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**The Economic Consequences of Mr. Keynes;
JOHN MAYNARD KEYNES; Vol. I: Hopes Betrayed, 1883-1920. By Robert
Skidelsky. Viking. 447 pp. \$24.95.**

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WHEN HE WAS a little boy, Keynes was told by his great grandmother that "you will be expected to be very clever, having lived always in Cambridge." Maynard as usual did what was expected of him. The clever English boy who grew up to make economics more clever -- some might say too clever by half -- deserves no less than this splendid biography, the first of two volumes.

If marginal cost pricing or the fall of the rupee can stop most conversations cold, it is nonetheless true that the world is ruled by little else. A sensible plan, which Robert Skidelsky makes feasible, is to learn some of this economics through a life. And what a life. Scientist, professor, journalist, aide to cabinet ministers, financial advisor to Bloomsbury, prizeman, lover of art and of artists, Keynes possessed as he once wrote of David Ricardo the "greatest mind that found economics worthy of its powers."

Born to brainworkers, upper-middle class and conventionally Victorian (his father was an academic administrator), Keynes took to education well. It will distress the parents of rock fans to find that a century ago a bright boy was expected by age 10 to have finished the first book of Euclid in geometry, to be doing quadratic equations in algebra ("Let mother equal x and let Geoffrey equal y "), to be reading Ovid in Latin, and to have finished Samson Agonistes. Half of the book follows Maynard's relentless march through Eton, Cambridge, and a position at King's College, all by examination. As he wrote of himself and his sister and brother, younger than he, "We're really a wonderful family . . . at examinations. . . . If only the examination system lasts, another two or three hundred years, we shall end, I am sure, by being the Royal Family." Keynes was the best product of the mandarin system at its peak.

The other half of the book follows him in his practical education -- most of his economics was learned on the job -- emerging slowly, slowly from the cocoon of Cambridge. Skidelsky gives a feeling, if not exactly an explanation, for how this otherworldly undergraduate, an Apostle in every sense, whose co-religionists detested trade and politics and numbers, could become one of the great practical men of his age, the scourge of bankers and bureaucrats. Keynes had an extraordinary ability to keep his interests separate when convenient, to gamble at Monte Carlo in the night and edit papers for the Economic Journal in the morning. Not everyone admired his mental agility. Lloyd George noted that this young man Keynes, advising Reginald McKenna at the Treasury during the First World War and himself at Versailles, "dashed at conclusions with acrobatic ease. It made things no better that he rushed into opposite conclusions with the same agility."

AT THE END of this volume, with the publication of *The Economic Consequences of the Peace* (1920), Keynes

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becomes a world figure. Oddly, Keynes was not political before his 30th year and was never easy to place. The India Office did not keep him long, but he was in spirit a civil servant, devoted to what could be done. Like other members of his class he did not care much for "improvers" and had no uncertainties about the Empire, he who was to become the saint of improvers and progressives.

Skidelsky shows that Keynes' own political saint was, surprisingly, Edmund Burke. As an undergraduate in 1904 he wrote, "Burke ever held, and held rightly, that it can seldom be right to plunge whole communities in distress, or to destroy a beneficent institution for the sake of a supposed millenium in the comparatively distant future." Such an argument fits with Keynes' pragmatic philosophy of probability, designed to cut off speculation about remote possibilities (as he said later, "In the long run we are all dead"); and it fits with his confidence in government so long as government was run by the Right People. Keynes opted always for discretion over rules, practice over theory. The trick was to have a government of apostles.

For all Skidelsky's brilliance at integration, though, there remains a disintegrated quality to Keynes' life and thought. Keynes wanted it that way. He could keep unintegrated his civil servant's devotion to manipulating society and his highly personal and asocial theory of goodness, taken with a twist from G.E. Moore. He could exchange scholarly insults with Karl Pearson on statistical matters and girlish letters with Lytton Strachey about the wooing of Duncan Grant. Maybe it was his personal life that trained him to a double standard. In this area, Skidelsky has some rebalancing to do. Keynes' earlier biographers, especially the economist Roy Harrod, anxious to make Keynesianism palatable in the United States, were discreet to the point of lying. Keynes himself had to cover up in life as well, though the Bloomsburies, a confident lot, inhabited no well of loneliness.

Whatever his private life, Keynes's public life became ours. God never said that in the late 20th century public life was to be run by economists. Other Victorian projects could have served: we could be governed now by professional historians, ripe from the study of past follies; or by philosophers, expert in the good. But we are in fact governed -- aside from the occasional actor or oil man -- by economists. It was Keynes' purpose, following his master Alfred Marshall, to make economics the science of policy. Along with it went a policy attitude, which Skidelsky dates to 1919, the year of the young Hoover and the young Keynes: "prosperity would have to be strenuously won in the teeth of the adverse circumstances which the war created."

What is most admirable about Skidelsky's book is that, without sneering, he demystifies the birth of the policy science. The history of physics and biology has found latterly that scientists are just folks. From Skidelsky we learn that economists are just folks, too.

But we learn, too, that giants walked the earth in former days. Now that we are all Keynesians, do we have economists as good as Keynes? Are they the right People? Are they as broadly expert in philosophy, mathematics, the arts, and worldly affairs? Not on your life, or Keynes'.

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