THE CONTINUING RELEVANCE OF THE GENERAL THEORY

CONFERENCE PROGRAM

MARRIOTT COUNTRY CLUB PLAZA HOTEL
4445 MAIN STREET
KANSAS CITY, MO 64111 USA

REGISTRATION and WELCOMING RECEPTION
Thursday, September 14th
5:00 p.m. – 8:00 p.m.
Southmoreland Room, Lobby Level
The financial assistance provided by the Truman Library, Independence, Mo., is gratefully acknowledged.
FRIDAY, SEPTEMBER 15TH
(Meeting rooms are located on the 2nd floor.)

8:30 – 10:30 am

Session 1 (Grand Ballroom, Salon D)
INFLATION TARGETING IN LATIN AMERICA
Chair: Michael Radzicki
Philip Arestis, Fernando Ferrai-Filho and Luiz Fernando de Paula
   Inflation Targeting in Emerging Countries: The Case of Brazil
Gilberto Libanio
   Inflation Targeting and Non-Neutrality of Money: Evidence from Latin-American Economies

Session 2 (Grand Ballroom, Salon E)
NEO-CLASSICAL SYNTHESIS AND PHILLIPS CURVE
Chair: Charles Davis
Peter Flaschel, Toichiro Asada, Pu Chen and Carl Chiarella
   Neo-Classical Syntheses and Keynesian Macrodynamics. A Baseline Disequilibrium Model
James Forder
   The “Keynesians” and the Phillips Curve
Jung Hoon Kim
   Inflation, Wages and Capacity Utilization: A Horizontal Phillips Curve?

Session 3 (Grand Ballroom, Salon F)
MONEY, BANKS AND INSTABILITY
Chair: Andrea Terzi
Noemi Levy-Orlik
   Liquidity, Finance and Economic Growth in Developing Economies
Antonio J.A. Meirelles and Gilberto Tadeu Lima
   Rentier Wealth, Entrepreneurial Debt and Banking Solvency in a Post Keynesian Macro-Model of Financial Fragility
Scott Fullwiler
   When Is Monetary Policy Unsustainable?

Session 4 (Plaza Room)
FINANCIAL LIBERALIZATION, CAPITAL FLOWS, AND INSTABILITY
Chair: Rania Antonopoulos
Eugenia Correa, Patricia Rodríguez and Gregorio Vidal
   Financial Fragility and International Capital Flows: Latin-American Countries’ Financial Structure and Saving
Jesús Ferreiro, Eugenia Correa, Carmen Gómez and Carlos Rodríguez
   Capital Account Liberalization and Capital Inflows in Latin America
Jesús Ferreiro, Eugenia Correa, Carmen Gómez and Carlos Rodríguez
   Financial Liberalization in Latin America: Consequences on the Structure of Domestic Financial Markets

COFFEE BREAK (10:30 – 11:00 am)
Friday, 11:00 am – 1:00 pm

Session 5 (Grand Ballroom, Salon D)
INFLATION TARGETING AND CENTRAL BANKING
Chair: Richard Waits
Etelberto Ortiz
Inflation Targeting, Monetary Policy Rules and the Inconsistent Pricing of the “Tyrannical Auctioneer”
Gilberto Tadeu Lima and Mark Setterfield
Inflation Targeting and Macroeconomic Stability in a Post Keynesian Economy
Edwin Dickens
Keynes, The General Theory and Central Banking
Louis-Philippe Rochon and Mark Setterfield
Interest Rates, Income Distribution and Monetary Policy Dominance: Post Keynesians and the “Fair Rate” of Interest

Session 6  The papers originally scheduled for this session have been reassigned to Sessions 7 and 8.

Session 7 (Grand Ballroom, Salon F)
PROBLEMS IN DEVELOPMENT
Chair: Jerry Courvisanos
Eric Berr
Keynes and the Post Keynesians on Sustainable Development
Carlos Ibarra
A Slow-Growth Paradox in Mexico?
José Luis Oreiro and L.D. Carvalho
Capital Accumulation, Income Distribution and Endogenous Technical Progress in a Post Keynesian Macrodynmaic Model
Fadhel Kaboub
ELR-led Economic Development: a Plan for Tunisia

Session 8 (Plaza Room)
MACRO POLICY AND DEVELOPMENT FROM 1930 TO PRESENT
Chair: Nils Froehlich
David Bunting
Distribution Matters: Saving and Consumption since 1950
Nicholas Snowden
Depression Economics before The General Theory: GDH Cole on Real and Monetary Aspects of the Great Crash
Barkley Rosser
Financial Crashes and the Evolution of the World Economy: A Keynes-Minsky-Kindleberger Perspective
José Luis Oreiro and Breno Pascualote Lemos
Post Keynesian Macro-Dynamic Model with Endogenous Technical Progress

LUNCH (1:00 – 2:30 pm)
The Main Street Grill, in the hotel
Friday, 2:30 – 4:30 pm

Session 9 (Grand Ballroom, Salon D)
HISTORY OF POST KEYNESIAN THEORY
Chair: John Henry
Jan Kregel, Frederic Lee, John King
   The History of Post Keynesian Theory: Different Vantage Points
Eric Tymoigne, discussant
   A Student’s Perspective

Session 10 (Grand Ballroom, Salon E)
KEYNES AND THE INTERNATIONAL MONETARY SYSTEM
Chair: Scott Fullwiler
Lilia Costabile
   Keynes’s Clearing Union Scheme: a Remedy for the Asymmetries of the International Economy?
Claudio Sardoni
   The Economic Rationale of the EMU and the Euro
Ramaa Vasudevan
   Debt, Hegemony and Global Imbalances: Keynesian Perspectives on the Contemporary International Monetary System

Session 11 (Grand Ballroom, Salon F)
GROWTH, SPENDING AND MARK-UPS
Chair: Dimitri B. Papadimitriou
Claudio H. Dos Santos and Gennaro Zezza
   A Simplified, “Benchmark,” Stock-Flow Consistent Post Keynesian Growth Model
Fritz Helmedag
   Spending Behaviour and Income Determination
Tracy Mott
   The Cyclical Behavior of Mark-ups, Real Wages, and Productivity

Session 12 (Plaza Room)
FUNCTIONAL FINANCE, FISCAL POLICY, AND FULL EMPLOYMENT
Chair: Robert Brazelton
Michael J. Radzicki
   The Dynamics of Functional Finance
Achim Truger and Eckhard Hein
   Fiscal Policy and Macroeconomic Performance in the Euro Area-Lessons for the Future
Mathew Forstater
   The Freedom Budget
Andrea Terzi
   Fiscal Deficits in the US and Europe: Revisiting the Link with Interest Rates
SATURDAY, SEPTEMBER 16TH
(Meeting rooms are located on the 2nd floor.)

8:30 – 10:30 am

Session 13 (Plaza Room)
KEYNESIAN UNCERTAINTY AND LIQUIDITY
Chair: Lilia Costabile
Jesús Ferreiro and Felipe Serrano
Institutions and Uncertainty: A Post Keynesian Approach
Theodore Koutsobinas
The Impact of Liquidity-Premia and Behavioral-Premia in Portfolio Equilibrium: An Analytical Framework
Mark W. Nichols and Michael J. Radzicki
An Agent-Based Model of Behavior in “Beauty Contest” Games

Session 14 (Westport Room)
MONEY, FINANCE AND INSTABILITY
Chair: Jerry Courvisanos
Bokhyun Cho
Investment Finance and Financial Sector Development
André Luís C. de Lourenço
Investment Volatility in Minsky and Keynes: A Comparative Approach
Carlo Panico
Keynes on the Control of the Money Supply and the Interest Rates

Session 15 (Seville I)
GLOBAL FINANCE AND FRAGILITY
Chair: Eckhard Hein
Wesley Marshall
The Financial Race to the Bottom
Elton Eustaquio Casagrande and Aquiles A.G. Kalatzis
Leverage, Financial Fragility and Macroeconomic Performance in Brazil
Sunanda Sen
Global Finance: On the Move to Stock Market Capitalism

Session 16 (Seville II)
EXPECTATIONS, UNCERTAINTY, AND UNEMPLOYMENT
Chair: Achim Truger
Alicia Girón
Financial Fragility and Financial Systems
Elisabeth Springler
Uncertainty, the Notion of Trust and Financial Stability
Peter Kriesler and J.W. Nevele
Expectations and Unemployment

COFFEE BREAK (10:30 – 11:00 am)
Saturday, 11:00 am – 1:00 pm

Session 17 (Plaza Room)
KEYNES AROUND THE WORLD
Chair: Robert Brazelton
Robert W. Dimand
   How Keynes Came to Canada: Mabel Timlin and Keynesian Economics
Leonardo V. Vera
   Reassessing Keynesian Fiscal Policy: A View for the South

Session 18 (Westport Room)
EXCHANGE RATE AND CURRENCY CRISIS
Chair: Felipe Serrano
Christian Proaño, Peter Flaschel, and Willi Semmler
   Currency Crises and Monetary Policy in Economies with Partial Dollarization of Liabilities
Mario Cimoli, Marcio Holland, and Gabriel Porcile
   Technological Asymmetries, Convergence and Divergence in a Balance-of-Payments-Constrained Growth Model
Gabriel Porcile and Gilberto Tadeu Lima
   Real Exchange Rate and Elasticity of Labor Supply in a Balance-of-Payments Constrained Macrodynamics

Session 19 (Seville I)
LIQUIDITY PREFERENCE AND DEMAND FOR MONEY
Chair: André de Melo Modenesi
Edwin Le Heron
   Liquidity Preference and Endogenous Money: A Reconciliation in a Post Keynesian Stock-Flow Consistent Model
Wenge Huang
   A Reinterpretation and Remedy of Keynes’s Liquidity Preference Theory
Antonio Carlos Macedo e Silva
   Missing Details and Conspicuous Absences: from the Treatise to The General Theory

Session 20 (Seville II)
EFFECTIVE DEMAND, EXPECTATIONS AND CONVENTION
Chair: Wesley Marshall
Colin Rogers
   The Principle of Effective Demand and Keynesian Economics
Joelle Leclaire
   The Financial Impact of US Deficit Reduction on Aggregate Demand
Bruno Tinel
   Division of Labor and Effective Demand

LUNCH (1:00 – 2:30 pm)
The Main Street Grill, in the hotel
Saturday, 2:30 – 4:30 pm

**Session 21 (Plaza Room)**  
*TREATISE VERSUS GENERAL THEORY*  
*Chair:* Giuseppe Fontana  
Giuseppe Fontana and Riccardo Realfonzo  
*The Theory of the Monetary Circuit: A View from the Fringe*  
Jan Kregel  
*The Monetary Theory of Production and the Theory of the Circuit*  
Steve Keen  
*Keynes’s “Revolving Fund of Finance” and Transactions in the Circuit*  
Claude Gnos  
*The Theory of a Monetary Production Economy: Some Comments on Keynes's Views and Their Interpretation*

**Session 22 (Westport Room)**  
*MICHAEL KALECKI*  
*Chair:* Frederic Lee  
Peter Flaschel, Reiner Franke, and Willi Semmler  
*Kaleckian Investment and Employment Cycles in Post-War Industrialized Economies*  
Jerry Courvisanos and Colin Richardson  
*Modeling Keynes with Kalecki*  
Michał Assous and Julio Lopez  
*Kalecki and Keynes on Money-Wage Flexibility*

**Session 23 (Seville I)**  
*CAPITAL CONTROLS, FINANCIAL LIBERALIZATION, AND US HEGEMONY*  
*Chair:* Joelle Leclaire  
Rui Lyrio Modenesi and André de Melo Modenesi  
*Capital Control: A Leftist Proposal? Recent Experience and the Contribution of Keynes and Others*  
André Moreira Cunha, Cesár Rodrigues van der Lann, and Marcos Tadeo Caputi Lelis  
*Financial Liberalization and Macroeconomic Instability: the Brazilian Recent Experience*  
Will Milberg  
*Pricing and Profits under Globalized Competition: A Post Keynesian Perspective on U.S. Economic Hegemony*

**CONFERENCE DINNER**  
*(Please register for the event)*  
Figlio Tower • 209 West 46th Street  
Cocktails, 6:30 pm, Dinner, 7:00 pm  
*Welcome:* Mathew Forstater  
*Introductory Remarks:* Warren Mosler  
*Keynote Speaker:* Paul Davidson
SUNDAY, SEPTEMBER 17th  
(Meeting rooms are located on the 2nd floor.)

8:30 – 10:30 am

Session 24 (Plaza Room)
CIRCUIT THEORY AND ENDOGENOUS MONEY
Chair: Éric Tymoigne
Trond Andresen
Two Conflicting Models of Hoarding in the Economic Circuit and their Consequences
Man-Seop Park
Post Keynesian vs. New Keynesian on Endogenous Money: A Heuristic Comparison
Jean-Vincent Accoce
Keynes’s and Marx’s Circuitist Approach: a Comparative Study

Session 25: The papers originally scheduled for this session have been reassigned to Sessions 20 and 21.

Session 26 (Westport Room)
Roundtable for a Book Launch on the Contributions of Basil Moore: COMPLEXITY, ENDOGENOUS MONEY, AND MACROECONOMIC THEORY
Chair: Mark Setterfield
Panelists: Jerry Courvisanos, Giuseppe Fontana, Mathew Forstater, Claude Gnos, Geoff Harcourt, Louis-Philippe Rochon, Colin Rogers, Claudio Sardoni, Randall Wray

Session 27 (Seville I)
KEYNES AND THE FUTURE OF HETERODOXY
Chair: Fadhel Kaboub
H. Sonmez Atesoglu
Keynesian Model in the 21st Century
Mark Hayes (presented by Elizabeth Springler)
The General Theory as the Gateway to the Re-Unification of Political Economy
Frederic Lee
Heterodox Economics

COFFEE BREAK (10:30 – 11 am)
Sunday, 11:00 am – 1:00 pm

Panel 28 (Plaza Room)
KEYNES AND MODERN MONETARY POLICY
Chair: Giuseppe Fontana
Mark Setterfield
   Macroeconomics without the LM Curve: An Alternative View
Philip Arestis (presented by Warren Mosler)
   The Consensus View on Interest Rates and Inflation: Reality or Innocent Fraud?
Giuseppe Fontana
   The “New Consensus” View of Monetary Policy: A New Wicksellian Connection?
Eckhard Hein
   Wage Bargaining and Monetary Policy in a Kaleckian Monetary Distribution and Growth Model: Trying to Make Sense of the NAIRU

Session 29 (Westport Room)
THE KEYNESIAN REVOLUTION AND THE FUTURE OF MACRO
Chair: Sunanda Sen
Robert W. Dimand
   What Keynesian Revolution? A Reconsideration Seventy Years after The General Theory
Jesús Muñoz and Joel Bonales
   Keynes, the Keynesian. An Insight into His ‘Probable’ Theoretical Contributions to Macroeconomics after 1937. An Apocryphal Augmentation of His Work
Mary V. Wrenn, Michael Carroll, and J. Ron Stanfield
   Keynesian Economics and Original Institutionalism

Session 30 (Seville I)
KEYNES’S VISION
Chair: Richard Waits
Gilles Dostaler
   The Political Vision of Keynes
Fernando J. Cardim de Carvalho
   Keynes and the Reform of the Capitalist Social Order
Rod O’Donnell
   Social Justice in Keynes’s Economic and Political Writings
Jack Sustman
   Dynamic Domains: Einstein and Keynes

Session 31 (Seville II)
KEYNESIAN MICRO, COST CURVES, MARK-UPS, AND TECHNICAL PROGRESS
Chair: Jean-Vincent Accoce
Ruhollah Bockmier
   The Euthanasia of the Rentier: Toward an Islamic-Keynesian Synthesis
Stefan Kesting
   Rereading the 12th Chapter – What is Keynesian Microeconomics?
Claudio Castelo Branco Puty

LUNCH (1:00 – 2:30 pm)
The Main Street Grill, in the hotel

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Sunday, 2:30 – 4:30 pm

Session 32 (Plaza Room)
ON SOME “FORGOTTEN” CONTRIBUTIONS TO POST KEYNESIAN THEORY
Chair: John Henry
Geoffrey Harcourt
On the Contributions of Athanasios (Tom) Asimakopulos
Frederic Lee
On the Contributions of Alfred Eichner
Stephanie Kelton
On the Contributions of Robert Eisner
John Henry, discussant
A Student’s Retrospective View

Session 33 (Westport Room)
KEYNES AND CIVILIZED SOCIETY
Chair: Stefan Kesting
John Marangos
The Impact of Economics for a Civilized Society on Economic Thought
Gary Mongiovi
The Keynesians and Socialism: Franco Modigliani and the Socialist State
Clifford S. Poirot, Jr.
Can Post Keynesian Economics Save the Phenomena?

Session 34 (Seville I)
DEVELOPMENT THEMES
Chair: Tracy Mott
Tsuyoshi Yasuhara
Exports Promotion and the Productivity of the Manufacturing Sector in Mexico and Brazil: An Interpretation of the TFP from the Demand-Side View Point
Mohamed Aslam
Corporate Profit, Investment and Economic Growth in Malaysia. A Kaleckian Perspective
MONDAY, SEPTEMBER 18th

Keynote Session
(Grand Ballroom, Salon EFG)

9:00 – 9:15 am
Introductory Remarks:  Mathew Forstater

9:15 – 10:30 am
Session 1:
Chair:  Dimitri Papadimitriou
Speakers:  Charles Goodhart, Cristina Marcuzzo

Coffee Break
10:30 – 11:00 am

11:00 am – 1:00 pm
Session 2:
Chair:  Fernando J. Cardim de Carvalho
Speakers:  Geoff Harcourt, Axel Leijonhufvud, William Darity

Keynote Luncheon
1:00 – 2:30 pm
(Grand Ballroom, Salon ABCD)
Open to all participants
Chair:  Robert Brazelton
Speaker:  Robert Skidelsky

2:30 – 4:30 pm
Session 3:
Chair:  Warren Mosler
Speakers:  James Galbraith, Jan Kregel and Julio Lopez

Coffee Break
4:30 pm