

FROM THE ARCHIVE

Keynes and the British Academy

DONALD WINCH

When John Maynard Keynes was first proposed for election to Fellowship of the British Academy in 1919, his candidacy was considered by a 'Section' (a subject grouping of Fellows) composed of lawyers and economists. Mention was made of his academic book, *Indian Currency and Finance*, but his comparative youth and official preoccupations were cited as reasons why he had not published his fellowship dissertation for King's College, Cambridge, and why he had been obliged 'to defer many contemplated publications' (Figure 1). By the following year one at least of these publications had appeared with more éclat than was to prove comfortable. He was now sponsored by a newly-constituted 'Economic Science' Section chaired by W.R. Scott; and this time his name was passed on to and endorsed by the Academy's Council. To the surprise and dismay of all those who had supported his candidacy thus far, Keynes was blackballed at the 1920 Annual General Meeting on what were frankly admitted to be 'political' grounds. His name had to be withdrawn because – as Scott explained apologetically to Keynes – 'there was a very strong body of opinion which felt keenly that your election coming in the year of publication of *Economic Consequences of the Peace* would be likely to give offence in France'.

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The offending book had actually been published in mid-December 1919 and was an astounding commercial success: by the following July, as the Annual General Meeting of the Academy was taking place, sales reached 100,000. The book contained a relentless denunciation of the Versailles peace treaty and placed Keynes at the centre of fierce disagreements over the size of the reparations bill that Germany could be forced to pay without causing political and economic breakdown throughout Europe. In the domestic and international debate that followed, Keynes's condemnation of the reparations to be exacted from Germany, under pressure from France and other nations that had borne the brunt of military action, was widely regarded as pro-German and therefore anti-French.

9. JOHN MAYNARD KEYNES, M.A., C.B., of H.M. Treasury, and King's College, Cambridge.

- (a) Bryce, F. Y. Edgeworth, Alfred Marshall, H. S. Foxwell, W. R. Scott, Haldane of Cloan.
- (b) He is an Economist of quite remarkable power and acuteness; and has rendered services of exceptional value to the State at the Treasury, where he has been during the war, and on the Indian Currency Commission just before the war. The Treasury has entrusted him with work of extreme difficulty and responsibility. He has been a member of most of the financial commissions sent to foreign countries during the war, and is now a representative of the Treasury at the Peace Conference. The Report of the Indian Currency Commission showed unmistakable signs of his influence, especially where it varied the recommendations of the Fowler Commission, and in many of its valuable suggestions upon Indian banking and Indian note issues.
- (c) Indian Currency and Finance, 1913; Articles and Reviews in the Economic Journal, Statistical Journal, New Quarterly; publication interrupted by the war of a dissertation relating to the mathematical foundation of the theory of statistics.

Mr. Keynes is comparatively a young man, and the considerable time he has devoted to public affairs, as well as to the Editorship of the Economic Journal, has obliged him to defer many contemplated publications.

Figure 1. Extract from an agenda paper listing candidates nominated for election to the Fellowship of the British Academy in 1919 (BA434/1).

Frustrated hopes

The rebuff to Keynes came as a blow to Scott's hopes of injecting young blood into a barely viable Section composed of himself, a 52-year-old Glasgow professor, and four distinguished but querulous septuagenarians: Alfred Marshall (Cambridge), Francis Ysidro Edgeworth (Oxford), Herbert Somerton Foxwell (University College, London), and Joseph Shield Nicholson (Edinburgh). They had been five, but Archdeacon William Cunningham (Cambridge), an economic historian and founding fellow, had died before Keynes could be given his second airing. At 37, Keynes would have been one of the youngest persons ever elected to the Academy.

Rejection was also a blow to the hopes of those who wanted to see the Academy occupy a more prominent role in public affairs. One of the signatories of Keynes's first nomination form was the lawyer, R.B. Haldane, the author of a report on the machinery of government in 1918 that aimed to build on experience of the use of scientific experts in government during the war by creating an economic general staff along the lines of a mixture of the Department for Scientific and Industrial Research and the Committee on Imperial Defence. For Haldane, and possibly for James Bryce, a co-signatory in 1919, the Academy would acquire a greater sense of purpose if it could become a national repository for expertise in the economic, social, and political sciences. Keynes fitted this image perfectly, and later joined the first of the organisations designed to act as an economic general staff within government, the Economic Advisory Council set up by the Second Labour Government in 1930.

Grievance

Keynes could hardly complain about the public furore his condemnation of the peace treaty had been designed to arouse, but he clearly felt that what Scott told him about the nature of the Academy's rejection constituted a justifiable grievance. A scholarly institution that allowed political considerations to interfere with its views on the merits of candidates was not one he wished to join. As he wrote to Scott:

... after what has happened, I must ask you to withdraw my name from the list of candidates in future years. The Academy have avowedly taken political considerations into account in electing; and this seems to me so ruinously opposed to the whole conception of any learned or scientific body, with which one would wish to be associated, that I am decidedly of the opinion that I should prefer to remain outside

Keynes was not reacting to the Academy's conduct in his own case alone. Scott had informed him that Arthur Cecil Pigou, Keynes's professorial colleague at Cambridge, had also been rejected on grounds that Keynes considered to be 'discreditable to the electing body'. That Pigou, who had been appointed as Marshall's successor in 1908, was not elected to the Academy until 1927 was largely due to

opposition within the Economics Section from Foxwell, Nicholson, and Cunningham, the last two being supporters of Foxwell's claim to be Marshall's rightful heir. The disapproval of this trio was originally based on differences of opinion on questions of economic theory and method and the political stances revealed during Joseph Chamberlain's tariff reform campaign in 1903. During the First World War Pigou had compounded his offence as a cosmopolitan free-trader to this group of 'national' economists by successfully applying for release from military duties on conscientious grounds as a pacifist. Since Keynes had also registered as a conscientious objector to conscription for libertarian reasons, he was naturally concerned by what he was told about Pigou's position. When Pigou, in turn, learned of the circumstances surrounding the rejection of Keynes seven years before his own election, he mirrored his junior colleague in expressing regret that he had allowed himself to join an academic body that was guilty of discrimination on political grounds.

If these episodes had been more widely reported at the time, they would have been harmful to the reputation of the Academy – more so than to Keynes's professional standing. The Academy was still an organisation hoping for but consistently being denied government support, and still lacking the authority attached to the body it sought to emulate, the Royal Society. Keynes did not suffer a setback and was not short of signs of recognition of his standing as an economist. After *Economic Consequences of the Peace*, he was also a significant public figure with growing economic and other journalistic resources at his command.

Sources

As things transpired, however, most people first learned about this hiccup in Keynes's career in 1977, when some of the letters exchanged by Keynes, Scott, and Pigou appeared in the volume dealing with Keynes's activities edited by Elizabeth Johnson for the Royal Economic Society's edition of his collected economic writings.¹ Keynes's first major biographer, Roy Harrod, had passed over the episode in silence, something he was prone to do in the case of what might be regarded as negative aspects of Keynes's career. Robert Skidelsky in the second volume of his mammoth trilogy devoted four sentences to it based on the material reprinted in the edited writings. Arguably, this could be justified in light of Keynes's subsequent withdrawal of his misgivings about the Academy: his nomination in 1929, listing the offending book under his 'scientific and political' works, masks the interest attached to the earlier rebuff (Figure 2). But since history deals with processes and personalities as opposed merely to final outcomes, the episode is worthy of more attention in the light of additional information now available.

Elizabeth Johnson did not use all of the material relating to the Academy that can be found in Keynes's papers. Other relevant collections of papers and correspondence can also now be consulted. Of these,

¹ *The Collected Writings of John Maynard Keynes*, Volume XVII, pp. 164–6.

a. To be signed (a) (Signed)^a
by not less
than THREE,
nor more than
SIX Fellows of
the Academy.

M. D. W. H. S. Foxwell. A. L. Bowley
J. L. Stamp
A. C. Pigott

(b) The above-named is proposed on the following grounds:—

He is an economist of remarkable power and acuteness. His services to the state have been of exceptional importance, as a member of the Indian Currency Commission (1913-1914), as Principal Representative of the Treasury at the Paris Peace Conference, and as Deputy for the Chancellor of the Exchequer on the Supreme Economic Council (January 15 June 1919). He has contributed materially to the advancement of economic knowledge by his work as editor of the Economic Journal since 1912, and ^{has} developed greatly the importance & utility of the Royal Economic Society. At Cambridge he is an inspiring teacher & is editor of the Cambridge Economic Handbook. Moreover he is recognized, both at home and abroad, as a leading authority on the theory of Probability.

(c) The following are his principal published works:—

Scientific: - *Indian Currency & Finance*, 1913
A Treatise on Probability, 1921
A Tract on Monetary Reforms, 1923
The End of Laissez Faire, 1926

Scientific & Political: - *The Economic Consequences of the Peace* 1919

Figure 2. Extract from the nomination certificate proposing John Maynard Keynes for election to the Fellowship of the British Academy in 1929 (BA424).

undoubtedly, the most interesting because least discreet are those centring on Foxwell. Although some scholars had access to the main collection of these papers when they were in private hands, they have recently been sold to Kwansei Gakuin University in Japan and are not yet available to the world at large. Fortunately, much of the correspondence between Foxwell and Scott that has a bearing on the Academy has been preserved in collections that are still open for inspection.

More interestingly, perhaps, the British Academy's own archive is now being put in order by the librarian and archivist, Karen Syrett, potentially releasing further documentation. The letter from George Saintsbury to the Secretary of the Academy, Israel Gollancz, displayed in Figure 3 comes from the Academy archive. It goes along with a similar letter from Nicholson to the President, Frederic Kenyon, which shows that Scott was not entirely accurate when he assured Keynes that opinion within the economists' Section was solidly behind his nomination in 1920. Secure in his anti-German convictions, Nicholson knew what was wrong with the use of economic expertise to support leniency on the reparations issue: 'I have often said that in my judgement Mr Keynes is the ablest of the younger economists but the greater the ability the greater the responsibility.'

Keynes in the Academy

Once elected, Keynes made an early and significant contribution by taking the initiative in getting Beatrice Webb elected to the Academy in 1931, the first woman to be honoured in this way. Those who were opposed to this departure from tradition confined their misgivings to private communications. Foxwell, no friend to Sidney and Beatrice Webb (Figure 4) or the institution they had created, the London School of Economics, complained that the Academy had delivered a 'marked slight' to Sidney in favouring his wife, particularly when it was widely known – or so Foxwell thought – that Sidney was responsible for three-quarters of the work published under their joint names. Keynes was pursuing what might best be described as a Bloomsbury version of feminism, an agenda he had revealed in 1921 when censuring the sexual discrimination involved in the exclusion of women members of faculty at Cambridge from enjoyment of the status and emoluments available to men.² As her diaries show, Beatrice Webb allowed her name to go forward to please Keynes and the director of the London School, Alexander Carr-Saunders. She can hardly be described as an enthusiastic recruit, either to a Section that did not at the time include sociologists or to an academy

² *The Collected Writings of John Maynard Keynes*, Volume XXVIII, pp. 415-6.

I Royal Crescent
Bath

July 13 1920

Dear Sir Israel Gollancz,

As it is, unfortunately, impossible for me to attend the meeting of the British Academy on the 21st inst, I venture to trouble you with the following matter. I am not quite certain to what extent the rules or the practice ^{now} of the Academy allow or disallow remarks from absent members on proposed elections. But to the utmost extent to which it may be permissible, I beg to demur to the election of Mr Keynes. My protest has nothing to do with the ~~candidate's~~ fitness as an economist; as I am not a member of the section ~~proposing him~~, such a protest would be in all senses impertinent. But at the present moment, and for some considerable time to come his election could not fail to be regarded to some extent here and to a much greater extent abroad, as a pronouncement by the Academy of approval on his recent book. Once more, the abstract merits or demerits of that book as an exercise in Economics do not matter. It is for the time not political economy but politics pure and simple. As such ^{the} approval of it, which will inevitably be assumed, will be regarded as a discouragement in France, as an encouragement in Germany and (perhaps first of all) as a definite expression of political partisanship in this country. I can imagine ~~a few~~ things more unfortunate for the Academy than the first two of these results, nothing more unfortunate than the third. And therefore I venture to repeat my most earnest hope that this ill-omened candidate ~~will~~ will be either withdrawn or decisively rejected.

I remain

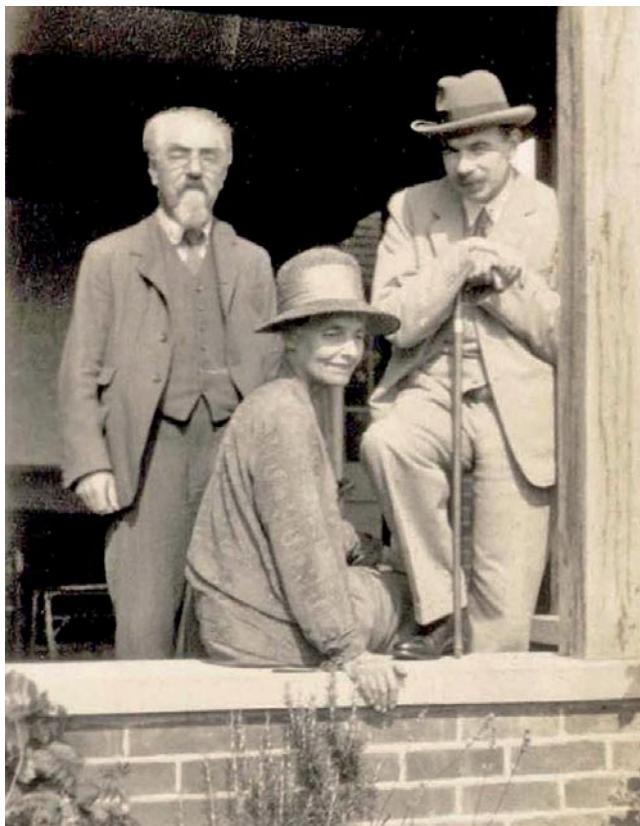
Yours very faithfully

To Sir Israel Gollancz
Secretary of the British Academy
George Saintsbury

Figure 3. George Saintsbury FBA to Sir Israel Gollancz, Secretary of the British Academy, 13 July 1920 (BA358).

dominated by elderly 'Oxford donnish' men. Nor did Keynes's initiative open any floodgates. It took another 13 years for the next woman to be elected, and the trickle that followed did not become a steady stream until much later.

Keynes took his turn as chairman of the Academy's Economics Section in 1940. The duties chiefly consisted of guiding the Section towards consensual decisions on electoral matters, a task he performed with more tact and diplomacy than he was accustomed to employ when accepting or rejecting articles for the *Economic Journal*. Whereas the editor's decision was final, Keynes's preferences among candidates for election were subject to modification and rejection. This can perhaps best be illustrated from one interesting case involving Joan Robinson, a Cambridge follower of Keynes who was part of the 'circus' that helped him make the transition from the analytical framework of his *Treatise on Money* (1930)



towards that underpinning his *General Theory of Employment, Interest and Money* (1936). A year after Beatrice Webb's death in 1943, Keynes proposed Robinson for election as her successor. Possibly because this proposed woman-for-a-woman move involved more opportunistic feminism than academic logic it was unsuccessful: Joan Robinson would be elected 14 years after she had first been proposed by Keynes. Gender balance did not become an official Academy aspiration until much later.

Beyond his own work, Keynes's entrepreneurial energies in the academic field were chiefly confined to the activities of the Royal Economic Society: he became secretary to the Society not long after he became editor of the *Economic Journal* and retained the post until a year before his death. It was an executive role that carried with it control over the Society's finances. In 1944 he was asked by John Clapham, President of the Academy and a fellow King's man, whether he would be prepared to be the next President. Keynes's answer is unknown, but we do know that the Annual General Meeting held in May 1946 recorded 'several expressions of opinion in favour of the nomination of Lord Keynes' for President. Had he not died the previous month, full circle might have been reached, beginning with his rejection by the same body 26 years earlier.

Figure 4. John Maynard Keynes (right) with Sidney and Beatrice Webb. The photograph was taken by Keynes's wife, Lydia Lopokova, on 7 August 1926, at Passfield Corner, Hampshire. Photo: Keynes Family Archive.