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| Author | Abstract |
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| Aspromourgos, Tony | ***What is supply and demand? Rationalizing the Marshallian Cross, 1838-1890***  This study takes its bearings from the proposition that the supply-and-demand apparatus of the ‘Marshallian cross’ is an unsatisfactory and implausible representation of actual supply and demand forces, which are better characterized in the manner of the classical economists. From that point of departure it then enquires into how and why that representation nevertheless arose in the period from 1838 to 1890, notwithstanding its lack of robustness as economic theory – via consideration of the economics of four key contributors prior to Marshall. The investigation confirms that there is no plausible basis for a general presumption in favour of the conventional rising supply function – other than the marginal productivity theory of factor pricing, which is itself unsatisfactory. There are multiple reasons for the rise of the apparatus of supply-and-demand functions, notwithstanding its intrinsic implausibility. |
| Bloch, Harry | ***Price Theory, Historically Considered***  The explanation of prices has been an enduring project of economic theorists. These theorists often explicitly identify the ways in which they have improved upon the theory inherited from their predecessors, portraying the development of price theory as a wholly progressive enterprise. Yet, over time the shifting focus of price theory along with the casting aside of elements of prior theory arguably has removed or obscured some useful features of the theory. In this paper, I consider the helpful and not so helpful impacts of the process of revision of price theory through examining the sequence of contributions by Adam Smith, David Ricardo and Alfred Marshall.  In historically considering the revision of price theory from Smith to Ricardo and Marshall, I identify perceived weaknesses of prior theory that each author seeks to remedy. I also identify the way in which the successive formulations reflect differing conceptions of the nature of the “economic problem”. I propose that none of the various conceptions yields a price theory that coherently deals with the full scope of economic problems, which suggests a pluralist approach to price theory is required to achieve relevance to the totality of economic experience. |
| Cornish, Selwyn | ***The Evolution of Inflation Targeting in Australia***  When inflation targeting was adopted in Australia is disputed. Some believe it commenced in March 1993 when the Governor of the Reserve Bank (Bernie Fraser) referred in a speech to the desirability of maintaining inflation between 2-3 per cent a year. However, he made a similar remark in a speech in August 1992. Some overseas authorities assert that inflation targeting began in 1994, referring to a speech that Fraser made in September of that year when he declared that 2-3 per cent inflation ‘is a reasonable goal for monetary policy’. The year 1994 is also significant because the Treasurer (Ralph Willis) stated in parliament that the government and the Bank had an inflation target of 2-3 per cent. Paul Keating, on the other hand, prefers 1995 as the commencing date, when he and the Secretary of the ACTU (Bill Kelty) included an inflation target of 2-3 per cent in the final Accord agreement between the government and the trade union movement. Another possible starting date is 1996 when the first Statement on the Conduct of Monetary Policy, signed by the Treasurer (Peter Costello) and the incoming Governor of the Reserve Bank (Ian Macfarlane), stated that ‘the Reserve Bank has adopted the objective of keeping underlying inflation between 2 and 3 per cent, on average, over the cycle.’ In all probability, there is no definitive starting date for the commencement of inflation targeting in Australia. Rather, its adoption was the result of an evolutionary process, like many other developments in the history of central banking. |
| Endres, Anthony M. & David Harper | ***Twentieth Century Development Economics and the Capital Controversies: Three Dissenting Doctrines***  The neoclassical aggregate production-function concept of capital is unsuitable for the study of economic development, yet it was a focal point of capital controversies in the twentieth century.  We draw upon three doctrines in the literature on economic development that reject the aggregate production function; these doctrines provide a more realistic account of capital formation in which development is understood as a disruptive, disequilibrium process of creating (not merely allocating or accumulating) capital and in which capital is conceived as a “recombinant” process.   We examine the seminal ideas of Schumpeter, Lachmann and Hirschman that turn on the notion of recombinant capital.  Capital is a complex, emergent constellation of resource connections rather than a neoclassical  “stock’’.  We conceptualize recombinant capital formation as a process of transforming connections in production structures.  Capital structures are the unintended outcome of polycentric interactions among private entrepreneurs and government actors (managers of state-owned enterprises and political entrepreneurs).   Recombinant capital formation and capital structures emerge endogenously from the creation and destruction of complex connections.  The standard distinction between “market failure” and “government failure” is critically deficient in analyzing the structural economic dynamics engendered by recombinant capital.  The fertility of our conceptual framework is illustrated by a study of major structural change in a small open economy.   This structural change arose from the interpolation of a new, large-scale manufacturing industry in a capital structure previously dominated by primary industries. |
| Fishburne, Geoffrey | ***Obscured from us by his talent elsewhere: Patrick Geddes (1854-1932), or, every man his own economist***  To take but one among many such, Patrick Geddes (1854 - 1932) has been characterised as “a biologist, sociologist, botanist, geographer, urban planner, educator, founder of museums, schools, and institutions, leader of meetings and associations, poet, and guru” (Ponte and Levine 1989: 46). Less often remarked on, he also had something to say on economics. It is this oft-neglected aspect of his thought with which this paper deals. Although not formally qualified in any of the fields in which he was later to play a leading role, and certainly not in economics/political economy, he contributed as much in terms of papers read and publications as anyone else in the crucial decade of professionalisation prior to the formation of the British Economic Association and the appearance of its *Journal*; moreover, although some of his views might today be considered to have been eccentric, he nonetheless anticipated the application of the natural and physical sciences to economics. |
| Fujimura, Satoshi | ***Controversy on the Principle of Population Between Malthus and Senior***  In early 19th century England, the political economy was based on natural theology. However, the appearance of philosophic radicals led to an ideological conception that political economy was separate from natural theology.  In this paper, we studied the separation of political economy from natural theology, based on the controversy on the Principle of Population, following exchanges in correspondence between Malthus and Senior in 1829.  Senior was less of a natural theologian in comparison with many of the others who built political economy up as a discipline, such as Malthus. Malthus illustrated the Principle of Population based on natural theology, which was that ‘the population has a greater tendency to increase than the means of subsistence’. Senior, on the other hand, held the converse viewpoint, which was that ‘the means of subsistence have a greater tendency to increase than the population’. In the letters they exchanged in 1829, they argued on the correctness of ‘tendency’ and failed to reach an agreement on it.  Malthus believed that the Principle of Population should obey God’s order. Although Malthus did not mention natural theology in his letter, his views on the Principle of Population were based on it. His natural theology is close to the Irenaeus theodicy, which is designed to respond to the problem of evil. Since humans are fallen beings, God gives humans stimulation, which is considered as the ‘evil’, to awaken their spirit. This stimulation is given through physical desires, namely, appetite and sexual desire. Therefore, obeying God’s order, the population has a greater tendency to increase than the means of subsistence, because human desires will not be fulfilled, which is the opposite of Senior’s point of view.  Senior thought that Malthus’ population theory was opposed to natural laws. He thought that both, population and food would increase in a geometric progression, while Malthus believed that population would increase in a geometric progression, and food would increase in an arithmetic progression. Senior pointed out that food, consisting of livestock and plants, had a higher growth rate than the population did, which he thought was limited by moral or physical evil, or by the apprehension of a deficiency of necessities, decencies, or luxuries. Thus, the Principle of Population represented by Senior was interwoven with practical and theoretical branches in political economy. Moral and physical evil corresponded to the practical branch, and the apprehension of wealth corresponded to the theoretical branch. Senior’s criticism was that the Principle of Population by Malthus only corresponded to the practical branch.  To sum up, Senior divided the Principle of Population into the practical and the theoretical branches. He tried to eliminate theological factors from political economy by limiting it as a science consisting of only the theoretical branch. |
| Ishii, Jou | ***John Barton’s View on Moral Restraint and Agriculturism***  John Barton (1789-1852) is acknowledged by historians of economic thought for his pioneering theory on the effect of machinery. However, it is not well known that he came to appreciate the Malthusian principles of population following the publication of his second pamphlet in 1820. Barton stressed on the importance of people’s moral restraint in relieving the problem of overpopulation. At the same time, he approved the Poor Laws, colonization, and the Corn Laws since he argued that people’s distressed conditions made them imprudently. He made these considerations in view of unorthodox Malthusianism, which took a different stance from Malthus himself on the causes of overpopulation and the prevalent conditions of moral restraint. This paper examines Barton's view on the prevalent conditions of moral restraint from 1820 to 1850 and reconsiders his position on the history of economic thought. In his 1820 pamphlet, Barton asserted that indigent labourers, who were thus imprudent, would take time to acquire prudence. Therefore, he proposed giving incentives to let young labourers delay their marriage. However, in his pamphlets published in the 1830s, there is no reference to the inducement of moral restraint. Instead, he argued that the prudence of labouring classes would be encouraged if colonization achieved the dissolution of overpopulation of the home country in order to improve the labourers’ conditions. Barton also insisted that it was republican virtues such as liberty, independence, and religious duty that brought national prosperity rather than capital accumulation and population growth. He reinforced his views on agriculturism by arguing that manufacturing labourers fell into the habit of laziness and drinking more easily than agricultural labourers. In his paper published in 1850, Barton emphasized the rehabilitation of small land ownership as grounds for moral restraint as it would make peasants independent and industrious. He came to consider the distribution of the means of production and to suggest a community that consisted of a peasant with a small landed property, which further reinforced his views on agriculturism. Barton proposed redistribution policies and the prevalence of republican virtues to encourage moral restraint after the 1820s. Furthermore, in his paper published in 1850, the socialist idea of redistributing the means of production or subdivision of the soil was considered as a necessary condition of moral restraint, incorporated with the principles of population. Barton proposed different ways to improve society through his thoughts on the social conditions of moral restraint and through agriculturism. |
| Kerr, Ian | ***Marx on China***  Marx and Engels published a series of articles on China for the New York Daily Tribune from 1853 to 1860. These articles were written at a particularly turbulent time in Chinese history. The British had forced the Chinese to sign the Treaty of Nanking in 1842, at the end of the First Opium War (1839-42). This treaty opened up the ports of Guangzhou, Xiamen, Ningbo, Shanghai and Fuzhou to free trade with all countries, and China surrendered the island of Hong Kong to the UK. The Taiping Rebellion began in the south of China in 1850 and lasted until 1864. The second Opium War (involving France, the UK and China) ran from 1856-58. There were tens of millions of deaths in China from 1849 to 1864 due to famines and war. At first Marx supported the Taiping Rebellion and was pleased that rebellion was occurring in China at the same time as revolution in Europe was coming to a standstill (with no real change occurring after the 1848 revolutions). However, he later condemned the Taiping rebellion and claimed that its leaders had no real progressive revolutionary agenda.  While Marx was intensely interested in these events in China, he claimed that China had a distinct, pre-capitalist mode of production which he referred to as “the Asiatic mode of production” (AMP). The AMP involved a despotic ruling clique, residing in central cities and directly expropriating surpluses from largely self-sufficient isolated village communities with communal land-holdings. Marx and Engels claimed that the role that the state played in Asiatic societies was dominant, with the state having political and military power, a monopoly over land ownership and control of irrigation systems. It differed from feudalism, in which the state didn’t play a major role. The concept of the AMP has been much debated in the literature since Marx’s death. Many critics claim that there is no real evidence that the AMP was significantly different from that of feudal Europe and/or that the AMP was inconsistent with Marx’s four stages approach to analysing the evolution of economy/society.  This paper takes a fresh look at these two aspects of Marx’s writings on China. |
| King, John E. | ***The Economics of Socialism: Four Austro-Marxist Visions of a Post-Capitalist Future***  This paper is an attempt to rehabilitate the Austro-Marxist contribution to the socialist calculation debate, which has been very largely overlooked by historians of economic thought. It summarises four distinct approaches to the economics of socialism taken by Austro-Marxists between 1912 and the late 1920s. Otto Neurath argued for a fully planned economy, with the total abolition of money and the market. Otto Bauer advocated a form of Guild Socialism, stressing the role of industrial democracy and leaving little room for the operation of the price mechanism. Karl Polanyi agreed with Bauer on the virtues of Guild Socialism, but was more favourably disposed towards a continuing role for markets under socialism. Finally, Rudolf Goldscheid anticipated much later work on the fiscal crisis of the state, arguing for a mixed economy in which the state owned a sufficient stake in the private sector and its profits to finance its own activities without the need for taxation. A brief postscript outlines the 1932 book by Walter Schiff promoting economic planning as practised in Stalin’s Russia. |
| Long, Brendan | ***Hume and Smith on Ethics, Economics and Religion: A Response to Rasmussen***  In September 2017 [Dennis Rasmussen](https://www.amazon.com/s/ref=dp_byline_sr_book_1?ie=UTF8&text=Dennis+Rasmussen&search-alias=books&field-author=Dennis+Rasmussen&sort=relevancerank) published a book called ”The Infidel and the Professor: David Hume, Adam Smith, and the Friendship That Shaped Modern Thought” (Princeton University Press). He argues in this work that Smith’s private religious views were considerably closer to Hume’s public ones than is usually believed. This is a further work that tends to undermine the interpretation of Smith’s theism. Another recent work has also appeared with a similar theme by Gavin Kennedy – “An Authentic of Adam Smith” (2017 Palgrave Macmillon).  The proposed paper seeks to rebut Rasmussen’s interpretation that Smith’s religious views were alike to Hume by considering Smith’s approach to the publication of Hume’s Dialogues Concerning Natural Religion. Smith, as Hume’s literary executor, refused to honour his dear friend’s request to publish the work, and Hume finally released Smith of the charge shortly before he died. Smith’s approach to the Dialogues, his apparent lukewarm support for Hume to accede to the Chair of Logic at Glasgow University in 1751, and my research on Smith’s theism provide a basis to contest Rasmussen’s claim that Hume and Smith shared similar religious views.  The approach we take to the relationship between Hume and Smith on religion has import for how we read Smith’s ethics and economics and the warrants for the view that Smith offers a providential grounding to both to his ethics and economics. This remains an area of active debate, of some relevance to research on economic thought and religious thought. The proposed paper seeks to engage this debate in reference to the newly published material. |
| McDonald, Ian | ***Joan Robinson’s “Phillips Curve”***  In a remarkable and overlooked book extending John Maynard Keynes’ *General Theory*, Joan Robinson set out the theory of the expectations augmented Phillips curve. Her theory, in line with Keynes, distinguished between the inflation-unemployment relation at full employment and the inflation-unemployment relation at high rates of unemployment. Robinson argued that the former had a more or less vertical slope whilst the latter had a slightly negative to horizontal slope. Phillips’ empirical investigation confirmed this pattern, although he did not refer to Robinson. Had he and contributors to the subsequent literature on the Phillips curve, notably Friedman, Phelps and Lucas paid serious attention to Robinson’s contribution they would have avoided their serious error of assuming the inflation-unemployment relation is significantly negatively sloped at high rates of unemployment. This error underpinned another major shortcoming of that literature that is the assumption of a natural rate of unemployment. |
| McDonald, Ian | ***Max Corden in the 1970s: From Keynes to the Classics***  Max Corden is noted for combining a passion for economics, especially how economic analysis can contribute to improving human well-being, with cool-headed analysis. In the 1970s, Corden was able to adjust his views on the crucial determinant of unemployment from the aggregate demand of Keynesian analysis to the level of real wages of classical analysis. To explain the explosion in real wages, Corden blamed the attitudes of trade unions, perhaps bringing to light the hidden behavioural economist within? Subsequently, an excessive level of real wages has disappeared, but unemployment has not returned to the low levels of the 1950s and 1960s. In response, Corden has returned to an emphasis on Keynesian aggregate demand policies. |
| Nakai, Daisuke | ***Utilitarian Economic Tradition: Bentham & Sidgwick***  A common story of the history of economics starts with Adam Smith and continues to Ricardo, Malthus and J. S. Mill those who classified as orthodox classical economists. Here I shall examine the utilitarian background of economic doctrines focusing on the writings of Jeremy Bentham and Henry Sidgwick. Bentham’s economic works have not been paid enough attention as compared with his jurisprudential and philosophical works, although it is known that he had an influence on the birth of Ricardo’s work through the hand of James Mill. One reason is that Bentham’s economic thought appears in his scattered writings and does not seem a full-scale system. However, the tenacious researchers on Bentham’s immense writings have given a new light on the whole figure of his economic thought. In this paper, first, I shall overview the recent studies on Bentham’s economic writings, and try to make clear the impact of his economic idea examining ‘Manual of Political Economy.’ Second, I shall inquire into Sidgwick’s *Principles of Political Economy*. They have often been overlooked in the history of economics. But if we focus on the utilitarian economic connection between them and the key idea of the distinction between science and art, it will be able to more clearly understand the characteristics of orthodox political economy and its positive role for the birth of welfare economics. |
| Nakazawa, Nobuhiko & Yoshifumi Ozawa | **M*ilton’s* Paradise Lost *and Malthus’s* An Essay on the Principle of Population*: A Neglected Intertextuality***  In *An Essay on the Principle of Population*, Malthus quotes from Milton’s *Paradise Lost*, but since the quotation is merely a single line, and because there is neither explanation of its context nor mention of the sourced author or work, it has rarely attracted much scholarly attention. However, as this quotation was included in the first edition and persisted to the sixth edition of *An Essay on the Principle of Population*, it seems to be of some import. In this paper, with this citation as a clue, we will examine the intertextuality between *Paradise Lost* and *An Essay on the Principle of Population* and show the possibility that the former provided considerable inspiration for the latter. |
| O’Donnell, Rod | ***Keynes’s Propensity to Consume: Misrepresentations and Clarifications***  Although Keynes’s ‘propensity to consume’, or theory of consumption spending, is not a difficult theory, it is surprising how many economists, both orthodox and heterodox, have not adequately understood its nature, richness and moderate complexity. The commonest fault is that of simplification to the point of distortion or non-recognition. This takes various forms, including ignoring the meaning of propensity, discarding the many non-income determinants, neglecting the structure of these determinants, regarding it as a universal or invariant law, equating it to the orthodox consumption function, and being grounded on static analysis.  This paper interrogates Keynes’s theory using twelve fundamental questions. The answers remove the above errors, explain the actual nature of the theory, and reveal it to be a rich and moderately complicated one meshing neatly with a Marshallian dynamics-statics framework. The paper concludes with brief remarks on the compatibility of Keynes’s theorising with Institutionalist economics. |
| Ou, Akira | ***J.M. Ludlow and F. D Maurice, Conflicts within the Christian Socialist Movement of 1848-54: Why They Matter***  Discussion of the Christian socialist movement of 1848-54 has focused on the thought and personalities of its two leading persons, because the conflict between the two was of great significance in the development of the movement, and because both men offer complex and intriguing problems of interpretation.  F. D. Maurice’s theology, though by no means simple, has been effectively explained by some of Church historians. Unlike Maurice, J. M. Ludlow’s political opinions and practice were clearly liberal, but his personality, his relationship with Maurice, and his failure to lead the movement going though, are not easy to describe. Despite Neville Masterman’s useful biography and Torben Christensen’s report of Christian Socialism, Ludlow still remains a somewhat mysterious figure.  In this paper, it will explore some of these problems of interpretation and to offer an explanation of the two men and their relationship. It will try to seek far beyond the contrast between the conservative and the liberal, to show their political attitudes were found on closely related but some critical conflicts. |
| Smith, Matthew | ***A Reconsideration of the Role of Demand in Malthus’s Theory of Accumulation***  This paper is concerned with the role of effective demand in Malthus’s theory of accumulation expounded in Book II of his *Principles of Political Economy*. As is well known, Keynes praised Malthus for being a forerunner in identifying a lack of effective demand as a cause of depression in economic activity and a constraint on growth. There have since been many interpretations in the literature of Malthus’s position by reference to his arguments against Says Law in contending the possibility of ‘general gluts’, and to his theory of capital accumulation. We begin by examining Malthus’s conception of the supply-side factors which determine what we call, ‘potential accumulation’, being accumulation that is not constrained by demand. The paper then considers the role of effective demand in Malthus’s well known contention of the possibility of ‘general gluts’ and, connectedly, in his theory of demand-constrained capital accumulation. On this basis we then appraise the Keynesian antecedence of Malthus’s theory by reference to some aspects of the debate in the literature, showing that whilst it lacked a meaningful saving-investment analysis it does provide insights important to the modern demand-led approach to growth. In conclusion we argue that Malthus’s demand-constrained theory of accumulation is as valid as the supply-side theories of classical contemporaries but like them was not coherent in any Keynesian sense, nor altogether plausible. We agree with Keynes that Malthus is an early and prominent under-consumption theorist but who stands out for anticipating some important aspects of modern demand-led growth theory after Keynes (and Kalecki). |
| Stevens, Riko | ***Some Aspects of Frederick Lavington’s Theory of Speculation: Is it “all in Marshall”?***  While some consideration has been given to the analyses of speculation provided by Marshall and Keynes, little attention has been given to the treatments of that topic by other Cambridge School economists. This paper begins to fill this gap in the literature by examining the theory of speculation developed by a minor Marshallian: Frederick Lavington. Lavington devoted significant attention to the analysis of speculative activity; indeed, his work is perhaps the most contained and in depth treatment of that subject by any Cambridge School thinker. The following aspects of Lavington’s work deserve particular attention: (i) the definition of speculation and its relation to other economic concepts, especially the relationship between the speculator and entrepreneur; (ii) the role of speculative activity in the economic system; and (iii) the institutional context in which speculation occurs, especially the London Stock Exchange. Recalling that Lavington famously stated “It’s all in Marshall”, this study investigates the extent to which this is the case for Lavington’s own analysis of speculation. |
| Thomas, Alex M. | ***On ‘Effectual Demand’ and ‘Extent of the Market’ in Adam Smith and David Ricardo***  By revisiting Adam Smith’s *Theory of Moral Sentiments* and the *Wealth of Nations* and David Ricardo’s *Principles of Political Economy* and the *Notes of Malthus*, the roles of ‘effectual demand’ and the ‘extent of the market’ in their respective political economy are presented. The joint examination of these two concepts in Smith and Ricardo reveals a more significant analytical role to the level and composition of aggregate demand than has hitherto been highlighted. However, the role of demand versus that of saving-is-investment in Smith and Ricardo is evidence of a failure on their part to reconcile the coordination of supply and demand in the aggregate. |
| Trinh, Jill | ***Nicholas Kaldor Vs Thomas Picketty: A Comparative Study***  Thomas Piketty has collated an impressive amount of data which shows that inequality goes hand in hand with capitalist development. One of the key elements in his analysis is his third law of capitalism known as the ‘*r > g* law’. When a brief digression is made, however, into the relationship of Piketty’s findings and the model of distribution and growth developed by Nicholas Kaldor, inconsistencies between the two approaches emerge.  This paper attempts to make two contributions. Firstly, the six famous “stylised facts” originally proposed by Nicholas Kaldor in 1961 are revisited. These facts have been used as an empirical summary for what economists had learned from their analysis of economic growth in the first half of the 20th century. My specific contribution is to redo Kaldor’s exercise using the data and empirical findings that Piketty presented in *Capital in the Twenty First century* for the purpose of establishing how much progress we have made in the second half of the twentieth century, and beyond, and determining how many of Kaldor’s “stylised facts” have endured over that time. Secondly, I conduct a critical assessment of the inconsistencies between Kaldor’s and Piketty’s analysis of distribution and growth, especially in relation to two channels: the heterogeneous saving rates and the separation of the rate of return from the rate of interest. While making an attempt to reconcile the two analyses, I show that these inconsistencies have important policy implications and contend that they should be carefully explained when providing a better solution for the issue of inequality. |
| Trinh, Jill and Michael McLure | ***Piketty’s (r – g) Law is Pareto’s Law: Consistent Analyses of Income Distribution Predicated on Inconsistent Definitions of Inequality***  On the face of it, Pareto’s law and Piketty’s (r – g) law are inconsistent, with Pareto arguing that real per capita economic growth is the solution to the problem of income inequality and Piketty arguing for redistribution to be funded from a wealth tax. This study, however, establishes that when the same definition of inequality is adopted by the two scholars, Piketty’s and Pareto’s laws are the same economic law. It also establishes that Piketty’s assertion that Pareto treats income distribution as “rock stable” overlooks the critical aspects of Pareto’s law that emphasise change. |
| White, Michael | ***KEY NOTE***  ***“A Fierce Private War of Extermination”: W. S. Jevons, Evolution and Indigenous Australians***  The use of the categories of race and class to explain behaviour in W. Stanley Jevons’ political economy was underpinned by an evolutionary story that owed a good deal to the work of Herbert Spencer and Charles Darwin. This included Darwin’s *Descent of Man* with its analysis of a racial hierarchy of ‘civilised’ behaviour. Before he read Darwin and Spencer, however, Jevons discussed a transmutationist racial hierarchy while he was in Australia (1854-59). The first objective here is to explain the framework, with Indigenous Australians at the bottom of the hierarchy, which Jevons deployed as he began working on political economy. The second objective is to consider the controversy Jevons set off in 1876 when he argued that a ‘war of extermination’ was being waged against Indigenous Australians in Queensland. Here, Jevons’ Utilitarianism was used to reconcile the evolutionary racialist framework with the critique of the “English invaders”. |
| Yamamoto, Eiko | ***Value? Sterility? The Controversy Over ‘Industry’ Between an Anti-Economist and a Blind Enthusiast in 1767***  J.-J.-L. Graslin, an ‘anti-economist’, who fundamentally criticised physiocratic doctrine, and N. Baudeau, a ‘blind enthusiast’, who devotedly promoted the doctrine, started an open controversy in journals over the value of the processing industry in 1767. The purpose of this paper is to clarify the historical significance of their short-term controversy and Graslin’s subjective theory of value confronting Physiocracy. Baudeau argued that the value of a processed product was composed of two values: the value of materials and that of food for labour. As other physiocrats did, Baudeau insisted on the sterility of industry because it does not produce any net product. Against Baudeau’s argument, Graslin maintained that the value of processing labour must be considered separately from the value of food for labour. According to Graslin, processing labour generates value beyond the value of materials, just as agricultural labour does; therefore, it is not sterile. Moreover, the value of any labour is not determined by the value of food for labour but based on the necessity and scarcity of labour. Their controversy symbolises a *de facto* confrontation between the upcoming cost theory of value and the growing subjective theory of value coming after that. |