

# DETAILED CONTENTS

<i>Preface</i>	xiii
<b>Introduction</b>	<b>1</b>
<b>1 Feudalism and the Evolution of Economic Society</b>	<b>15</b>
Thomas Aquinas and the World View	16
Up from Antiquity	17
A Brief History of the Development of Feudalism	18
The Rebirth of Markets	26
The Winds of Change Along the Road to Harmony	29
Mercantilism and Big Government	33
<b>2 Adam Smith's Great Vision</b>	<b>39</b>
Newton, Smith, and Natural Law	40
The Physiocrats	42
Adam Smith's Approach	44
Industry and the Wealth of Nations	45
Smith's Theory of Economic Development and Growth	48
Natural Law and Private Property	50
Smith's Theory of Value	52
Smith, Reality, and the Visions to Come	56
<b>3 Bentham and Malthus: The Hedonist and the "Pastor"</b>	<b>61</b>
A Sketch of the Classical Economists	62
Classical Moments and Industrial Revolution	65

The Evaporation of Smithian Harmony	68
The Philosophical Radicals, Especially Jeremy Bentham	69
Thomas Malthus and the Population Bomb: A Flash for the Unenlightened	73
<b>4 The Distribution of Income: Ricardo versus Malthus</b>	<b>79</b>
David Ricardo, the Stockbroker-Economist	80
The Social Scene; Liberty, Fraternity, and Unequal Economic Classes	81
Ricardo Takes on the Mercantalists	84
Ricardo's Contributions	90
The Classical Legacy	92
<b>5 The Cold Water of Poverty and the Heat of     John Stuart Mill's Passions</b>	<b>93</b>
Workers in the Real Industrial World	93
Charles Dickens Takes on Poverty, Factory Conditions, and the Classical Economists	95
John Stuart Mill: Somewhere Between Capitalism and Socialism	98
<b>6 Karl Marx</b>	<b>105</b>
Marx and His Soulmate, Engels	106
The Influence of Hegel	109
The Sting of Economic Alienation	110
The Marxian Economics System	111
Flaws in Marx's Vision	117
<b>7 Alfred Marshall: The Great Victorian</b>	<b>121</b>
Pleasure and Pain at the Margin	122
The Marginalists' Bridge	124
Marginalism and the Theory of Distribution	127
Marshall and the Neoclassical Niceties of Victorian England	128

Marshall's Contributions	132
Up Against Walrasian Equilibrium	135
The Great Influence of Alfred Marshall	138
<b>8 Thorstein Veblen Takes on the American Captains of Industry</b>	<b>145</b>
Horatio Alger and the Benign Universe	146
The Second Industrial Revolution	147
British Industry: The Sun Also Sets	150
The Rise of the Robber Barons	151
The Social Darwinists	154
Darwinism Revised: Veblen and the Institutionalists	159
The Neoclassical Ascendency and Public Policy	166
A Notable Absence of Harmony	168
Veblen Passes into Legend	169
<b>9 The Jazz Age: Aftermath of War and Prelude to Depression</b>	<b>175</b>
The Edwardian Age and the Early Bloomsbury	
Years of John Maynard Keynes	175
Imperialism and the Russian Revolution of 1917	178
John Maynard Keynes at Versailles	185
The View From America	187
The Roaring Twenties	192
The First Mrs. Robinson, Mr. Chamberlin, and Nonprice Competition	196
<b>10 John Maynard Keynes and the Great Depression</b>	<b>201</b>
The Prelude to Disaster	202
The Speculative Bubble	203
The Great Crash	206
The Aftermath	207
The Depression of the 1930s	208
The Neoclassicals Address the Issues	210
Keynes's Academic Precursors	212

Keynes's Policy Suggestions	214
Primal Keynesianism and the Early New Deal	216
The Famous Keynesian Multiplier	219
Illusions and the National Income	221
Money and Uncertainty	223
Keynes, Harvard, and the Later New Deal Years	228
The Keynesian Revolution: Why?	229
Postscript and Prelude	230
Conclusions	232
<b>11 The Many Modern Keynesians</b>	<b>235</b>
World War II Transforms the Economy	236
The Fiscal Keynesians	238
The Neoclassical Keynesians	243
Saving Keynes's Theory	248
The Post Keynesians	250
The Income Distribution	251
The Price Markup and Inflation	256
Incomes Policy	259
Money and the Financing of Investment	261
Whither Economic Growth?	267
Conclusions	267
<b>12 The Monetarists and the New Classicals Deepen the Counterrevolution</b>	<b>273</b>
The Inflation-Unemployment Crisis of the 1970s	273
The Problems Inflation Raises	275
The Sources of Inflation	276
The Modern Quantity Theory of Money	277
The Friedmanian Phillips Curve	284
Friedmanian Prediction for Inflation	285
Monetarism and the Great Depression	286
The New Classicals	287
The Rational Expectations Game	289
The Natural Rate of Unemployment and Output	290

New Classical Economic Policy	295
Rational Expectations and the Real World	297
The New Classicals and Depressions	299
The Real Business Cycle	301
Conclusions	303
<b>13 Economic Growth and Technology: Schumpeter and Capitalism's Motion</b>	<b>307</b>
Post Keynesian Economic Growth Theory	308
The Neoclassical Growth Theory	309
The Problem With Historical Economic Growth	311
Joseph Alois Schumpeter	313
Schumpeter's Theory of Capitalist Motion	316
The Product Cycle: Schumpeter Extended	320
Innovations and the Product Cycle	323
Stagnation and Stagflation: The Long View	325
<b>14 The Many Faces of Capitalism: Galbraith, Heilbroner, and the Institutionalists</b>	<b>331</b>
The Institutional Vista	332
Robert Heilbroner and the Worldly Philosophy	334
Capitalism: Heilbroner's Vision	335
John Kenneth Galbraith: An Introduction	337
Galbraith's General Theory of Advanced Development	339
Conclusions	345
<b>15 The Rise of the Casino Economy</b>	<b>349</b>
The Federal Reserve's Experiment with Friedman's Monetarism, 1979–1982	350
Supply-side Economics	352
The Sequel	356
Casino Capitalism	359
The Growing Inequality During the 1980s	369
A Net Worth Perspective: Where the Money Went	371

Clintonomics: Continuity With the Federal Reserve	372
The Clinton Legacy: Ending the Progressive Agenda	377
Conclusions	378
<b>16 The Global Economy</b>	<b>383</b>
Globalization and the Growth of Multinational Corporations	384
The International Product S-Curve	385
Trade Deficits and Full-time Jobs in the USA	390
Downsizing American Labor	393
The Globalization of Debt and Financial Fragility	396
Downsizing the Middle Class at the Millennium	397
Conclusions	399
<b>17 Climbing the Economist's Mountain to High Theory</b>	<b>401</b>
The Evolution of Economics	401
High Theory and Its Version of General Equilibrium	402
Input-Output and Price Mark-ups: An Alternative View of Interdependent Industries	407
Choosing Between Equilibria Avenues: A Critical Path	411
<b>18 The Future of Economics</b>	<b>417</b>
The Quest for "Radical" Alternatives	417
The Keynesian Challenge	418
From the Old to the New Economy:	
It's a Long Wave	421
Political Economy, Again	424
The Voice of the Masters	426
 <i>Glossary of Endurable Terms</i>	 <b>429</b>
 <i>Annotated Suggestions for Further Readings</i>	 <b>441</b>
 <i>Index</i>	 <b>459</b>