

July 30, 1945

Professor German Bernacer
Chief Economist, Bank of Spain,
Madrid, Spain.

Dear Professor Bernacer,

You will forgive me for my delay in answering your letter of date June 1, I hope. I have been working under pressure trying to get out a book of my own and teaching extra hours al mismo tiempo.

I think you are quite right in saying our theories have a good deal in common and that the differences arise from the use of different concepts. I have no quarrel with your concepts as explained on page (1) of your notas; but on page (2) I begin to feel a bit unhappy, also on page (3). I have no desire to drag our discussion into an interminable controversy; nor do I insist upon having the last word (*palabra ultima*), but in a spirit of amicable cooperation I will merely ask a few rhetorical questions without necessarily expecting you to answer them:

(1) When does a plant become old? A que edad vaya ser viejo? <P. 2>

(2) Why omit only semi-manufactured products

(over)

Why not also $3/4$ manufactured or $9/10$ manufactured etc?
(p. 2)

3) Who precisely is a producer and who not a producer.

Si un ~~padron~~ padron es productor porque no tambien ^{su} ~~es~~ trabajador? Si incluye ambos ~~es~~ porque no incluye todo el mundo?

(4) When does a bank balance become saved or hoarded? Is it hoarded every moment it is not actually being transferred? If not how low does the average velocity of a bank balance have to sink to become hoarded?

I will concede this much: where we differ the majority of economists would side with you and against my criticism. Still, I think these questions are very pertinent.

I received the copy of the article by Robertson and I congratulate you again on this very first-rate recognition.

I appreciate very much your kind words about my article in the Q. J. E., and I shall of course be delighted if you will write about my work in Spain. My work has ~~at~~ received some formal notice in La America del Sur but there has been none to date in the mother country as far as I know.

With very best wishes, and hoping to have the good fortune to see you personally some day I remain

Sincerely yours

Montgomery D. Anderson

P.S. May I suggest you consult my article on Employment in Econometrica a few years ~~back~~ back?