

The comments of Referee 2 overlap with those of Referee 1 and have been addressed in my earlier reply. Once more, my paper is not about bargaining between workers and capitalists and, therefore, the literature on the subject following the classic Kelvin Lancaster paper is not relevant.

In the problem that I set up, the constraint is not less important than, and must be appraised simultaneously with, the preferences of the protagonists. If the accumulation of capital alone was being investigated then matters like depreciation would have to be considered. I use mainstream micro-macro to arrive at heterodox macro. The representative agent in the former comprises of ‘multiple selves’. The budget constraint includes consumption, wages, and employment. The spotlight directed on the choice of consumption by the capitalist or the rentier only means that the similar exertions of the worker are not visible. Assuming a uniform discount rate across ‘incarnations’ is the norm and it is only in research agendas like the one associated with agent heterogeneity that different degrees of impatience are entertained.

I am also grateful for the “minor comments” which I will incorporate in another draft.