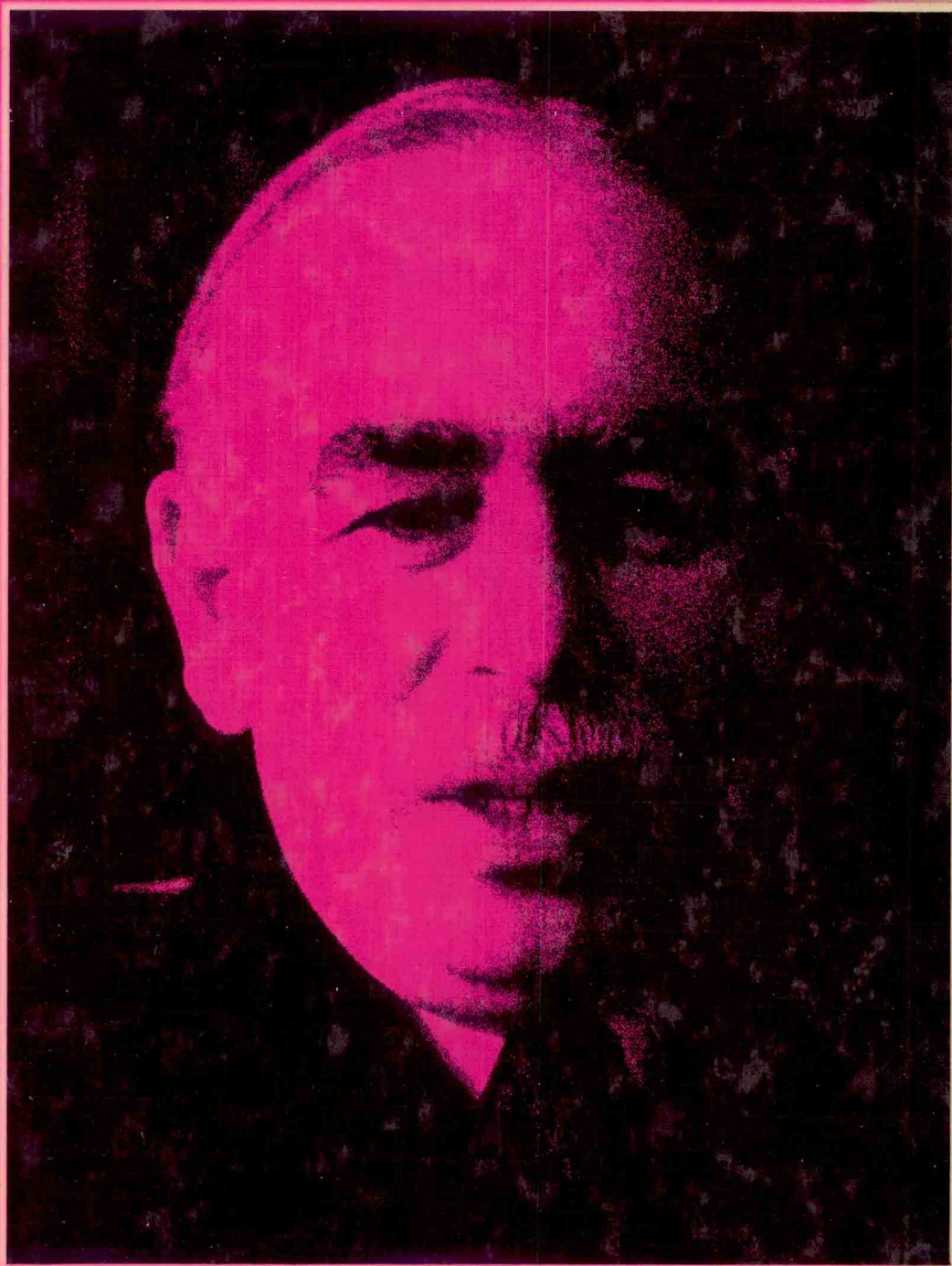


Keynes's Impact on Monetary Economics



Butterworths

Keynes's impact on monetary economics

J. C. Gilbert

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Preface

This book is an academic monograph which should be useful to advanced students and of interest to professional economists. I was a student at The London School of Economics in the 1920s, experienced the influence of Professor Hayek at The School during the session 1930/31, was greatly influenced by Keynes's *The General Theory* of 1936 and shared in the great interest of the debate and the varying interpretations which followed the publication of this great work. The general reader should find the early chapters fairly straightforward but some of the later chapters are demanding and he could omit the more technical passages.

I have pleasure in acknowledging the financial help I have received from The Leverhulme Trust Fund, having been awarded an Emeritus Fellowship by the Research Awards Advisory Committee, and from the Bank of England's Houblon-Norman Fund.

I wish to thank Professor G. Clayton, Professor J. L. Ford and my other colleagues in economics at The University of Sheffield for their help. I also wish to thank Professor M. T. Sumner and Mr D. Gowland for all the trouble they have taken over the book.

Sheffield
December, 1980

J. C. Gilbert

Chronology

Born at Cambridge	5 June 1883
Scholarship to Eton College	1897
Enters King's College, Cambridge	1902
Admitted to The Apostles	1903
Graduates 12th Wrangler in Mathematical Tripos and President of the Cambridge Union Society	1905
Studies economics for Civil Service Examination	1905–1906
Enters Civil Service (India Office)	1906
Lecturer in Economics, University of Cambridge	1908–1915
Fellowship at King's College, Cambridge	1909–1946
Editor of <i>The Economic Journal</i> and Secretary of the Royal Economic Society	1911–1945
<i>Indian Currency and Finance</i>	1913
Member Royal Commission on Indian Finance and Currency	1913–1914
Joins war-time Treasury	1915
Companion of the Order of the Bath (C.B.)	1917
Principal Representative of the Treasury at Paris Peace Conference	1919
Resigns and writes <i>The Economic Consequences of the Peace</i>	1919
Living in London with weekends in Cambridge	1919–1946
<i>A Treatise on Probability</i>	1921
<i>A Tract on Monetary Reform</i>	1923
Bursar of King's College, Cambridge	1924–1946

Marries Lydia Lopokova	1925
Visits Russia	1925 and 1928
Fellow of the British Academy (F.B.A.)	1929
Member Macmillan Committee on Finance and Industry	1929–1931
Member Economic Advisory Council	1930–1939
<i>A Treatise on Money</i> (two volumes)	1930
Opening of the Arts Theatre, Cambridge	1936
<i>The General Theory of Employment, Interest and Money</i>	1936
First cardiac infarction	1937
Adviser to the Chancellor of the Exchequer, (Kingsley Wood, Anderson, Dalton)	1940–1946
Director of the Bank of England	1941–1946
Trustee of the National Gallery	1941–1946
Chairman of the Council for the Encouragement of Music and the Arts, later the Arts Council	1942–1946
Becomes Lord Keynes (Baron Keynes of Tilton)	1942
High Steward of the Borough of Cambridge	1943–1946
Bretton Woods Conference	1944
Washington Negotiations on Stage II of Lend-Lease Assistance	1944
Washington Negotiations for U.S. loan to Britain	1945
Honorary Doctor of Science, University of Cambridge (Hon.Sc.D.)	1946
Savannah Conference with inauguration of the International Monetary Fund and International Bank	1946
Elected Fellow of the Royal Society (F.R.S.)	1946
Asked and accepts appointment to (but died before receiving) the Order of Merit (O.M.)	1946
Dies at Tilton in Sussex, aged sixty-two	21 April 1946

This chronology is based on Chronology and Bibliography in Milo Keynes, ed., *Essays on John Maynard Keynes*, London 1975, pp. XV–XVI: Cambridge University Press.

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Part I

Introduction

Keynes the man

To write of Keynes the man is difficult but necessary for two reasons. First, as indicated in the preface, a path can be followed through this book by the non-professional economist who would certainly want to know something of the personality of the greatest economist of the twentieth century. Second, Keynes's personality had an important influence on the way in which he presented his ideas on economic theory and policy. The controversies which arose over *The General Theory of Employment, Interest and Money*¹ while he was still living and those which arose after his death in 1946, the period of post-Keynesian economics, were shaped not only by his contributions to the development of economic theory but also by the manner in which he, Keynes, being the person he was, made them. His personality affected the influence he had on economic thinking, regarded by many economists as the Keynesian Revolution, the misunderstandings and unnecessary controversies of professional economists, and the heart-searching as to how fair or unfair he had been to his predecessors and contemporaries. Much progress had been made by 1946 in assessing Keynes's contribution but reassessments and reinterpretations continue to the present day. This second reason for considering Keynes's personality is important for professional and non-professional economists.

However, before undertaking this difficult and delicate task, a brief account of Keynes's life seems appropriate. John Maynard Keynes was born in 1883 and died in 1946. His influence on economic theory and policy in the United Kingdom and elsewhere was immense. It would be fair to say that no other economist in this century has had the same international reputation as Keynes, although other economists may have been more accomplished in technical economic analysis. In a lecture that I gave in Hamburg in March 1956 while on a lecture tour in Germany for the Foreign Office I said, 'In England, if the man in the street were asked for the name of an economist, he would give that of Keynes. The increasing respect for economics shown by people in my country, who are not economists, is to a very considerable extent due to Keynes.' This is still true today although there has been much controversy between the Keynesians and the monetarists, for example Professor Milton Friedman and the Chicago School, and among the various brands of Keynesians.

Friedman himself on occasion has praised Keynes. Economics is no longer on the rising tide of the quarter of a century after World War II but is in the doldrums with the onset of the serious world depression of the 1970s. The controversies will be discussed later but Keynes's influence remains very important.

Keynes believed that economic problems could be solved by rational thought and action. Keynes has sometimes been criticized for being over-optimistic. Rationalism must certainly be tempered with a recognition of the emotional and political complications. Keynes developed his theory of employment during a period of mass unemployment and falling or relatively stable prices. He was also an ardent advocate of policies for reducing unemployment, publishing such pamphlets as *Can Lloyd George Do It?* (1929) and *The Means To Prosperity* (1933)². Keynes concerned himself with the inflationary pressure during World War II, when our productive resources were fully stretched, in *How To Pay For The War* (1940)³. Today in this country we have a relatively high level of unemployment, although, as a percentage of the labour force, not comparable to the mass unemployment with which Keynes was concerned, and a high rate of inflation. Nevertheless the apparatus of thought developed by Keynes is helpful in dealing with our present problem. In present circumstances, economists who would not agree with all the tenets of the monetarists would accept the importance of an appropriate control of the total money supply which has been emphasized by them. Keynes himself would also no doubt have agreed to this. How long it will take for the United Kingdom to solve this problem of high unemployment and high inflation remains to be seen. It is a general problem of the non-communist industrial countries although these countries are faced with varying degrees of unemployment and rates of inflation.

The persistence of the influence of Keynes is a mark of his greatness as an economist. He was one of the great economists of all time and may be ranked with Adam Smith and David Ricardo. This reputation rests on his book *The General Theory of Employment, Interest and Money* which he published in 1936⁴. Without this book, he would be regarded as an important economist who had made very significant contributions to the discussion of the economic problems of the day, a powerful advocate of economic policies which were generally right and an economic statesman to whom the nation owed a great debt. Some economists have recently maintained that his *magnum opus*, *A Treatise on Money* (1930)⁵, is a greater work than *The General Theory*. It is certainly a seminal work which has been unduly neglected but for various reasons it failed to make the great impact of *The General Theory*.

The General Theory is the culmination of Keynes's intellectual development as an economist. Keynes won scholarships to Eton and King's College, Cambridge. For his King's scholarship he combined classics with mathematics but his intellectual interests were even wider. Keynes read mathematics, not economics, as a student at Cambridge. He was a very competent mathematician and he was bracketed twelfth Wrangler in the first class of the mathematical tripos examination list. As Sir Roy Harrod puts it 'Some congratulated; some condoled. The result was respectable, but not triumphant. Mathematics were not his love – although he was to

remain deeply interested in mathematical philosophy.⁶ Professor E. A. G. Robinson wrote that Keynes 'had come to Cambridge with a very considerable Eton reputation as a mathematician. But it fairly quickly became apparent that by the exacting standards of Cambridge he was not in that narrow superlative class which alone can hope to achieve fame in the field of pure mathematics.'⁷ Keynes's aptitude and interest in logic and mathematics led him to take probability as the subject of his dissertation for a Fellowship at King's. His work was greatly influenced by G. E. Moore's *Principia Ethica* (1903) and Bertrand Russell's *Principia Mathematica* (1903) in which A. N. Whitehead had been much involved⁸. He obtained his Fellowship in 1909 having been unsuccessful when he first submitted his dissertation in 1908. Keynes's work in this area was finally published in 1921 as *A Treatise on Probability*⁹. It is not surprising that Keynes, having written as he did on probability and having a wide knowledge of the real world with all its uncertainties, placed so much importance on uncertainty in *The General Theory*. What is somewhat surprising is that he did not spend more time on defining and elaborating the concept of which he made so much use.

Keynes first studied economics as a university subject when working at Cambridge in 1905/06 for the Civil Service Examination. In letters written to Lytton Strachey in November 1905 he says 'I find Economics increasingly satisfactory, and I think I am rather good at it' and 'Marshall is continually pestering me to turn professional economist and writes flattering remarks on my papers to help on the good cause.'¹⁰ Keynes passed the Civil Service Examination but with relatively low marks in economics. He expressed his indignation by saying 'I evidently knew more about economics than my examiners.'¹¹ After a short period in the Civil Service, at the India Office, he returned to Cambridge in 1908 as a lecturer in economics. Keynes's first book was *Indian Currency and Finance* (1913)¹² and he was a member of the Royal Commission on Indian Finance and Currency from 1913 to 1914. It is interesting to note that Keynes's father, John Neville Keynes, took a somewhat similar path to economics. His first degree was in mathematics, his first book was *Formal Logic* (1884) and his second book was *The Scope and Method of Political Economy* (1891).

Without wishing to minimize in any way the great contributions made to economics by non-mathematicians such as Adam Smith, David Ricardo and Carl Menger, the founder of the Austrian School, it is important to acknowledge the debt economics owes to the mathematicians who took up economics. One thinks of Cournot, Walras, Jevons, Marshall and Keynes. In Keynes's greatest work, *The General Theory*, the mathematics are not obvious. Like Marshall, whose pupil Keynes was and who dominated Cambridge economics when Keynes was turning from mathematics to economics and long afterwards, Keynes kept the mathematics behind the scenes. Marshall did this in his great book, *Principles of Economics* (1890)¹³ because he wanted his economics to be widely understood by businessmen and others. No doubt Keynes's similar method of presentation of his ideas was because of his urgent desire to affect public policy and to contribute to the welfare of the nation by eliminating mass unemployment. In the Preface he writes 'This book is chiefly addressed to my fellow economists. I hope that it will be intelligible to others . . . it is my fellow

economists, not the general public, whom I must first convince. At this stage of the argument the general public, though welcome at the debate, are only eavesdroppers. . . .¹⁴ It must be remembered, however, that in 1936 a much smaller proportion of professional economists had mathematical competence than today. It was thus important to keep the mathematics in the background if he was to influence as many economists as possible to make a change, which he regarded as of vital importance, in their economic thinking. It seems clear from the ease with which later economists formulated Keynes's employment theory in mathematical terms that Keynes had a mathematical analysis in mind.

It is not appropriate to trace here the development of Keynes's economic thought from the pre-World War I period up to *The General Theory*. This has been done in the biographies of Keynes by Harrod¹⁵ and Professor D. E. Moggridge¹⁶, in Professor Don Patinkin's *Keynes's Monetary Thought*¹⁷, in part in D. E. Moggridge's article 'From the *Treatise* to *The General Theory*: An Exercise in Chronology'¹⁸ and elsewhere. Two general points may, however, be made here. First, Keynes always started with contemporary economic problems and made his contribution to the development of economic theory by developing economic theory when he found the existing tools of analysis insufficient for his purpose. Secondly, of the inter-war trilogy, *A Tract on Monetary Reform* (1923)¹⁹, *A Treatise on Money* (1930)²⁰ and *The General Theory* (1936)²¹, *A Tract* utilizes existing economic theory with great success while *A Treatise* and *The General Theory* make important original contributions to the development of economic theory²². To these last two books must be added Keynes's article, 'The General Theory of Employment'²³. This article is described by Professor Shackle as 'that "third edition", that ultimate distillation of the *Treatise* and the *Theory*, which Keynes wrote for the QJE in answer to his critics, . . .'²⁴.

There are many aspects of Keynes that I do not discuss but only mention here. He was not merely a mathematician and academic economist. He was an economic adviser to governments, an economic statesman, whose work at the Treasury in World War I and World War II was outstanding. By speculation in foreign currencies, stocks and shares, and commodities he made a fortune for himself and enriched King's College as its Bursar. He was a great editor of *The Economic Journal*. In the City, Keynes became chairman of the National Mutual Life Assurance Society in 1921 and had other financial interests. Keynes was also a man of wide culture. He was for years associated with the Bloomsbury group of writers and painters, Lytton Strachey, Duncan Grant and Virginia Woolf among them. Some of these friends questioned his aesthetic appreciation but he was an artist himself, a master of English prose, a biographer. He loved the ballet and in 1925 married the Russian ballerina Lydia Lopokova. This was a happy marriage and according to Mrs Alfred Marshall, 'the best thing that Maynard ever did'²⁵. He was a collector of books and a buyer of modern paintings. Keynes by his generosity with his money and time (he was a very good administrator) encouraged the Arts which meant so much to him, the visual arts, ballet, music and the theatre. He gave the Arts Theatre to Cambridge. Keynes was Chairman of the Council for the Encouragement of Music and the Arts, later the Arts Council²⁶.

In 1937 Keynes had a heart attack. Despite his serious heart condition, he made an immense contribution at the Treasury throughout World War II and until his death in April 1946 (as a result of a sharp heart attack). He was involved in long and arduous negotiations in the United States as described by Harrod²⁷. His courage and devotion to duty are beyond praise. As E. A. G. Robinson puts it, 'For some years before 1946 both Keynes himself and his friends had known the possibility, even the likelihood, that if he continued to work as he was working the end would come one day just as it did. Despite this knowledge he carried on. This was his contribution to the war and to the future of his country.'²⁸ Keynes was honoured by his sovereign, becoming a CB in 1917, Lord Keynes (Baron Keynes of Tilton) in 1942 and was offered the Order of Merit but died before the award could be made.

Michael Holroyd, referring to Keynes as an undergraduate at Cambridge, writes: 'Already, by the time he was elected to the Apostles²⁹, Keynes's cleverness was prodigious, and his intellect, in the opinion of Bertrand Russell, "was the sharpest and clearest I have ever known".'³⁰ Keynes was not, however, only clever: he was a genius. His strength lay not only in his great logical powers but in his intuition, the quality to which Keynes attributed Isaac Newton's pre-eminence³¹. The genius, Newton, is described by Keynes as Cambridge's greatest son³². Professor Schumpeter is referring to this quality of intuition of Keynes, I think, when he points to his social vision and his vision of an economic process³³. Schumpeter also wrote referring to Keynes's *General Theory* that 'The first condition for simplicity of a model is, of course, simplicity of the vision which it is to implement. And simplicity of vision is in part a matter of genius . . .'. He continues that if we 'choose to accept his vision of the economic process of our age as the gift of genius whose glance pierced through the welter of surface phenomena to the simple essentials that lie below, then there can be little objection to his aggregative analysis that produced his results'³⁴. Schumpeter makes a similar point in his *History of Economic Analysis* where he points out that 'Keynes's work presents an excellent example for our thesis that, in principle, vision of facts and meanings precedes analytical work, which, setting in to implement the vision, then goes on hand in hand with it in an unending relation of give and take.'³⁵ Here Keynes's vision is traced through his various work. In 1919 he was Principal Representative of the Treasury at the Paris Peace Conference. Following his resignation in June of that year Keynes wrote his brilliant and highly critical book *The Economic Consequences of the Peace* (1919)³⁶. His vision was of great importance in other works, in particular *The General Theory* (1936).

As was indicated at the beginning of this chapter, an understanding of Keynes's personality is important when considering Keynesian and post-Keynesian economic theory and policy. Economists owe a great debt to Sir Roy Harrod for writing his biography of Keynes³⁷ so soon after his death. However, at an appropriate time, another biography must be written with the emphasis placed on Keynes's personality. The author will need great psychological insight to deal with his complex character³⁸. At present all we have are varying accounts of him by friends and acquaintances, valuable though they are. I only met Keynes once, at a tea party in Lord

Robbins's room at The London School of Economics in about 1930. On this occasion the argument was mainly between Keynes and Evan Durbin, at that time a young economist³⁹. Keynes was very benign. There are advantages and disadvantages in my not having known Keynes personally. There is the advantage of objectivity in making an assessment of his personality although I would not claim complete objectivity. One's emotions are easily stirred by Keynes. Harrod in *The Life* is not conscious of any suppression in regard to Keynes's faults and writes, 'Criticisms have been made by the malicious or ill-informed which have no foundation in fact.'⁴⁰ One would dearly like to have an elaboration of this statement, giving the nature of these criticisms and the reasons for their having been made.

There is a difference of opinion among economists as to whether Keynes was fair or unfair to the classical economists and to his contemporaries such as Marshall and Pigou. Keynes was criticized by Harrod when writing to him about a draft of *The General Theory* for being unduly polemical in his discussion of the classical economists. Keynes replied, 'I want so to speak to raise a dust; because it is only out of the controversy that will arise that what I am saying will get understood.'⁴¹ Professor Sir Dennis Robertson also attempted to get Keynes to alter his attitude to Marshall and Pigou but the only result was Keynes's Appendix on Professor Pigou's *Theory of Unemployment* in *The General Theory* and Robertson was left unsatisfied⁴². In the Preface to *The General Theory* Keynes states that he can only achieve his purpose (a reconstruction of economic theory) by much controversy, a view shared by Friedman, but writes, 'I must ask forgiveness if, in the pursuit of sharp distinctions, my controversy is itself too keen.'⁴³ Keynes's polemics were a result of his character and his view of the best way of influencing his fellow economists. Keynes's attitude to the classical and neoclassical economists raised a new economics 'industry' which has greatly developed since his death.

Professor Paul A. Samuelson writing of *The General Theory* in 1946 states, 'It is arrogant, bed-tempered, polemical, and not overly generous in its acknowledgements.'⁴⁴ However, he goes on to say that it is a work of genius. In 1941, when reviewing Professor Pigou's *Employment and Equilibrium*, Samuelson raises the question whether Keynes was deliberately Machiavellian in his treatment of the 'classical' economists but says that only he can tell⁴⁵. As a result of the rift between Keynes and Robertson which he dates as being from *A Treatise on Money* (1930), 'a new note enters into Robertson's writing which was to remain until the end – a querulous note of protest over the pretensions and correctness of so-called new ideas . . .'⁴⁶ Samuelson does not regard this Robertsonian querulousness as sterile. He points out that 'Many of Robertson's points, had they come from within the Keynesian camp, would have been recognized as valuable contributions.'⁴⁷ The rift between the two men thus hindered the development of economic thought.

Patinkin refers to Pigou's sharply critical review of Keynes's *General Theory* in *Economica* and points out that 'This sharpness stemmed primarily from Pigou's justified feeling that in order to "win attention" for his *General Theory*, Keynes had presented the ideas of this book "in a matrix of sarcastic comment upon other people" . . . In particular, Pigou

deeply resented what he considered to be Keynes's misrepresentation of Pigou's own views, and even more those of Keynes's "old master", Marshall.⁴⁸ On later occasions Pigou paid high tribute to Keynes's constructive work. Keynes in a letter to Robertson of 20 September 1936 rightly expresses grief that his contribution was not understood and appreciated by Pigou, but surely shows a lack of sensitivity when he writes, 'I was distressed by the Prof's review and even more so that you should think it worthy of him . . . I had often wondered how he would take my book but I never hit on the right answer (though perhaps I ought to have!) that his predominant emotion would be that of a sixth-form boy who had been cheeked.'⁴⁹ Later in the letter Keynes writes, 'It's awfully difficult to keep off Economics but I don't, dear Dennis, feel differently, and we must try to come to closer touch again.'⁵⁰ Keynes as well as being astringent had an affectionate nature and this is a touching attempt to remove the personal rift between them. Robertson spent a great deal of time on the early drafts of *The General Theory* and in a letter to Keynes of 10 February 1935 he expresses sorrow that he will feel 'the general tenor of my comments (which seem almost to have reached the dimensions of a book [are] rather hostile'.⁵¹ He ends the letter with a pleasant touch, 'Yours ever – in spite of these bites at the hand that fed me –'.⁵² The whole correspondence seems amiable and yet the rift between them remained. In the Preface to *The General Theory* he acknowledges a number of economists from whom he has received help, but not Robertson.

Professor Sir Austin Robinson in his article 'Pigou, Arthur Cecil (1877–1959)' in the *International Encyclopedia of the Social Sciences* (1968) writes of the relationships of Keynes with Pigou and Robertson as follows:

'Whether Keynes could have achieved a radical rethinking of economics without wounding, as he did, Pigou and Robertson, among others, is a question that will be eternally debated. I have always believed that this was the sad but necessary cost of the revolution of thought. With Robertson, the wounds went so deep that they never could be healed. With Pigou, time brought a healing. And indeed the wounds were never as severe It was an oddly tolerant and mutually admiring relationship which never came near to reaching the misery of the cleft between Robertson and Keynes.'⁵³

Robinson in *A Personal View*, in *Essays on John Maynard Keynes* (1975)⁵⁴ takes a rather less serious view. He again refers to the misery of the break between Keynes and Robertson, his close friends, but thinks the break has been greatly exaggerated. In support of this he mentions their long correspondence now published in *The Collected Writings*, Volumes XIII and XIV⁵⁵. Robinson has, I think, in mind the tone of their correspondence. In 1944 Pigou retired from the chair of Political Economy at Cambridge which had been held by Marshall before him. The electors offered the chair to Keynes, but Robinson points out that when Keynes declined the offer he pressed the claims of Robertson. Robinson writes, 'While Keynes was alive there was, I am convinced, no break between them that could not have been mended. The antipathy of Robertson was not to Keynes himself living, but after his death to some of his younger friends and colleagues and their more radical interpretations of Keynesian

policies which differed increasingly widely from his own more and more right-wing liberal views.⁵⁶ Robinson refers to the break that could have been mended but whether it was is certainly unproven. Professor Harry G. Johnson is more critical of the way Keynes presented his new theory and refers to him having sacrificed 'the subtle and sensitive, intellectually more menacing but emotionally more vulnerable, personality of his former student Robertson to his coterie of young lions in the bitter in-fighting that followed the revolution'.⁵⁷

Lord Robbins refers to the deterioration of personal relations at Cambridge long before the death of Keynes. He refers to Robertson taking the chair of Money and Banking at The London School of Economics in 1938 as a result of the distress this caused him. Robbins refers to Robertson as warmly responsive to friendship and writes, 'His differences with Keynes; with whom he had worked so fruitfully, were a source of much unhappiness.'⁵⁸ Robbins states that on Robertson's side, the differences began as intellectual ones. He was candid about his disagreements with certain developments in *A Treatise on Money* and more so in *The General Theory* but Keynes, under the stress of illness and excited by his new theories, found Robertson's criticisms a source of irritation and resentment. Robbins continues, 'So the intimacy of earlier years was disrupted and there can be no doubt that, till the end of his life, this was a recurrent sorrow for Dennis.'⁵⁹ Robbins like Robinson warns against exaggerating the extent of the rupture and also refers to the pain Robertson felt from the intellectual and personal divisions among Cambridge economists during the years after his return to Cambridge at the end of World War II. Robbins refers to faults on both sides, a lack of imagination and charity of his Keynesian critics and Robertson's over-sensitivity.

Professor Sir John Hicks dates the turning-point of the relationship between Keynes and Robertson not from *A Treatise on Money* (1930) but from 1931 when they were working on very different lines⁶⁰. Hicks refers to Robertson taking the chair at The London School of Economics in 1938 after an agonizing decision that the Cambridge of the 'Keynesian Revolution' was no place for him. In 1944 Robertson returned to Cambridge as the professorial successor of Pigou, but Hicks thinks that 'he must often have wondered, in after years, whether he had chosen right It was only too clear (back in Cambridge) that the division was very deep.'⁶¹

The suggestion by Robinson, Robbins and others that the rift between Keynes and Robertson must not be exaggerated is partly based on their being able to work together in the Treasury during World War II on international monetary problems⁶². Sir Roy Harrod quotes a letter from Keynes to Sir Richard Hopkins of the Treasury of 22 July 1944 in which he praises Robertson's work at Bretton Woods very highly. He also gives the famous quotation from Keynes's letter to his mother of 25 July 1944, 'Dennis Robertson is perhaps the most useful of all - absolutely first-class brains do help!'⁶³ However, Hicks points out that, although superficially there was a reconciliation, it must be remembered that they were working in the international monetary field in which they had had no great differences. Hicks thinks that the temporary reconciliation was not easy and that Keynes was condescending. Hicks writes, 'I am afraid that is how I read the well-known passage in which Keynes reported (to his mother) on