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ABSTRACTS

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Generalized Commodity Exploitation Theorem and the Net-Production Concept

TADASU MATSUO

The present paper examines the validity of the Generalized Commodity Exploitation Theorem (GCET) as a criticism against the Fundamental Marxian Theorem (FMT). The FMT showed the equivalence between positive profit and positive exploitation of labor, but the GCET claims that positive profit is equivalent with exploitation of every commodity. The present study focuses on the net-production concepts, which accompany with the exploitation concepts, and shows that the sole exploitation concept, which is equivalent with positive profit combined with the ordinary physical net-production condition, is the exploitation of labor, not the exploitation of any other commodity. The exploitation of another commodity needs another net-production condition to be equivalent with positive profit. It is pseudo net-production condition, which is not purely physical condition but contains social distribution condition. This pseudo net-production concept contains inputs for the production such as fertilizer for banana trees, but it does not contain workers' consumption goods. Thus we will confirm that the exploitation concept of any commodity other than labor is not appropriate for the economic analysis based on the ordinary net-production concept, which considers that net-products are used for human.

Determinants of the Average Profit Rate and the Trajectory of Capitalist Economies

DAVE ZACHARIAH

The paper investigates the determinants of the average profit rate using the framework outlined by Farjoun and Machover (1983) and developed in Cottrell and Cockshott (2006). A dynamic equilibrium rate is derived that predicts the trend of the average profit rate. Long-run trends in the trajectory of capitalist economies are considered using empirical data from several countries.

Economic Calculation in Non-Monetary Terms: The Forgotten Ideas of Kantorovich and Siroyezhin

IVARS BRIVERS

Discussions about possibilities of calculation in socialism have always been on the agenda between different economists-theorists. A deep and fundamental criticism of socialism is expounded in the voluminous work of famous Austrian economist Ludwig von Mises. As calculations in the capitalist system are based on market prices, the impossibility of calculations is not a threat in this case. But even in the capitalist system there may appear another threat – if economic indicators are expressed only in monetary terms, the measurement of goals may be questionable from the point of view of sustainable development. The idea of welfare maximization in non-monetary terms can be found in works of the only one Nobel Prize winner in Economics among the Soviet economists – Leonid Kantorovich and his disciple Ivan Siroyezhin. It is possible to set up a non-monetary objective function even at a macro level – maximization of bundles of necessities. The modern mathematical approach in economics gives a possibility to consider a set of objective functions. It may turn out that ideas of Kantorovich and Siroyezhin are still unappreciated and up-to-date from the point of view of sustainable development.

The Conversion of the Supply and Use Tables to Symmetric Input-Output Tables: A Critical Review

GEORGE SOKLIS

This paper reviews the available methods used to convert Supply and Use Tables of actual economic systems to Symmetric Input-Output Tables. It is argued that all conversion methods rest on the unrealistic assumption that single production, and not joint production, characterizes the economic structure of the real world. Finally, a straightforward treatment, based on general joint-product models inspired by von Neumann (1945) and Sraffa (1960), of the Supply and Use Tables is proposed as a way out of the inconsistencies of the conversion methods.

Some Comments on the Role of the Monetary Policy: A Classical-Sraffian Approach

EMMANUEL AGIS & GERMAN FELDMAN

This paper provides a critical review of alternative orthodox and heterodox theories about the role of monetary policy in the long period and develops the Classical-Sraffian approach to the subject. Our analysis supports the view that monetary conditions influence income distribution via the relationship between the long-term interest rate, which is exogenously fixed by the Central Bank, and the ‘normal’ profit rate. Moreover, we show that inflation emerges as a consequence of distributive conflicts between workers and capitalists for the surplus product. Finally, we briefly

characterize some possible transmission channels of monetary policy to the real economy, which allow establishing potential ‘bridges’ between the price system and the dynamics of quantities.