

# BRIEF CONTENTS

<i>Detailed Contents</i>	ix
<i>Preface</i>	xiii
1 The Ethics of Adam Smith and for Economic Systems	1
2 The Feudal Order	19
3 The Slow Evolution of the Market Economy	37
4 Isaac Newton and the Economics Paradigm	56
5 Adam Smith and the Market Economy	76
6 The Industrial Revolution: Caught Between Hedonism (Bentham) and the Clerical View (Malthus)	95
7 David Ricardo Engages Malthus in a Memorable Debate	116
8 John Stuart Mill: The Last of the Classics	132
9 Alfred Marshall and Victorian Virtue	147
10 The “American Dream” and Other “Optimal Conditions”	172
11 John Maynard Keynes and the Bloomsbury Group Confront the Aftermath of the Great War	202
12 John Maynard Keynes Takes on the Great Depression	230
13 The Founding of Political Economy	260
<i>Index</i>	265

# DETAILED CONTENTS

<i>Preface</i>	xiii
<b>1 The Ethics of Adam Smith and for Economic Systems</b>	<b>1</b>
Values and Authority: Adam Smith Kept Two Sets of Books	2
The World View	9
Organizing Economic Activity	12
Caricature Systems	15
A Look Ahead at the Many Capitalisms	16
<b>2 The Feudal Order</b>	<b>19</b>
Up from Antiquity	21
A Brief History of the Development of Feudalism	23
The Social Theory of Feudalism	29
Early Celestial Mechanics and the Feudal Order	33
<b>3 The Slow Evolution of the Market Economy</b>	<b>37</b>
The Rebirth of Markets	37
Agricultural Surpluses and the Breakup of the Manor	40
Expanding Trade and Contracting Populations	41
Weapons and the New Nation-States	43
The Enclosure Movement	44
The Reformation and Other Ideas	46
Mercantilism and Big Government	48
The Physiocrats and Adam Smith: An Anticipation	52
<b>4 Isaac Newton and the Economics Paradigm</b>	<b>56</b>
Science and the Scientific Method	57
The Copernican Paradigm	61

	Newtonian Mechanics and Natural Laws	65
	A Transition: From the Mercantilists' Scribblers to the French Physiocrats	70
	Newton, Natural Law and Adam Smith	73
<b>5</b>	<b>Adam Smith and the Market Economy</b>	<b>76</b>
	Smith's Life of Harmony	78
	Industry and the Wealth of Nations	80
	Smith's Theory of Economic Development and Growth	82
	Smith's Theory of Value	85
	Smith, Reality, and the Visions to Come	92
<b>6</b>	<b>The Industrial Revolution: Caught Between Hedonism (Bentham) and the Clerical View (Malthus)</b>	<b>95</b>
	A Sketch of the Classical Economists	96
	The Industrial Revolution	99
	The Harmony of Adam Smith Evaporates	104
	Jeremy Bentham and the Philosophical Radicals	105
	Thomas Malthus and the Population Time Bomb	110
<b>7</b>	<b>David Ricardo Engages Malthus in a Memorable Debate</b>	<b>116</b>
	David Ricardo, The Stockbroker-Economist	116
	The Social Scene for an Emerging Middle Class	118
	Ricardo Confronts the Mercantilists	121
	Ricardo's Famous Theory of International Trade	127
	Ricardo's Contributions to Economic Doctrines	128
	The Legacy of the Classical Economists	131
<b>8</b>	<b>John Stuart Mill: The Last of the Classics</b>	<b>132</b>
	Workers in a New Industrial World	132
	Charles Dickens Confronts the Classical Economists	135
	John Stuart Mill: A Life Lived between Capitalism and Socialism	139
	Contributions to Political Economy	141
	Mill's Ideas for Reform	144

<b>9</b>	<b>Alfred Marshall and Victorian Virtue</b>	<b>147</b>
	Pleasure and Pain at the Margin	148
	The Marginalists' Bridge	151
	Marginalism and the Theory of Distribution	153
	Marshall and the Neoclassical Niceties of Victorian England	155
	Marshallian Economics	159
	Bumping Up Against Walrasian Equilibrium	164
	Marshallian Partial Equilibrium	166
	Alfred Marshall's Great Stature and Influence	167
<b>10</b>	<b>The "American Dream" and Other "Optimal Conditions"</b>	<b>172</b>
	Horatio Alger and the Benign Universe	174
	The Second Industrial Revolution	175
	British Industry: The Sun Also Sets	179
	The Gilded Age: No More Than an Introduction	180
	Equilibrium and Optimization	182
	The Social Darwinists	188
	The Neoclassical Ascendancy and Public Policy	196
	A Notable Absence of Harmony	199
<b>11</b>	<b>John Maynard Keynes and the Bloomsbury Group Confront the Aftermath of the Great War</b>	<b>202</b>
	The Edwardian Age and the Early Bloomsbury Years	202
	Imperialism and the Russian Revolution of 1917	206
	John Maynard Keynes at Versailles	213
	In the USA	215
	The Jazz Age	221
	The Speculative Bubble	224
	The First Mrs. Robinson and Non-Price Competition	227
<b>12</b>	<b>John Maynard Keynes Takes on the Great Depression</b>	<b>230</b>
	The Prelude to Disaster	231
	The Great Crash of 1929	232

The Aftermath	233
The Depression of the 1930s	235
The Neoclassicals Address the Issues	238
Keynes's Academic Precursors	239
Keynes's Policy Suggestions	241
Primal Keynesianism and the Early New Deal	243
The Essential Keynesian Multiplier	246
Illusions and the National Income	249
Money and Uncertainty	251
Keynes, Harvard and the Later New Deal Years	255
The Keynesian Revolution: Why?	257
Conclusions	259
<b>13 The Founding of Political Economy</b>	<b>260</b>
The Voice of the Masters	260
Keynesian Amnesia	261
The Quest of the "Radical Economists" Alternative	263
<i>Index</i>	265