

UNIVERSITY OF FLORIDA
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COLLEGE OF BUSINESS ADMINISTRATION

May 8, 1945.

Professor Sr. German Bernacer,
Banco de Espana,
Madrid, Spain.

Dear Professor Bernacer,

Thank you for your letter of April 5, which I received yesterday. Since your English is better than my Spanish I will follow your suggestion that we employ the former tongue.

You have made it clear to me that you have not mixed your time dimensions. In fact, as I reread your paper I see that you really make this clear about the middle of page 28. However, your notation would be improved by writing subscripts on the symbols given at the top of this page, I think.

While my original criticism was thus the result of misunderstanding I am still not satisfied with your equations. You have ~~at~~ the right to define D as equal to $P - A$ as you do in paragraph four of your letter; but it seems to me you cannot also state that D is equal to the amount of sales to consumers and users of capital goods in a given period of time. The latter concept would be equal to the productive payments, P, plus the total payments made by consumers. And the total payments made by consumers would not necessarily be equal to your concept A with sign reversed; i.e., they would not necessarily be equal to the increment of money in the hands of consumers. Rather they would be equal to the total amount of money in the hands of consumers (on the average) during the period multiplied by the average rate of turnover of these monies.

Perhaps my criticism is again due to a misunderstanding, because it is difficult to convey the meaning of abstract concepts from one language to another.

It is quite noteworthy to receive public recognition from Professor Robertson, and I shall be glad to read the reprint which you are sending me of his.

Within the next few months I hope to be able to send you a new scientific monograph of mine which I am calling, Theory of Economic Aggregates. If you can give it some attention I will be pleased to have you do so.

I am happy to have made your scientific acquaintance. I hope you will continue to contribute to the renaissance of economic science in Spain. With best wishes, I am,

Cordially and sincerely yours,

Montgomery D. Anderson
Montgomery D. Anderson.