The Essential Characteristics of Post-Keynesian Economics

1. The subject is capitalism.

    A) Characterization of Capitalism

    B) Varietites of Capitalism

2. Capitalist economy -> 2 sets of money prices

    A) $P(K) = K(q, c, l)$

        1. Money enters through "l" and "c"

        2. Financial institutions as integral to $P(K)$.

    B) $P(O) = C(W, r)$

        1. W as cost and P as way of recaprturing costs.

        2. W institutions as anchoring P

3. M -> K ->M' , K => Pi , Pi validates the contracts that exchange M for M'. This cash flows perspective is an adaptaion of points made by Marx

4. Investment; the standard Minsky diagram.

5. Structure of payment commitments (liabilities); Hedge, speculative and Ponzi.

6. Special Minsky Hypothesis with respect to the structure of liabilities through time.

    A) Hedge => speculative -> Pozi

B) Profit seeking financial institutions as merchants of debt

1. The profits equation for "Banks"
2. The evolution of "banking"
3. Bankers as "merchants of debt"

7. Profits (Pi). Determination and prior commitment of through the liability structure. The complete Kalecki structure.

8. Yesterday today and tomarrow, tomorrow introduces a subjective element in decision making.

9. Hysteresis~~d~~, chaos, deep structres; natural outgrowth of complex dynamics.

A. Built in Stabilizers, floors and ceilings.

B. Discretionary Stabilizers.

C. Thwarting incoherence.

10. Intervention; the floors and ceiliengs arguments

A. Intervention cando nothing but mischieve.

B. Intervention can be Constructive.

11. Requirements for a serious depression

12. Post war stabilization policy.