Introduction

For John King, author of *A History of Post Keynesian Economics since 1936*, post-Keynesian economics is ‘a dissident school of thought in macro-economics’.¹ His book traced post-Keynesian economics back to 1936, the year when *The General Theory of Employment, Interest and Money*, by John Maynard Keynes, was published. This was important to establish the legitimacy of the dissenting tradition he represented, demonstrating that the economists who formed the subject of his book were the true heirs of Keynes and that the dominant interpretation of Keynesian economics, which he chose to call the ‘Grand Neoclassical Synthesis’, was ‘a travesty of Keynes’.² Such histories often overlook the fact that the term post-Keynesian has a much more complicated history.³ When first used, in the early 1940s, it had a strictly temporal connotation. For the next two or three decades the term was generally used to denote ideas that had been developed on the basis of the theories found in Keynes’s book, with no implication that these were in any way unorthodox. The term was embraced by architects of the ‘Grand Neoclassical Synthesis’ rejected by King and other modern post-Keynesians. It was not until the middle of the 1970s that the term was used to denote a newly emerging school of thought dissenting from the main body of economics.

At this point it is worth noting that one source of dispute among economists who identify as post Keynesian has been whether the term should be hyphenated, the presence or absence of a hyphen being used to denote different meanings of the term. In quotations, I have preserved whatever the author wrote, but in my own writing I have chosen to treat ‘post’ as an adjective and to use a hyphen where the term ‘post-Keynesian’ is used as an adjective, and to omit the hyphen where it is used as a noun, unless I am talking specifically about someone who identified as a Post Keynesian (without the hyphen).⁴

The frequency with which the term was used is indicated by Figure 5.1. It
was first used in the early 1940s and gradually became more common (note that the graph cites only uses in a set of journals, not in books and other publications) until, at the end of the 1970s, use of the term trebled. There were two reasons for this. One is that the term ‘Keynesian’ was more frequently used and the other is that there was a rise, shown in Figure 5.2, of the proportion of articles using the term Keynesian that also used the term post-Keynesian (or post Keynesian). From the mid 1950s to the late 1970s, roughly 10 per cent of articles using the term Keynesian also used the term post-Keynesian, whereas from the late 1970s onwards roughly 20 per cent did so.

Figure 5.1 Uses of the term ‘post-Keynesian’ or ‘post Keynesian’, in JSTOR, 1945–2014. It is not completely accurate (for example, a 1942 article is not included, possibly because a line break separated the two words), and no attempt has been made to take account of the increased number of articles during the period. The sharp decline in 2010 is probably due to some technical reason relating to JSTOR’s journal coverage.

Figure 5.2 Ratio of uses of ‘post-Keynesian’ to uses of ‘Keynesian’. Data as Figure 5.1 but with additional search for ‘Keynesian’. For the reason previously cited, 2014 is omitted.
Keynesianism and Post-Keynesianism, 1936–71

What may be the first use of the term ‘post-Keynesian’ in a journal article could hardly be clearer in attributing to it a purely temporal meaning. Everett Hagen wrote that something was ‘written in the post-Keynesian period’: it had been written since 1936 but failed to use the theory of saving and investment proposed by Keynes. From this, echoing the widespread use of the term ‘pre-Keynesian’ to denote ideas that had been superseded by Keynesian economics, the term ‘post-Keynesian’ came to refer to work that did not merely come after the _General Theory_ but drew on Keynes’s ideas. Thus, Gottfried Haberler could write ‘the post-Keynesian, Keynes-inspired literature’. Another writer implied that the two meanings were effectively synonymous in that, since Keynes’s book, his assumptions had been generally accepted, writing, ‘Post-Keynesian literature seems to take the parallelism of investment and employment for granted. This suggests that the correctness of Keynes’s basic assumptions is tacitly accepted.’

This was the sense, denoting work that came after Keynes and built on his work, in which Hans Neisser used the term in a course ‘Keynesian and post-Keynesian Economics’ taught at the New School, probably for at least a decade. The course discussed Keynes’s _General Theory_ but it also covered the growing literature on macroeconomic problems inspired by Keynes, notably works that took dynamics into account, Keynes’s own theory being considered too static.

The term was used in the same sense in books. The publisher described the elementary textbook, _Introduction to Economics_ by Theodore Morgan as ‘a post-Keynesian text’, claiming:

> This recently published book integrates the significant Keynesian developments of recent years into the traditional body of economics. Only the portions of Keynes’ contributions that have stood up, as modified by discussions of 1936–1948, have been included.

The notion that some Keynesian ideas had been dropped as not standing up to subsequent critical examination served to differentiate modern economics from Keynesian, giving clearer meaning to the term post-Keynesian.

A significant development in 1954 was the appearance of the term post-Keynesian in a book title: Kenneth Kurihara’s _Post-Keynesian Economics_. Reviews of this book are one reason for the sharp rise in mentions of ‘post-Keynesian’ in the journals. This collection of essays prompted Alvin Hansen, one of the major figures in propagating Keynesian ideas in the 1940s, to muse on what it meant to be post-Keynesian:
Does the volume live up to its title *Post-Keynesian Economics*? Yes and no. It is post-Keynesian in the sense that most of the discussion is cast in terms of the Keynesian tools of analysis. It is post-Keynesian in that the endeavor is made here and there to improve on Keynes, but the result in this respect is far from impressive. It is post-Keynesian in the sense that a part of the volume is devoted to ‘filling the empty boxes’ of the Keynesian analysis with empirical data. [...] It is post-Keynesian in the respect that it seeks in two chapters … to assess the Keynesian stream of thinking against the background of earlier traditions. It is post-Keynesian in the respect that it takes a fresh look in a number of chapters at policy programs stemming from the Keynesian system.12

Hansen specifically rejected the idea that this amounted to a survey of modern developments in the subject, for there was much literature that was not cited. He distinguished between post-Keynesianism as building upon Keynes and as writing in the period after Keynes. Others still used the term with a purely temporal connotation.

Use of the term post-Keynesian had political implications. Morgan’s textbook, cited above, was advertised as adopting a viewpoint on employment that was ‘middle-of-the-road, yet post-Keynesian’.13 This statement was challenging the notion, clearly believed to be widely held, that to be a Keynesian, and by extension a post-Keynesian, was to be on the left. This came out most explicitly in the attacks on another textbook, *The Elements of Economics*, by a young Canadian, by then a professor at Stanford, Lorie Tarshis.14 An anonymous reviewer writing for an organization called the National Economic Council, accused the book of being propaganda for Keynesian theory, containing many lies of omission and distortion.15 Its danger, so it was argued, lay in its emotional effect:

[It] plays upon fear, shame, pity, greed, idealism, hope, to urge young Americans to act upon this theory [Keynesian economics], as citizens. This is not an economic text at all. It is pagan-religious and political tract. It inspires an irrational faith and spurs it to political action. From cover to cover there is not a suggestion of any action that is not political – and Federal.16

The review was sent to 15,000 banks, urging them to donate to the cause of purifying textbooks, and to all the trustees of all colleges using the book.17 There is no evidence that the campaign was successful.

Sales of Tarshis’s book did fall dramatically but this was likely to have been the result of the appearance in the following year of another textbook, which came to dominate the market for introductory textbooks: Paul Samuelson’s *Economics: An Introductory Analysis*.18 This was also attacked on account of its Keynesianism, by businessmen many of whom were associated with the Dupont chemical company, which was strongly represented on the Corporation of the Massachusetts Institute of
Technology (MIT), where Samuelson was a professor. Samuelson has written of having responded to these attacks by writing his textbook as though a lawyer were looking over his shoulder. He did not use the terms Keynesian or post-Keynesian, preferring to refer to ‘the new economics’ but this did not stop the book being identified as Keynesian which, in the eyes of some, was tantamount to being Communist. Frank Chesterman, of the Bell Telephone Company, wrote:

> It is perfectly obvious that the young man is socially minded if not strictly communistic. It would be a terrible reflection on MIT if the book in its present condition were published. [...] I question whether Samuelson is a member of some of the subversive societies we hear so much about because his line of reasoning and method of expressing his thought are those of that group.

Such remarks were to resonate with the rising anti-Communist mood of the Cold War. However, with the strong support of MIT President Karl Compton and Vice President James Killian, the book was published, and thrived.

The facts that the book was recommended in most leading universities and in all military academies, institutions unlikely to be hotbeds of communism, and that it reflected the thinking of most of the younger generation of economists, did not persuade critics, appalled by its message that government intervention might sometimes be needed to stabilize a capitalist economy. Conservative attacks continued throughout the 1950s, though with a changed emphasis, for Samuelson increasingly represented the establishment view. He was no longer, as he had been for his pre-publication critics on the MIT Corporation, a young scholar who was thought to need guidance. The tone of the attacks in the 1950s was set by William Buckley who, in *God and Man at Yale*, widely considered a seminal text for modern conservatism, criticized the Keynesian textbooks used at Yale for their unqualified belief in the ability of government to improve on what the private sector could achieve. However strongly Samuelson and other Keynesians might express their commitment to the free enterprise system, Buckley read their statements about the need for government intervention as implying an omniscient state that needed to be much larger. His conclusion was that ‘[i]ndividualism is dying at Yale, and without a fight’.

One of the reasons that Samuelson’s textbook is important for the history of the term post-Keynesian is that in its third edition (1955) he proposed the phrase ‘neoclassical synthesis’. The term remained in the book until the seventh edition (1967), before being dropped completely in the eighth edition (1970). If the government pursued policies to maintain full employment, he argued, then the traditional supply-and-demand theory of how individual markets worked (‘neoclassical’ theory) would come into
its own. This was an idea found in Keynes’s *General Theory* but it was Samuelson who made it more precise and gave it a name. When groups of economists began to criticize orthodox Keynesianism in the 1970s, they typically picked out Samuelson’s neoclassical synthesis, or some variation on it, as their target. Samuelson’s Keynesianism had come to represent the orthodoxy.

A significant feature of Samuelson’s neoclassical synthesis was that it was not a purely theoretical synthesis. It embodied a set of beliefs about how demand management policy could be used to ensure full employment. It was a Keynesian idea, developed by economists who came after Keynes, who had died in 1946, which meant that it was legitimate to speak of ‘the post-Keynesian preoccupation with full employment’. Thus Samuelson could include a section on ‘The Post-Keynesian Thinking of Our Times’ in an article on economic policy under the Eisenhower administration. Neither the ‘neoclassical synthesis’ nor ‘post-Keynesian’ referred purely to a body of economic theory.

### Post-Keynesianism as heterodoxy, since 1975

In the mid 1970s a new way of using the term emerged, made prominent in an article by two young economists, Alfred Eichner and Jan Kregel, ‘An essay on post-Keynesian theory: a new paradigm in economics’. This article was prominent because it was published in the *Journal of Economic Literature*, one of the journals included in the American Economic Association’s membership package. They introduced the term in the following words: ‘This generalization [of Keynes’s theory] may be said to represent, in Thomas Kuhn’s sense ... a new paradigm; and since it extends the analysis set forth in Keynes’s *Treatise on money* (1930) and *The general theory*, it can be termed post-Keynesian.’ Like earlier users of the term, they used the term post-Keynesian (hyphenated) to denote an extension of Keynes’s ideas, but unlike earlier users, they confined it to a specific extension, sharply distinguished from the standard approach. It became the label for a dissenting tradition, represented by the *Journal of Post Keynesian Economics*, established in 1978. For the founders of the JPKE, the absence of a hyphen in the term ‘Post Keynesian’ signalled their difference from the post-Keynesianism of Kurihara and the economic mainstream.

King argued that the use of the term to denote a particular approach to economics, had precursors. However, though economists such as Nicholas Kaldor and Joan Robinson, considered to be among the giants of the post-Keynesian tradition, had used the term earlier, and though they had argued that their approach to the subject was both a legitimate extension
of Keynesian ideas and superior to other approaches to the subject, their use of the term was still in the traditional mould. For example, when Kaldor had used the term in 1955, it was confined to a footnote, and he bracketed Keynesian and post-Keynesianism analyses together. Even in the late 1960s, it had been hard to see any difference between the way the term was used by someone who later became a prominent post Keynesian (Paul Davidson) and someone whose work helped to lay the foundations for mainstream macroeconomics (Edmund Phelps). Consider first Davidson’s use of the term:

Is the finance motive really as significant as Keynes believed? And if it is, why has it been given short shrift and almost vanished by neglect in the post-Keynesian literature? … From the argument above it seems to follow that the disappearance of the finance motive from the post-Keynesian literature has led to some omissions and some confusions.

The term clearly has a purely temporal connotation, for Davidson was claiming that the post-Keynesian literature had abandoned an idea considered important by Keynes. This was also the way Edmund Phelps, whose work was influential in changing macroeconomic theory in the 1970s, used the term, referring to ‘the post-Keynesian analysis of inflation’, talking about how, ‘in post-Keynesian economics’ unexpected inflation could ‘buy’ an increase in output and employment. He was describing the Phillips curve, a key component of the orthodox theory, which he was developing in ways to which those who later labelled themselves as post-Keynesians (and post Keynesians), took exception. The suddenness with which the new usage of the term emerged is shown by its absence from Joan Robinson’s Ely Lecture, ‘The second crisis in economic theory’, delivered to the American Economic Association in December 1971, that is widely credited with stimulating the organization of a new grouping of post-Keynesian economists. What was necessary for post-Keynesian economics to emerge in this way? The main factor behind the movement was that groups of economists in Britain and the United States had become convinced that modern economics had taken a wrong turning and that it was actively misleading as a guide for policy and for understanding modern economies. Returning to certain Keynesian ideas was believed to be the way forward. The article by Davidson, quoted above, titled ‘Keynes’s finance motive’ illustrates this. His argument was that Keynes attached importance to a particular theory of the demand for money that could not be found anywhere in the contemporary literature, and that Keynes had been right and modern economists were wrong.

Although he was not involved in the organization of post-Keynesian economics, an important foundation had been laid by Axel Leijonhufvud in On Keynesian Economics and the Economics of Keynes. In this
substantial book that was very widely cited by orthodox and unorthodox economists Leijonhufvud used the term ‘Keynesian economics’ to refer to contemporary work that was described as Keynesian but which, he argued, was significantly different from the economics found in Keynes’s own work. What went under the label of ‘Keynesian economics’ was no longer the economics of Keynes.

However, the creation of a post-Keynesian movement probably required more than this. One factor fomenting dissent from the mainstream was that economics was becoming more mathematical. This process can be dated back at least to the 1930s, when the Econometric Society was formed, but for many years, mathematical economists remained a minority. By the 1970s it had become accepted that graduate students needed to learn some mathematics and mathematical rigour had become more important as a criterion by which good and bad work were distinguished. Along with this increased use of mathematics was a focus on models of rational individual agents and efficient, competitive markets. Work that did not meet these standards, perhaps because it was attempting to analyse situations that could not be reduced to simple maximizing behaviour, was widely deemed to be of lower quality. Thus although the great names of post-Keynesian economics – Kaldor, Robinson, Davidson and Sidney Weintraub – had, during the 1950s and 1960s, regularly published in the leading journals, engaging in debate with leading exponents of other viewpoints, this was becoming much harder for those who did not accept the emerging rules of the game. The result was that economists espousing certain types of unconventional theory felt excluded. The lack of mutual understanding between groups of economists could be rationalized by Thomas Kuhn’s theory that science involved competing paradigms. This argument was presented in Kregel’s The Reconstruction of Political Economy: An Introduction to Post-Keynesian Economics as involving a gestalt shift, complete with an illustration that could be either a vase or two faces. He argued that the post-Keynesian and orthodox perspectives were mutually incompatible.

The post-Keynesian departure from the mainstream was accentuated because this was the time when many economists were moving away from Keynesianism, both in theory and in policy advice. The emergence of ‘stagflation’ (simultaneously rising inflation and unemployment) was considered by many to undermine Keynesian economics, and anti-Keynesian ideas became much stronger. The so-called ‘age of Keynes’ – the three decades after the Second World War – ended abruptly. For Robert Lucas and Thomas Sargent, two of its leading critics, the Keynesian era had become an interesting historical episode when economists had adopted a flawed framework. This shift in mainstream attitudes towards Keynes, contributed to the marginalization of those who were coalescing under the ‘post-Keynesian’ label.
The emergence of post-Keynesian economics as a dissenting school of thought and, with it, the changed meaning of the term post-Keynesian, was also stimulated by factors external to the discipline. The 1960s and 1970s were a turbulent period, politically and economically. Towards the end of the 1960s, the acceleration of the Vietnam War provided a focus for radical ideas, leading to the establishment of the Union for Radical Political Economy (URPE), accusing the mainstream in economics of neglecting issues such as class, power, gender and race. Post-Keynesianism was separate from Radical Economics, but there were significant overlaps. Radicals might not look back to Keynes, but there were shared political goals and a shared distrust of orthodox economics. These reasons for being open to a reconstruction of economics were compounded by the economic problems of the 1970s which caused many economists, even those with no inclination to form dissenting groups, to complain about the state of the discipline.

The final stage in the consolidation of post-Keynesian economics was a reconstruction of the past, a process of which King’s *History of Post Keynesian Economics* forms a part. In that history, a line of descent is traced from Keynes (including, in some accounts, not only his *General Theory* but also his earlier work) to modern post-Keynesians, focusing on the contrast with those whom Robinson called ‘bastard Keynesians’ who misrepresented Keynes’s ideas. The reason why the term post-Keynesian could acquire its specific meaning only with the construction of such narratives is that post-Keynesian economics was never defined by a single theory but was seen to comprise a family of doctrines, raising questions about the coherence of the term.38

**Economists’ use of labels and identities**

The use of post-prefixes is not common in economics. The only other example listed in the contents of the *New Palgrave Dictionary of Economics*, a major reference work, the first edition of which filled four large volumes and the second edition eight volumes, is postmodernism, a concept clearly brought in from outside the discipline.39 It seems likely that the reason for this is that, irrespective of the reality that lies behind this, most economists see themselves as scientists. For scholars in the humanities, concepts such as postmodernism, post-imperial or post-Christian play an analytical role: they form important components in accounts and analyses of literature, history or religious practice. In contrast, as with the natural sciences, economics does not work with concepts to which the post-prefix could be attached. Terminology such as ‘post-Darwinian’ in biology or ‘post-Newtonian’ or ‘post-Einsteinian’ in physics may be a useful shorthand for
talking about the histories of disciplines, but they play no significant role in biology or physics. The same is true of Post-Keynesian, which accounts for why the history of this term is so different from that of the other concepts discussed in this volume.

Part of the reason for the rarity of post-prefixes in economics may be that economists are much more sympathetic towards the prefixes ‘neo’ and ‘new’. The two editions of the *New Palgrave* contain entries for ‘neo-classical’, neoclassical synthesis, neoclassical growth theory, neo-Ricardian economics, new classical macroeconomics, new economic geography, new institutional economics, new Keynesian macroeconomics, and new open economy macroeconomics. The prefixes ‘new’ and ‘neo’ can even be combined, as in the ‘new neoclassical synthesis’. It is terminology that can be very confusing for students.

Possibly the most widely used of these terms is ‘neoclassical’. The term was coined by Thorstein Veblen in 1899, as a label for the economics of Alfred Marshall and his contemporaries, based on a theory of individual maximizing agents, often analysed using mathematics. Criticizing both approaches for failing to recognize the implications of evolutionary ideas, Veblen sought to link ‘neoclassical economics’ to the ‘classical’ economics of Jeremy Bentham and John Stuart Mill, arguing that neoclassical economists and their classical predecessors were guilty of adopting a teleological approach, failing to see that Darwinian evolution had no goal. The term neoclassical re-emerged in the late 1920s and during the 1930s it was adopted as a label for economic theories based on economizing scarce resources and involving utility or profit maximization. In the hands of many economists, ‘neoclassical’ economics was associated with support for laissez-faire and free trade. The term was needed because of the growth of ‘institutional economics’, which sought to develop an approach more firmly grounded in facts about the world. Although ‘neoclassical’ economics was typically not mathematical in the interwar period, the term came to be associated, above all, with the mathematical theory of optimizing consumers and firms provided in Paul Samuelson’s *Foundations of Economic Analysis* (1947). When Samuelson introduced the term ‘neoclassical synthesis’ in 1955, he was trying to link Keynesian economics to this older tradition which was more congenial to conservatives.

In contrast, the ‘new classical macroeconomics’ is the approach to macroeconomics developed in the 1970s by Robert Lucas and others, reviving certain policy conclusions often attributed to classical economists, though developing them using very different methods. This was strongly criticized by supporters of the neoclassical synthesis, who were increasingly identified as Keynesians rather than as neoclassical, even if they did not seem that way to those who identified as post Keynesian. The term ‘new Keynesian’
was adopted as label for those who wanted to defend Keynesian policies whilst adopting many of the theoretical innovations of the new classical economics. When, around the turn of the century, there was a convergence between new Keynesian and new classical ideas, the term ‘new neoclassical synthesis’ was introduced to denote the new, generally accepted, approach to the subject.

For the most part, these terms serve no analytical function. They serve to identify different theories or groups of theories and as a convenient shorthand. ‘New Keynesian economics’, ‘new classical macroeconomics’, ‘neoclassical growth theory’ or ‘neoclassical development economics’ identify families of models based on certain sets of assumptions. However, even if such terminology is used to alert the reader to the broad approach an economist is or is not following, in any article, much more specific assumptions will then be made in order to construct the model from which conclusions are drawn. As is the case with ‘post-Keynesian economics’ such labels identify both groups of theories and groups of economists advocating those theories. Thus, article titles such as ‘A post Keynesian theory of health-care’ or ‘A post Keynesian analysis of the financial crisis’ do little more than identify the provenance of the article, serving to tell some economists that they will find the paper congenial and others that it is probably not for them.

Part of the rhetoric of modern mainstream economics is that there is simply economics, or that there is good economics and bad economics. Most economic arguments centre on mathematical theory and statistical analysis or, in the past twenty years or so, experimental results. Verbal arguments are typically subservient to the mathematics. The implication is that doctrinal labels should be unnecessary in the same way as they are unnecessary in most natural science. Thus James Tobin, considered to be one of the leading Keynesian (neoclassical synthesis) economists of the post-war era, was typical when he argued that, in his youth, he objected to being identified as a Keynesian, not because of any hostility to Keynes but because he objected to being identified with any school of thought: he wanted to be identified simply as an economist. However, after the rise of ‘monetarism’ and the new classical economics in the 1970s, he took pride in being described as a Keynesian because he took issue with the way the field was developing.

Tobin’s position illustrates how, despite this rhetoric of everyone being just an economist, economists do identify with different positions and with different groups. The reason why the term ‘neo’ or ‘new’ is used more commonly than ‘post’ is presumably to indicate both that an approach has roots in the past and that it is modern and innovative, connotations that are weaker with the term ‘post’. The function of labels such as ‘new Keynesian’ or the ‘new trade theory’ is typically to differentiate the work described
‘Post’ rising to prominence (1970s–1990s)

by the label from older, possibly discredited work. Thus, in the 1980s, the term new Keynesian was used to denote work that conformed to what were believed to be higher standards of rigour than the ‘old’ Keynesian economics, implicitly asserting that new classical strictures against theory that was not based on formal microeconomic theoretical foundations did not apply to the ‘new Keynesian’ theories.

Though most groups wishing to assert their identity are on the fringes of the discipline, it is common for mainstream economists to use geographical markers to identify different approaches to the subject. For example, there is the Chicago school (associated with free markets and monetarism), MIT economics (the Massachusetts Institute of Technology, associated with more liberal politics and formal modelling), and the Virginia school (associated with public choice theory through the series of universities with which James Buchanan and his associates were involved). Economists might associate Harvard with left-leaning economics and Minnesota or Rochester with more conservative policy positions. The terms ‘salt-water’ (universities near the east coast, including Harvard, MIT and Yale) and ‘fresh-water’ (Chicago, Rochester and Minnesota, near the Great Lakes or inland on big rivers) have been used as broader labels for different approaches to macroeconomics associated with those universities. This may be an important part of economists’ rhetoric, such terms being used to denigrate or dismiss opponents, but they fit poorly with the rhetoric of economists being simply economic scientists, free of ideological commitments.

Although dissenting economics may use the term ‘neoclassical’ to refer to the dominant approach in economics – to what they see as the orthodoxy emphasizing utility-maximizing consumers, profit-maximizing firms and clearly defined market structures such as perfect or monopolistic competition – few economists would apply the term to themselves. They may talk of the ‘neoclassical’ growth model as a shorthand for a class of model but, most of the time they have no need for any such label. Dissenting traditions, such as post Keynesians, are simply ignored.

Dissenters, on the other hand, do argue in terms of schools of thought: their identity matters much more. One feature of dissenting schools of thought that emerged in the 1970s was that several of them looked back to past economists whose work was believed to have been unjustly neglected. ‘Austrians’ focused on a tradition that traced back to the late-nineteenth-century Austrian economist, Carl Menger; post Keynesians looked back to Keynes and some of them, the neo-Ricardians, to the early-nineteenth-century British economist David Ricardo. All of these schools can be identified with a particular ideology, Austrians on the right or libertarian end of the political spectrum, post Keynesians, neo-Ricardians,
Radical Economists and Marxists on the left. Sometimes identity in relation to other heterodox economists matters, as when, in the 1970s, the founders of the *Journal of Post Keynesian Economics* used the label ‘Post Keynesian’ (capital P and space between the words) to indicate something broader than the ‘post-Keynesian’ approach (lower-case p and hyphen between the words) advanced by Eichner and Kregel as well as differentiating themselves from the mainstream.45

**Concluding remarks**

Use of the term post-Keynesian can be linked to the changing fortunes of Keynesian economics. In the 1950s and 1960s, Keynesian ideas dominated the relevant parts of academic economics – those dealing with the determination of employment, output and inflation – even though for the early part of the period Keynesians were sometimes the subject of vicious attacks. ‘Post-Keynesian’ initially had a purely temporal meaning. Whilst the McCarthyite political climate may have influenced the use of the term, providing one more reason for some economists to favour alternatives such as ‘the new economics’ or ‘national income analysis’, there is no hard evidence that it had a significant effect. Post-Keynesian economics remained closely identified with Keynesian economics and was never a way of distancing from Keynes. Distance was achieved instead by not mentioning his name, something encouraged by the rhetoric of turning economics into a science. By the early 1970s, the situation changed in that more economists were arguing that, to use Leijonhufvud’s terminology, Keynesian economics was not the economics of Keynes. Shortly afterwards, the label post-Keynesian was taken up to denote what its proponents argued was a new paradigm in economics. At the same time, other economists, usually called the new classical economists, argued that Keynesian ideas had been found wanting, both theoretically and empirically. Mainstream Keynesians embraced the label new Keynesian, leaving the embattled dissenting minority, searching for an identity, to coalesce around the ‘post-Keynesian and ‘Post Keynesian’ labels. Post-Keynesianism therefore acquired a meaning very different from the one it had in the 1950s.46

**Notes**

2 Ibid.
‘Post’ rising to prominence (1970s–1990s)

3 It is important to acknowledge that King (ibid., pp. 9–10) makes the same point that I make here about how usage of the term post-Keynesian changed. However, his emphasis differs because whereas my concern is with the term itself, he is concerned with the body of ideas that it is used to denote. Thus, he argues that economists who did not use the term but whose work became central to the work of those economists who later self-identified as post Keynesian should be described as post Keynesian.

4 I note the ease with which errors can slip in when some people attach meaning to something that is taken by others to be a point of grammar that can be left to a copy-editor.


8 The exact dates when he taught the course are not known. We know only that he was teaching in in 1947–48 and for some years after. ‘Back Matter’, Social Research, 14 (1947). His papers contain a syllabus (Hans Neisser, ‘Keynesian and Post-Keynesian Economics’) which includes a reference to a book published in 1956.


16 Ibid., 5.


20 Ibid., 560–1.
21 William F. Buckley, God and Man at Yale: The Superstitions of ‘Academic Freedom’ (Washington, DC: Gateway Regnery, 2002). The first edition was 1951. The textbooks he attacked included those by Morgan, Tarshis and Samuelson. He also attacked teachers in other disciplines, including sociology, for failing to promote traditional Christianity.
22 Ibid., p. 101.
23 The term ‘neoclassical’ is discussed below.
27 King, History of Post Keynesian Economics, p. 9.
28 In fact the whole of the Keynesian and post-Keynesian analysis dodges the problem of the measurement of capital’: Nicholas Kaldor, ‘Alternative Theories of Distribution’, The Review of Economic Studies, 23 (1955), 83–100, 98, n. 2.
32 For our purposes, the details of this theory do not matter.
A good example is the theory of capital, mentioned in the quotation from Kaldor. In the mid 1950s, Robinson had challenged the coherence of a key concept in orthodox theory, the aggregate production function. She argued that, in a world where goods were produced by different production processes, involving different combinations of capital and labour, it was logically impossible for a single measure of capital to perform the functions required by orthodox theory. The significant point for the present argument is not whether Robinson or her main opponents, including Samuelson, were correct (she was) but that the debate could take place in the pages of the leading journals even though her initial papers did not formulate the problem using any mathematical notation.

This is well illustrated by the correspondence between Eichner and Robinson, published in Frederic S. Lee, ‘On the Genesis of Post Keynesian Economics: Alfred S. Eichner, Joan Robinson and the Founding of Post Keynesian Economics’, Research in the History of Economic Thought and Methodology, 18C (2000), 1–258. Eichner exchanged letters with the editor of the American Economic Review, in which charges of discrimination in the journal were met with the argument that the work in question did not meet the required standards for publication.

Defining post-Keynesian economics, a subject on which there is a large literature, usually involves identifying three traditions: (1) A focus on uncertainty that cannot be reduced to numerical probabilities (i.e. uncertainty that cannot be reduced to risk), which is central to the work of American post-Keynesians such as Weintraub and Davidson and Hyman Minsky; (2) The Cambridge (UK) critique of the theory of capital and the aggregate production function, associated above all with Robinson; (3) The ‘classical’ theory of price-determination (going back to the early-nineteenth-century economist, David Ricardo), associated with Piero Sraffa and other Italian economists with strong Cambridge (UK) links. An influential example of this literature is O. F. Hamouda and G. C. Harcourt, ‘Post Keynesianism: From Criticism to Coherence?’, Bulletin of Economic Research, 40 (1988), 1–33.


Readers may think that ‘post-capitalist’ discussed by Howard Brick, stands as a counter example. However, such language is much more common in history, sociology and political science – often under the label ‘political economy’ – than in economics. Students taking a degree in a mainstream economics department may well never encounter the term ‘capitalist’, let alone ‘post-capitalist’, in their entire degree programme. In the 1970s and 1980s they might have encountered such terms in courses on comparative economic systems but such courses fell out of favour with the fall of European communist regimes in Eastern Europe and the Soviet Union.

It is debatable whether this approach still represents the orthodox approach, and whether there still exists anything that could be considered orthodoxy. See Roger E. Backhouse and Béatrice Cherrier (eds), *The Age of the Applied Economist: The Transformation of Economics since the 1970s* (Durham, NC: Duke University Press, 2017).


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