This is a paper in the Marxist tradition. The author claims that neoclassical economics has been refuted, but the criticism to which he subscribes applies equally to the entire tradition of mainstream economics at least since the marginalist revolution. In a footnote he states that the fundamental flaw was exposed in the context of the Cambridge controversies on capital theory. However, my understanding is that the Cambridge controversies were about the use of an aggregate capital stock and do not touch the validity of marginal analysis at the micro, or general equilibrium level.

The author begins by describing the accounts of a simple credit economy in which banks make loans to firms and to consumers. The motivation that he gives is that previous authors in the Marxist tradition have failed to correctly distinguish between stocks and flows. Given various parameters such as the interest rate on loans and shares of income consumed, and equilibrium solution is computed.

I confess that I have not been able to understand the logic of even this simplest model. Specifically, why is it that bankers and workers consume, but producers do not? Even apart from this, I did not feel motivated to work through the successively more complex models that the author develops subsequently. The climax comes in a section entitled “Combining Goodwin, Minsky and Graziani”. In a footnote the author states: “With 40 coupled differential equations, the 4-sector model is too complicated to specify completely in this paper.”

Conclusion: Being a non-Marxian (though not necessarily mainstream) economics I was unable to motivate myself to go deeply into this paper. Whether or not it is a substantial contribution to Marxian economics I am unable to judge.