Index

academic freedom 92
academic respect, textbooks 151
aesthetic appeal, closed system thinking 76, 77
aggregate investment 109, 168, 170
aggregate relations 167–9
aggregate saving 109, 111, 170
aggregate supply 27, 48, 50, 63, 165, 197, 203, 204, 206–7
aggregate supply and aggregate demand (AS/AD) model 26–8, 49
Aggregate Supply and Demand Analysis (Davidson/Smolensky) 136–40
Akerlof, G.A. 219–20
ambiguity 61, 64, 65, 220–21
ambiguous course titles, use of 17, 23–5
analogies 118–19, 130
animal spirits 64, 137, 139, 164, 167, 192
Animal Spirits (Shiller/Akerlof) 219–20
applied courses 81
Arestis, Philip 134
Arrow–Debreu general equilibrium model 188–90
Asensio, Angel 135, 136–7, 185
asset valuation 167–8, 172–3, 175
assertive pluralism 92–4, 98, 101
Association for Heterodox Economics (AHE) 92, 99–100, 101, 103
attribution, textbook critique 152
Australia, fiscal policy 125–6
Austrian school 93, 98, 118, 128, 129, 130
authority, need for 64, 66–8
autistic character of modern economics 56
Balogh, Thomas 215
Bank of England 205–6
banking system 27, 77, 84, 140, 142–3, 223–4
banks, as producers of purchasing power 204–8
Barrère, Alain 14, 15
‘bastard’ neoclassical model 200–204
Bastard-Keynesian (BK) model 190–92, 193, 195
Baum, L. Frank 34
Baumol, W.J. 3, 26
bear markets 119, 220–21
behavioural economics 215–17, 219–21
belief systems, structure of 64–5
Bell, C.S. 154, 156
Benassy, J.P. 173
benchmarking for pluralism 98, 99–102
Bertocco, G. 205–6
Beveridge, William 45
Blanchard, O. 108
Blinder, Allan 3, 26, 150, 156, 157, 158
body of knowledge 89–90
Bolton, C. 154
bond market 129, 130, 183, 198–204
Boskin, M.J. 154, 155, 156
Boulding, K.E. 154
Brainard, W.C. 167
brainwashing 15, 19, 23, 24
Brazelton, W.R. 152
Buckley, W.F. 154
budget constraint 189, 195, 197, 198, 200–203, 208
bull markets 119, 220–21
Burstain, M. 38
Cambridge capital controversies 13
Cambridge hypothesis 18–19
Cambridge Society for Economic Pluralism 56
capacity utilization 18–19, 21, 22, 193–4
capital stock 62–3, 111, 177–8, 183–6, 193–4, 197
capital supply 189
Carleton University, Canada 12–13, 15
Cartesian mode of thought 64
Cassidy, John 124
central banks 25, 27, 77, 84, 197–8, 205–8, 222
certain knowledge 76
chapter overviews 2–10
Chateauneuf, A. 169
Chick, V. 36, 57, 59, 61, 62, 63, 74–5, 76, 81, 82, 83, 134, 174–5, 185
childhood experience and personality formation 65
CI/LM model 139–40
circular flow of income 118, 120–1, 124–5, 129, 130
citizenship, beneficial impact of pluralism 96
City University, London 98
classical logic 5, 76
closed belief systems 64–5, 81–2
closed systems 73–4
compared to open systems 77–80
conditions for 75
nature and implications 74–6
properties of 57–9
Cochrane, John H. 124
Coddington, A. 73
Colander, David 81, 157
common words, different meanings of 163–4, 175–6
competitive equilibrium 163–5, 173, 176–7
conditions 182–5
complementary paradigms 95
complexity, controversy as tool for coping with 96
confirmation bias 89–90
consumption 108–9, 113–14, 124, 126, 140–41, 142, 188–9, 192, 198, 200–201, 203–4, 206
consumption function 139, 195–6
consumption smoothing 113, 198
context, controversy as tool for coping with 96
contextual knowledge, textbooks 154, 155
controversy 88
as pedagogical instrument 93–7, 99, 101
conventional beliefs 78, 79
‘cooperative economy’ 115
Cornwall, J. & W. 172
Coulbois, Paul 14
Coyle, C. 98
creativity 78
critical argument 83
critical realism 5, 58–9, 218
critical thought-experiments 7, 119
Crotty, J. 172
‘crowding out’, private investment 27, 35
‘crucial experiments’ 59
curiosity 67
Dasgupta, P. 223
Davenport, Paul 19
Davidson, Paul 7–8, 59
core statements 135–7
inspiration on teaching macroeconomics 137–44
decomstruction of ‘natural language’ 163–4, 175–6
deductive mathematical modeling 5, 35–41, 76, 78, 79–80, 181
deep learning 95–6
deflation 112, 143
demand function 45, 138–9, 140, 165, 183
demand stimulus 117–18
common sense in 126–7
defence of 120–22
targeted policies 127–8
demand-deficient unemployment 107–16
demand, targeting 127–8
Denis, A. 60, 93, 94
development direction problems, textbooks 155
diagrams, use of 84
diminishing returns 111–12, 140, 143
discount rate 205–6
disequilibrium theory 3, 13, 14
disruptive uncertainty and effective demand 169–71
Dixon, W. 97
dobb, M. 42
dow, A. 64
dow, S.C. 35, 56, 57, 59, 64, 74–5, 76, 82, 83, 91, 98, 102
dualism 58, 66, 67, 82
ducros, bernard 14, 15
dutt, A.K. 19
dynamic instability 172
dynamic Stochastic General Equilibrium (DSGE) 107–8, 165
earl, Peter E. 57, 64, 66, 68–9, 82, 83
econometrics 123–4, 165–6
econometrics courses 81
economic reality, in textbooks 151, 154, 157, 158–9
economics as science 221–4
Economics Network 98, 99
economics, borders of 59–60
Économies et Sociétés (journal) 14
Économies postkeynésienne (lavio) 22
economists
skill requirements 80
reflections on global economic crisis 213–24
educational problems, open systems 63–9
effective demand 20, 21–3, 43–50
and disruptive uncertainty 169–71
Paul Davidson on 135–40, 142
Efficient Market Hypothesis (EMH) 163, 214, 218–19, 222
Eichberger, J. 169
Eichner, Alfred S. 3, 13, 134
elasticity of production of money 135
Elzinga, K.G. 156
empirical knowledge
dismissal of 212, 315, 216–17, 219, 224
connecting theorists with 225–6
empirical testing 76, 81
employment levels 40, 46–9, 61, 111, 115, 135–6, 140–41, 173, 190, 203
dependent growth theory 19
dependent money 9, 22, 25, 140–43, 170, 171, 204–8
dependent variables 57, 58, 64, 75, 110
Epstein, L.G. 167
equilibrium at any point in time 174–5
equilibrium growth rate 19–20
equilibrium in space 44
Ergas, Henry 125
Euler condition 197, 198, 201
exchange rates 14, 123–4
existing course titles, use of 17, 18–19
exogenous shocks 2, 40, 45–6
exogenous variables 57, 75, 183
expansionary monetary policy 35, 49, 197–8
expenditure–income relationship 109–15
experimental economics 166
explicitly heterodox titles, use of 17, 19–23
‘Explorations in Monetary Economics’ course, Ottawa University 23–5
exports 123–4
extended consumption 204
Eysenck, M.W. 167
factor demand 140, 191
fallacy of composition 61
Fau, J. 14
Federal Reserve 46, 220, 222
feedback 66, 67, 68–9, 153, 175
finance motive 24, 136, 142
financial market 112, 114, 129–30, 142–4, 170, 183–4
fiscal debt 35, 121–2
exposing counterfactuals to justify 123–4
fiscal policy defence
antidotes to anti-Keynes rhetoric 124–6
common sense in 126–7
defensive stratagems 120–21
learning from Austrian school 128
targeted policy 127–8
thoughts on idle money 129–30
use of analogies and metaphors 118–20
unpersuasively defending 121
warranted debt 121–2
wasteful government spending 122–3
Fisher, Irving 198, 199, 200
Fisherian/Wicksellian macroeconomics 196–9
Foley, Duncan K. 187, 195
Teaching post Keynesian economics

formalism 56
forward exchange rates 14

*Foundations of Post-Keynesian Economic Analysis* (Lavoie) 22–3

free-riding 124
Freeman, A. 90, 91, 92, 93, 100, 101
Frydman, R. 166
full employment 21, 27, 35–6, 49, 111, 115, 136, 139–40, 144, 170, 173, 183–4, 189–90, 192, 219
full heterodox courses 16, 17
pedagogical difficulties 23
use of ambiguous titles 17, 23–5
use of existing course titles 17, 18–19
use of explicit titles 17, 19–23
functional finance 121–2
functionalized language 37, 41–3, 49–50
fundamental uncertainty 13, 22, 29, 78, 135–6, 138–9, 141–2, 145, 164–5
‘fundamentalist Keynesianism’ 73–4
future consumption 200–201, 203, 204
future-oriented time perspective 65

Galbraith, James 213, 216–17
Garnett, R.F. Jr. 100–101
Garrison, Roger W. 117
GDP 48, 124, 126, 191–2, 195, 199, 208
gender, textbook coverage 156
general purchasing power 199–204
*General Theory* (Keynes)
elegance of 108–13
macroeconomics from a neoclassical perspective 199–204
Giedeman, D.C. 156
Giocoli, N. 89
Gilbert, J.C. 63
global financial crisis 17, 23, 106
blame for 150, 214
Galbraith’s reflections 216–17
and Institute for New Economic Thinking 218–19
Lucas’s reflections on 221–4
and interventionism 34–5, 117–18, 123
Shiller’s reflections 219–21
Skidelsky’s reflections 213–16
textbook coverage 153, 156, 157, 158–9
global fiscal multiplier 124–5
global propensity to consume 171, 183
 glut 44–5, 127–8
Gnos, C. 206
Godley, W. 3, 25, 194, 207
Goldberg, M.D. 166
Gomes, F.A.R. 169
Goodwin, N. 17
Gordon, K. 64
Grant, S. 169
Greenspan, Alan 240
gross substitution 8, 136, 183
growth theory 13, 18, 19–20
Harck, S. 156, 157
Hayek, F.A. von 60, 89, 92, 187
Hénin, Pierre-Yves 14
Henry, J. 19, 20
heterodox
lack of possibility for 36–7
from orthodox to 91
pluralism as challenge to 93
heterodox teaching strategies in mainstream departments
creating new courses with ambiguous titles 17, 23–5
creating new courses with explicit titles 17, 19–23
introducing elements of heterodoxy in orthodox textbooks 16, 25–8
overview 16–17
using existing course titles 17, 18–19
heuristic pluralism 95
Hicks, J.R. 20, 61–2
‘high-powered’ money 205–8
Higher Education Funding Council for England (HEFCE) 98
historical knowledge, textbooks 154
historical time 20, 45–6, 145
history of economics
benchmarking 100–101, 102
erasing from curriculum 91–2
importance of teaching 98–9, 83
textbook coverage 154, 155, 156
history, influence of 62–3
hoarding money 199–203
Hoass, D.J. 155
Hodgson, G. 172
Holt, Richard 135, 137
housing sector, US 127–8
human (ordinary) logic 5, 76
Index 233

‘hydraulic Keynesianism’ 73–4
hypnotic formulas 41–3
ideological politics 213–14
idle resources 123, 126–7, 128–30
image of knowledge 89–90
imperfect competition 163–4
imperfect information 35, 145, 213
imperfect knowledge 58, 61–2, 75, 136–7, 166, 217, 221
import inflation 143
income–expenditure relationship 109–15
inducement to invest 167, 168–9, 171
inflation 21, 28, 35, 49, 140, 143, 197–8, 204
infrastructure investment 127–8
Ingham, G. 60
innovative teaching methods 97
innovativeness, textbooks 156
Institute for New Economic Thinking (INET) 218–19
institutional arrangements 77–8, 79–80
institutional endogenous stabilizers 172–4
institutional reformers, reflections on financial crisis 213–17
institutional rigidities 172, 189
intellectual failure 214, 217, 226–7
intellectual independence 94, 95, 96, 97, 99, 101–2, 103
intellectual rigour 222–3
inter-temporal optimization 163, 166, 169, 177, 183
interest rate 110, 112, 141, 168, 170, 171, 172–4, 176
internal consistency of reasoning 5–6, 64, 76, 77, 107–8
internal self-criticism, textbooks 153
international economy 143, 226
interventionist policies 34–5, 49, 117–18, 128, 130, 163
intrinsic closure conditions 57
Introduction to Post–Keynesian Economics (Lavoie) 22–3
investment 13, 59, 62, 120–21, 124–5, 128, 130, 139–42, 168–71, 183, 188–9, 192, 198–8, 206
investment demand 198
investment function 139, 169
investment–saving relationship 109–15
investment, co-movement with consumption 108
involuntary unemployment 35, 114, 129, 135, 141–2, 177
irrational optimization under uncertainty 165–7
IS–LM model 43, 48, 49, 61–2, 73–4, 107, 112, 139–40
Jespersen, J. 56, 63, 74
Journal of Economic Education 153, 154, 159
judgement, capacity for 64, 67, 76, 77, 80, 81
Kaldor, N. 13, 204, 205
Kates, Steven 45
‘Keynes effect’ 111–12
Keynes-like tradition 134
Keynesian bias, textbooks 154–5, 157
‘Keynesian constraint’ 195
‘Keynesian cross’ 111, 112
Keynesian macroeconomic model in complementarity format 190–96
Keynesian macroeconomics under-appreciation of 108–13 objections to 113–15
Keynesianism 143–4
King, J.E. 60, 136, 138
Klamer, Arjo 81, 118
Knightian uncertainty 169
knowledge building under uncertainty 77–8
knowledge, body and image of 89–90
Koutsoyiannis, A. 15
Kregel, J.A. 3, 13, 59, 134, 174–5
Krugman, Paul 106, 107, 112, 114, 116, 124
Kuhn, T.S. 81
Kurtz, H. 36
Kurz, M. 166
labour demand 11–12, 44–50, 115, 171, 184, 189, 192, 197, 201
labour market 111, 171, 184, 176–8, 183–4, 189
labour model as market 43–50
labour supply 44–50, 111–12, 140, 184, 189, 192, 197
Lacker, J. 46
Lavoie, M. 3, 14, 17, 18, 20, 21, 22, 25, 192, 194, 204, 207
Lawson, Tony 35, 36, 37, 56, 57, 58, 74, 218
learning, student responsibility for 68
Leontief, Wassily 192–3, 225–6
Lerner, Abba 121–2
level of study, borders of 60–61
life-long learning, pluralism as support for 94, 96
liquidity preference 9, 62, 135–6, 142, 164, 169, 170, 183–4, 199–204
liquidity trap 119, 130, 139–40
loanable funds 62, 121–2, 126, 171, 198
Loasby, B.J. 59, 74
long-term expectations 139, 141, 169
long-term interest rates 170, 173–5, 185, 206
Lordon, Frédéric 19
Lowen, A. 156
Lucas, Robert 113, 114, 118, 213, 221–24
McCloskey, D.N. 78, 91
McCombie, John S.L. 22
McGoldrick, K.M. 95
macro level, link with micro level 60–61
macroeconomic profit equation 13
macroeconomics
   criticisms of Keynes’s theory 113–15
   neoclassical economics as not so beautiful 107–8
   under-appreciation of Keynes’s theory 108–13
Macroéconomie: Théories et controverses postkeynésiennes (Lavoie) 18–19
mainstream departments, teaching in background information 12–16
creating new courses with ambiguous titles 23–5
creating new courses with explicit titles 19–23
introducing heterodox elements in orthodox textbooks 25–8
strategies in teaching heterodox economics 16–17
using existing course titles 18–19
mainstream modules/programmes, infiltrating pluralism 98–9
mainstream textbook critique
   analysis 153–6
   delimitations 152–3
   explanations for lack of 156–7, 158
   impact of 158
   lack of 153
   as platform for heterodox economist attempts to change 158–9
   problems and solutions of operationalization 151–2
Makin, Anthony 125
Malinvaud, E. 173
managerial theories of the firm 21–2
Mankiw, G. 26, 48, 49, 56
Marcuse, Herbert 37, 41–2
marginal efficiency of capital 110, 112–14, 139–40, 164, 168–71, 183–4
marginal product of capital 168, 197, 198
marginal product of labour 49, 111, 115, 170, 184, 191–2, 197, 201
marginal propensity to consume 109–10, 112, 113–14, 115, 164, 167, 171, 183
marginal utilities of consuming 197, 201
Marglin, S.A. 19
market clearing 28, 111, 136, 163, 170, 171, 176, 188–90, 200
market ‘imperfections’ 35, 108
markup rate 14, 19, 21, 192–3, 206
Marris, Robin 21
Marshallian short period 63
Marx, K. 91, 92, 223
Maslow, A.H. 65, 66–8, 82
mathematical modelling
   confusing metaphors in space with processes in time 37–41
   hypnotic formulas and functionalised language 41–3
labour model as market 43–50
Mathiesen, L. 188
Maxwell, P. 154, 155
Mearman, A. 16, 17
Index

Meltzer, Allan 121–2
metaphors 37–41, 118–19, 129–30
methodology
  benchmarking 100–101, 102
  erasing from curriculum 91–2
  importance of teaching 98–9
  post-Keynesian economics 28–9
  teaching 83
micro level, link with macro level 60–61
micro-foundations 164–5, 175–6
  and aggregate relations 167–9
Microeconomics in Context (Goodwin) 17
microeconomics, coverage in textbooks 26, 28, 156
minimum wages 90
Minsky, H.P. 79, 172
models, quality of 219–20, 222–5, 226
 ‘Monecon’ 97
monetary circuit theory 3, 13, 14
monetary policy 27–8, 46, 49, 112, 130, 197–8
  textbook coverage 156, 157
monetary theory 23–5, 60, 84
Money and Banking programmes 84
money as store of value 199–204
money contracts 137, 142, 143, 145
money demand 141, 168, 169, 170, 173–4, 203
money market 171, 183–4, 198–206
money supply 27, 170, 198, 205–6
money wages 44, 46–9, 61, 63, 66, 123, 140–41, 171, 173, 184–5
monism 88–93
monopolistic competition, textbook market 155
moral hazard 220
multiplicity 67
Murakami, Haruki 34
natural rate of unemployment 27, 49
needs, hierarchy of 64, 66–8, 82
Nell, E. J. 20
neo-Kaleckian models 19, 22
neoclassical general equilibrium model in complementarity format 188–90
neoclassical macroeconomics, as not so beautiful 107–8
neoclassically formed minds, teaching
  competitive equilibrium conditions 182–5
  discussion 175–6
  disruptive uncertainty and effective demand 169–71
  equilibrium at any point in time 174–5
  irrational optimization and rational decision making under uncertainty 165–7
  micro-foundations and aggregate relations 167–9
  potential instability and institutional endogenous stabilizers 172–4
  neutrality of money 135–7, 144, 145, 165
 ‘new consensus view’ 107
new heterodoxy, creation of 218–19, 225
new purchasing power, creation of 205–8
Nicholson, Peter 126
Nishimura, K.G. 169
nominal interest rates 35, 112, 199, 201, 203, 205, 207–8
nominal wage 49, 111–12, 201
non-technical courses 81
nonergodic systems 8, 136–7, 142, 166, 168
O’Doherty, R. 99
O’Sullivan, A. 157
objectivity, textbooks 154–5, 157
objects of study, borders of 60
omissions, textbooks 156
open belief systems 64–5, 81–2
open system thinking, challenge of 77–80
open systems
  challenge for teaching 81–5
  conditions for 75
  educational problems 63–9
  nature and implications 74–6
  properties of 57–9
openness, dimensions of 59–63
opportunity costs 128, 201
Teaching post Keynesian economics

Orphanides, A. 49
orthodox textbooks, introducing heterodoxy 16, 25–8
orthodoxy
from heterodoxy to 91
plurality as challenge to 93
out-dated material, textbooks 155
overproduction 44–5
Oxbridge system 68
Ozaki, H. 169

Paquet, Gilles 12–13, 15
paradox 83, 108, 125, 224
paradox of thrift 27, 61
parallel perspectives approach 16–17
Parguez, Alain 13–14, 15
partial closures 59, 60, 62, 63, 64, 79
Pasinetti, L.L. 13, 20, 190
path dependency 19–20, 59, 63, 136–7
pedagogical difficulties, full heterodox courses 23
Perez, S. 157
perfect competition 155, 177
permissive pluralism 88, 92, 93, 98
Perry, W.G. Jr. 65, 66, 67, 82
personal growth, inhibiting/promoting forces 67–9
Peterson, J. 95
Phelps, E.S. 165–6, 200
philanthropic capitalism 218–19
Phillips curve 27, 49, 114, 120
philosophical training 83–4
Pigou, Arthur C. 2, 112, 170, 185
planned investment 7, 109, 111, 198
plural disciplines taught monistically 88–92
pluralism 76, 78, 79
benchmarking for 99–102
how to move towards 97–9
‘knee-jerk’ reaction to 91
nature of 92–4
promotion of 26
rationale for 94–7
policy influence 84, 220
policy-making 89–90
importance of teaching history of 98–9
political neutrality, textbooks 154
Portfolio Choice ‘PC’ model 207
post-autistic movement 56, 83, 93

Post-Keynesian Macroeconomic Theory
(Davidson) 140–43
‘Post-Keynesian Theory: Money and Effective Demand’ course, University of Ottawa 20, 21–3
‘Post-Keynesian Theory: Value and Production’ course, University of Ottawa 20–21
Post-Keynesians 204–8
postgraduate education, shift towards pluralism 90–91
potential instability and institutional endogenous stabilizers 172–4
Poulon, Frédéric 13–14
prediction 38, 47–8, 78, 92, 102, 137, 165–6, 174
failure of 218, 222–3, 224
present consumption 200, 203, 204
price flexibility 1–2, 136, 144, 163, 173, 190
price rigidities 204
principles of economics textbooks, mainstream critique
analysis 153–6
delimitations 152–3
explanations for lack of 156–7, 158
impact of 158
lack of 153
as platform for heterodox economist attempts to change 158–9
problems of operationalization 151–2
private sector supply failures, alleviation of 127–8
probability theory 59, 199
product market 35–6, 44–5, 48, 109, 114, 130, 140, 170–71, 174, 176, 177, 183, 188–91
production function 21, 49, 111–12, 192–3, 196–7, 204
production theory 20–21
professional responsibility 213, 217, 222–3, 224
profit maximization 26, 191, 197
profits inflation 140, 143
propensity to save 13, 191–2
provisional closures 59, 60, 62, 63, 79, 82
psychological appeal, closed system thinking 77
psychological determinants of behaviour 36, 163, 164, 167–9
psychological problems, open systems 56–7, 63–9, 78
‘psychological’ reading, Keynes’s theories 215–16
psychological universals, search for 225–6
‘pure’ neoclassical macro model 196–9

Quality Assurance Agency for Higher Education (QAA) 99–102
quantity of employment 44, 46–7, 49, 196
quantity theory of money 27, 35, 143, 197–8, 205

race, textbook coverage 156
Ramirez-Gastón, P. 21
Rational Beliefs Equilibrium 166, 177
rational decision making under uncertainty 165–7
rational expectations 49, 61, 136–7, 144, 166, 213, 216, 219, 224–5
real economy 130, 144, 159, 164, 214, 216–17, 218
real interest rate 35, 112, 197–8
real investment 130, 189, 192
real output 189–90
real wage 44–50, 111, 115, 170, 184, 191, 197, 201
real world issues 3–4, 5, 76, 81, 85, 141, 145, 206
realist approach 5, 9, 23, 63, 84–5, 118, 12–, 158, 160, 176, 195
Reddy, Sudeep 122
rejection, dualistic practice of 83
relativism 66
representative agent approach 61, 107–8, 144, 200–201
research, shift towards pluralism 90–91
reservation wage 169
resource constraints 68, 69
resource utilization 126–7
Return of the Master (Skidelsky) 213–15
rhetoric
in defence of fiscal policy 117–20
of economics 89–90
rhetorical powers, pluralism as support for development 97, 102
Ricardian Equivalence 35, 125–6
Ridley, M. 95
risk, distinguishing from uncertainty 164, 170–71, 190, 214, 215, 219
Robbins, L.C. 59
Robinson, Joan 13, 26, 37, 38–9, 40, 44, 45, 59, 62
Rochon, Louis-Philippe 22, 206
Rogers, C. 24
Rokeach, M. 64, 65, 81
Romer, D. 18, 28, 48, 49
Rotheim, R. 36, 37, 42, 45, 56, 64, 65, 69, 172
Royal Economic Society 99
Runes, Dagobert D. 117
Rymes, T.K. 13, 15
Sachs, Oliver 38
safety, need for 66–8, 82
Salerno, J.T. 93
Samuelson, Paul 1–2, 155
Savage, Leonard “Jimmie” 220
saving 120–21, 129–30, 124, 170, 189, 198, 201, 204, 207–8
saving–investment relationship 109–15
Say’s Law 44–6, 142, 144, 170, 189, 190, 193
Schumpeter, J. 204
Scottish Enlightenment approach 83–4
Seccareccia, Mario 15–17, 19, 21, 23–4, 25–6
segmentation 79
selection processes, economists 216
self-actualization 64, 66–7
self-esteem, need for 66–7
Setterfield, M. 56, 59
Shackelford, J. 154
Shackle, G.L.S. 12–13, 59, 62, 63
Sheffrin, S. 157
shifting equilibrium 164, 186
Shiller, Robert J. 152, 213, 219–21
short-term expectations 63, 141
short-term interest rate 35, 205–6
‘SIM’ model 194
simple models 82, 85
Skidelsky, Robert 73, 213–15, 217, 219
skills mismatch 45–7
Skott, P. 56
Smith, Adam 74
Smolensky, Eugene 136–40, 141
social needs 66–7
socially useful government spending 122–3, 126–8
societal interests 89–90
society, coping with open systems 77–80
sociological determinants of behaviour 163–4, 167–9, 219
Solow, Robert M. 107
Soros, George 218
spatial metaphors, confusing with processes in time 37–41, 48, 51
‘special case’ complementarity format of a Keynesian macro model 190–96
neoclassical general equilibrium model in complementarity format 188–90
neoclassical versus Keynesian models 196–208
specialist courses 83
speculative bubbles 219–20, 221, 222
speculative motive 141, 168, 169
spontaneous order 128
Sraffa, P. 12–13, 20–21
state of confidence 164, 166, 170
static model of a dynamic process 174–5, 185–6
sticky wages/prices 26, 35, 49, 77, 108
Stiglitz, Joseph 73, 152, 154, 155, 156, 213, 218–19
stock of resources concept 126
stock-flow consistent approach 3, 22, 25, 90
stock-flow consistent (SFC) Post–Keynesian model 194–6
structural imbalances 214, 218, 219, 224
structuralist framework 45–8, 50
structuralist post–Keynesian (SPK) model 192–4, 195
student maturation stages 64, 66, 67, 82
student-centred instruction 92, 97
subject benchmark statement for economics (SBSE) 99–102
subject matter dimension of openness 59–60, 77, 79, 81, 95–6
Sunder, S. 166
sunk costs 127
supply function 45, 138–9, 140, 165
targeted fiscal policy 118, 127–8
‘Taylor rule’ 112
Taylor, J.B. 154
Taylor, L. 192
teacher-oriented instruction 92
teaching technique, criticism of 97
technical ethos 222–3
technical skills 81, 85, 89
temporary closures 63, 64
textbooks 22–3
impact of mainstream critique 158
incentives for changing 156–7
introducing elements of heterodoxy 16, 25–8
of Paul Davidson 137–44
size of 155, 157
teaching experiences with 28
use in promoting pluralism 98
see also principles of economics textbooks
theoretical systems, consequences of economic openness 75
‘Theory of Growth’ course, University of Ottawa 18–19
Thirlwall, Tony P. 22
time attitudes to 64, 65
confusing metaphors in space with processes in 37–41, 48, 51
dimensions of openness 61–3
equilibrium at any point in 174–5
Tobin, J. 112, 168
topical issues 83, 84
Toporowski, J. 60
trade, unexploited potential gains from 114–15
treasure-chest analogy 121
Treasury View 121
Treatise on Probability (Keynes) 134
true uncertainty 137, 163–4, 166–7, 170–71, 174, 176
Tuckett, D. 60
two-sector leakages-and-injections diagram 124–5
Index

UK, benchmarking 99–102
uncertainty
  addressing 77–80
  controversy as tool for coping with 96
  rational decision making under 165–7
uncertainty aversion 169, 170
undergraduate education, purposes of 94
unemployment
  causes and consequences of 43–50
  demand-deficient 107-16
  Keynes’s approach 108–13
  neoclassical approach 108
  objections to Keynes’s approach 113–15
unemployment rate 3, 17, 34–5, 43, 49, 192
unintended investment 109
University of Ottawa 12, 15–25
University of Paris 13–15
US
  housing stock 127–8
  textbooks see mainstream critique
value theory 20–21
velocity of money 129, 198
Vercelli, Alessandro 119
vocational goals, pluralism as support for 94, 96–7
wage curve 189–90
wage flexibility 1–2, 111, 171, 173, 184, 189–90, 196
wage rate 140–41, 188, 192–3, 196
wage rigidities 1, 172–3
wage-price inflation 140, 143
Walras’s law 61, 173, 197, 200, 203
Wang, T. 167
warranted debt 121–2
Wason test 95
wasteful government spending 118, 121, 122–3, 125
Watts, M. 154
wealth effects 27, 112, 126
Weintraub, Sidney 21, 134, 136
Wilson, D. 91, 97
Wittgenstein, Ludwig 41
zero-profit conditions 188–90