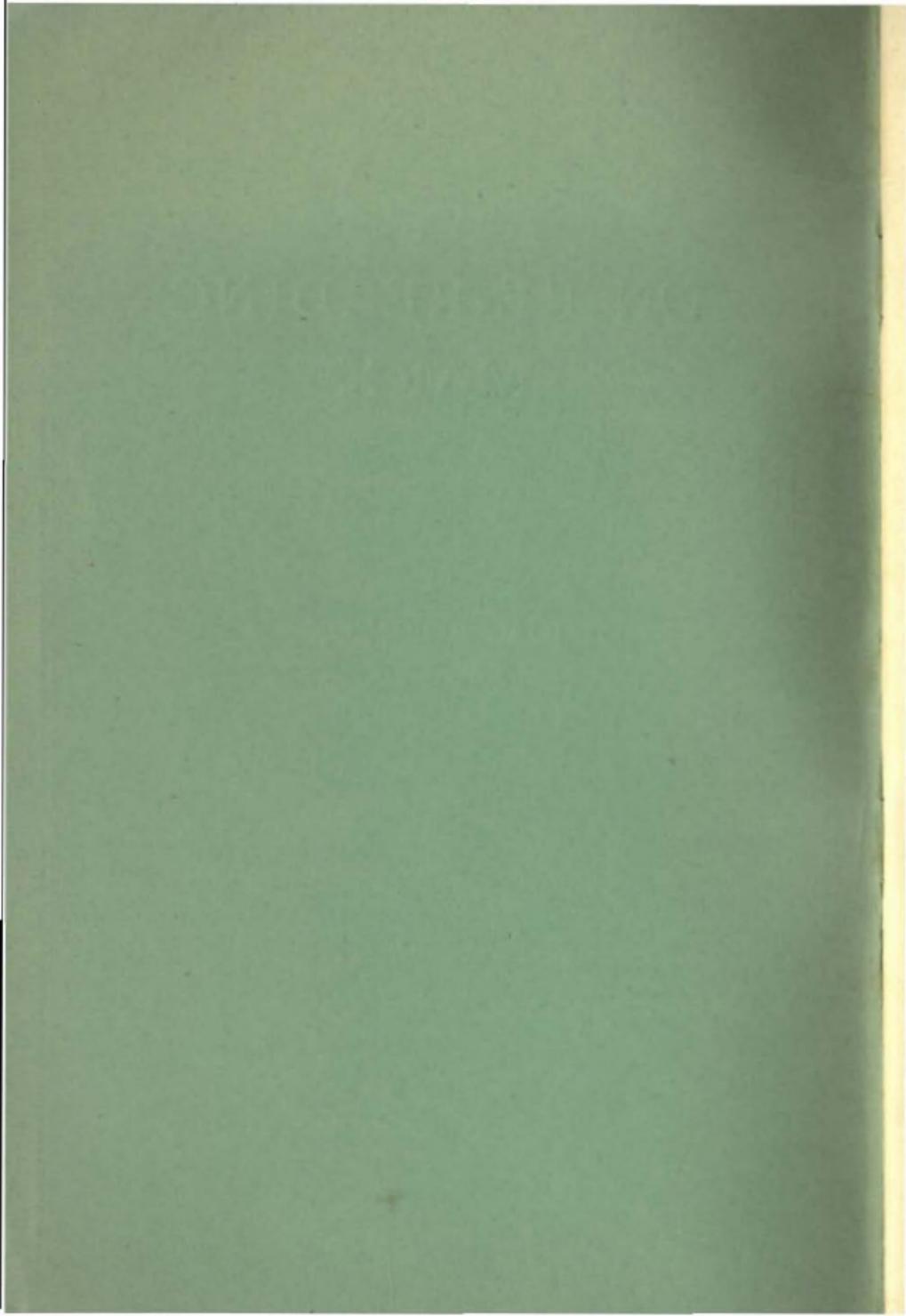


ON RE-READING MARX

by
JOAN ROBINSON



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Marxism is the opium of the Marxists

PUBLISHED BY

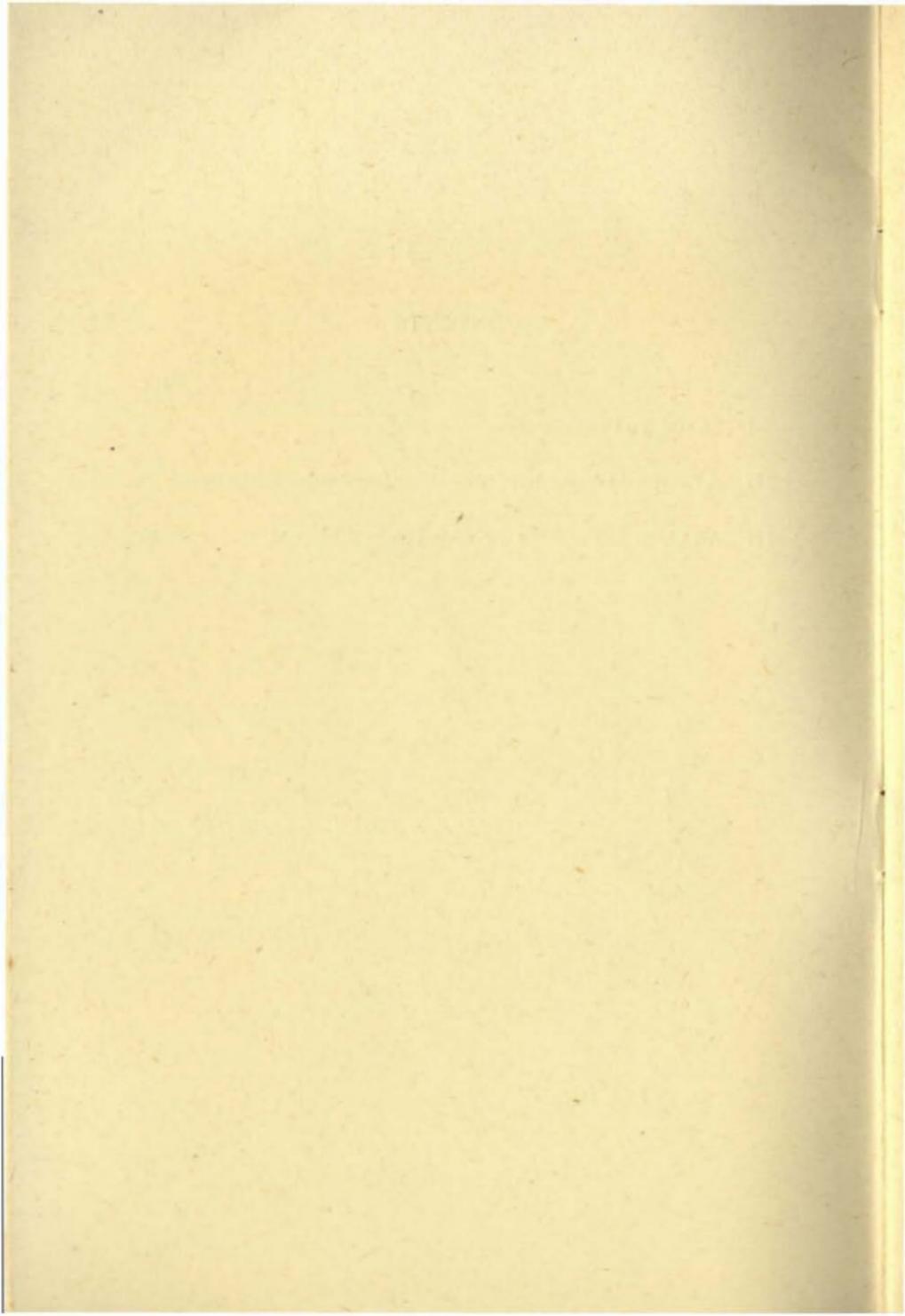
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WOULD YOU BELIEVE IT ?

WHEN two economic theories differ in their ideology the most important distinction between them lies in the sphere of political action, but the best sport that they offer is to trace the difference in the ideologies to its roots in a difference in the logical structure of the systems.

Put it like this: there are a number of cuttle fish that emit different coloured ink-screens. One is red (Marx), one true blue (Marshall), one a curious kind of pinkish purple (Keynes), and one some other colour, which I leave you to name (the Continental schools, excluding Sweden, who has a cuttle fish all to herself). The sport is to catch the cuttle fish and take them out of water. Then the ink is left in the sea and the cuttle fish appear on dry land as white, bony-looking objects.

The cuttle fish called Marshall (long-period) is far too wily to be caught, but Marshall (short-period) and Keynes are easy game. There are evidently quite a number of cuttle fish in the red patch of ink. I think it is not so very difficult to catch the one that contributes economic theory to the general mixture.

The reason that this sport has not been commonly pursued is largely a matter of geography. On the Continent the academic economists spent a lot of time pursuing the Marx cuttle fish, but they did it in an unsporting manner. They tried to chip bits off it before it was fairly caught (each sport has its own rules of sportsmanship). The Marxists were so nauseated by the ink of the Continental cuttle fish that they would not go near it.

On the other hand, in England the situation happened to be such that the academic economists had no occasion to attack Marx. All they had to do was to forget about him. Thus, though *Capital* was written in London, it was very little read there, and still less in Cambridge. For this reason cuttle-fish hunting never caught on here as a popular sport (though I believe that Marshall pursued it in secret).

When I had caught the cuttle fish and laid them out in a row the Continental one looked rather a weedy specimen, but the other three were fine large shiny white objects, and blest if I could tell which was which.

This seemed excessively odd, particularly as each system was built up precisely in order to explode the preceding one. I tried to get other people interested in this strange phenomenon, but no one would take the question up. My academic colleagues thought it queer (if not something much worse) that I should be interested in Marx's logic, because they had been taught as undergraduates that he has none. The Marxists just did not make head or tail of what I was trying to say. You cannot talk to a Marxist in English because he only understands Hegel's, a language I have never mastered and which seems to me, in any case, a very poor medium of communication for ideas about pure logic.

When I came to think it over I realised it was not so odd after all that the difference between the cuttle fish was so hard to detect, for they had all been at school together. The metaphor is setting some strain on the imagination, so I will resort to plain language. All three schools have a common origin in Ricardo.

The extent to which Marx had absorbed Ricardo we are able to see because of a curious accident. In spite of the respective dates at which they flourished, we know that they thought on parallel lines independently. This is made clear by the paper that Ricardo wrote just before his death, which never saw the light of print till after Mr. Sraffa had got Mr. Mill to open the famous box at Raheny.¹

When you read *Absolute Value and Exchangeable Value*² you get that funny feeling: What does this remind me of? And then you say: Of course—Volume I of *Capital* (though two prose styles could not be more different).

Marshall pored over Ricardo all his life, and Keynes, though not a great reading man, drank Marshall in his mother's milk. So all three were trained in one tradition.

Now let me illustrate my point. Take a number of firms, a number large enough for their individual idiosyncrasies to average out, and set down their consolidated annual accounts:

Receipts—(wages bill + material bill + amortisation charges) = Profit.

There are many puzzles about how to enter the items inside the bracket. When is a wage a salary? When is a raw material a finished product? When is the amortisation actually being made sufficient to keep capital intact? (Heaven forbid we should start on that subject!) But the bracket as a whole is

¹ Works and Correspondence of David Ricardo, Vol. I, p. ix.

² *Ibid.*, Vol. IV, p. 361 *et seq.*

something about which there is not much dispute (though you can raise some fussy points if you like); the same applies to receipts. Therefore the last item—profits of the firms including interest charges—is a pretty clear concept. It is expressed as a number of pounds sterling. It is very hard to introduce ideology into a mere number (though Marx tried to sometimes), so that this number must be part of the bony structure of all three cuttle fish.

Now what do they call it? Keynes and Marshall call it “quasi-rent” and Marx calls it “surplus.” And what do they mean? They mean “a kind of thing which resembles in an important respect the thing that Ricardo called rent.” Let us designate it by some quite unideological letter (if we can, for letters are more coloured than numbers), say N. Now return to the plane of ideology and see if we can account for the fact that N has the same name in three totally different ideologies.

Ricardo's ideological position was perfectly definite; he thought rent was a bad thing. As his chief preoccupation was with problems such as the repeal of the Corn Laws, he concentrated heavily on this, and it follows that he regarded N as not such a bad thing.

Marx thought surplus—well, we need not go into details—he was against it. Marshall, again without going into details, was for it. Keynes took an intermediate position. He thought N was a good thing in a slump if it promoted investment and a bad thing if it curtailed consumption, and vice versa in a boom.

Thus Marx turned round the heavy guns with which Ricardo attacked rent and sighted them on N. Marshall was very well pleased to develop Ricardo's idea that N is not such a bad thing, and while sympathising with Ricardo over rent, laid very little stress on it from an ideological point of view, though he made a great bother about it from a logical point of view. Keynes thought N good or bad according to circumstances. Thus the same name suited all three ideologies.

The genius of Ricardo did not lie in his ideology but in his method of analysis; the method of “taking strong cases.” This means: swing your variable over a wide range and look at the two ends before you look at the middle. But there is an art in doing this, it is not just a mechanical trick. What is a *wide* range in relation to the question in hand? The trick anyone can learn, but the power to recognise a wide range is a gift of God.

Take, for instance, the proportion in which N is divided between saving and expenditure on consumption goods. Would

you say that a range between 10 per cent. and 100 per cent. was wide? Keynes is interested in the influence of saving on effective demand in the short period, and 10 per cent. to 100 per cent. is fairly wide, but he needs some negative values as well. On the other hand, for Marx 10 per cent. to 100 per cent. is chicken feed, for he is interested in capital accumulation over the long run. For Marx the proper application of the Ricardian method is to begin to study accumulation after he has put the variable for the rate of increase per annum of the stock of capital through the range of 0 per cent. to, say, 1 per cent. It would be a very natural error to think that this is a narrow range. That is what I mean by saying that many are called to use the method, but few are chosen to make sense of it.

For Marx the strong case (for accumulation) is zero accumulation. Thus he starts his study with Simple Reproduction, that is an economy which is not in stationary *equilibrium* in any sense, but just happens to be stationary with zero net investment and net saving.

Again, you might think it rather a funny idea to study accumulation in terms of a system that is not accumulating. But if you think that, it just shows that you did not go to one of the best schools, and I will not be so snobbish as to rub it in.

The cuttle fish Marshall (long-period) has never been caught, so we cannot say anything about it. Marshall (short-period) takes accumulation zero, and as he is not interested in Keynes' problem he can fudge it without damaging the analysis of the problem he is interested in, relative prices, to a serious extent.

Keynes starts in a Marshallian short period. It certainly does seem rather odd, at the first glance, to assume zero accumulation when the very things you are going to talk about—saving and investment—are two aspects of accumulation. A number of smart Alecs have noticed this anomaly and spent a lot of time pointing out the fundamental logical contradiction on which the *General Theory* is based.

Keynes was a snob. If you had not been to a good school he cut you. He used to say: "The fellow simply hasn't driven up," and until you drove up under your own locomotive power (if any) he would not begin to argue with you. So he never explained himself, and left the smart Alecs to enjoy their triumph to their heart's content.

Professor Kahn is not a snob. He takes infinite pains to explain a point to you, whatever school you come from. So when the first controversy broke out over the *Treatise on Money* he reinvented Marx's scheme for Simple Reproduction in an

endeavour to explain what Keynes was doing. (This was in oral discussion, not published.) The smart Alecs, of course, would not have it, but a lot of dowdy Alecs found it very helpful.

When you turn to the General Theory in the long period you have to start with Marx's schema for expanded reproduction. But here you do not find a ready-made model. All you have to go on is the rough workings of Marx, dished up all anyhow from his notes by Engels after his death.

The modern Marxists, of course, use the model, but as they can only explain it in Hegelese they are no help at all to a monoglot Englishman.

Mr. Harrod, however, rediscovered the trick, and set out the model under a weird and wonderful name, "the warranted rate of growth of national income."¹

This is what I mean when I say that it is very hard to tell the three cuttle fish apart. But I still do not expect anyone to believe me.

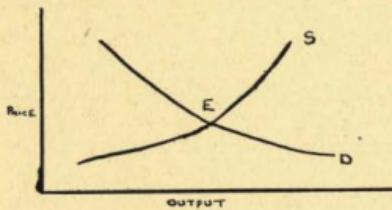
¹ *Towards a Dynamic Economics.*

A LECTURE DELIVERED AT OXFORD BY A CAMBRIDGE ECONOMIST

IF there are any galled jades present they are going to find this lecture very disobliging. (Those whose withers are unwrung will find it just their bag of oats.)

As I am going to give a disobliging lecture I will begin with a disobliging Cambridge joke. In Cambridge we all make them, and, taking one with another, as Marshall says, they come out about fair, but if you make one in isolation, among nice, polite people, it sounds very ill bred.

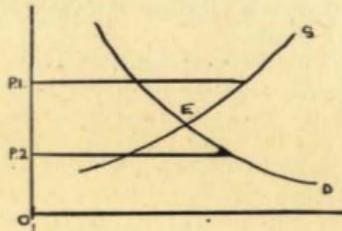
My disobliging joke is this: when an economist from Oxford comes to lecture at Cambridge he fills up the blackboard with such a lot of equations and diagrams that the audience is knocked out cold. I have come from Cambridge to knock you out cold with this diagram:



Think of a tutor explaining to a freshman the meaning of equilibrium. The tutor is a neo-classical economist. If the cap fits put it on, and if it does not, no one will be better pleased than I.

The tutor might say to the freshman: "E is the point of equilibrium of supply and demand," and if the young man asks: "What is the equilibrium of supply and demand?" he answers: "It is the point E." So he has holed out in one. He has given the freshman a short excerpt from an illustrated dictionary.

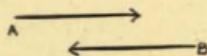
Or he may say:



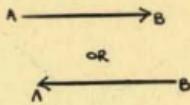
"When price is O P₁, supply exceeds demand and price tends to fall. When it is O P₂ demand exceeds supply and price tends to rise. Price may never actually be in equilibrium, but it is always tending towards equilibrium."

Now he has gone clean off the rails. Why? He is using a metaphor based on space to explain a process which takes place in time.

Have you ever considered the difference between moving through space and moving through time? A and B are two points in space. If the bodies at A and B are out of equilibrium with each other they move simultaneously in both directions. Some of the A's go towards B, and some of the B's go towards A, and they pass each other *en route*.



In time, there is an exceptionally strict rule of one-way traffic. You can have



but not both.

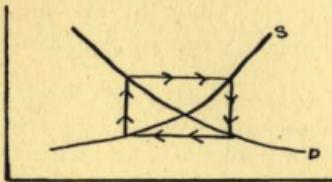
The second point about space is that there is none of this stuff about *tending* (which the freshman, poor soul, finds extremely fishy). If you give your bodies time, they actually do get into equilibrium. Time will help you with space. But take as much space as you like—how is that going to help you with time?

The third point about space is that the distance from A to B is of the same order of magnitude as the distance from B to A.

I do not say of equal magnitude because of the Trade Winds, and returning empty, and all that. But the distances are of the same order of magnitude.

In time, the distance between today and tomorrow is twenty-four hours forwards, and the distance between today and yesterday is eternity backwards. There is a lot about this written in verse, but the tutor (who never met Keynes) reads poetry, if at all, only in the evening, and does not think of mixing it up with his work.

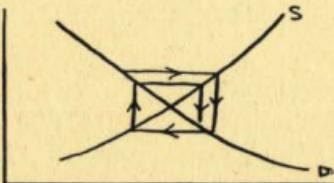
Now the tutor says to himself: "This is one of these tiresome logic-chopping points. I will soon fiddle my assumptions and get out of trouble." All right—go ahead. The only single thing I insist on is that you put in the arrow of time between each pair of points.



What does that remind you of? The pig cycle, the shipbuilding cycle, and the trade cycle. Now the tutor cheers up a bit. He has heard this one before.

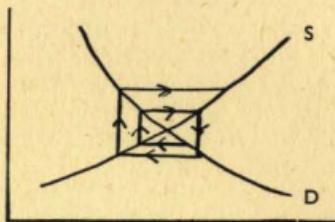
He has two cases—first he says: "Pigs are an exception. If I drew the picture for peanuts, I would be all right. The cycle would be a damped one."

Go ahead—I only ask for an arrow for each move.



First time round, it looks as if he was on to something. Second time round? His stocks of peanuts have been altering. It would not be the same on the second round if he had started at a different point on the first round. The stocks would have altered differently. This is a kind of *tending* that the freshman cannot be expected to take in so early in his career.

Meanwhile the tutor tries his second answer. If the cycle goes like this:



you get to infinity in a week or two, which is a logical absurdity.

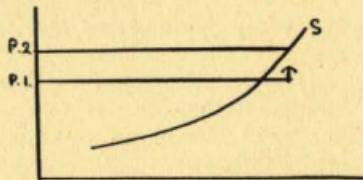
But now he has played right into the Keynesian court. Even if he gets a ball over the net once in a while, Samuelson, Kaldor or Kalecki kill his service, so that he never scores a single point. It is a love game to the Keynesian every time.

Who would you say was the economist who best understood the idea that I am trying to explain with these arrows? Certainly not Keynes. He thought that neo-classical economics was a lot of stinking fish, and he threw it out of the window, holding his nose and making very disobliging remarks indeed. He never stopped to examine what it was that made the fish stink. He knew that it was something to do with time, but he could not hold his nose for long enough to find out exactly what.

Keynes got the tutor rattled. He said: "I honestly have to admit I am a bit high in the short period. But, all the same, the long period is a non-Keynesian world. There I smell quite sweet." (We will see about that later.)

No. The one who understood it thoroughly well was Marshall. This is not a learned lecture. I will only refer you to Appendix H in his *Principles*. Read it over again, and you will see how right I am.

Now Marshall had a remarkable intuitive genius and he knew by instinct how to find out the one case where you can say something without the arrow getting you all mixed up. The short period supply curve, under strictly perfect competition, when demand always rises, never falls.



One hop up in time, and you have a position where the arrow will not worry you laterally, so long as you are in the short period.

What did he do? The more I learn about economics the more I admire Marshall's intellect and the less I like his character.

He worked out his short period for forward movements with great lucidity and then he filled the book with tear gas, so that no one would notice that he had fudged the whole of the rest of the argument. Just read Marshall's *Principles* through again with a gas mask on and you will see how right I am.

After Keynes died the tutor recovered his nerve a bit, and began to read the *General Theory* carefully and he found that it was full of the most frightful howlers. (I will explain about the howlers in a minute.) Would you believe it? That tutor was so badly brought up he did not even know the first principle of Aristotelean logic. He argued like this: Keynes says I am stinking fish. Keynes makes logical errors, therefore I am not stinking fish. (The kind of errors in logic that Keynes made were not of that order of magnitude.)

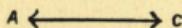
Now I will explain to you about the errors in the *General Theory*.

There is a time arrow in the process of arguing. Here are the assumptions A and here are the conclusions C.



You can start at A, puzzle: find the conclusions. Or you can start at C, puzzle: find the assumptions.

When the argument is correctly worked out (if ever) it is in equilibrium:



The conclusions imply the assumptions and the assumptions entail the conclusions.

Next I will tell you a fact from natural history. I cannot prove it; I just happened to notice it when I was making observations in the field. If you lurk in a well-constructed machan and look through field glasses you will observe a

difference in habits between the tygers of wrath and the horses of instruction.

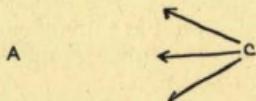
The horses of instruction always argue from the premises to the conclusion. It just is their nature to do so. So when a horse argument is not finished it looks like this:



Well—good luck to the horse. He will soon be there.

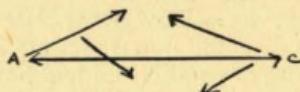
But the tygers of wrath go the other way. Do not ask me why. It is just a fact that I noticed when I was looking through field glasses from a machan.

To hit off a straight line from the assumptions to the conclusions is just what a horse can do, if he has a bit of horse sense, as well as pure horse stamina. But to hit off the line backwards is not at all easy, even for a tyger. Your half-finished tyger argument looks like this:



The *Treatise on Money* is a very good example of what I mean, but it takes much longer to read than Appendix H, and is not so rewarding (in this context) as Marshall's *Principles* as a whole, so please do not bother to look it up on my account. Just rely on the memory of the headache you had the first time you read it.

The *General Theory of Employment, Interest and Money* looks like this:



It has got the equilibrium line in it but Keynes did not rub out all the other lines before he published the book.

(You would be surprised if you knew some of the lines that did get rubbed out before R. F. Kahn would allow him to

publish. Keynes refers to this in a very handsome manner in the Preface.)

So you see what I mean if I say: When you are doing economics, do not forget your Blake.

Now let us try the long period. The short period means that capital equipment is fixed in kind. You do not have to ask: When is capital not capital? because there is a specific list of blast furnaces and rolling stock and other hard objects, and for Marshall a given number of trawlers.

In the long period capital equipment changes in quantity and in design. So you come slap up to the question: What is the quantity of capital?

I would not like to have to say where the books written on that question would stretch to, if you put them end to end.

This is where my lecture is really very disobliging. All those books are nonsense, in the strict sense given to that word by Wittgenstein: "What can be thought can be thought clearly. What can be said can be said clearly. What can be shown cannot be said."

Now, this is pre-eminently true of capital. When you can measure a quantity of capital at all you can measure it exactly, and when it is a list of blast furnaces and other hard objects it can be shown but not be said.

So when you are doing economics, do not forget your Wittgenstein.

Let us apply the notion of equilibrium to capital. What governs the demand for capital goods? Their future prospective quasi-rents. What governs the supply price? Their past cost of production. For hard objects like blast furnaces and rolling stock demand is of its very nature *ex ante*, and cost is of its very nature *ex post*. The tutor cannot find any shelter here from the arrows of time.

There is only one case where the quantity of capital can be measured, not shown; that is when the economy as a whole is in equilibrium at our old friend E.

Never talk about a system *getting into* equilibrium, for equilibrium has no meaning unless you are in it already. But think of a system *being* in equilibrium and having been there as far back towards Adam as you find it useful to go:

so that every *ex ante* expectation about today ever held in the past is being fulfilled today. And the *ex ante* expectation today is that the future will be like the past.

Then you hole out in one. Capital goods are selling today at a price which is both their demand price, based on *ex ante* quasi-rents, and their supply price, based on *ex post* costs.

Who was it who understood this bit? Marshall did, in his wicked way. You will notice, if you re-read his *Principles*, that the thinner is the argument the thicker is the tear gas. But the one who both understood it and played fair was Marx.

He starts to discuss accumulation by setting out a model of Simple Reproduction, which is precisely E, expressed in Marx's language. Then he sends his model moving forward through history and shows how it can never get back to E this side of doomsday.

You remember that Marshall found out the one case where you can say something sensible about the theory of market prices: the short period supply curve under perfect competition. Who found out the corresponding case where you can say something about long-run development? Mr. Harrod, with his *warranted rate of growth*. (You do it by fiddling the assumptions with neutral technical progress and one thing and another.)

Mr. Harrod was rather taken aback when I drew his attention to the fact that his theory was in *Capital*, Vol. II. But he is a thorough Keynesian, and has long ago spewed up every bit of stinking fish he ever ate. So after the shock had worn off he saw how right I was.

In any case it was already in his book. The point of the *warranted rate of growth* is not to show that the model tends towards an equilibrium line of development but that (just as Marx said) once it slips off the line it will never get back between now and doomsday.

It all boils down to a question of playing the game according to the rules. Ricardo established the rules of the game: Fiddle the assumptions as much as you like, but always show what you have done.

I will not say any more about the way Marshall played. Marx, instead of saying in a well-bred manner: "If you would be so good as to give me your attention, I will tell you my assumptions," falls down on his knees and begs and implores you to *believe* his assumptions, because they are the secret of the universe. Though less reprehensible in a moral light, the result is even more stupefying than Marshall's tear gas. And Keynes

often omits to mention a point here or there because (how rashly) he thought that you would see that it is obvious.

Ricardo himself was *too* conscientious. He hated having to fiddle the assumptions. Right up^{*} to his dying day he was looking for *the* assumption, that would not need to be fiddled. And that wretched neo-classical tutor took advantage of the obscurities produced by Ricardo's scruples to make out that he meant the opposite of what he said. If you read Mr. Sraffa's Introduction to the *Principles* you will see how right I am.

AN OPEN LETTER FROM A KEYNESIAN TO A MARXIST

I MUST warn you that you are going to find this letter very hard to follow. Not, I hope, because it is difficult (I am not going to bother you with algebra, or indifference curves) but because you will find it so extremely shocking that you will be too numb to take it in.

First I would like to make a personal statement. You are very polite, and try not to let me see it, but, as I am a bourgeois economist, your only possible interest in listening to me is to hear which particular kind of nonsense I am going to talk. Still worse—I am a left-wing Keynesian. Please do not bother to be polite about that, because I know what you think about left-wing Keynesians.

You might almost say I am the archetypal left-wing Keynesian. I was drawing pinkish rather than bluish conclusions from the *General Theory* long before it was published. (I was in the privileged position of being one of a group of friends who worked with Keynes while it was being written.) Thus I was the very first drop that ever got into the jar labelled "Left-wing Keynesian." Moreover, I am quite a large percentage of the contents of the jar today, because so much of the rest has seeped out of it meanwhile. Now you know the worst.

But I want you to think about me dialectically. The first principle of the dialectic is that the meaning of a proposition depends on what it denies. Thus the very same proposition has two opposite meanings according to whether you come to it from above or from below. I know roughly from what angle you come to Keynes, and I quite see your point of view. Just use a little dialectic, and try to see mine.

I was a student at a time when vulgar economics was in a particularly vulgar state. There was Great Britain with never less than a million workers unemployed, and there was I with my supervisor teaching me that it is logically impossible to have unemployment, because of Say's Law.

Now comes Keynes and proves that Say's Law is nonsense (so did Marx, of course, but my supervisor never drew my

attention to Marx's views on the subject). Moreover (and that is where I am a left-wing Keynesian instead of the other kind), I see at a glance that Keynes is showing that unemployment is going to be a very tough nut to crack, because it is not just an accident—it has a function. In short, Keynes put into my head the very idea of the reserve army of labour that my supervisor had been so careful to keep out of it.

If you have the least little pinch of dialectic in you, you will see that the sentence "I am a Keynesian" has a totally different meaning, when I say it, from what it would have if you said it (of course you never could).

The thing I am going to say that will make you too numb or too hot (according to temperament) to understand the rest of my letter is this: I understand Marx far and away better than you do. (I shall give you an interesting historical explanation of why this is so in a minute, if you are not completely frozen stiff or boiling over before you get to that bit.)

When I say I understand Marx better than you, I don't mean to say that I know the text better than you do. If you start throwing quotations at me you will have me baffled in no time. In fact, I refuse to play before you begin.

What I mean is that I have Marx in my bones and you have him in your mouth. To take an example—the idea that constant capital is an embodiment of labour power expended in the past. To you this is something that has to be proved with a lot of Hegelian stuff and nonsense. Whereas I say (though I do not use such pompous terminology): "Naturally—what else did you think it could be?"

That is why you got me so terribly muddled up. As you kept on proving it, I thought that what you were talking about was something else (I could never make out what) that needed to be proved.

Again, suppose we each want to recall some tricky point in *Capital*, for instance the schema at the end of Volume II. What do you do? You take down the volume and look it up. What do I do? I take the back of an old envelope and work it out.

Now I am going to say something still worse. Suppose that, just as a matter of interest, I do look it up, and I find that the answer on my old envelope is not the one that is actually in the book. What do I do? I check my working, and if I cannot find any error in it, I look for an error in the book. Now I suppose I might as well stop writing, because you think I am stark staring mad. But if you can read on a moment longer I will try to explain:

I was brought up at Cambridge, as I told you, in a period when vulgar economics had reached the very depth of vulgarity. But all the same, inside the twaddle had been preserved a precious heritage—Ricardo's habit of thought.

It isn't a thing you can learn from books. If you wanted to learn to ride a bicycle, would you take a correspondence course on bicycle riding? No. You would borrow an old bicycle, and hop on and fall off and bark your shins and wobble about, and then all of a sudden, Hey presto! you can ride a bicycle. It was just like that being put through the economics course at Cambridge. Also like riding a bicycle, once you can do it, it is second nature.

When I am reading a passage in *Capital* I first have to make out which meaning of C Marx has in mind at that point, whether it is the total stock of embodied labour, or the annual flow of value given up by embodied labour (he does not often help by mentioning which it is—it has to be worked out from the context) and then I am off riding my bicycle, feeling perfectly at home.

A Marxist is quite different. He knows that what Marx says is bound to be right in either case, so why waste his own mental powers on working out whether C is a stock or a flow?

Then I come to a place where Marx says that he means the flow, although it is pretty clear from the context that he ought to mean the stock. Would you credit what I do? I get off my bicycle and put the error right, and then I jump on again and off I go.

Now, suppose I say to a Marxist: "Look at this bit—does he mean the stock or the flow?" The Marxist says: "C means constant capital," and he gives me a little lecture about the philosophical meaning of constant capital. I say: "Never mind about constant capital, hasn't he mistaken the stock for the flow?" Then the Marxist says: "How could he make a mistake? Don't you know that he was a genius?" And he gives me a little lecture on Marx's genius. I think to myself: This man may be a Marxist, but he doesn't know much about geniuses. Your plodding mind goes step by step, and has time to be careful and avoids slips. Your genius wears seven-league boots, and goes striding along, leaving a paper-chase of little mistakes behind him (and who cares?). I say: "Never mind about Marx's genius. Is this the stock or is it the flow?" Then the Marxist gets rather huffy and changes the subject. And I think to myself: This man may be a Marxist, but he doesn't know much about riding a bicycle.

The thing that is interesting and curious in all this is that the ideology which hung as a fog round my bicycle when I first got on to it should have been so different from Marx's ideology, and yet my bicycle should be just the same as his, with a few modern improvements and a few modern disimprovements. Here what I am going to say is more in your line, so you can relax for a minute.

Ricardo existed at a particular point when English history was going round a corner so sharply that the progressive and the reactionary positions changed places in a generation. He was just at the corner where the capitalists were about to supersede the old landed aristocracy as the effective ruling class. Ricardo was on the progressive side. His chief preoccupation was to show that landlords were parasites on society. In doing so he was to some extent the champion of the capitalists. They were part of the productive forces as against the parasites. He was pro-capitalist as against the landlords more than he was pro-worker as against capitalists (with the Iron Law of Wages, it was just too bad for the workers, whatever happened).

Ricardo was followed by two able and well-trained pupils—Marx and Marshall. Meanwhile English history had gone right round the corner, and landlords were not any longer the question. Now it was capitalists. Marx turned Ricardo's argument round this way: Capitalists are very much like landlords. And Marshall turned it round the other way: Landlords are very much like capitalists. Just round the corner in English history you see two bicycles of the very same make—one being ridden off to the left and the other to the right.

Marshall did something much more effective than changing the answer. He changed the question. For Ricardo the Theory of Value was a means of studying the distribution of total output between wages, rent and profit, each considered as a whole. This is a big question. Marshall turned the meaning of Value into a little question: Why does an egg cost more than a cup of tea? It may be a small question but it is a very difficult and complicated one. It takes a lot of time and a lot of algebra to work out the theory of it. So it kept all Marshall's pupils preoccupied for fifty years. They had no time to think about the big question, or even to remember that there was a big question, because they had to keep their noses right down to the grindstone, working out the theory of the price of a cup of tea.

Keynes changed the question back again. He started

thinking in Ricardo's terms: output as a whole and why worry about a cup of tea? When you are thinking about output as a whole, relative prices come out in the wash—including the relative price of money and labour. The price level comes into the argument, but it comes in as a complication, not as the main point. If you have had some practice on Ricardo's bicycle you do not need to stop and ask yourself what to do in a case like that, you just do it. You assume away the complication till you have got the main problem worked out. So Keynes began by getting money prices out of the way. Marshall's cup of tea dissolved into thin air. But if you cannot use money, what unit of value do you take? A man hour of labour time. It is the most handy and sensible measure of value, so naturally you take it. You do not have to prove anything, you just do it.

Well there you are—we are back on Ricardo's large questions, and we are using Marx's unit of value. What is it that you are complaining about?

Do not for heaven's sake bring Hegel into it. What business has Hegel putting his nose in between me and Ricardo?

