The Communication of Economic Ideas: Maynard Keynes’ *The Economic Consequences of the Peace* and Norman Angell’s *The Peace Treaty and the Economic Chaos of Europe*

By: Larry Lepper

Paper Prepared for the Asia-Pacific Economic and Business History Conference (APEBH 2011) to be held at Berkeley, San Francisco from 18-20 February 2011.

Abstract

Keynes and Angell published their respective books in the same month and year (December 1919). Both men were highly critical of the Peace Treaty and both argued that an economically weakened Germany would mean negative economic consequences for all Europe. At the time of publication Angell had already become an established commentator on international relations, aided in large part because of the success of his book *The Great Illusion* (1910) that argued that even in the event of a successful war of conquest, the outcome would be counter-productive because of the high costs of the attendant economic dislocation. The book became a best seller, selling over a million copies, being translated into twenty-five languages, and transforming Angell’s life in ways similar to the way in which the publishing success of *Economic Consequences* would ensure Keynes became a well-known public figure.

Yet, while both mean enjoyed wide readership of their ideas, Angell’s book has all but disappeared from present day scholarly interest while Keynes’ book is most frequently cited by economists when they examine the nature of opposition to the Peace imposed by the Allies in 1919. In looking for explanations we find a number of subtle as well as sharply contrasting differences despite the similarities of the ideas, works and activities of both men. For example, contemporary reviewers of both books commented that Angell’s book “is in respects simpler, and deals with less technical matters than does Mr. Keynes.” While this may have been attractive to some readers, many of the technical aspects of *Economic Consequences* helps explain the longevity of interest in the book. The simplicity of Angell’s book also helps highlight the differences in prose style between both men. Whereas Angell provides a respectable descriptive account, Keynes by comparison used a variety and rich range of metaphors that literary criticism reveals *Economic Consequences* was particularly effective in unlocking the readers’ “Imaginative cosmos.” Furthermore, Keynes was influenced by the styles of the successful and popular writers Lytton Strachey and Virginia Woolf in ways that makes Keynes’ written style unique among economists.

A further explanation can be found in their approach to the discipline of economics and activities in the public domain. While Angell’s was an ‘unconventional and limited’ education, Keynes, by the standards of the day, received a rigorous education and he enjoyed a high degree of academic success. The differences were to affect each man’s approach to the subject of economics. Whereas Angell allowed inconsistent information to appear both in reference books and his own writings, Keynes applied a high degree of “scientific exactitude” in everything he wrote. Both men also courted public opinion and from time to time entered the world of journalism in furtherance of their role as public intellectuals. However, while Angell’s biographer describes him as an ‘effective propagandist,’ this stopped short of his gaining ‘the recognition as an intellectual which he subsequently craved.’ Neither would be apt descriptions for Keynes. He is considered among the finest of rhetoricians for the subject of economists and one of the most influential intellectuals of the post-industrial age.
Keynes and Angell shared a common concern that the Treaty of Versailles, signed in 1919, would lead to global economic weakness and instability in ways that made it inevitable another war would be the result. Both attended the Paris Peace Conference, Angell as an observer, Keynes as a Treasury official and advisor to the British delegation. Both wrote books on their observations and views that were published in the same month of the same year (December 1919). Their opinions and arguments are remarkably similar with their central thesis being the same. Yet, there is no evidence that either man knew of the others publishing intentions or that any form of collaboration had taken place. Such a possibility seems even more unlikely when the texts of both books are examined closely. Angell’s written style, while respectable and easy to read, follows more the form of a set of tracts or series of newspaper articles than being a serious work of economics. Keynes’ book on the other hand is a tightly integrated mix of innovative writing underpinned by the rich use of metaphorical language that is supported by a dense and varied use of descriptive statistics. Furthermore, Keynes applied a discipline to his writing that is missing from Angell’s book. These contrasting styles go a long way to explaining the publishing success of Keynes’ book vs the modest uptake of Angell’s work. It also helps explain why, 92 years after Economic Consequences was first published, it remains in print and continues to be cited by present day scholars.

(1)

Angell and Keynes were aware of the others work. For example, Keynes praised Angell’s book and his efforts in drawing the public’s attention to the Treaty’s damaging terms.¹ For his part, Angell refers to Keynes in his book as ‘the Cambridge economist and currency expert, who had been advisor to the Treasury throughout the war.’² It is, however, unclear whether or not each knew of the others publishing intentions and whether any collaborative effort was involved. It seems unlikely, despite the similarity of views and central arguments, because

---

² Angell, (1919, p. 123).
the written style of both books is so vastly different. For example, when Angell describes the economic dependency that underpins Europe he argues

[It is not] a question of one country being able to restore itself unless there is some measure of restoration in the others. At this moment the French people are suffering acutely from a coal famine. They are entitled under the Treat to enormous quantities of coal from Germany, which this latter country cannot deliver because her transport system has been demoralised by the seizure of locomotives and wagons. If France returns a proportion of this rolling-stock it will not be because she favours the Huns, but because she wants German coal.

That is an illustration in lesser or greater degree of every country in Europe.³

By comparison Keynes describes the integration of Europe in this way

Europe is solid with herself. France, Germany, Italy, Austria, and Holland, Russia and Romania and Poland, throb together, and their structure and civilization are essentially one. They flourished together, they have rocked together in a war, which we, in spite of our enormous contributions and sacrifices (like though in a less degree than America), economically stood outside, and they may fall together. In this lies the destructive significance of the Peace of Paris. If the European Civil War is to end with France and Italy abusing their momentary victorious power to destroy Germany and Austria-Hungary now prostrate, they invite their own destruction also, being so deeply and inextricably intertwined with their victims by hidden and economic bonds.⁴

In addition to the style differences the most striking contrast between the two books is the publishing success of Keynes’ book compared to the modest readership of Angell’s, whose book was only published as one edition. Furthermore, scholars rarely cite Angell or his book and he has all but disappeared as a figure of interest for modern day historical scholars. Keynes on the other hand lived to see his book reach 23 editions and in the first two months alone sold 60,000 copies in Britain and the US and over 100,000 copies by the end of July 1920. Translations in other languages followed: German, French, Dutch, Danish, Swedish, Italian, Spanish, Romanian, Russian, Japanese and Chinese. Extracts and abbreviated versions were widely available.⁵ One historian

³ Angell, (1919, p. 9).
⁴ Keynes, (1919, p. 3).
described the role it played in the formation of public opinion as ‘epoch-making’. Scholars interested in the economics of this period still regularly cite *Economic Consequences* and the book remains in print some 92 years after it was first published. As recently as 2007 three new editions were published.

Explanations for such a disparity are all the more difficult because Angell in 1919 was a well-known writer and commentator on political, international relations and economic matters. The book that established his reputation, *The Great Illusion* was published in 1910 and became a best seller, selling over a million copies, being translated into 25 languages, and transforming Angell’s life in ways similar to the way in which the publishing success of *Economic Consequences* would ensure Keynes became a well-known public figure. Publication of *The Great Illusion* also led to Angell’s nomination for the Nobel Peace Prize, which he received in 1933. Angell claimed in his book that it was an illusion that war could be profitable to a nation, and he also maintained that this illusion was going to lead Europe into a state of war. While the central argument of *The Peace Treaty* differs from *The Great Illusion* a number of the key themes from his earlier book are carried over into *The Peace Treaty*. Contemporaries have commented that Angell’s book, while maintaining similar arguments to those of Keynes is a simpler and less technical book than Keynes’ and a comparative reading of both works supports this argument. A comparative reading of both books also provides the best explanation for why Keynes’ book has been more widely read than Angell’s, namely, *Economic Consequences* is a richly constructed piece of literature in comparison to Angell’s more simplistic descriptive tract. In addition, the greater technical nature of Keynes’ book provides a depth of analysis missing from Angell’s book. For example, both Angell and Keynes discuss the importance of American assistance in the economic restoration of post-war Europe with Angell arguing that the difficulties associated with gaining American co-operation are that

> Since the Armistice, American policy has tended towards withdrawal from mixing in European affairs, a rapid reversion to the old aloofness and isolation.

> A nationalist war-time reaction from the Utopian internationalism of the Mr. Wilson of 1916 was, of course,

---

7 Refer to the Official Web site of the Nobel Prize, [http://nobelprize.org](http://nobelprize.org).
8 Furniss, (1920, p. 85).
inevitable. But the swing back has been unchecked because the sincerely radical and idealistic forces have been unable to defend the Versailles Treaty. Had it been possible to mobilise the informed idealism of America (type: New Republic, Nation, Dial) the jingo opposition of the Senate could have been overcome. In the last analysis the Treaty has been lost in America because it could not be defended on the terms of Mr. Wilson's own speeches of 1916. No internationalist's heart was in its defence.⁹

While Keynes would not disagree with this explanation, his analysis and views of American reluctance to get involved any further in European affairs are more complex than Angell's straightforward viewpoint and he provides a depth of reasoning missing from Angell's book. Keynes argues that

The United States is disinclined to entangle herself further (after recent experiences) in the affairs of Europe, and, anyhow, has for the time being no more capital to spare for export on a large scale. There is no guarantee that Europe will put financial assistance to proper use, or that she will not squander it and be in just as bad case two or three years hence as she is in now; - Mr. Klotz will use the money to put off the day of taxation a little longer, Italy and Jugo-Slavia will fight one another on the proceeds, Poland will devote it to fulfilling towards all her neighbours the military role which France has designed for her, the governing classes of Roumania will divide up the booty amongst themselves. In short, America would have postponed her own capital developments and raised her own cost of living in order that Europe might continue for another year or two the practices, the policy, and the men of the past nine months. And as for assistance to Germany, is it reasonable or at all tolerable that the European Allies, having stripped Germany of her last vestige of working capital, in opposition to the arguments and appeals of the American financial representatives at Paris, should then turn to the United States for funds to rehabilitate the victim in sufficient measure to allow the spoliation to recommence in a year or two?

There is no answer to these objections as matters are now. If I had influence at the United States Treasury, I would not lend a penny to a single one of the present Governments of Europe. They are not to be trusted with resources which they would devote to the furtherance of policies in repugnance to which, in spite of the President's failure to assert either the might or the ideals of the people of the United States, the Republican and the Democratic parties are probably united. …

The impulse which, we are told, is now strong in the mind of the United States to be quit of the turmoil, the complications, the violence, the expense, and above all, the unintelligibility of the European problems, is easily understood. No one can feel more intensely than the writer how natural it is to retort to the folly and

impracticability of the European statesmen, - Rot, then, in your own malice, and we will go our way –

Remote from Europe; from her blasted hopes;
Her fields of carnage, and polluted air.

But if America recalls for a moment what Europe has meant to her and still means to her, what Europe, the mother of art and of knowledge, in spite of everything, still is and still will be, will she not reject these counsels of indifference and isolation, and interest herself in what may prove decisive issues for the progress and civilization of all mankind? ¹⁰

(2)

Keynes’ book is seven chapters in length whereas Angell divides his book into five parts and then deals with a series of sub-themes within each part. The approach of each is similar in the way they provide historical context and describe the economic position of Europe at the turn of the twentieth century. Both also explain the global nature and economic interdependency of the nations of Europe and the US in ways that put the theme of globalisation (or internationalisation as it was then termed) at the heart of their arguments. Angell argues that

If large areas of the Continent starve, we go hungry; a long period of chaos among those vast populations in Russia, Hungary, Austria, Germany, Poland, means that much more delay in getting back to ordered industry ourselves, in getting rid of our burden of debt, in restoring our solvency. …

Britain’s dependence upon continental markets is not a matter merely of those who have goods to sell there, the particular manufacturers or merchants interested in particular trades. The continental chaos directly affects Britain’s financial situation as a whole. The depreciation of the sovereign is largely explained by the failure of the Continent to pay us what it owes. ¹¹

Keynes explains the economic interdependency of Europe by arguing that:

Moved by insane delusion and reckless self-regard, the German people overturned the foundations on which we all lived and built. But the spokesmen of the French and British peoples have run the risk of completing the ruin, which Germany began, by a Peace which, if it is carried into effect, must impair yet further, when it might have restored, the delicate, complicated organization, already shaken and broken by war, through which alone the European peoples can employ themselves and live. …

What an extraordinary episode in the economic progress of man that age was which came to an end in August 1914! … any

¹⁰ Keynes, (1919, pp. 266-268).
¹¹ Angell, (1919, pp. 32-33).
man of capacity or character at all exceeding the average, into the middle and upper classes, for whom life offered, at a low cost and with the least trouble, conveniences, comforts, and amenities beyond the compass of the richest and most powerful monarchs of other ages. The inhabitant of London could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early delivery upon his doorstep. He could secure forthwith, if he wished it, cheap and comfortable means of transit to any country or climate without passport or other formality, could dispatch his servant to the neighbouring office of a bank for such supply of the precious metals as might seem convenient, and could then proceed abroad to foreign quarters. ...he regarded this state of affairs as normal, certain, and permanent.12

Both men’s opposition to the Treaty rests on the argument that it will continue the destruction of European economic interdependency by peaceful means. Both Keynes and Angell also provide a set of suggestions as to what can be done to put right the wrongs of the Treaty, as it had been constructed in 1919. The similarities between both works do not, however, extend any further in terms of both literary style and economic authority. In addition to Angell’s lack of economic analysis (compared to that given by Keynes) he also gives very little by way of source material to support his arguments, preferring to provide a number of quotes from politicians and officials as the way to make his argument. Keynes on the other hand presents a tightly integrated statistical analysis and prose account by way of presenting reasoned analysis to make arguments that draw on a wide and descriptive variety of sources. 13 For example, when Angell discusses the ways in which the financial problems of Europe are to be addressed he provides little by way of analysis or argumentation relying rather on statements such as ‘the essence of [the] answer is a definitely organised internationalisation of credit.’14 In the same discussion he states: ‘Much of what Europe needs must come from America, but wherewith shall she pay?’15 Angell provides no answer to

12 Keynes, (1919, pp. 1-2 and pp. 9-10).
13 While it is a purely subjective exercise to compare how many words and statistics each writer uses it does provide an appreciation of why Keynes’ book carries with it a greater air of authority by considering how each man marshal’s his numbers and prose in support of their arguments. In Economic Consequences Keynes provides in excess of 300 different numbers and statistics compared to Angell’s almost complete absence of any numbers or statistics. Keynes text is some 50,000 words in length compared to Angell’s 30,000.
14 Angell, (1919, p. 34).
15 Angell, (1919, p. 35).
his own question. Keynes, by comparison argues that the financial distress of the post-war environment could be relieved by an immediate loan to ‘meet the ills of the immediate present, - the excess of Europe’s imports over her exports, the adverse exchange, and the disorder of the currency. It will be very difficult for European production to get started again without a temporary measure of external assistance.’\textsuperscript{16} Furthermore, Keynes argues for a longer-term solution in the form of ‘the entire cancellation of Inter-Ally indebtedness (that is to say, indebtedness between the Governments of the Allied and Associated countries) incurred for the purposes of war.’\textsuperscript{17} He then provides the following statistics in support of his argument:

<table>
<thead>
<tr>
<th>Loans to</th>
<th>By United States</th>
<th>By United Kingdom</th>
<th>By France</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>842,000,000</td>
<td>….</td>
<td>….</td>
<td>842,000,000</td>
</tr>
<tr>
<td>France</td>
<td>550,000,000</td>
<td>508,000,000</td>
<td>….</td>
<td>1,058,000,000</td>
</tr>
<tr>
<td>Italy</td>
<td>325,000,000</td>
<td>467,000,000</td>
<td>35,000,000</td>
<td>827,000,000</td>
</tr>
<tr>
<td>Russia</td>
<td>38,000,000</td>
<td>568,000,000</td>
<td>160,000,000</td>
<td>766,000,000</td>
</tr>
<tr>
<td>Belgium</td>
<td>80,000,000</td>
<td>98,000,000</td>
<td>90,000,000</td>
<td>268,000,000</td>
</tr>
<tr>
<td>Serbia and Jugo-Slavia</td>
<td>20,000,000</td>
<td>20,000,000</td>
<td>20,000,000</td>
<td>60,000,000</td>
</tr>
<tr>
<td>Other Allies</td>
<td>35,000,000</td>
<td>79,000,000</td>
<td>50,000,000</td>
<td>164,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>1,900,000,000</td>
<td>1,740,000,000</td>
<td>355,000,000</td>
<td>3,995,000,000</td>
</tr>
</tbody>
</table>

Keynes then develops his arguments for the foregiveness of Inter-Ally indebtedness and explains:

If all the above Inter-Ally indebtedness were mutually forgiven, the net result on paper (\textit{i.e.} assuming all the loans to be good) would be a surrender by the United States of about £2,000,000,000 and by the United Kingdom of about £900,000,000. France would gain about £700,000,000 and Italy about £800,000,000. But these figures overstate the loss by the United Kingdom and understate the gain to France; for a large part of the loans made by both these

\textsuperscript{16} Keynes, (1919, p. 265).
\textsuperscript{17} Keynes, (1919, p. 253).
\textsuperscript{18} Keynes, (1919, p. 254). Keynes also provides a set of footnotes to explain where he sourced figures.
countries has been to Russia and cannot, by any stretch of the imagination, be considered good.\textsuperscript{19}

It is then Keynes’ statistical analysis and richness of prose which sets the books apart. While this makes it impossible to compare how both men used numbers to make and support their arguments (because Angell does not use any)\textsuperscript{20} it is useful to examine how Keynes’ use of statistics helps explain why \textit{Economic Consequences} continues to be consulted by economic historians, despite the controversy that surround many of them. A large number of the statistics in \textit{Economic Consequences} came directly from Treasury memoranda, which demonstrates Keynes had a rhetorical advantage over writers such as Angell because he could draw on a trusted source that would be unlikely to be seriously challenged. In other words, the veracity of his numbers and statistics were more likely to be accepted when they came from a significant official source. In comparison to reactions Keynes received to his prose, reaction to his numbers was relatively muted, an indication of critics’ willingness to accept the authority of his statistics. Even when Mantoux, the first serious challenger of Keynes’ numbers, published his critique 27 years after the publication of \textit{Economic Consequences}, his criticisms were more to do with hindsight than focusing on the context of 1919.\textsuperscript{21}

Many present day economists argue Keynes exaggerated Germany’s inability to meet reparation terms in The Treaty. Typically they point to the way Keynes underestimated Germany’s economic restorative capability, ultimately one of the reasons for World War Two. Some go as far as to lay the blame for Germany’s rapid ability to rearm on Keynes’ publication of \textit{Economic Consequences}. However, this view enjoys the benefit of hindsight and does not sufficiently take account of the context within which Keynes’ statistics were drawn. While many of Keynes’ figures were taken, often verbatim, directly from Treasury memoranda in many cases these figures were undoubtedly the work of Keynes

\textsuperscript{19} Keynes, (1919, p. 254).

\textsuperscript{20} It is not strictly correct that Angell did not use numbers to support his argument but when he does he himself never provides them, unlike Keynes who took the credit for providing many of the statistics in his book. In one example Angell discusses the Treaty’s plans to diminish Germany’s goal producing capability. In support of his argument he quotes verbatim from the “Report on Food Conditions in Germany,” \textit{His Majesty’s Stationary Office}, Document Cmd. 280, p. 15, Angell, (1919, pp. 72-73).

\textsuperscript{21} Mantoux, (1946).
himself. As a Treasury official, they are statistics, prior to any form of publication that would have been known to those he worked with. It seems unlikely the entire Treasury would have been complicit in turning a blind eye to deliberately exaggerated figures. However, this does not mean Keynes used statistics other than as a means to persuade his readers. Keynes understood the importance and “rules” of rhetoric. There are numerous examples in *Economic Consequences* where he effectively marshals numbers and calculations in ways to support his arguments. Keynes believed the terms as laid out in the Treaty would not only emasculate Germany economically, but his real concern was that the Treaty, if imposed, would, in effect, throw the whole of Europe into an economic dark age.

There is little doubt he was successful in persuading many of his generation with his numbers. Apart from the obvious publishing success of his book, the clearest evidence is the widespread acceptance of his figures. Some researchers suggest this is because they were deliberately presented in a confusing manner, whereas Keynes prose could easily be challenged because he wrote with a clear and elaborate style. However, this overlooks that Keynes himself saw his book as a serious work of economics and his extensive use of Treasury numbers tends to support this argument. It also overlooks that Keynes’ numbers drew little criticism at the time and were accepted by many of his otherwise critical and knowledgeable audience. To suggest otherwise is to cast doubt on the intellectual ability of Keynes’ own contemporaries’ analytical abilities and their understanding of Keynes’ statistical arguments.

(3)

When we compare the prose style of both men we are presented with almost as stark a contrast as we are when examining the statistical nature of both books. Whereas Keynes presents the reader with an innovative way of writing with the book rich in his use of metaphors, Angell provides an almost completely descriptive account of his arguments with little in the way of original or creative writing and when he does use metaphors they are the metaphors of others rather than his own. For example, his use of the terms such as ‘Stolen Cow Huns,’ ‘Milch Cow Germans,’ ‘Hun Coddlers,’ and ‘Cow Delegates,’ are all terms that
Angell claims originate with articles in the *Daily Mail*. By comparison, Keynes’ use of metaphors, allusions and analogies were chosen to capture the imagination of his readers, with sources he knew would be familiar to them. For example, he quotes from William Wordsworth’s *The Excursion Book Third* to pour scorn of the ‘folly and impracticability of the European statesmen, - Rot, then, in your own malice, and we will go our way –

Remote from Europe; from her blasted hopes;
Her fields of carnage, and polluted air.

Wordsworth’s words are from the tale of a wanderer’s sensation, expressing emotions of despondency, affliction, dejection and solitariness. Roused by the French Revolution the wanderer leaves to journey to America but disappointment and disgust pursue him. On his return he experiences languor and depression of mind, from want of faith in the great truths of Religion, and want of confidence in the virtue of mankind. These were similar to the “apocalyptic” feelings that gnawed at Keynes as he wrote *Economic Consequences*.

In another example we see two “ugly” aspects of the Treaty’s deception. First, those behind the framing of the Treaty have convinced themselves that wrong is right and second, because of their actions everything around them is corrupted. Keynes sums up the deception with an analogy from Shakespeare’s *MacBeth*:

The word was issued to the witches of all Paris:
Fair is foul, and foul is fair,
Hover through the fog and filthy air.

Shakespeare’s play highlights how desire can overwhelm people so they become oblivious to what may be “foul” or bad. Lady MacBeth’s fair appearance was the exact opposite of her intentions and personality. Similarly, the Allies came to the Conference appearing to uphold the principles of the Fourteen Points when in fact their intentions were to destroy a beaten foe, regardless of the consequences (desire for revenge overwhelmed their principles). Desire is also at the root of greed and foulness and nothing is what it seems. When the witches chant ‘fair is

---

22 Angell, (1919, p. 125 and p. 132.)
23 Keynes, (1919, p. 268).
24 Keynes, (1919, p. 47).
foul and foul is fair’ similarly the greed and desire of the victorious Allies is foul as they sought to impose impossible terms on Germany. Furthermore they were foul in their clear deception for saying one thing (to uphold the Fourteen Points) and doing another (imposing terms intended to destroy Germany economically). Another interpretation of MacBeth involves religious imagery. That is, there is a school of thought a Christian interpretation can be put onto the phrase ‘fair is foul and foul is fair’ to describe those who worship Satan with the phrase itself describing ultimate truth.\(^{25}\) That which makes a human fair (virtue) is foul (vice) and that which makes a human foul (vice) is fair (virtue). The witches serve evil and they declare so with the phrase. Taking this interpretation Keynes accused all those who were complicit in the framing and execution of the Treaty to be serving evil.

Although Keynes’ primary means of communication was discursive, his regular, and at times flamboyant use of metaphors, including analogies and allusions, demonstrates he understood the importance of symbolism and images which makes the metaphor, when used correctly, a powerful literary tool. According to \textit{the Princeton Encyclopedia of Poetry and Poetics} the nature and definition of metaphorical terms and relations between them have ‘both been a matter for much speculation and disagreement.’\(^{26}\) The metaphorical relation has been variously described as ‘comparison, contrast, analogy, similarity, juxtaposition, identity, tension, collision fusion and different views have been held regarding nature, operation and the function of the metaphor.’\(^{27}\) In recent years there has been a growing acceptance the metaphor is the radical process in which the internal relationships peculiar to poetry are achieved; some critics maintaining that metaphor marks off the poetics mode of visions and utterances from the logical or discursive mode; other; usually anthropological evidence, that all language is metaphorical.

The traditional view of metaphor (in poetics and prose), however, is ‘it is a figure of speech, or a family of tropes, involving two (and occasionally four) operative

terms, and that it is used for adornment, liveliness, elucidation, or agreeable mystification.\(^{28}\)

Frye refers to this metaphorical process as tapping into the “imaginative cosmos,” which is neither the objective environment studied by natural science nor the subjective inner space studied by psychology.\(^{29}\) This ‘imaginative cosmos’ is a creation of the reading process itself. Frye argues, ‘when we read (or otherwise examine) a verbal stricture, our attention is going in two directions at once.’\(^{30}\) One direction is centripetal, trying to make sense of the words we are reading. The other is centrifugal, gathering up from memory the conventional meanings of the words used in the world of language outside the work being read. The resulting “imaginative cosmos” in the reader’s mind, is an ‘intermediate world in which images of higher and lower, the categories of beauty and ugliness, the feelings of love and hatred, the associations of sense experience, [which] can be expressed only by metaphor.’\(^{31}\)

This central place of metaphor in literature might best be explained by describing literature as the art and content of words. The student of literature might be interested primarily in the art of words or in the content of the words themselves. If the interest is in the content the student is drawn in the direction of linguistics and semiotics where, ‘the ordinary boundary terms that we commonly use within verbal structures begin to dissolve.’\(^{32}\) On the other hand, if the art of literature is emphasised, rather than the words used, there is a common-sense practical distinction indicating an area of words different from other areas so that

in this distinction Keats, let us say, is a poet and not a philosopher, and Kant is a philosopher and not a poet. We recall Magritte’s highly representational picture of a pipe, which he called “this Is Not a Pipe.” A picture is a picture, and cannot be identified with or defined by its representational content. Similarly, a work of literature cannot be identified with what it says: whatever is “said” in literature belongs to ideology and rhetoric, not to the poetic as such.\(^{33}\)

\(^{30}\) Frye, (1990, p. 3).
In simple terms the literary style is of interest to the student of the art of literature whereas it is content that interests the linguistics student. For example, we can examine *Economic Consequences* as a body of economic content and treat the book as a text on the proceedings and terms of the Treaty of Versailles and the economic consequences. In Chapter VII for example, Keynes provides statistics and analysis that he believes will help politicians and businessmen (or the capitalist class as he calls them) find a remedy to the economic problems Europe has to deal with. This chapter, as with most other chapters, can be treated as an economic discourse with sufficient detail to enable an economist to analyse and judge for themself the nature of the economic consequences of a number of economic scenarios.

On the other hand we can examine the book’s style and in so doing uncover an entirely different layer of meaning. For example, when Keynes discusses the part played by the capitalist classes in the restoration of European prosperity he is as scathing toward them as he is towards the statesmen he blames for the Treaty. While Keynes paints an apocalyptic picture of the failings of the statesmen, whose job it was to provide leadership in the restoration of the fortunes of a battered Europe, Keynes also turns his apocalyptic words of “chastening” on the ‘great capitalist class’ of Europe calling for reform and arguing this is the class that should be taking responsibility for restoring European fortunes. Instead of ushering in reform Keynes rather sees the capitalist class as contributing to future ruin and muses that ‘perhaps it is historically true that no order of society ever perishes save by its own hand.’ In this passage Keynes deals with the past, assuming it to be historically true, and the present:

We are thus faced in Europe with the spectacle of an extraordinary weakness on the part of the great capitalist class, which has emerged from the industrial triumphs of the nineteenth century, and seemed a very few years ago our all-powerful master. The terror and personal timidity of the individuals of this class is now so great, their confidence in their place in society and in their necessity to the social organism so diminished, that they are the easy victims of intimidation. This was not so in England twenty-five years ago, any more than it is now in the United States. Then the capitalists believed in themselves, in their value to society, in the propriety of their continued existence in the full enjoyment of their riches and the unlimited exercise of their power. Now they tremble before every insult; - call them pro-Germans, international
financiers, or profiteers, and they will give you any ransom you choose to ask not to speak to them so harshly. They allow themselves to be ruined and altogether undone by their own instruments, governments of their own making, and a press of which they are proprietors.  

In his concluding discussion on the failure of the capitalist class Keynes hints prophetically at the coming apocalypse, which was to be World War Two:

In the complexer world of Western Europe the Immanent Will may achieve its ends more subtly and bring in the revolution no less inevitably through a Klotz or a George than by intellectualisms, too ruthless and self-conscious for us, the bloodthirsty philosophers of Russia.

The term Immanent Will comes from the work of Hardy, who did not subscribe to the great man view of history but rather fate in the form of the Immanent Will dictates how events unfold. He makes reference to another well-known literary phrase ‘the Immanent Will’ to argue there are serious consequences resulting from the deception, incompetent leadership and farce that came to define the Conference and resulting Peace Treaty. The term was first used by Thomas Hardy (1840-1928) in his poem of the Titanic tragedy “Convergence of the Twain – Lines on the loss of the Titanic.” Kipling had earlier put the word twain on the poetic map with one of his Barrack-room Ballads in 1892, declaring, “Oh, East is East, and West is West, and never the twain shall meet.” Kipling’s use of the word describes an imperial West he cannot imagine has any connection with the East. Similarly, Hardy’s view of the sinking of the Titanic is such an overwhelming and unimaginable possibility that “the twain has converged.” The twain for Hardy refers to the “collision” of the Titanic and the Immanent Will ‘that stirs and urges everything prepared a sinister mate for the ship: “a Shape of Ice.”’ In Hardy’s world view, the twain meet in time and space when the ”spinner of Years said ‘Now!’ And each one hears, and consummation

---

34 Keynes, (1919, p. 222).
35 In apocalyptic tradition things get worse before they get better, hence another revolution (that was World War Two).
36 Reference is to Lloyd-George and Louis Lucien Klotz who was the French Minister of Finance during the war. Keynes had no time for Klotz and was heavily critical of him.
37 Keynes, (1919, pp. 222-223). Keynes’s reference to the bloodthirsty philosophers of Russia is clearly referring to the intellectuals such as Lenin and Trotsky who ushered the Bolsheviks into power.
38 Dean, (1912).
39 from Old English twegen, meaning two.
comes, and jars two hemispheres.” The “Immanent Will” or fate or chance said “Now!” and the Titanic was hit. This turns out to be a sinister mate. The extent of the injury from the impact is not immediately known (surely, there are 6 watertight compartments?) But slowly the passengers realise things are amiss, and then rapidly they are sinking. In the same way the Immanent Will at play in the tragedy of the Titanic was at play during the Conference proceedings. Similarly most of the characters in Hardy’s books fight a losing battle against the impersonal forces of fate, the hand of fate may usher in another revolution that no statesman, politician or intellectual on their own can do anything about. Nothing could be done once fate (the Immanent Will) moved to sink the Titanic. This ‘inevitable’ powerlessness of individuals to hold back the tragedy of revolution, just as the passengers on the Titanic were powerless to stop her sinking, is reinforcement of Hardy’s view that human downfall is the result of an unwilling conflict with a hostile, meaningless universe. Should revolution, as predicted by Keynes, be a result of the Treaty, there is little, if nothing, individuals can do to prevent it.

Content and style then, are both important elements in understanding what Frye argues makes up the language that intensifies consciousness and ‘all intensified language sooner or later turns metaphorical, and literature is not only the obvious but the inescapable guide to higher journeys of consciousness.’

In simple terms, the use of metaphor gives a literary work a certain ‘style’ but also intensifies consciousness because it gives meaning to content.

Of course “metaphorical” is ‘as treacherous a conception’ as “truth” or “reality” could ever be. Some metaphors are illuminating; some are merely indispensable; some are misleading or lead to illusion; some are socially dangerous. For example, ‘Wallace Stevens speaks of “the metaphor that murders metaphor.” But for better or worse it occupies a central area – perhaps the central area – of both social and individual experience.’ Frye argues it is a primitive form of awareness, established long before the distinction of subject and object

---

40 Frye, (1990, p. 28).
became normal, ‘but when we try to outgrow it we find that all we can really do is rehabilitate it.’

Keynes’ prose style is striking in the richness of the metaphors he uses, which rarely feature in works of economics. This is in contrast to an almost complete absence of metaphors from Angell’s book. Keynes’ entire book is underpinned by a genre of prophetic and apocalyptic writing. We have seen how he draws on the works of Wordsworth’s *The Excursion Book Third* to paint an apocalyptic picture of the failure of statesmen and politicians to grasp the economic destruction they are about to unleash on Europe and how he uses the same apocalyptic imagery to chasten the “great capitalist class” of Europe who he holds responsible for not doing enough to restore Europe’s economic fortunes. Dramatically Keynes finishes *Economic Consequences* with a lengthy citation from Shelley’s *Prometheus Unbound*. Yeats had also used Shelley’s poem in his *The Second Coming* and with Keynes believed the world was on the threshold of an apocalyptic moment. Both had a vision of destruction that would be rendered by “the beast” although they differed in their views of how things would play out. Yeats held the view that further destruction was necessary to enable proper restoration, whereas Keynes took no satisfaction from the thought of more destruction. Rather he believed reform and change could overcome the nightmare of a looming apocalypse.

Within this apocalyptic framework, Keynes draws out a number of significant themes. He uses analogies and the allusion of Napoleon and Spartacus as ways of developing three important themes of failed leadership. In dealing with his analogy to Napoleon Keynes draws from Tolstoy’s *War and Peace* and Hardy’s *The Dynasts* as well as Shaw’s *The Man of Destiny*. Keynes uses these analogies to argue that, first it was the weak and impotent leaders at Versailles who failed to find effective economic solutions. Second, there was disappointment in the Allied leaders. Wilson, in particular, like Napoleon, was a leader with great promise who ultimately greatly disappointed. Finally, Keynes

---

44 Keynes, (1919, p. 268).
45 Keynes, (1919, pp. 278-279).
46 Keynes, (1919, p. 4 reference to *War and Peace*; pp. 4-5 reference to *The Dynasts*; p. 35 *The Man of Destiny*.)
used the character of Napoleon to highlight the problems of re-building the economies of both Germany and Russia in the face of the possibility of another Napoleon-like domination of Europe.

Another effective use of metaphor is Keynes’ allusions to the Classical World. He compares Clemenceau’s misplaced love of France to Pericles’ love of Athens. In the same way as this spelt doom for Pericles and Athens, Keynes argued that Clemenceau’s desire for revenge would spell doom for France.\(^\text{47}\) The Carthaginian Peace was a term first coined by Keynes and subsequently has become the term often used to describe the Treaty. The destruction of Carthage by the Romans was total and Keynes prophesied Europe’s destruction would be equally terminal should the Treaty terms be imposed.\(^\text{48}\) Finally, Keynes argued that such an apocalyptic vision could be averted with strong leadership, especially from the United States. His analogy of the philosopher-king, who could ensure world order, was still possible, although Keynes had doubts, for Wilson was no philosopher-king.\(^\text{49}\)

As well as allusions to the Classical World Keynes used religious imagery, especially Judaeo-Christian imagery, to focus attention on the failures of the Allied leadership. First, Keynes likens the confusion at the Conference to the biblical story of the Tower of Babel. He used this imagery to demonstrate how competing self-interest and the worship of nationalism and imperialism are major impediments to the restoration of prosperity.\(^\text{50}\) The second failure that concerned Keynes was the role deception played in drafting the Treaty. He compares the actions of those responsible to the serpent in the Garden of Eden who seduced Adam and Eve to deceive God. Europe’s punishment would be a failure to return to prosperity and stability in ways similar to Adam and Eve having been cast out

\(^{47}\) Keynes, (1919, p. 29.)

\(^{48}\) One of the subsequent criticisms of Keynes’ argument was that even though he was right about another European ‘civil revolution’ (World War Two) Europe not only survived the war but went on to prosper economically, hardly a Carthaginian outcome. However, what this criticism overlooks is that the Treaty terms were never imposed in the ways intended at Versailles. While the term Carthaginian Peace is probably a good example of Keynes’ exaggerated prose, designed to shock his readers, we literally do not know if Europe would have been reduced to a second Carthage.

\(^{49}\) Keynes, (1919, p. 38).

\(^{50}\) Keynes, (1919, p. 28).
of the Garden of Eden and destined for a life of hardship.\textsuperscript{51} Furthermore, Keynes compares the sacred books of the Pentateuch to the sacredness of the Fourteen Points and then used the analogy of the Jesuits, scholarly experts and apologists for Catholicism, to argue experts who framed the Treaty gave it propagandist treatment.\textsuperscript{52} Keynes then deals with two ugly aspects of the Treaty’s deception. First, those who framed the Treaty convinced themselves that, like the witches from Shakespeare’s \textit{MacBeth}, right is wrong and wrong is right (fair is foul and foul is fair). Another interpretation is, those who worship Satan invert fair (virtue) with foul (vice) so those complicit in framing the Treaty were serving evil. This evil and deception, argued Keynes, was due to the worship of the false idols of nationalism.\textsuperscript{53}

Keynes has an explanation for the deception, which is the evil worship of false idols enabled by weak leaders at the Conference, especially Wilson. Keynes used three examples to illustrate what he meant. First, Wilson did not grasp European affairs and as an American was blinded by what Abraham Lincoln had called “the almost chosen people.” Second, Wilson’s dogmatic personality and lack of capacity to understand European affairs is likened to the hubris of Icarus and the unreality of conversing with the Lord on Mt. Sinai, while those he should be leading are worshipping the false gods of nationalism and self-interested revenge.\textsuperscript{54}

In addition to religious imagery, Keynes refers to other literary sources in support of his arguments. He likens Wilson to a blind and deaf Don Quixote.\textsuperscript{55} This is more than a reference to Wilson’s incompetence; it also refers to deception and weak leadership, what Keynes labelled as the twin evils of the Conference. In developing the theme of deception, Keynes referred especially to Lloyd-George, who had the better of Wilson in a game of blind man’s buff. In dealing with these twin themes, Keynes refers to the \textit{Anti-Christ}, by Nietzsche. When Keynes speaks of the crucifixion of the Anti-Christ he means the crucifixion of the strength of will that knew the right thing to do was to not penalise Germany.

\begin{footnotes}
  \item[51] Keynes, (1919, p. 10).
  \item[52] Keynes, (1919, p. 47).
  \item[53] Keynes, (1919, p. 47).
  \item[54] Keynes, (1919, p. 38).
  \item[55] Keynes, (1919, p. 38).
\end{footnotes}
in ways that would penalise all of Europe.\textsuperscript{56} Keynes also draws on Quixote again to make his point that deception tainted the entire Conference. Wilson entered Paris thinking he was an honourable knight, when in reality he is caught in a farcical adventure. Similarly, Keynes draws on Hardy’s concept of Immanent Will to highlight the themes of deception, incompetence and farce. We have seen that he uses Hardy’s poem “Convergence of the Twain – Lines on the Loss of the Titanic” to argue that in the same way the Immanent Will meant the sinking of the Titanic was inevitable, it was inevitable Europe was marching toward further upheaval, instability and revolution that would leave Europe economically destitute. This created in Keynes a feeling of despair, yet, despite the dark and ominous tones he finished \textit{Economic Consequences} on an optimistic note. He offered a set of economic solutions to replace the Treaty terms, which could head off the possibility of war and economic hardship. Finishing with Shelley’s \textit{Prometheus Unbound} is a signal that in the same way as Shelley saw this as the answer to the mistakes of the French Revolution, Keynes believed a different approach and set of measures could restore economic prosperity and address the consequences of the Carthaginian Peace.

\footnotesize{(4)}

The differences in writing style are so stark between Angell and Keynes that it is worth examining what we know about the influences, if any, on each man’s style. This examination once again reveals some striking contrasts. Not a great deal is known about what influenced Angell’s writing whereas there is clear evidence of some important influences on Keynes.

Ceadel, Angell’s biographer, tells us that Angell had an ‘unconventional and limited education which Angell described in his memoirs helped him become an effective propagandist.’\textsuperscript{57} However, Ceadel argues that while this may have been the case it stopped Angell ‘gaining the recognition as an intellectual that he subsequently craved.’\textsuperscript{58} His main influences appear to have come from his schooling experiences and later work as a journalist. He had an unhappy

\footnotesize{\textsuperscript{56} Keynes, (1919, pp. 132-133).  
\textsuperscript{57} Ceadel, (2004, p. 1).  
\textsuperscript{58} Ceadel, (2004, p. 1).}
experience at the preparatory school he was sent to at the age of nine after which he was educated first at a local school kept by an Anglican clergyman and then at the Lycée de St Omer, in France, where he became proficient in French and was, as he himself claimed, was first influenced in a rationalist direction by reading John Stuart Mill’s Essay on Liberty. After returning to England he attended a business college in London before working as a journalist on the Southern Star in Weymouth. He then worked in Geneva for a period as a journalist for an English-language paper, The Telegraph, and also attended lectures at the university and consorted with revolutionary émigrés. He briefly returned to England where he edited the Ipswich Times but failed to make a success of journalism and soon emigrated to the US where he spent almost a decade. He worked as a rancher and applied for naturalization but failed to complete the process. He took journalistic jobs in San Francisco and St Louis before returning home. Following a number of other journalistic jobs in England he settled into the role of managing editor of a new continental edition of the Daily Mail, a position he held from 1905 until 1912. With the success of The Great Illusion he became a full time publicist and spent the remainder of his life publishing books and tracts and involving himself in a variety of pacifist and political movements. One of these movements grew up around the ideas he developed in The Great Illusion, which held as its thesis that war was no longer possible. While some of his own statements encouraged this interpretation it was based on a mis-reading of his book but nonetheless gained widespread currency. With the outbreak of war in 1914 he became extremely embarrassed at being associated with this movement and spent ‘much of his life trying to rehabilitate his reputation, justifying his acceptance of a knighthood in 1931 as a belated contribution to his exoneration.’

The somewhat narrow set of influences that go some way to explaining why Angell’s writing appears plain and descriptively shallow stand in almost direct contrast to the rich set of influences on Keynes’ writing style. Certainly his education at Eton and outstanding achievements at Cambridge account for the intellectual depth of his writing, but it was his friendships within the Cambridge Apostles and Bloomsbury, especially Lytton Strachey and Virginia Woolf, that had

---

the greatest influence on Keynes’ innovative style, at least for a writer of serious economics.

For example, *Economic Consequences* closely maps aspects of both Strachey’s and Woolf’s styles. A comparison of Strachey’s *Eminent Victorians* and *Economic Consequences* shows how both men often used triplets to construct words, sentences and phrases. There is a literary tradition of using triplets reaching back to ancient Greece and Rome. Two explanations can be given for its popularity with some writers. First, triplets can help clarify an author’s meaning. Second, they help elaborate. This enhancement to prose style was something Strachey particularly excelled at and Keynes sought to imitate. A primary influence on Strachey had been Gibbon’s *Decline and Fall of the Roman Empire* and Gibbon was also prone to using triplets. Gibbon also provided another important influence, which has had a lasting effect on all historians and biographers since. He applied a disciplined approach to his research and a veracity to his naming of sources not previously undertaken by historians. Interestingly, Angell displays a very haphazard approach to naming sources, in many cases providing no reference at all. This stands in contrast to Keynes who appears meticulous in referencing and naming sources, at points commenting exhaustively on information and statistics he has obtained from other writers.60

Both Strachey and Keynes owed a great deal to these conventions of the past. Nevertheless they were not bound by the past and both pioneered innovative new ways of writing biography and economics respectively. Their use of elaboration and exaggeration in the hands of lesser talents could easily have become tedious but as skilled rhetoricians both men chartered new ways of writing. In looking for explanations, some critics argue their homosexuality partly accounts for their unique styles. This is a controversial argument and does not enjoy widespread support, but at a time when some aspects of sexual orientation were criminalised, a sense of rebellion and elaboration permeates literary styles often not found in writers’ whose sexuality is not suppressed or hidden in some way. However, both men enjoyed entertaining their readers and they both took pleasure from shocking their readers so it is not surprising they believed their point of difference was because they were “rebellious immoralists.”

60 See, for example, Keynes, (1919, p. 21, p. 69, pp. 77-79, p. 82 and p. 89 are just few examples from *Economic Consequences*).
A second important influence on Keynes’ style was Virginia Woolf and her interest in psychological realism. Woolf was also an innovator and she developed the inner psychology and complex personalities of her characters in ways previously not done. This also coincided with a period when there was great interest in the developing discipline of psychology by fellow Bloomsberries and a comparison of the three writer’s treatment of their characters shows a similarity of style when it came to dealing with the inner psychology of their subjects. Such a comparison lacks explicit verification but an examination of the archives reveals how important, and with regularity, each author took an interest in the other’s writing. For example Keynes and Strachey regularly swapped books and manuscripts, also corresponding and commenting on each other’s views. Woolf also wrote to Keynes on one occasion commenting on his reading out a portion of his unpublished manuscript of *Economic Consequences* to a group of Bloomsberries. The impression left from this correspondence is that this was something Bloomsbury friends did quite regularly. Letters also reveal Keynes and Strachey discussed and compared their respective works in progress so that by implicit methods we can see the importance of the influences on each other.

**Conclusion**

Norman Angell and his book have all but disappeared from the consciousness of present day economists and scholars while present day economic historians remain cognisant of Maynard Keynes and *Economic Consequences*. So much so that the book is considered a seminal work in the economic history of the inter-war period. This seems all the more difficult to understand as both Angell and Keynes were well known public commentators in 1919 with the central arguments of both men’s books being remarkably similar. However, when examining both texts this is where the similarities end. Both men’s books sharply contrast in both style and intellectual depth. Keynes’ style is innovative and unique while Angell’s is that of a respectable journalist or producer of propagandist tracts. Keynes draws on, and develops a rich set of metaphors designed to reinforce the central arguments and themes of his book in ways that open the readers’ “imaginative cosmos.” Furthermore, Keynes provides the reader with an array of statistics,
which lends a rhetorical air of authority to his central economic arguments that is completely missing from Angell's book. Finally, the way in which Keynes applies a high degree of "scientific exactitude" to his research and writing elevates his work to that of a disciplined social scientist that contrasts Angell's more journalistic, albeit respectable and cogent, approach.
Bibliography


Mantoux, Étienne, (1946), The Carthaginian Peace or The Economic Consequences of Mr. Keynes, Oxford University Press, London.


