

Title: From Full Employment to Full Empayment: A Review of Income Distribution Mechanisms

Author: Frances Hutchinson and Brian Burkitt, University of Bradford

Abstract

In this paper we take up Marx's quest to end wage (and salary) slavery through the abolition of capitalism, noting, as he did, the ability of traditional forms of socialism to seek nothing more than better terms of wages and conditions under capitalism. Drawing upon the work of heterodox economists, including Marx, Veblen and Douglas, we examine the methods whereby capitalism directs purchasing power to the consumer under the present system of debt finance. We develop the concept of the utility of labour, concluding that the apparent precision of neoclassical income distribution theory is wrecked by the existence in practice of reverse labour supply schedules. In conclusion, we examine the logic and practicality of alternative income distribution proposals.