANC’s economic and social policies.” He states that “... this book is a major contribution to the growing body of literature on the appropriate policies required to reduce inequality in the Global South” (Webster, 2020: 297). Vishnu and Van Niekerk co-authored an academic journal article in 2021 with the title *The rise and fall of a social democratic economic and social policy alternative in the ANC (1990–1996)* (Van Niekerk and Padayachee, 2021). We can only speculate on the question whether they intended to write a second book on the economic policy choices of the ANC taking power in 1994.

Other than publishing research papers, other monographs and book chapters on monetary policy and central banking, Vishnu also participated in numerous colloquia, seminars, conferences, workshops and the like on these topics. In these scholarly meetings, he was the keynote speaker in many, often setting the scene and establishing new agendas for research¹.

Vishnu served in many positions of trust. As a non-executive director of the SARB, he also played a role in the governance of the central bank. For different periods of his life, Vishnu served as editor, a member on or advisor to the editorial boards of a number of prominent academic journals, both in South Africa and internationally. These journals include *African Review of Economics and Finance* (this journal), *Indicator South Africa*, *Interventions: International Journal of Post-Colonial studies*, *Journal of Contemporary African Studies*, *Transformation* and *World Development*.

A poignant symposium in honour of Vishnu on the topic “Scholarship, the Intellectual and Fundamental Social Change” was hosted by the School of Economics and Finance of the University of the Witwatersrand from 20 to 22 July 2022. This symposium attracted many participants, including his students, friends and colleagues.

In all these fora and works, one thing stands out. The virtues of Vishnu are vast and varied. His contributions to monetary policy illustrate the point. The rest of this paper proceeds as follows: Section 2 deals with Vishnu’s contributions to monetary policy debates in South Africa. Section 3 explains how the authors of this paper met Vishnu. Section 4 elucidates banking systems in the context of Vishnu’s views on monetary policy and central banking. Section 5 deals with Vishnu’s despondency about state capture and corruption. Section 6 considers Vishnu’s commitment to South Africa. Section 7 briefly highlights Vishnu’s other interests outside the field of economics. Section 8 concludes by highlighting Vishnu’s virtues.

2. Contributions to monetary policy debates

Vishnu’s interest in monetary policy and its institutions stretches back to his earlier days at the University of Durban Westville. His PhD, completed at the University of Natal in 1989, dealt with the issues around the loan negotiations of the Apartheid government in the last two decades of its rule². Vishnu discussed with both the authors of this paper his role in the middle of 1993 in “making a recommendation about the status of the South African Reserve Bank (SARB) (most importantly about the form and degree of its independence)” to the African National Congress (ANC) delegation

1. Keynote addresses:

The Politics of International Economic Relations: South Africa and the International Monetary Fund, 1975 and Beyond. Conference: The South African Economy After Apartheid, organised by The Centre for Southern African Studies, York University, UK, held at York University, York, UK, 30 September – 2 October 1986.

The IMF and World Bank in post-apartheid South Africa, Prospects and dangers. Conference: The Future of post-apartheid South Africa, organised by The Centre for Development Research, Copenhagen, Denmark, held at University of Copenhagen, Copenhagen, Denmark, 21 – 23 February 1991.

South Africa’s Re-entry into the Global Economy. Conference: Re-entry into the Global Economy: Nicaragua, South Africa and Vietnam, organised by The Institute for International Studies, University of California, Berkeley, held at Marconi Center, Point Reyes, California, USA, 20–23 April 1996.

Unfortunately, we have been unable to obtain copies of these keynote addresses.

2. Various conversations with Rossouw and Bordiss.

at the World Trade Centre negotiations with the then-governing National Party (Padayachee, 2015: 1). The request came via “the ANC’s own economic think tank, the Macroeconomic Research Group (MERG). MERG co-ordinator Vella Pillay requested Cyrus Rustomjee and Vishnu Padayachee, both at the time researchers in the MERG project, to draw up a memorandum on the matter” (Padayachee, 2015: 1).

Vishnu published this memorandum for the first time in an article in *Transformation* in 2015 (Padayachee, 2015). The memorandum, dated 28 July 1993, began “We regard the prospect of enshrinement of Central Bank (CB) independence in the National Constitution as a development which would be particularly threatening to the success of democratic economic policies for reconstruction and development of the South African economy” (July 1993 memorandum published in Padayachee, 2015: 19).

But Vishnu’s position was nuanced even in this relatively early writing on the subject. He noted “(i)n all countries, furthermore, there is extensive cooperation at the civil servant level between the CB and the government, through consultations, committees and on a personal basis. Accordingly, the legal status of the CB, whether independent or nationalised (at either extreme) or relatively autonomous within broad guidelines, is not per se the crucial issue, rather provisions for resolving disputes between the CB and the Treasury are crucial” (July 1993 memorandum published in Padayachee, 2015: 20). It was “central bank independence designed to separate monetary policy from fiscal policy” (Dow, 2017: 1553) that Vishnu wanted to avoid, not operational independence per se.

Vishnu’s opposition to enshrined constitutional independence in 1993 was based on his concern that the SARB would use its independence to pursue a single mandate – that of price stability – to the exclusion of the goals of economic growth and full employment (Padayachee, 2015: 21). His July 1993 memorandum went on to focus on the mechanisms of dispute resolution between the CB and the Treasury, citing the examples of the Netherlands and Australia. Vishnu felt that this dialogue should be the focus, rather than constitutional independence. “There is a sinister component to the call for constitutional independence: The SARB has functioned without constitutional independence since inception. Precisely at the moment of political transition to a democratic majority, it appears more than odd that senior personnel in the government and the SARB are attempting, rather crudely, to enshrine independence” (July 1993 memorandum published in Padayachee, 2015: 23). The cooperation between the national treasury and the CB envisaged by Vishnu was highlighted in earlier documentation. In the De Kock Commission (Republic of South Africa, 1985), the terminology “monetary authorities” was used as a descriptor for the central bank and the national treasury working jointly or in close cooperation and in conjunction on matters of monetary policy.

Concerns about the SARB and its role occupied Vishnu for the rest of his life. In order to promote investment in the productive economy, the MERG report of December 1993 called for the maintenance of the real effective exchange rate of the currency at an appropriate level. “The effective exchange rate should be compatible with both a decline in unemployment and increases in non-traditional exports” (IDS Bulletin, 1994: 5). “The real interest rate target recommended is positive, but low”³ (IDS Bulletin, 1994: 5). Instead, the SARB maintained high real interest rates throughout the 1990s, thus maintaining the high cost of capital with a resultant negative effect on investment in the real economy (Power, 2000). Vishnu was critical of the high interest rate regime of the SARB in the 1990s (Michie and Padayachee, 1996: 62).

In the MERG report of December 1993, Vishnu called for the SARB to be “accountable” (subordinate) to the Ministry of Finance, and subject to parliamentary scrutiny. Moreover, the view was that the SARB should be fully state-owned, thus ending the private shareholding in the institution (IDS Bulletin, 1994: 9). Valodia (2021) states in this regard that Padayachee worked at MERG

3. This concern for a positive gap between the average return on a productive enterprise and the interest rate was taken up by Henry Thornton in *Paper Credit* (1802), then by Knut Wicksell in *Interest and Prices* (1898), and later by John Maynard Keynes in *The Treatise on Money* (vol 1 1930), and *The General Theory of Employment, Interest and Money* (1936), by Myrdal (1957) and by Victoria Chick and Sheila Dow (1988).

... on some of the key economic questions during the transition and was part of the team that drafted the research group's final report. Sadly for Vishnu, the ANC largely ditched the report even before it was finalised. This became a focus of much of his later work, as he sought to explain why the ANC, a supposedly left party, opted for, in his view, a neo-liberal economic policy."

Throughout his work, Vishnu made the point that monetary policy was not to be viewed in isolation. In his view, "a close policy co-ordination between fiscal, monetary, industrial and international policy" (Adelzadeh and Padayachee, 1994: 7) was required. Vishnu pointed to the labour productivity growth associated with output growth, which could result from successful industrial policy. It is "output growth which drives employment growth rather than vice versa. This suggests that it is the effective demand rather than relative input prices which is the key to determining output and employment levels" (Mitchie and Padayachee, 1996: 629).

3. On meeting Vishnu

Both of the authors of this paper met Vishnu by accident. Jannie Rossouw was introduced to him at the South African Reserve Bank (SARB). Rossouw was serving as Company Secretary of the SARB when Vishnu was appointed to the Board of the SARB as a non-executive director in 1996. In true SARB tradition, Vishnu started his period of service on the SARB Board as the most junior non-executive director, sitting at the bottom end of the Board table, next to the Secretary. He completed his service in the Board after several terms as the most senior non-executive director, sitting next to a Deputy Governor of the SARB at the other end of the table.

From sharing neighbouring seats at the bottom of the SARB Board table, a somewhat unlikely friendship developed between a heterodox/pluralist/post-Keynesian economist serving as non-executive director and an orthodox economist serving as Company Secretary. This friendship tells us much of Vishnu's ability to engage with people across the political and economic spectrum without allowing dogmatic viewpoints to get in the way.

The friendship was a fruitful one. Vishnu supervised Rossouw's PhD thesis (Rossouw, 2008). Vishnu's ability to engage with the full spectrum of economic thought and ideas was evident from his supervision of Rossouw's thesis, which took an orthodox approach to economics. The breadth of his command of the discipline of economics is further emphasised by the fact that he published several academic papers with Rossouw. These include two papers in this journal. One paper was on the formal link between perceptions of inflation and inflationary expectations in South Africa, on which Dr Adél Bosch was also a co-author (Bosch, Rossouw and Padayachee, 2017). The other paper was on central banking and fractional reserve banking, assessing the question of whether creating money out of nothing is possible, on which Bordiss was a co-author (Rossouw, Padayachee and Bordiss, 2015).

Bradley Bordiss met Vishnu when he visited Ike's Books and Collectibles in Durban for the first time. He was overawed by its Economics section, which had a more complete collection of Marxist and Keynesian literature than any other bookstore in South Africa. He asked to meet the source of these books and, a day later, over breakfast, Vishnu encouraged Bordiss to commence reading in order to formulate a question for a proposed master's dissertation. This culminated in a master's degree (Bordiss, 2014) by one post-Keynesian economist, supervised by another. Vishnu also supervised the PhD thesis that Bordiss recently completed (Bordiss, 2021). Many of the themes considered by Bordiss, found their way into Vishnu's work. This includes a sectoral analysis focused on considering employment, or lack thereof, in the mining, agricultural and manufacturing sectors (Padayachee, 2015:7), and a concern to show the long and respectable pedigree of a developmental focus in economics, including the mercantilist writers Antonio Serra and Thomas Mun (Padayachee, 2019: 6).

The ability of Vishnu to work jointly with researchers from different ideological backgrounds on research projects is described by Valodia (2021) as:

an extraordinary ability to engage across ideological boundaries. Though firmly in the left post-Keynesian economic camp, he was able to supervise students more firmly to his right on the political spectrum, and engage with academic disciplines from accountancy to politics. He never imposed his views but was always clear on where he stood on important matters of ideology.

In this regard, Vishnu shared the virtue of John Maynard Keynes, in his ability to enter into different modes of thought in monetary economics, and to consider a plurality of approaches to economic problems. Keynes considered these different paradigms within one book, his magnum opus, *The General Theory of Employment, Interest and Money* (1936). This plurality of thought was championed by the philosopher Isaiah Berlin⁴, not as a relativist dismissal of the concept of truth, but rather as embracing different paradigms of truth, some of which may even appear to contradict one another. Vishnu was a master of holding contrary thoughts in his head without it causing internal chaos. Vishnu and Rossouw both participated in debates between the left and the right of the economic spectrum in South Africa, but these were sadly few and far between. Rossouw noted “that debate is impossible because those on the left think that they are right ... and those on the right ... simply left the debate” (Rossouw, 2021).

While the friendship of Vishnu and Rossouw became a very fruitful one after the completion of the latter’s PhD, it is unfortunate that Bordiss did not have the opportunity to enjoy the same pleasure of working with Vishnu on more than just one paper on his PhD research (Bordiss, Padayachee and Rossouw, 2021) after its completion. Nevertheless, they published eight articles jointly over a number of years.

The PhD completed by Bordiss made use of numerous previously-unknown primary sources, which brought Vishnu considerable excitement. As a first initiative to unlock this research for a broader audience, and given his ability to work over academic borders, Vishnu joined forces with Bordiss and Rossouw on a paper drawing on some of Bordiss’s PhD research findings. This research paper on the Gold Standard crisis that South Africa and the SARB faced between 1931 and 1932 (Bordiss, Padayachee and Rossouw, 2021) was prepared on the occasion of the central bank’s centenary celebrations in 2021. Among other things, the paper reports the finding from Bordiss’s research (2021) that the Bank of England gave the SARB a false reassurance in 1931 about its ability to retain the Gold Standard indefinitely. The SARB accepted the reassurances of the Bank of England, and then recorded massive losses after the United Kingdom left the Gold Standard in September 1931. This paper was published in *Economic History of Developing Regions* about a week after Padayachee passed away (Bordiss, Padayachee, Rossouw, 2021). This last joint project gave all of three of the authors immense pleasure.

Vishnu worked with Rossouw on research focused on the origin of the constitutional provision for the SARB’s autonomy and independence, as this was unique at the time that the South African Constitution was drafted. Their paper on the topic (Padayachee and Rossouw, 2021) shows that the autonomy and independence of the SARB received scant attention during the negotiations for the new Constitution and that this provision for SARB autonomy and independence was never a matter of major debate by any of the negotiating parties.

At the time of his death, Vishnu and Rossouw worked on a paper on the institutional structure of central banks and the history of monetary policy decision-making in South Africa (Rossouw and

4. “It is absurd to accept either Maistre or Helvetius, to swallow them whole. One must read both. One must read both Tom Paine and Burke. This is the way to learn something. Nothing is more fatal in ethics or politics than a few simple ideas as universal keys, however noble, fanatically held” (Conversations with Isaiah Berlin by Ramin Jahanbegloo, 1992:72). Berlin’s pluralism was developed in part by his work on Vico (Berlin, 2000: 373), Hamman (Berlin, 2000: 372) and Herder (Berlin, 2000: 18–20, and 286–295).

Padayachee, 2022). This paper was envisaged as being the first on this interesting topic, perhaps culminating in a book on comparative international practices and the structures of central banks. It was subsequently published with Vishnu as a co-author, albeit posthumously.

4. Banking systems and central banking

In their 1988 paper, Victoria Chick and Sheila Dow discuss five fundamentally different stages of development that banking systems in the developed world and the Global South can find themselves in. Their point was that the monetary and banking policy which the authorities prescribe must take into account these stages of development. In stage one, banks provide “a relatively safe way to save” but “bank liabilities are not yet a means of payment” (Chick and Dow, 1988: 9). In this scenario, the loanable funds causality applies, and “saving is necessarily prior to investment” (Chick and Dow, 1988: 9). Stage two “... introduces features of interregional financial relationships” (Chick and Dow, 1988: 13), and in stage three “... banks extend credit to one-another across regions” (Chick and Dow, 1988: 16). In stage four, interbank lending arises and the central bank assumes the responsibility of lender of last resort. In stage five, most credit-worthy loan requests will be met and securitisation becomes prevalent (Chick and Dow, 1988: 11).

The notion that economic and political reality should inform policy prescriptions was ever-present in Vishnu’s work. During the 2000s he shifted his position on the nationalisation of the SARB. In this unipolar era of Washington consensus dominance, Vishnu wrote that “the cost of reversing central bank independence in developing countries, in terms of the loss of credibility in the eyes of the ‘market’, means that it would be difficult, and indeed undesirable, for governments to meddle too much with the status of central banks which are already either constitutionally or in other ways independent” (Padayachee, 2001b: 749).

The period of the 2000s and 2010s was marked by SARB shareholders attempting to increase the dividends paid on SARB shares, and taking up vast amounts of SARB management time with their demands. A majority of these shareholders voted Mr Stephen Goodson onto the board of the SARB, a position which he held from 2003 until 2012. Goodson was a Holocaust-denier (Goodson, 2014: 71–89), who wrote a book praising *“Hendrik Frensch Verwoerd: South Africa’s greatest Prime Minister”* (2016). It was in this context that Vishnu stated that “the process for taking the SARB back into full state ownership to comply with global norms may therefore represent an opportunity for a frank discussion about the way which the SARB operates” but he warned that “such a process will have to be very carefully and skilfully managed” (Padayachee, 2015: 14). Some of the shareholders who voted for Goodson, subsequently contravened the law on the maximum holding of SARB shares, following a legislative change. Following a court action in the Gauteng High Court in November 2016, these shareholders were ordered to dispose of their shares held in contravention of the legislation.

One aspect that does stand out is that the SARB was never the subject of state capture and corruption, despite efforts to that end. The SARB enjoys autonomy and independence in terms of the South African Constitution (Constitution, 1996). The best-known and most visible example of attempted erosion of the position of the SARB is a report by the Public Protector, Adv Busisiwe Mkhwebane (Public Protector, 2017) which relied on the testimony of Goodson.

The Report by the Public Protector recommended, inter alia, an amendment to the wording of the constitutional autonomy and independence of the SARB (Public Protector, 2017). The irony that one institution established in terms of the Constitution (the Public Protector) expressed views and recommended constitutional changes on the position of another institution (the SARB) established in terms of the (same) Constitution is beyond the scope of this paper. It is sufficient to point out that this recommendation by the Public Protector was set aside by the Constitutional Court.

5. Vishnu's despondency

Although Vishnu was frustrated by the neoliberal economic policy framework, he was at least excited by the building of relatively competent state institutions. This excitement turned into despondency in the years of the Zuma administration. In that dark and painful period in South Africa's history, many of those close to or in government revealed a glaring failure of character, as the state became increasingly kleptocratic. This was a painfully difficult period in Vishnu's life. His commitment to principle was well known; in the early post-apartheid period he railed against government policy which failed the poor. But in the years of the Zuma administration, state capture and corruption were stripping the government of its capacity to act, even if policy could be brought around to serve the poor. On this matter, Valodia (2021) states that it depressed Padayachee that "... the party he supported so strongly in the 1990s and worked tirelessly for in the heady days of the transition, and the movement that he was a part of all of his life, had chosen a set of economic and political strategies that resulted in outlandish corruption, poverty and unemployment."

As state capture and corruption under the Zuma administration became increasingly visible and more reports on governmental misconduct emerged, Vishnu became increasingly saddened by this state of affairs in South Africa. Fundamental aspects, such as the rule of law, fairness in conduct at all levels, and honesty were virtues to which Vishnu was fundamentally committed. With the failure to restore competence in some key state institutions, Vishnu argued against nationalisation of the SARB in 2019, warning that (Padayachee, 2019: 14):

wholesale changes to the institutions that manage and oversee monetary and exchange rate policy, including the SARB, may not be necessary and would be too risky and costly. Any major changes to the status of the SARB today, such as nationalisation ... or reversing its constitutional independence, will be very damaging to the South African economy ... neither will these changes necessarily positively change the way the SARB operates and sets monetary policy.

6. A true and committed South African

Alasdair MacIntyre (1981: 181) suggests two ways of exercising virtue, the first being "the exercise of (well read) intelligence", which without the second virtue can degenerate into "merely a certain cunning capacity for linking means to any end rather than to those ends which are genuine goods for man". The second virtue, which anchors the initial intellectual virtue acquired through study, is that of "character from habitual exercise" (MacIntyre, 1981: 180). Vishnu's greatest virtues were those that MacIntyre ascribes as coming from Aristotle. "Aristotle ... sets himself the task of giving an account of the good which is at once local and particular – located in and partially defined by the characteristics of the polis – and yet cosmic and universal" (MacIntyre, 1981: 174).

Vishnu enjoyed visiting fellowships at Johns Hopkins University, the Chr. Michelsen Institute in Norway, the University of Cambridge, and the University of Oxford, among others. However, his greatest merit was not that part of him that shone on an international stage, but his commitment to South Africa.

Vishnu was deeply and fundamentally committed to his *polis*, South Africa, and to his vision for it. Despite offers of international teaching and research posts which would have broadened his international impact, Vishnu chose to stay and work in South Africa. He accepted only short-term appointments abroad, but nevertheless received international recognition for his work. A particular honour was his appointment as a lifetime fellow of the Society of Scholars at Johns Hopkins University (Baltimore and Washington DC).

Vishnu served, between 2002 and 2011, for two periods as Head of the School of Development Studies at the University of KwaZulu-Natal. Under his leadership, the School developed excellent development studies programmes. Despite the local and international standing of the School, the

management of the University took the inexplicable (and indefensible) decision in 2013 to merge development studies into a larger and somewhat unfocused academic structure.

Executive decisions at universities never fail to amaze academics. In this instance, very little of the academic and intellectual vigour of the School of Development Studies was retained. What could have been one of Vishnu's crowning achievements came to very little, owing to the uninformed actions of university executive management. This was a major disservice to the South African research community, given the achievements of the School of Development Studies. University management has much to gain from drawing on the common sense of academics in formulating their executive decisions.

In Exit, Voice, and Loyalty, Albert Hirschman (1970) argued that economists usually exit in such situations, while political scientists prefer to stay and talk. Hirschman preference, a combination of these tools depending on one's loyalty, is echoed in Vishnu's strategy. Initially, he tried to talk. For instance, Vishnu tried to convince the authorities at the University of KwaZulu-Natal of the merits of the School of Development Studies as a separate institution. He tried to talk, but when this strategy failed, he was forced to walk. When this strategy did not succeed, Vishnu left the University of KwaZulu-Natal and took up an appointment at Rhodes University, again not opting to leave South Africa for greener pastures abroad. In 2014, he was appointed as Distinguished Professor and Derek Schrier and Cecily Cameron Chair in Economics at the University of the Witwatersrand. He received an honorary Doctorate in Economics from Rhodes University in 2018. He was a member of the Royal Society of South Africa, the Academy of Science of South Africa, and the Institute of Directors of South Africa.

He was truly devoted to his colleagues and his students. No email went unanswered for more than a day. Chapters of theses, which took weeks or months for the student to prepare and write, were meticulously marked and thoroughly critiqued within a day. Vishnu was devoted to his students, lavishing on them vast amounts of supervisorial attention. On numerous occasions he accompanied Bordiss on research trips to explore the far-flung undiscovered archives of civil servants of an earlier South African Treasury.

Despite Vishnu's despondency about the ANC government and his withdrawal from ANC political structures in recent years, at the time of his passing the ANC said in a statement (ANC, 2021) that "... Padayachee dedicated most of his intellectual life to the struggle for social justice and the reconstruction and development of South Africa." The statement adds that "... Padayachee was a leading member of the Macroeconomic Research Group, which provided support to the mass democratic movement in the period towards the democratic transition" (ANC, 2021). The ANC statement clearly aims to give some dignity to the work of MERG, but the course of history and Vishnu's own views on the ANC's lack of engagement with the MERG report tell another story.

7. Cricket and Books

Vishnu had many interests outside academia and research, and, in the area of sport, cricket was his first love. This was really one of Vishnu's areas of speciality and he co-authored a book (see Desai, Padayachee, Reddy and Vahed, 2002) on the subject. He could explain and clarify various aspects of cricket for the uninitiated. Another sporting interest was soccer, in which he supported Tottenham Hotspur in the English football league.

Collectable books were another interest that gave Vishnu immense pleasure. For many years he was a partner in Ike's Books and Collectibles. Vishnu often visited other book dealers and antique shops, on the lookout for books of interest to himself and his friends.

8. Vishnu's Book Reviews

In the tradition of other Keynesian economists, Vishnu was also a committed book reviewer. Like G.C. Harcourt (Repapis, 2014), he was a scholar also in terms of his perceptive book reviews. Vishnu

assumed this unselfish academic responsibility despite the fact that “(b)ook reviews have a poor status in the academy” (Obeng-Odoom, 2014: 78). In our hamster-wheel of performance-monitoring academia, these reviews do not add much to the score-card. Vishnu’s unselfish book review approach is confirmed by the fact that he did not report such reviews in his academic or any other CVs (see for instance Padayachee, 2011).

Drawing on his experience of working with the Labour Union Movement in the 1980s and early 1990s, Vishnu reviewed, among others *The History of Black Mineworkers in South Africa: the techniques of resistance 1871–1948* by Vic Allen (1992) (Padayachee, 1996a) and *Trade Unions and Democratization in South Africa 1985–1997* by Vic Adlert and Eddie Webster (2001) (Padayachee, 2001a). As neither one of the authors of this paper has any expertise in Labour Studies, it is better to leave commentary on these, and similar reviews, to others.

Vishnu’s main book review output was on the subject of money, government and the market. He took to heart John Maynard Keynes’s insistence of a marriage between the market and government. In his review of *The State, Markets and Development: beyond the neo-classical dichotomy* edited by Anitaya Kristna Dutt, Kwan S Kim and Ajit Singh (1994), Vishnu agreed with their premise that “both the state and the markets can hinder development, and ... it is quite misleading to view the market and state as alternatives” (Padayachee, 1996b: 427). In this review, written at the triumphalist moment of the neoliberal unipolar era of 1990–2014, Vishnu commends Singh (1994) for reminding us that “in the 1950s, 1960s, and 1970s Japan imposed draconian import controls, that its domestic capital markets were highly regulated and for the most part cut off from global capital markets, that foreign direct investment was strictly controlled” (Padayachee, 1996: 428). These points were later echoed by Ha Joon Chang (2007). Vishnu’s insistence in this article, of a marriage between the state and the private sector of a country inspired his mutual interest with Bordiss in the mercantilist and neo-mercantilist thinkers.

His review of *The International Political Economy of Central Banking in Developing Countries* by Syla Maxfield (1997) and *Central Banking in Developing Countries* by Maxwell Fry, Charles Goodhart and Alvaro Almeida (1996) was also written at the peak of the neoliberal era. In the review, Vishnu employs Keynes’s rhetorical technique of first stating the orthodox position, as if he might go on to praise it. “The process of globalisation and technological innovation are rapidly re-shaping or making redundant some of the core functions and approaches of central banking” (Padayachee, 2000: 475). But then he goes on to highlight successful breaks from this orthodoxy by the Global South, stating that “Indian central bank Governor Dr Rangarajan ... argued that ... developing countries can tolerate higher inflation than OECD countries before inflationary expectations become too damaging” (Padayachee, 2000). He quoted Dwight Venner of the East Caribbean Central Bank in favour of capital controls and Malawi’s Governor Dr Mwanza’s challenge to the orthodoxy that inflation was inimical to growth (Padayachee, 2000). Vishnu also quoted the half-title page of Maxfield (1997) “The central bank can be seen as the repository of reason against the short term claim of passion”, and goes on to suggest that this amoral “efficiency” is often employed against the demands for economic morality.

Vishnu admired academic Sampie Terreblanche, and with Bordiss, enjoyed many afternoons in Stellenbosch with him. Vishnu reviewed *Lost in Transformation* by Terreblanche (2012) at the same time as *Endgame: Secret talks and the end of Apartheid* by Willie Esterhuyse (2012). (Padayachee, 2013) While appreciative of both accounts, Vishnu was more taken with Terreblanche (2012). Its theme became Vishnu’s main research interest in his magnum opus *Shadow of Liberation: Contestation and Compromise in Economic and Social Policy of the African National Congress 1943–1996* with Robert van Niekerk (2019).

Vishnu and Bordiss collaborated in a review of Terreblanche’s (2014) last book *Western Empires: Christianity and the inequalities between the west and the rest*, reading it in combination with *Capital in the Twentieth Century* by Thomas Piketty, which came out the year before in 2013. The conclusion

was that read together, these books offered an “understanding of the origins and perpetuation of global, regional and national inequalities”. (Padayachee and Bordiss, 2016: 8)

Along with his review of Sitwell’s book on inequality (Padayachee, 2020a), what might have been Vishnu’s last published book review (Padayachee, 2020b), was his finest. Both *In The Long Run We Are All Dead: Keynesianism, political economy and revolution* by Geoff Mann (2019) and *Money and Government: a challenge to mainstream economics* by Robert Skidelsky, are huge intellectual projects. Both take in a vast sweep of intellectual history. Both authors are towering intellects exercising their full powers. And Vishnu is at his best in this review, bringing to bare his wide knowledge on the history of economic thought and doing full justice to these two books.

Mann’s intellectual path from Marx to Keynes, and to a growing interest in the evolution of existing institutions, has some echo in Vishnu’s own intellectual trajectory. The destruction of institutions was to be avoided, not to save capitalism, but civilisation itself. “The interventions by the state were in the end about saving civilisation, the welfare of the masses is a means to that end” (Padayachee, 2020b: 293) Although the destruction of civilisation, that “thin and precarious crust” would lead to Hegel’s “rabble” promising “upheaval and irrationalism” (Padayachee, 2020b:293), the solution was not purely rational and technical.

Inspired by Mann (2019), Padayachee points out the Keynesianism of Hegel in maintaining society. He states that it is necessary to hold “on to those threads of the social fabric, woven by history and custom, which allowed for communities to persist and thrive” (Padayachee, 2020b:292). If the left abandons culture, religion and mythology to the fascists, and clings only to “reason against the short-term claims of passion”, then it robs itself of valuable tools to build a new communitarianism.

9. In conclusion: Vishnu’s Elegance

Vishnu made elegance a virtue. He was an elegant man, in dress, in dining, and in his own prodigious writing output, and he insisted on an elegant writing style from his students and co-authors in academic material. Consultations with these students rarely took place in a pokey university office. More often they were languid affairs over sumptuous lunches, the purpose of which was the meeting of souls for a higher cause – to produce a citizenship that would truly develop South Africa.

He often told both authors of this paper to avoid bland titles for academic articles. In his words, there should be elegance and style in titles, telling a story of what is about to be shared with the reader. Often, he would say, “Get a sexy title, we have a story to tell”. The first part of the title of this paper, *The Virtues of Vishnu*, is, therefore, an excellent description of the life of our dear friend. His elegance extended to the enjoyment of good food, wine and nice cars, for the purpose of embracing a shared humanity, rather than a shallow hedonism.

All economists are to some extent Benthamites. Our discipline is after all about the production and distribution of resources. It was Thomas Carlyle (1795 – 1881) who described the discipline of economics as the dismal science (Halton, 2021), for its cold supply and demand Benthamite approach. Vishnu shared Keynes’s dismissal of Benthamite calculus. He shared with Keynes a passion for an economic policy that would produce plenty. And once this plenty was achieved, he shared with Keynes a vision of how to live. Keynes’s passage on the subject from *The Economic Possibilities for our Grandchildren* could easily have been written by Vishnu:

When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of many of the pseudo-moral principles which have hag-ridden us for two hundred years, by which we have exalted some of the most distasteful of human qualities into the position of the highest virtues. We shall be able to afford to dare to assess the money-motive at its true value. The love of money as a possession – as distinguished from the love of money as a means to the enjoyments and realities of life – will be recognised for what it is, a somewhat disgusting morbidity, one of those semi-criminal, semi-pathological

propensities which one hands over with a shudder to the specialists in mental disease. ... I see us free, therefore, to return to some of the most sure and certain principles of religion and traditional virtue – that avarice is a vice, that the exaction of usury is a misdemeanour, and the love of money is detestable, that those walk most truly in the paths of virtue and sane wisdom who take least thought for the morrow. We shall once more value ends above means and prefer the good to the useful. We shall honour those who can teach us how to pluck the hour and the day virtuously and well, the delightful people who are capable of taking direct enjoyment in things, the lilies of the field who toil not, neither do they spin (Keynes, 1930, in Keynes, 1931:372).

Biographical Notes

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Conflicts of interest

The authors declare no conflict of interest, other than their friendship with Vishnu Padayachee.

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