

# The Dynamics of the Wealth of Nations

**Growth, Distribution and  
Structural Change**

**Essays in Honour of Luigi Pasinetti**

Edited by  
**Mauro Baranzini**

*Professor of Economics,  
Università di Verona*

and

**G. C. Harcourt**

*Reader in the History of Economic Theory,  
University of Cambridge, Fellow of Jesus College, Cambridge, and  
Professor Emeritus, University of Adelaide*



---

**St. Martin's Press**

# Contents

<i>List of Tables</i>	vii
<i>List of Figures</i>	viii
<i>Preface</i>	x
<i>List of Contributors</i>	xii
Introduction <i>Mauro Baranzini and G. C. Harcourt</i>	1
PART I: RICARDO AND CLASSICAL POLITICAL ECONOMY	43
1 Marshall on Ricardo <i>Peter Groenewegen</i>	45
2 Physiocratic Dichotomy in Price Determination and its Ricardian Resolution <i>Izumi Hishiyama</i>	71
3 The 'Standard commodity' and Ricardo's Search for an 'Invariable Measure of Value' <i>Heinz D. Kurz and Neri Salvadori</i>	95
4 Ricardian Comparative Advantage and the Perils of the Stationary State <i>Andrea Maneschi</i>	124
PART II: ON CAPITAL THEORY	147
5 Samuelson and the 93% Scarcity Theory of Value <i>Avi J. Cohen</i>	149
PART III: POST-KEYNESIAN INCOME DISTRIBUTION AND GROWTH THEORY	173
6 The Method of the Pure Ratio in Economic Analysis <i>Amit Bhaduri</i>	175

7	A Post-Keynesian Theory of Growth, Interest and Money <i>Amitava K. Dutt and Edward J. Amadeo</i>	181
PART IV: STRUCTURAL DYNAMICS AND VERTICAL INTEGRATION		207
8	Commodity Flows and Productive Subsystems: An Essay in the Analysis of Structural Change <i>Michael A. Landesmann and Roberto Scazzieri</i>	209
9	On Economic Science, its Tools and Economic Reality <i>Alberto Quadrio-Curzio</i>	246
PART V: DEVELOPMENT ECONOMICS AND MODELS OF UNSTABLE GROWTH		273
10	Development Economics: Some Basic Issues <i>Sukhamoy Chakravarty</i>	275
11	The Economy as a Chaotic Growth Oscillator <i>Richard M. Goodwin</i>	300
12	Long-Run Changes in the Wage and Price Mechanisms and the Processes of Growth <i>Paolo Sylos-Labini</i>	311
PART VI: INSTITUTIONS AND ECONOMIC STRUCTURE: HUMAN ACTIONS AND THE PURE LABOUR THEORY OF VALUE		349
13	Reflections on the Significance of the Labour Theory of Value in Pasinetti's Natural System <i>Heinrich Bortis</i>	351
14	Rationality and Economic Behaviour <i>Siro Lombardini</i>	384
	<i>Bibliography of the Works of Luigi Pasinetti</i>	403
	<i>Name Index</i>	413
	<i>Subject Index</i>	419

# List of Tables

<b>Table 4.1: Possible stationary-state patterns of specialization</b>	<b>133</b>
<b>Table 7.1: [untitled]</b>	<b>187</b>
<b>Table 12.1: Trends of prices and wages, 1800–1989</b>	<b>312</b>
<b>Table 12.2: Public expenditure in the United States 1903–87</b>	<b>329</b>
<b>Table 12.3: Italy: economic growth, public expenditure and fiscal receipts</b>	<b>333</b>