

Michael F. Hopkins, ed., *British Financial Diplomacy with North America 1944-1946, The Diary of Frederic Harmer and the Washington Reports of Robert Brand*, Cambridge: Cambridge University Press for The Royal Historical Society, Camden Fifth Series, volume 62, 2021, Xviii + 237pp., footnotes, bibliography, index. Hardcover, ISBN: 9781316512357. £38.99.

Writing to his friend and regular correspondent Robert Brand, the British Treasury Representative at Washington, John Maynard Keynes warned in July 1945 that the spectre of a “financial Dunkirk” loomed. (*The Collected Writings of John Maynard Keynes*, vol. 24, p. 374). A month later, Keynes evoked that image anew, raising it with cabinet ministers in the Labour government headed by Clement Atlee. This slim volume, edited by Michael Hopkins, who provides an expert introduction, lays out the struggle in 1945-46 to avoid a “financial Dunkirk” as seen from the perspective of Brand and Frederic Harmer, then a Treasury official who was a member of the British negotiating team in North America between August and December 1945. As the foregoing suggests, while the book’s sub-title references Brand and Harmer, in truth there are three protagonists - Harmer, Brand and Keynes - so pronounced is Keynes’ presence.

The issue London faced in 1945 was that Britain had exhausted its means. Exports had been sacrificed to prosecuting the war. British assets abroad had been liquidated. Amid the celebrations in 1945 there was a painful reality; economic recovery, so necessary to Labour hopes and to an exhausted populace’s dreams, was contingent upon imports and the goodwill of others, especially the United States. Obtaining dollars was critical. Britain had financed a significant portion of its wartime imports through sterling area borrowings, raising the question of sterling convertibility, a prospect that London baulked at, fearing the ramifications. Complicating negotiations was the American antipathy to the British Empire, quarrels over the nature of the post-war order anticipated in the Bretton Woods agreements, and the reality that while Washington was the key actor, it was not the only one. Canada had also extended Britain substantial credits through Mutual Aid.

Thus, the financial negotiations were about more than Britain and North America, they were about Britain, its Empire, and its future. Understandably, much has been written on the talks. This book takes a different tack. It is not an interpretive study. Its aim is to broaden the documentary base that historians have. It consists of three parts - Hopkins’ introduction, the Harmer diary from August to December 1945, and a curated selection of documents drawn from various archives that are bundled as the Washington Reports of Robert Brand.

The Harmer diary is the highlight. Harmer has escaped the attention of most historians; unlike Brand, whose name is familiar, by virtue of being a member of Lord Milner’s kindergarten and by his participation in the journal *Round Table*. Educated at Cambridge with a flair for mathematics, Harmer joined the Treasury in 1939. What emerges from the diary is a keen appreciation of the internal tensions in Washington as the Treasury, Congress, and the Truman administration jostled. The negotiating team was convinced that obtuseness in London, principally on the part of Hugh Dalton, the Chancellor of the Exchequer, was obstructionist. If Harmer reflects frequently on the social milieu of Washington, he always returns to Keynes. Harmer’s Keynes is admirable, brilliant, and not wholly suited to the charge that he had been given. On the passage to North America, Harmer records a conversation with Keynes about their reception in Washington, with Keynes expressing his optimism that the negotiations will go well.

Harmer thought Keynes was “over-confident”. “I doubt it” was Harmer’s pithy verdict (diary entry, 30 August, p. 43). Harmer confirms that in the later stages of the talks, Lord Halifax, the ambassador at Washington, played a critical role as Keynes’ health deteriorated leading to an amplification of his tactlessness. Scattered are other, less familiar gems. One is Harmer’s conviction that the calibre of the Canadian civil servants he met was “first rate” (diary entry, 4 September, p. 51) a marked contrast to his less generous assessment of men such as Marriner Eccles, the Chairman of the Federal Reserve Board, who was “incredibly trying” (diary entry, 16 November, p. 100).

If Harmer’s diary is granular and impressionistic, Brand is more cognizant of the difficulties facing the British Empire than Harmer. Brand doubts that Keynes has grasped them, while reminding his correspondents that American assistance cannot be assumed. Much of this was due to his greater experience, his imperial training, and Brand’s loftier stature within Whitehall. Like Harmer, Brand thought highly of Keynes; like Harmer, he was not sure that Keynes was up to the task; like Harmer, Brand felt that Labour ministers were out of touch. While there is greater coherence in Brand’s exposition, and the documents contained in the book on the Anglo-Canadian negotiations in 1946 in which Brand played the lead part are especially welcome, on the whole the Reports are more familiar, precisely because Brand’s views have been sifted by historians before.

We have long known that the 1945-46 financial negotiations were fraught. What does this volume contribute? Who will benefit from reading it? On the first question, by making available the Harmer diary and the Reports, the book succeeds in its purpose of expanding the documents accessible to historians. These documents reinforce rather than challenge existing understanding. They are supplemental rather than revelatory. Answering the second question is more complex. Historians working on international financial relations in the period, scholars interested in post-war economic history, and historians of the post-war empire will find information that may help their inquiries. Specialists in Anglo-American relations and Anglo-Canadian relations will also uncover useful material. Business historians, on the other hand, are unlikely to profit as much. This is a volume about the interaction among states, between civil servants and politicians – noteworthy is the degree to which private concerns are absent in either the Harmer diary or in the Reports. Consequently, many of the preoccupations that animate business historians are not addressed. In itself the omission of the *homme d’affaires* from the stage is telling – it is a corrective to interpretations that foreground the capitalist in an emergent post-war capitalist world. What it means, however, is that while this book will be of interest to historians of different stripes, it is less likely that business historians will find its contents required reading.

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