

I don't hold a brief for neoclassical micro foundations but readers of different stripes will be alarmed at the description of microeconomics offered by Dannenberg, Estola, Dannenberg (DED). As a start, they will wonder at the characterization called "static equilibrium". Neoclassical and most economic models operate with a notion of equilibrium and DED substitute the social-scientific concept with the concept of statistical physics. In the familiar tales, when price does not equal marginal cost entry/exit takes place. Sluggards will be weeded out over time, new entrants will bring in superior technologies. Stories about barriers to entry and exit and so on are commonplace. In non-textbook neoclassical economics, the price-equals-marginal cost condition is only a benchmark that is constantly being ruptured. In answer, DED offer a mechanical definition of force in Section 2 which is arid. Where is the "dynamic theory ... compatible with real economic phenomena" of the Introduction? Section 3 is peremptory because "the theories of a firm and a consumer are symmetrical ...". This proposition bodes ill for any research programme in complexity. Section 4 continues with standard economics with newfangled terms. Price taking is translated as a "harmonic force". Is there no scope for price-making behavior, monopolistic competition? DED ignore the fundamental aggregation problem that bedeviled general equilibrium macroeconomics for over a century by tagging subscripts to their physical concepts in (8), (9), (10) in section 5. I did not get the definition of money. There is a term that is the sum of income and wealth. What is wealth? (I thought that net worth depended on the sign of capital gains rather than the other way around). Consumers have access to credit but there is no credit market. Based on a statement on page 9 that most of the interesting variables "come from outside" and "go outside" the system but that the system could still be "closed", the need for specifying exogenous and endogenous that had been growing impacted powerfully on me at this point. The central bank is also an outsider, setting 'the' interest rate "basically based on the bankruptcy rate of firms". What does this mean? There is no inflation and, therefore, no inflation target. Neoclassical macroeconomists have been hard at work bringing banks and bankruptcies into their models. Coming to the age-old connection between economics and physics, my impression is that the founding fathers, old and new, ruminated that that the lessons learnt are that human beings, either as individuals or members of collectivities, will have to be brought into the models to the extent that economic science permits. Concluding with a response to the last sentence by DED, macroeconomics begins with the *ability* to pay, marginal or otherwise. For the purpose, the labour market will need to be considered seriously and from there we can move to unemployment, structural stagnation, and matters of pressing interest.