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The Elgar Companion to John Maynard Keynes. Edited by Robert W. Dimand and Herald Hagemann. Cheltenham, UK and Northampton, MA, USA: Edward Elgar, 2019. Pp. 648. £211.50. ISBN 9781847200082.

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The Elgar Companion to John Maynard Keynes has, in addition to the introductory material and an index, 95 chapters divided into eight parts. Part I, "Life and Work", has nine chapters. Chapters 1-4 are biographical sketches of Keynes' parents, wife, and the Bloomsbury Group. These individuals, in their own ways, influenced the development of Keynes' philosophy of probability and his philosophy of economics, as will be noted below. Chapters 5-9 are sketches of Keynes' activities at the India Office, Cambridge, and The Treasury, and provide linkages among these activities, his two philosophies, and his major works.

Part II, "Influences", has nine chapters. Chapters 10-13 are biographical sketches of Moore, Russell, Wittgenstein, Ramsey. Individually, these sketches review their principal works; collectively, they describe their influence on the development of Keynes' philosophy of probability, a philosophy developed in reaction to Moore's *Principia Ethica* (1903), as noted in Chapter 19. Chapters 14-18 are biographical sketches of Malthus, Marshall, Wicksell, Hobson, Fisher. Individually, these sketches review their principal works; collectively, they describe their influence on the development of Keynes' philosophy of economics, one aspect of which is Keynes' reaction to the intrusion of the mathematical and natural sciences into the discipline of economics, a reaction which may be traced, in part, to the disagreement between Sidgwick and Marshall over the Tripos Reform. At this point is his career, Marshall was the primary influence on Keynes, and as a result, according to Wicksell, Keynes suffered from the English Vice: no economists exist outside of Britain (Chapter 16).

Part III, "Major Works", has thirteen chapters, and it is in these thirteen chapters, each providing a sketch of the principal points of one of Keynes' major works, that we see the influence of the individuals and work experience covered in Parts I and II on the development of his two philosophies. These chapters reveal that Keynes is not interested in what will happen in the long-run; rather with providing a solution to a problem that potentially should produce the greatest Good for the largest number of individuals affected by the problem. Thus, it is a central bank for India, a bank not modeled on the Bank of England and the British banking system; rather a bank designed to meet the needs of the banking system in India (Chapter 20). It is a complete revision of the economic and financial clauses of the Treaty to meet the needs of Germany around which Central Europe revolves (Chapter 21). It is the establishment of a crawling peg exchange rate system in conjunction with an activist monetary policy designed to stabilise the internal price level, thus meeting the needs of domestic entrepreneurs and consumers (Chapter 22). One topic noted in Chapter 22 is also noted in Chapters 7 and 23 is the question - Did Churchill stand in favor of or in opposition to the return to gold at the pre-war parity? Moggridge (1972, Chapter 3) suggests that Churchill stood in favor of the return; whereas Skidelsky (1994, Chapter 6) suggests that Churchill stood in opposition to the return. Skidelsky's suggestion raises this question - How did Churchill stand in opposition to the return and retain his position within Baldwin's Cabinet? An answer to this question, an answer based on Dimand's suggestion (1988, pp. 61-3; 2019, Chapter 22, p. 146) is that Churchill stood in favor of the return because (1) it was the only viable political option available to Churchill at the time he accepted Baldwin's offer of the Chancellorship and (2) it was one way by which Churchill could prove his loyalty to Baldwin and to the members of the Conservative Party.

Chapters 27 and 30 are well-drawn sketches of the principal points of *The Treatise* and *The General Theory*. Both sketches reveal the influences of Keynes' two philosophies, the philosophy of economics taking the lead in the former work, the philosophy of probability in the latter work, especially in Book IV The Inducement to Invest.

Part IV, "Economic Analysis", has seventeen chapters. Chapters 32-35 highlight two of the pillars of Classical Theory - the quantity theory of money and Say's Law, and Keynes' attack on each pillar. One aspect of his attack is his suggestion of the logical existence of coordination failure, the absence of a logical mechanism to coordinate the plans of savers with the plans of entrepreneurs, a failure assumed away by Classical theory. Coordination failure is explored further in Chapters 36 and 37 wherein it is suggested that involuntary unemployment is the direct consequence of coordination failure. A question associated with this suggestion arises - If involuntary unemployment is associated with coordination failure, and if full employment is defined to be the absence of involuntary unemployment, then can there ever be full employment? This question and its answer(s) are examined further in Chapters 38-41, 43 and 46. Chapter 44 reviews Sraffa's attack Hayek's underlying theory, a theory which Keynes did not fully understand. One result of this attack was Hayek being eclipsed by Keynes and *The General Theory*'s research agenda. Chapter 47 Mercantilism and Chapter 48 Imperfect Competition are well-drawn historical sketches of these topics.

Chapter 41 (Risk and Uncertainty), Chapter 42 (ISLM), and Chapter 68 (Shackle) bring into clear focus the distinction between the economics of Keynes and Keynesian economics, a distinction based, in part, on Keynes' philosophy of probability and its two categories of uncertainty. The first category is ontological uncertainty - at the time a decision is to be made the decision maker does not have any direct knowledge of the relevant specific information about one or more of the decision variables, said information does not exist yet (Keynes, 1964, pp. 149-50). For example, the logical relation called the prospective yield of a capital-asset, there is ontological uncertainty associated with the decision variable called "future events". Keynes "solves" this problem by replacing "future events" with a new decision variable called a social convention about existing facts (Ibid. p. 152). The second category is epistemological uncertainty - at the time a decision is to be made not all decision makers possess the intellectual capacity to make the required arguments associated with the philosophy of probability (Keynes, 1962, pp. 18 and 32). The logical existence of these two categories of uncertainty along with animal spirits and mass psychology lie behind Keynes' suggestion that investment is an *unstable* logical relation of the money rate of interest and expectations. The third category, statistical uncertainty - the variance of a frequency theory's probability distribution, is associated with Keynesian economics. According to Hicks (1931) in his review of Knight's (1921) theory of profits, metaphysical and psychological ways of expressing uncertainty have no place in the science of economics, thus relegating both Keynes' and Knight's approach to uncertainty to the dustbin of history.

Aspects of the Keynes-Tinbergen controversy are covered in Chapters 45 (Econometrics), 68 (Shackle), and 72 (Klein). The standard treatment of this controversy is that Keynes was wrong in his review of Tinbergen's method as it was applied to investment. Boumans is spot on with his suggestion that the controversy is best viewed as a *Methodenstreit* (Chapter 45, p. 283). From the perspective of the economics of Keynes investment is an unstable logical relation of the money rate of interest and expectations, and this logical relation should not be used to make predictions about future outcomes associated with investment, said predictions being inaccurate and unreliable. From the perspective of Keynesian economics, as practiced by Tinbergen and his method, investment is a stable mathematical - statistical equation of specific decision variables associated with the capital-asset under consideration, and this equation may be used to make predictions about future outcomes associated with investment, said predictions being accurate and reliable. Furthermore, decision makers possess the intellectual capacity to make the required mathematical and statistical calculations. A review of the relevant materials in these chapters reveal that while Keynes was conversant with Tinbergen's method the same may not be said of Tinbergen's working knowledge of the economics of Keynes. Also, research findings (The Linda Problem, Tversky and Kahneman, 1983; The Allais Paradox, Allais, 1953; Kahneman, 2013, pp. 311, 312-4) provide support for Keynes' suggestion of the logical existence of epistemological uncertainty, thus calling into question Tinbergen's assumption about decision makers ability to make the required mathematical and statistical calculations.

Part V, "Critics and Contemporaries", has nine chapters, biographical sketches of Pigou, Robertson, Schumpeter, Robins, Hawtrey, Hayek, Ohlin, Beveridge, and Kalecki. Individually, each sketch reviews aspects of their lives and the theoretical structures with which they worked or developed; collectively, they provide difference answers to this question - If the future is, in some sense unknowable, and if the world is dynamic and not static, can the current models be used to solve problems associated with this dynamic and unknowable world, or should new models be created? Some chose to develop new models while others chose to remain with existing models which were modified as new problems presented themselves.

Part VI, "Associates", has nine chapters, biographical sketches of Sraffa, Harrod, Kahn, Robinson, Meade, Clark, Stone, Tarshis, and Champernowne. These sketches reveal the scope of the economic activities in which these individuals were engaged - a new international trade model (Chapter 62), attacks on Marshallian microeconomic-internal inconsistencies (Chapter 58), new theoretical market structures (Chapter 61), the development of national income accounts (Chapters 62, 63, and 64), and textbooks (Chapter 65) - thought to be too "red" at the time. The issue of Keynes being "sloppy" - a point raised by Hawtrey (Chapter 53) and implied by Ramsey (Chapter 13) - is noted specifically by Sraffa (Chapter 58): if Chapter 17 [of *The General Theory*] is Keynes' system, then it is a failure because, in his rush to get his thoughts down on paper, Keynes did not understand fully the implications for his system of the critical remarks he received. The content of these chapters show clearly that the economics of Keynes had been rejected by the discipline: there is no place for Keynes' philosophy of probability in the science of economics, a theme noted in Part IV and continues in Part VII.

Part VII, "Legacy and Impact", has twenty-one chapters, seventeen biographical sketches, three historical reviews (Post-Keynesian economics, New Keynesian macroeconomics, Phillips Curve), and a concluding chapter suggesting the relevance of the economics of Keynes (and of Minsky's instability hypothesis (Chapter 82)) to events associated with the financial crisis of 2007-9. Given the number of individuals and topics covered in Part VII, a few statements about three themes presented therein will provide an overview of Part VII. First, there is model building at the macro level by Klein (Chapter 72), Modigliani with his life-cycle hypothesis (Chapter 73), and Solow and his growth models (Chapter 74); models dealing with questions about the micro-foundations of macroeconomic models by Clower (Chapter 80) and Leijonhufvud (Chapter 81); and an example of a neo-classical synthesis model by Patinkin (Chapter 79). Second, there are sketches of individuals who examined the monetary aspects of the macroeconomy - Tobin (Chapter 75), Friedman (Chapter 77), and Johnson (Chapter 78).

These chapters, along with the sketch of Kaldor (Chapter 76), reveal the extent to which these individuals agreed - and disagreed - as to "money's" impact on the operation of an economic system. Third, there is the ways by which "Keynes' message(s)" were modified to be compatible with local institutions and political circumstances - Hansen (Chapter 69) in the USA, Timlin (Chapter 70) in Canada, and Samuelson's (Chapter 71) distancing himself from Keynes (too Red for some American college administrators and politicians) and from the Chicago School. This adaptation theme is the topic of Part VIII, "Keynesianism in Various Countries", eight sketches exploring the transmission of Keynesianism (some combination of the economics of Keynes and Keynesian economics) to other countries.

As we have seen, in *The Companion*, through the use of biographical and historical sketches, the complex story of the development of the economics of Keynes, with its two philosophies - the philosophy of economics and the philosophy of probability, its transformation into Keynesianism (Post-Keynesian economics, neoclassical synthesis, New Keynesian macroeconomics, etc.), and its transmission to other countries where it is adapted to local institutions and political circumstances is told. The editors and contributors are commended for a job well-done!

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