Course Description

Post-Keynesian Economics
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Lecture 1: Essentials of heterodox and post-Keynesian economics
This will be a discussion about the features that post-Keynesian economics (PKE) shares with the other heterodox schools of thought, the specific contributions of PKE, and the various strands of PKE. There will also be a discussion about why students should not be intimated by the apparent empirical success of neoclassical economics.

Lecture 2: Post-Keynesian microeconomics of the firm
This lecture will deal with the goals of firms and the role of competition as seen by post-Keynesian authors, the shape of cost curves (the rejection of U-shaped cost curves), pricing theories and the determinants of costing margins, as well as the impact of variations in demand on actual profit margins.

Lecture 3: Endogenous credit and money
Ever since the 1950s post-Keynesians have argued that economies were credit-driven and that the money supply and the supply of high-powered are endogenous. The lecture will draw some implications for the current situation: the excess reserves of banks, quantitative easing, functional finance, the shadow banking system and the fragility of the banking system, forward exchange markets, the large reserves of periphery central banks, the Mundell-Fleming model.

Lecture 4: The labour ‘market’
This lecture will be devoted to the alternative view of the labour market that post-Keynesians have developed over the years, which is based on effective demand and the importance of income distribution, which leads to the consideration of an upward-sloping demand curve for labour.

Lecture 5: Wage-led growth
This will be a discussion of the workhorse growth model in post-Keynesian circles, the Kaleckian model of growth and distribution. The main features of its canonical version will be recalled, some of its drawbacks will be noted and the empirical results achieved with its post-Kaleckian variant, with possible wage-led and profit-led cases, will be discussed.
Mandatory reading
The lectures will be essentially based on my new book: Marc Lavoie, Post-Keynesian Economics: New Foundations (Edward Elgar, 2014).
An alternative can be the simpler book, Marc Lavoie, Introduction to Post-Keynesian Economics (Palgrave Macmillan).

Supplementary readings

Lecture 1:

Lecture 2:

Lecture 3:

Lecture 4:

Lecture 5: