

Trinity

S. 4.33.

My dear Ray,

I should like to know - if you have a moment - whether you can swallow the greek ~~idea~~ 'foreign balance' doctrine in the extreme arithmetical form now presented (today's Times, and the last chapter 2 half pamphlet). I am hopeful that your Free Trade bug will put you in revolt against it, as mine does to me! Surely prime facie, and unless all sorts of unstated assumptions are fulfilled, the purchase of £1m worth of American securities impairs as much purchasing power, that might otherwise be 'creating employment', as the purchase of £1m worth of American bananas? (Naturally I choose as more comfortable a thing as I can think of, for nothing it said about the character of the imports). If an adverse balance (takes the form of) an accumulation of English bank deposits in the hands of foreigners, that, I agree, is a deflationary process: but the proposition is not, I understand, confined to such 'last house' short borrowing, but extends to every increase of the formation or diminution of the unbalanced balance or current account.

Surely in that form it must be both? Or am I still wandering in ^{19th century} ~~unlighted~~ darkness? Perhaps if I had read your original ch vi I should know! Perhaps, having read the revised version, I ought to know!

Yours



R. Harold Eay

51 Compton Hill Square

W8

Received by Mr. Eay

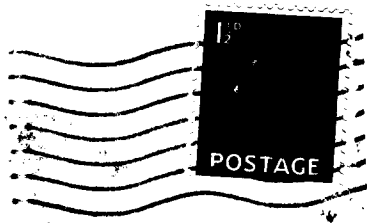
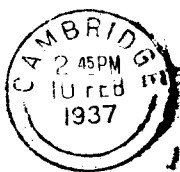
Trinity
10. 2. 37.

My dear Ray

(1) to be practical. I am putting you in the Blue Boar, Trinity Street, - which is more comfortable than College, & practically opposite the Great Gate. It will be best if you go there direct, & I will call for you about 7.0 & carry you off to dine at the Revere Restaurant. Yes, dinner jacket.

On Sunday Piero & Mrs Holland lunch with us, - we have tea with Sir Maurice Amos and my friend Charles Stephens of the BBC whom you ought to know if you don't - & dine in Hall. That doesn't leave much vacant time, but Robin wants to see you. - he will be at the Revere & we can arrange something then.

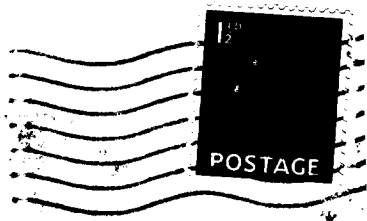
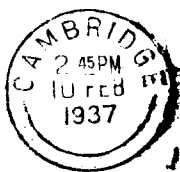
(2) I will think over the trapped money again before you come. I suppose it is a matter of



R. Howard Eg
Christ Church
Oxford.

would again, but it seems to me to be leading
- whether their motives ^{from} proper in the new
situation to hold such value in the form of
money rather than in the form of goods in
process. I can't see that its particularly
'instinctual', - a self-financing smooth producer
with no likelihood to the future & no auditor round
the corner will be doing the same thing, wouldn't he?

(3) I'm sorry though not surprised that you
had a letter sent with the temperature of
my review. - I believe one ought only to
review books which are a little bit off the
line of one's main studies, - then, if they are
at all good, enthusiasm comes easily (as it did
to me, for instance, in reviewing Sayers in the
Journal). In the other case the doubts and
differences and impulses to argue almost inevitably
tend the laudatory epithets into the shade. But I
wish I had put in a sentence expressing more
explicit welcome of your essay on Bookish
or the whole problem - what will preserve a



R. Howard Eg
Christ Church
Oxford.