

# Economic Thought Since Keynes

A History and Dictionary of Major Economists

**Michel Beaud**

*Professor of Economics  
University of Paris 7-Jussieu  
France*

*and*

**Gilles Dostaler**

*Professor of Economics  
University of Quebec at Montreal  
Canada*

Translated from French by Valérie Cauchemez  
with the participation of Eric Litwack

**Edward Elgar**

---

# Contents

---

|   |           |
|---|-----------|
| <b>Introduction</b>   | <b>1</b>  |
| Historical account  | 2         |
| The dictionary of authors   | 4         |
| Questions of method   | 5         |
| Semantic questions  | 5         |
| Bibliographies  | 7         |
| Acknowledgements  | 7         |
| <br>  |           |
| <b>PART I OUTLINE OF A HISTORY OF ECONOMIC THOUGHT<br/>SINCE KEYNES</b>             | <b>11</b> |
| <br>  |           |
| Prologue  | 13        |
| <br>  |           |
| <b>1 Keynes and <i>The General Theory of Employment, Interest and<br/>Money</i></b> | <b>18</b> |
| From ethics to politics   | 18        |
| Assault on the citadel  | 21        |
| Breaking away   | 24        |
| Continuity  | 28        |
| <br>  |           |
| <b>2 The Keynesian revolution</b>   | <b>33</b> |
| Keynes and the Keynesian revolution   | 33        |
| From Vienna to London   | 35        |
| Precursors and independent explorers  | 39        |
| Disciples and fellow-travellers   | 42        |
| From theory to politics   | 43        |
| <br>  |           |
| <b>3 The triumph of interventionism</b>   | <b>48</b> |
| Keynes's views after 1936   | 48        |
| The ambiguous Keynesian tidal wave  | 50        |
| The acceptance of full employment as a priority objective                           | 51        |
| The golden age of interventionism and economic policy                               | 54        |
| The implementation of national accounts   | 57        |
| Hydraulic Keynesianism  | 58        |

|  |   |            |
|--|---|------------|
| <b>4</b>   | <b>Axiomatization, formalization, mathematicization</b>                             | <b>63</b>  |
|  | The birth and development of econometrics   | 64         |
|  | Games and war   | 67         |
|  | General equilibrium   | 69         |
|  | Triumph and limits of mathematics   | 72         |
| <b>5</b>   | <b>A new orthodoxy: the neoclassical synthesis</b>                                  | <b>79</b>  |
|  | Macroeconomics reconceived in terms of equilibrium                                  | 79         |
|  | Reappraisal of the principal Keynesian functions                                    | 85         |
|  | The invention of the Phillips curve   | 87         |
|  | The development of the large macroeconomic models                                   | 91         |
| <b>6</b>   | <b>Heterodoxies: permanence and renewal</b>   | <b>96</b>  |
|  | New Keynesian developments  | 96         |
|  | The constitution of the post-Keynesian current                                      | 100        |
|  | Around institutionalism   | 102        |
|  | On the Marxism side   | 104        |
|  | Debates on development  | 106        |
| <b>7</b>   | <b>The liberal resurgence</b>   | <b>112</b> |
|  | Milton Friedman and monetarism  | 113        |
|  | Supply-side economics and other liberal currents                                    | 117        |
|  | The imperialism of neoclassical economics   | 119        |
|  | Liberal policies and Keynesian ripostes   | 121        |
| <b>8</b>   | <b>New macroeconomics</b>   | <b>127</b> |
|  | New classical macroeconomics  | 127        |
|  | The disequilibrium theories   | 132        |
|  | The new Keynesian economics   | 134        |
| <b>9</b>   | <b>On Babel and three figures of present-day economic thought</b>                   | <b>141</b> |
|  | Babel: the economists in their new world  | 141        |
|  | Penelope: from theoretical rigour to world complexity, weaving the impossible cloth | 143        |
|  | Sisyphus: perpetually reconstructing the heterodoxy                                 | 147        |
|  | Icarus: the broken flight of economic thought                                       | 150        |
| <b>PART II</b>                                     |   |            |
| <b>DICTIONARY OF MAJOR CONTEMPORARY ECONOMISTS</b> |   | <b>161</b> |
|  | Adelman, Irma   | 163        |
|  | Alchian, Armen A.   | 164        |

|                          |     |
|--------------------------|-----|
| Allais, Maurice          | 165 |
| Amin, Samir              | 167 |
| Arrow, Kenneth           | 169 |
| Asimakopulos, Athanasios | 171 |
| Bain, Joe S.             | 174 |
| Balassa, Bela            | 175 |
| Baran, Paul A.           | 176 |
| Barrère, Alain           | 178 |
| Barro, Robert J.         | 179 |
| Baumol, William J.       | 180 |
| Becker, Gary S.          | 182 |
| Bergson, Abram           | 184 |
| Bettelheim, Charles      | 185 |
| Bharadwaj, Krishna R.    | 187 |
| Blaug, Mark              | 189 |
| Boiteux, Marcel          | 191 |
| Boulding, Kenneth E.     | 192 |
| Bowles, Samuel           | 195 |
| Brody, Andras            | 196 |
| Bronfenbrenner, Martin   | 197 |
| Brunhoff, Suzanne de     | 198 |
| Buchanan, James M.       | 199 |
| Burns, Arthur F.         | 201 |
| Chenery, Hollis B.       | 204 |
| Clark, Colin G.          | 205 |
| Clower, Robert W.        | 207 |
| Coase, Ronald            | 208 |
| Coddington, Alan         | 211 |
| Davidson, Paul           | 212 |
| Debreu, Gérard           | 213 |
| Demsetz, Harold          | 216 |
| Denison, Edward F.       | 217 |
| Dobb, Maurice H.         | 218 |
| Domar, Evsey D.          | 220 |
| Downs, Anthony           | 222 |
| Duesenberry, James S.    | 223 |
| Eatwell, John            | 225 |
| Eichner, Alfred S.       | 226 |
| Eisner, Robert           | 228 |
| Feldstein, Martin        | 230 |
| Fellner, William J.      | 231 |
| Fogel, Robert W.         | 232 |

*viii Contents*

|                            |     |
|----------------------------|-----|
| Frank, André G.            | 233 |
| Friedman, Milton           | 234 |
| Frisch, Ragnar A.K.        | 238 |
| Furtado, Celso             | 241 |
| Galbraith, John Kenneth    | 243 |
| Garegnani, Pierangelo      | 245 |
| Georgescu-Roegen, Nicholas | 247 |
| Goodwin, Richard M.        | 249 |
| Gruson, Claude             | 251 |
| Haavelmo, Trygve           | 253 |
| Haberler, Gottfried        | 255 |
| Hahn, Frank H.             | 257 |
| Hansen, Alvin H.           | 260 |
| Harcourt, Geoffrey C.      | 262 |
| Harrod, Roy F.             | 264 |
| Hayek, Friedrich A.        | 267 |
| Heilbroner, Robert L.      | 271 |
| Heller, Walter W.          | 272 |
| Hicks, John R.             | 273 |
| Hirschman, Albert O.       | 277 |
| Hutchison, Terence W.      | 278 |
| Isard, Walter              | 281 |
| Johnson, Harry G.          | 283 |
| Jorgenson, Dale W.         | 285 |
| Kaldor, Nicholas           | 287 |
| Kalecki, Michal            | 289 |
| Kantorovich, Leonid V.     | 292 |
| Katona, George             | 295 |
| Kindleberger, Charles P.   | 296 |
| Klein, Lawrence R.         | 298 |
| Koopmans, Tjalling C.      | 301 |
| Kornai, János              | 303 |
| Kregel, Jan A.             | 305 |
| Kuznets, Simon S.          | 307 |
| Laffer, Arthur             | 310 |
| Lange, Oskar R.            | 311 |
| Leibenstein, Harvey        | 313 |
| Leijonhufvud, Axel         | 314 |
| Leontief, Wassily W.       | 316 |
| Lerner, Abba P.            | 318 |
| Lewis, William A.          | 320 |
| Lipsey, Richard G.         | 322 |

|                       |     |
|-----------------------|-----|
| Little, Ian M.D.      | 323 |
| Lucas, Robert E., Jr. | 325 |
| Lundberg, Erik F.     | 327 |
| Machlup, Fritz        | 330 |
| Malinvaud, Edmond     | 332 |
| Mandel, Ernest        | 334 |
| Marschak, Jacob       | 336 |
| Mayer, Thomas         | 338 |
| McCloskey, Donald N.  | 339 |
| Meade, James E.       | 341 |
| Metzler, Lloyd A.     | 343 |
| Mincer, Jacob         | 344 |
| Minsky, Hyman P.      | 346 |
| Modigliani, Franco    | 348 |
| Morgenstern, Oskar    | 350 |
| Morishima, Michio     | 353 |
| Musgrave, Richard A.  | 354 |
| Myrdal, Karl G.       | 355 |
| Nemchinov, Vasili S.  | 359 |
| Neumann, John von     | 360 |
| North, Douglass C.    | 362 |
| Nove, Alexander N.    | 364 |
| Novozhilov, Viktor V. | 365 |
| Nurkse, Ragnar        | 366 |
| Ohlin, Bertil G.      | 368 |
| Okun, Arthur M.       | 370 |
| Pasinetti, Luigi L.   | 372 |
| Patinkin, Don         | 373 |
| Perroux, François     | 376 |
| Phelps, Edmund S.     | 379 |
| Phelps Brown, Henry   | 380 |
| Phillips, A. William  | 381 |
| Posner, Richard A.    | 383 |
| Prebisch, Raul        | 384 |
| Robinson, Joan V.     | 387 |
| Rostow, Walt W.       | 390 |
| Samuelson, Paul A.    | 393 |
| Sargent, Thomas J.    | 396 |
| Schultz, Theodore W.  | 397 |
| Schwartz, Anna J.     | 399 |
| Scitovsky, Tibor      | 400 |
| Sen, Amartya K.       | 402 |

*x Contents*

|                       |     |
|-----------------------|-----|
| Shackle, George L.S.  | 403 |
| Simon, Herbert A.     | 406 |
| Singer, Hans W.       | 409 |
| Solow, Robert M.      | 410 |
| Spence, Michael A.    | 412 |
| Sraffa, Piero         | 413 |
| Steindl, Josef        | 416 |
| Stigler, George J.    | 418 |
| Stiglitz, Joseph E.   | 421 |
| Stone, Richard        | 422 |
| Sweezy, Paul M.       | 424 |
| Tarshis, Lorie        | 427 |
| Tinbergen, Jan        | 428 |
| Tobin, James          | 432 |
| Triffin, Robert       | 435 |
| Tsuru, Shigeto        | 436 |
| Tullock, Gordon       | 437 |
| Vanek, Jaroslav       | 439 |
| Vernon, Raymond       | 440 |
| Weintraub, Sidney     | 442 |
| Williamson, Oliver E. | 444 |
| Zellner, Arnold       | 447 |
| <br>                  |     |
| Bibliography          | 449 |
| <br>                  |     |
| Name index            | 459 |
| Subject index         | 477 |