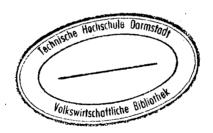
Schumpeter's Theory of Capitalist Motion

A Critical Exposition and Reassessment

Allen Oakley

Department of Economics University of Newcastle Australia



Edward Elgar

Contents

List	ix		
Preface			xi
Refe	rence	Works	xiv
1.	Introduction		1
	1.1	Bibliographical matters	1
	1.2	Methodological and substantive boundaries	13
	1.3	Organizational matters	22
		Notes	24
	Visions of capitalism		26
	2.1	Defining capitalism	26
سر	2.2	Defining capital	29
€. *	2.3	Competitive capitalism and beyond	32
	2.4	Summary ,	38
		Note	39
3.	. Analytical strategy		40
	3.1	Outline of the strategy	40
	3.2	History and statistics	42
		Theoretical technique	45
	3.4	Economic sociology	46
	3.5	Summary	52
		Notes	53
4.	The circular flow of economic life		54
	4.1	Some methodological principles	, 54
	4.2	Antecedent sources	55
	4.3	Introduction to the circular-flow model	57
	4.4	Constructing the model	63
	4.5	Summary	78
	_	Notes	78
5.	. The nature of economic motion		80
	5.1	From circular flow to motion	80
	5.2	Equilibrium and motion	85
	5.3	The causal origins of motion	89

viii Schumpeter's Theory of Capitalist Motion

	5.4	New combinations or innovations	94
	5.5	Summary	100
		Notes	101
6.	The theory of economic development		
	6.1	Essentials of economic development	102
	6.2	1 0	110
	6.3		121
	6.4		125
		Financing new combinations	132
		Entrepreneurial profit	135
	6.7	Summary	142
7.	Interest, money and credit in economic development		
	7.1	Interest and the money market	144
	7.2	Money and credit in the development process	155
;	7.3	Summary	161
		Note	161
8.	The primary business cycle		162
₹.	8.1	,	162
	8.2	Essentials of the business-cycle theory	168
	8.3	The primary expansion into prosperity	175
	8.4	The primary crisis and recession	183
	8.5	Summary	192
		Note	193
9.	Secondary dimensions of the business cycle		194
	9.1	The idea of the secondary wave	194
	9.2	,	195
	9.3		205
	9.4	·	215
	9.5	Statistical and historical analyses	222
	9.6	Summary	225
		Note	226
10.	Concluding reflections		
	10.1	Preamble	227
-	10.2	A selective critique	229
	10.3	Contributions reassessed	239
	Refe	erences	244
	Inde	ex	251

Figures

4.1	A physical circular-flow and reproduction schema	1/2
8.1	The primary two-phase cycle	171
8.2	The secondary four-phase cycle	172
8.3	The primary and secondary cycle mix	173
9.1	Schumpeter's chart – simplified	220
9.2	Phase-'trend' superimposition	221