
Geoff Mann’s stimulating book identifies a current of critical thought which stretches at least from the French Revolution, though Hegel and Keynes, to the present. It is a tradition deeply critical both of capitalism and of simplistic liberal apologetics. In particular, poverty trumps banalities about rights to property. The poor cannot be relied upon to tolerate their own dismissal, so to neglect poverty risks revolution and even the collapse of civilisation. Therefore state intervention is needed to avert catastrophe.

I think the reader needs a couple of preliminary warnings. Firstly, it quickly becomes apparent that “Keynesianism” is not narrowly associated with the ideas or the followers of the British economist. Keynes’s own work becomes only an instance, albeit an “extraordinarily powerful instance” (p.35), of the more general phenomenon. Not only, as in an earlier article, is Keynes our Hegel (Mann 2016), now Hegel is also a Keynesian (p.43).

Secondly, for all its critical commentary, not least the identification of an essentially anti-democratic heart to Keynesianism, there is no doubly-critical punchline. Mann finally places himself within the Keynesian tradition. “If the task of the Left is to maintain the struggle for a transformed ‘political and economic order’, that project must be Keynesian insofar as it embraces impossibility, hope, and fear as inescapable elements of both politics and the future towards which we hurtle” (p.394). His account therefore needs to be understood as an endorsement, albeit an often qualified and reluctant one. This is not a position I share and below I want to identify problems with the book’s core claims.

However, Mann’s arguments should be taken seriously. He distinguishes Keynesianism from other traditions in three ways. Firstly, Keynesianism equates modernity with the “West” or “North”, claiming what is actually a provincial history as universal history. It thus “mirrors perfectly the white, masculine, colonialist, and bourgeois world in and to which [Hegel and Keynes] spoke” (p.47). This theme remains underdeveloped but even such bare acknowledgement warns against any grandiose claims to generality for either the philosophy or the political economy.
Secondly, Mann’s Keynesianism “rejects both dogmatic individualism à la Locke and essentialist collectivism à la Bodin” (p.49). Instead it involves “simultaneous cancellation and preservation of the two previous moments in a new if not-necessarily-stable unity” (p.49). Such a dialectic will be familiar to readers of Hegel. It is also seems a reasonable if contestable claim to make of Keynes. Fallacies of composition and a Keynesian “macro” founded on methodological individualism have become a staple of the modern economic mainstream, notably including the New Keynesians, whom Mann incorporates within his Keynesian tradition. We can at least anticipate that entry-requirements on this count will not be enforced too strictly.

Thirdly, civil society creates disruptive tendencies with the potential to produce a “radically transformed social order” (p.50). This is Mann’s key argument and point of Keynesianism’s fundamental disjuncture with conventional liberalism. The French Revolution provides the vital well-spring and Keynesianism is conceived particularly as a response to Robespierre and the Terror (p.27). “Keynesianism … would never have emerged without a revolutionary past to endlessly haunt it” (p.7). Robespierre, and Hegel after him, saw all other rights as subordinate to the right to basic necessities (p.94). Life and happiness are prior to freedom (p. 126, 148).

However, the concern is less with the plight of the poor themselves than that they might become insubordinate. The failure to deliver an “honourable poverty”, in Roberspierre’s phrase, “gives birth to the ruinous ‘rabble’” (p.46). It is this menace “of popular rejection of the existing order” and the “liberal capitalist anxiety” it provokes that informs Mann’s understanding of Keynesianism (p.84): “the liberalism of those who (however reluctantly) acknowledge in the arbitrary inequity of poverty the continued historical legitimacy of revolution” (p.204). Keynesianism’s contemporary revival, evidenced particularly in the interest in Thomas Piketty’s (2014) Capital in the Twenty-First Century, attests to the severity of the current legitimisation crisis (p.17, 339). Keynesianism is the result of the “historical experience of revolution, because the shadow of revolution—revolutionary terror in particular—animates it, gives it momentum, and constantly reinvigorates it” (p.72).
Facing poverty as an inescapable fact, it is necessary to take it out of politics, to “rein in” the economic problem (p.56). Poverty, unemployment, inequality mean that “something must be done” (p.7). Drawing analogies with Marx’s famous transformation by capital of money, though commodity production, into more money—M-C-M’—Mann characterises the Keynesian dialectic of illiberal liberalism’s transformation through the state to liberal freedom: L-S-L’ (p.386). In particular, Keynesian political economy becomes a “postrevolutionary pharmaceutical science of government, crucial to the process of legitimation” (p.28).

Keynesianism therefore sits only uncomfortably within the liberal tradition. “The closer liberalism comes to laissez-faire purity, the more likely it is to implode” (p.171). Hegel describes how free trade and commerce produce processes requiring “regulation to bring it back to the universal, and to moderate and shorten the duration of those dangerous convulsions to which its collisions give rise, and which should return to equilibrium by a process of unconscious necessity” (quoted on p.166). Amongst other things, Keynesianism therefore rejects the “logic behind modern liberal democracies’ institutionalized neglect of injustice in favour of endless fretting over the legitimacy of the means by which it might be redressed” (p.188). Mann interprets this neglect as the product of an unfortunate Kantian victory according to which questions of who shall be free are superseded by questions of how; of “acceptable paths from unfreedom to freedom” (p.187). In a sense, Keynesianism becomes a more consistent liberalism, rejecting this supersession, by practical conservative questions of acceptable means, over liberalism’s substantive questions.

The project then is anti-conservative. “Any honest engagement with Hegel discovers a consistent opponent of absolutism and a critic of existing political structures” (p.135). Even Hegel’s later writing includes a “sharp critique of the politics of its moment” (p.137). “To say … that Hegel’s thoughts on political and political economic matters are shaped by the revolution more than anything else is also to say that the rabble, as actor and spectre, haunts his every word in the Philosophy of Right” (157). At the same time Keynesianism is neither socialistic or reformist. To see Keynes himself as a socialists is “idiotic”, the alternative reality of the Tea Party and the Daily Telegraph (p.64). Just as “Hegel refuses the revolutionary critique” (p.173), so too the “General Theory unwittingly reasserts the Hegelian analysis of
revolution that drove Marx crazy: that it is no longer necessary, or at least will no longer work” (p.79-80). Moreover, to label Keynesianism reformist would imply a mediation between reaction and revolution. Instead it is an overcoming or sublation of the opposition between bourgeois stability and radical terror (p.115). What we have is a “gradualist revolution without revolution” (p.171).

Only after more than 200 pages do we arrive at Mann’s account of Keynes’s economic ideas. He nevertheless insists that a “generous and detailed engagement with The General Theory is of course essential to this account” (p.x). Mann’s 39-page summary largely succeeds. Such are the controversies around Keynes that it is always possible to quibble over details but Mann particularly provides an excellent account of the multiplier and the fragile relationship between consumption and investment, and expectations of these (p.246-247). Rightly, in my opinion, he also describes Keynes’s stress on unemployment as a specifically equilibrium phenomenon (p.243).

Mann goes on to provide useful discussions of innovations by more or less loyal followers of Keynes with chapters centred respectively on Kalecki, on the neoclassical synthesis and the New Keynesians, and on Piketty. One significant quibble here is that in the second of these Mann provides an unusually clear discussion of Hicks’s famous IS/LM diagram and its derivation. 1 but frustratingly little on its implications. I doubt the uninitiated reader could deduce Hicks’s argument of there being Keynesian and “classical” sections. It seems worth recalling, in this context, that Keynes himself accepted that if conditions of full employment could be achieved, the mainstream view would come into its own. Of course, how we get to such a happy state is the big question.

Hegel offers us a universal class, who’s “capacity to undertake this role is attributable to political economy, the science of modern government” (p181). What is required is the “peaceful ‘disorganization of civil society’, … under the guise of a much wiser, more pragmatic and experienced ‘hommes d’état’” (p.173). Keynes never attempts to address the epistemological issues raised by his invocations of the need for state intervention. As

---

1 It’s a simple diagram in which one curve, combining demand for liquidity (L) and the supply of money (M), gives various rates of interest at various income levels. Another curve similarly combines investment (I) and savings (S) and where the two curves cross establishes the level of interest and income.
Galbraith puts it of Keynes’s faith: “[p]artly it was the normal human hope that salvation might somehow be found in magic, sorcery or witchcraft as these are revealed to experts” (1995: 285). At times, Mann appears to share the optimism, maintaining that Keynesianism shares a “modern liberal commitment to individual liberty” (p.53) and that the “revolution without revolution, is realizable if reason prevails … if the state organizes investment–plans it, not undertakes it or mandates it” (p.277).

Elsewhere, Mann becomes ambivalent about the prospects for state deliverance (p275). Drawing on Marx’s critiques of Hegel, he writes that we are simply invited to assume that “proper stewardship and appropriate institutions” are at hand. “The question of political agency–outside the ‘universal class’ of enlightened technocrats managing the state apparatus, at least–never arises and need not concern us” (p.364). Amongst other things, Mann acknowledges the anti-democratic implications (p.290). He concludes that for Keynesianism “[h]ope is only possible when the separation [of politics and economics] is acknowledged as legitimate, when the poor consent to their poverty. Without it, the economic seeps into politics, and all bets are off” (p.370). Success is always provisional, short-run, and the threat only ever held in abeyance. “Bourgeois civilization … is always already on a tightrope. It contains the potential for bliss or disaster, but bliss is (as it were) only realizable at the end of the rope–a long and precarious walk–while disaster lies on both sides” (p.372).

As Mann shows, Hegel, Keynes, and their followers have much in common. They support capitalism, and conditionally liberalism, while recognising inherent failings in both the economic system and in the dominant theories supporting it. They fear collapse not just of the current economic order but of civilization itself. Mann identifies shared ethical values, which distinguish them from the Kantian tradition. His characterisation of all this is powerful and my brief summary undoubtedly does injustice to its richness. However, I want to end with three critical comments.

Firstly, it is not obvious that the commonalities are sufficient to justify a common designation.

I think Mann underestimates the extent to which the long 19th century changes the context in which we should understand the respective post-revolutionary writings. German high philosophy and state theory, long before Germany existed as a nation state, and British
economics in the dog-days of Empire, are hard to read as different versions of the same thing. What was bourgeois at the beginning of the 19th century could still be substantially revolutionary. Nothing similar can be claimed of British capitalism, even of its most insightful defender, in the 1930s. Of course, historical specificity should not allow a philistine trumping of attempts to identify continuities but the parallels need appraising carefully and critically.

I think a particular problem lies in the centrality Mann claims for poverty in both Hegel and Keynes. Mann is right that they recognise poverty as a problem and that this distinguishes them from a simplistic liberal apologetics. But it might surprise an unfamiliar reader to find just six paragraphs or three pages on poverty in the *Philosophy of Right* (Hegel 1993: 265-267). Mann also cites Keynes’s single phrase of “poverty in the midst of plenty” on at least seven separate occasions (p.238, 249, 272, 275, 293, 342, 367). It is a fine phrase but this hints that here too pickings are thin. Keynes’s emphasis on unemployment and the need to alleviate it might be seen as a different version of the same thing but it is not obvious that the unemployed represented the dangerous class for Keynes. It was employed labour which primarily formed the ruinous rabble in revolutionary Russia and which drew Keynes’s disdain and opposition (and occasional sympathy). When necessary he supported the “severe dose of dear money” required precisely to provoke unemployment and to discipline organised labour (Skidelsky 1992: 38). Keynes’s arguments against unemployment were couched in terms of economic efficiency rather than ameliorating the suffering of or the threat posed by the unemployed.

As Mann says, Keynes did not read Hegel. What he does not say is that Keynes’s avowed political philosophy was Burkean (Dostaler 2007; Helburn 1991; Skidelsky 1992). Burke is famous as a conservative thinker, famous particularly for his repudiation of the French Revolution (Burke 1955). Importantly for Keynes, Burke argued that only gradual incremental change could ever be justified. Bold plans for the future, whose outcome was inherently uncertain, could not justify current suffering. In the long run we are all dead. Burke was also an intelligent conservative who acknowledged the need for change to avert catastrophe and for state intervention to secure it: a “state without some means of change is without the means of its conservation” (1955:24). Keynes did criticise Burke’s timidity
but Keynes’s own gradualist politics are quite comprehensible in Burkean terms while the fear of revolution haunts Burke’s writing as surely as it does that of Hegel and the later traditions.

This gets to the second way of expressing my problem with Mann’s account. If Burke becomes a Keynesian, who else should be included? On Mann’s own terms it becomes hard to refuse entry not only to Smith but also to Friedman and Hayek. The right-flank, as it were, collapses.

Mann’s criticism of the economic mainstream are couched in terms of its adherence to “Smithian fundamentals” (p362). There is little evidence that Smith himself accepted such fundamentals. Amongst other things, he repeatedly insists on the need for state intervention (Smith 1999; see also Heilbroner 1997; Reinert and Reinert 2005). The same could be said of many other mainstream economists. Most of Keynes’s intellectual opponents endorsed government intervention to alleviate unemployment.

This was certainly true of Keynes himself, who’s own reading of his conversion only in the 1930s, Mann accepts. It was the younger, still “classical” Keynes who contrasted the timespan of economics and of human life which gives Mann his title, and who in 1924 insisted: “I bring in the State, I abandon laissez-faire” (quoted in Dostaler 2007: 189). It was also the younger rather than the older Keynes who worried about revolution.

Friedman and Hayek similarly acknowledge of many of the same problems (Friedman 1962; Hayek 1947; Shearmur 1997). They want less state than does Keynes but, as Keynes (1978: 291) himself insists, his differences with Hayek are only about where to draw the line. There is no conceptual cleavage. Mann appropriately recalls Friedman’s suggestion that “we are all Keynesians now” (p.285).

Finally, I want to attack the left-flank, to consider Mann’s Keynesianism from the perspective of the rabble it fears and opposes. I agree that Marxist commentators have too often been dismissive of Keynes (p.218), but I think Mann himself is too dismissive of the conservative side of Keynesianism (p.73).

Yes, Hegel is misrepresented by caricatures which see only conservatism but it seems equally misleading to ignore how his early radicalism was significantly tempered. The critical comments on poverty can at least be read as a way-station, a middle-term, to an illiberal
synthesis achieved by authoritative power. As above, Keynes himself identified with Burke and famously insisted that the *General Theory* was “moderately conservative in its implications” (1973: 67). Keynesianism is indeed of and for that “white, masculine, colonialist, and bourgeois world”.

Mann acknowledges that “Keynes, like the new Keynesians, clearly argues that in principle (in the world as he would like it to be) the market is the perfect institution” (p.250). This, in principle, celebration of markets and their separation from politics, perpetuates the mainstream’s essential deception. Economic life is already pervaded with power, particularly with power in production. Even if it becomes difficult (at least in a white, male, North) to see power in production being turned against capital, the power of capital in production remains unmistakable for the vast majority of the world’s population who are on its receiving end.

Mann’s own reading of the *General Theory* accepts that wages too-high can be a fundamental cause of unemployment (p.328) and, admittedly with a cautious double negative, he agrees that “ensuring adequate unemployment … is not necessarily a non-Keynesian solution” (p.333). Keynes had no qualms about his allegiances to the “educated bourgeoisie”, or his contempt for the “boorish proletariat” (1978: 258). Mann too sees himself as bourgeois but more generously also includes the third of Americans earning less than $20,000 a year but who see themselves as “middle class” (p.384). They are presumed “‘conservative’ in the bland sense of the word, interested in ‘disciplining change’” (p.383). Without engaging in controversies of how we might know or measure “interests”, I will simply conjecture that whether their low pay is part of a Keynesian economic problem or solution, the Left would do better to hope for their insubordination than relax in their acceptance of poverty.

As Mann makes clear, Keynesianism is also place-bound. This too seems profoundly limiting. Keynes’s own casual racism, particularly anti-Semitism, might be interpreted as an unreflective assumption of his age and class but he quite consciously championed the British Liberal Party, Britain and the Empire. If Western imperialism has been less attractive to many on its receiving end, Keynesianism, or something very like it, was also exported around the world (Hirshman 1989). Policies in the global South might also reasonably be understood in the context of the menace of popular revolt.
Which leads, finally, to the thought that when “something must be done”; for Mann’s Keynesianism that “something” involves the state and specifically national ameliorations. As welcome as they might be, a political philosophy limited to this necessarily privileges national over internationalist and generalising currents of resistance. Mann’s Keynesianism leaves us wanting more.

References

Hayek F A (1947) The Road to Serfdom. Sydney: Dymock’s Book Arcade


---

Bill Dunn
Department of Political Economy
University of Sydney
bill.dunn@sydney.edu.au

June 2017