

Questions to guide reading on Keynes;

1. Is Keynes a liberal? Where specifically does he depart from the conventional liberal or neoclassical assumptions?

- a. How does his understanding of what economics is about compare to that of Friedman? Hayek? Becker?
- b. Is his approach "methodological individualism"?
- c. Are human beings for Keynes equal? Rational? The same in all times and places? Driven by desires?

2. Is Keynes' approach to the economy more "plausible" or "convincing" after the financial crisis of 2008? Would not any critique of the economy be more plausible after the crisis? Why turn to Keynes in particular?

- a. How does a Keynesian explanation of the Great Depression compare to Milton Friedman's explanation based on human mismanagement?
- b. What institutions define the capitalist system for Keynes? How are the key institutions different than those identified by Friedman?

MIT OpenCourseWare
<http://ocw.mit.edu>

17.100J / 15.678J / 14.781J Political Economy I
Spring 2016

For information about citing these materials or our Terms of Use, visit: <http://ocw.mit.edu/terms>.