
Effective Demand and Say's Law in Marxist Theory: An Evolutionary Perspective

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Résumé

In this paper I theorize the roles of effective demand and Say's Law in the Marxist theory of exploitation and accumulation. I claim that an exogenous rate of exploitation implies deploying the strongest version of Say's Law, which leads profit rates not to equalize across sectors. Marx's own procedure in *Capital III* was therefore logically mistaken. Once Keynes' principle of effective demand is introduced, the rate of exploitation, and hence the distribution of income between wages and profits, becomes endogenous to aggregate demand. Profit rates can then equalize across sectors and prices of production can function as gravitational centers for market prices in a competitive economy. I develop an innovative evolutionary approach to demonstrate how effective demand, within the Marxist framework, determines the rate of exploitation and the rate of profit. At the intersection of Marx, Keynes, and Kalecki, my evolutionary framework integrates effective demand, functional income distribution, profit rate equalization, technological diffusion, and the gravitation towards prices of production.

Mots-Clés: Marx, Keynes, Kalecki, Effective Demand, Say's Law

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