

Study Questions for George Reisman's *Capitalism: A Treatise on Economics*

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INTRODUCTION

1. Which schools of economic thought have been the main supporters of capitalism?
2. Which schools of economic thought have been the principal allies of these schools?
3. Who were the leading members of the classical school?
4. Which schools of economic thought preceded the classical school? Which of them was closest to the classical school? Which of them has the most contemporary influence?
5. Who were the most important members of the Austrian school?
6. Explain the leading difference between classical economics and Austrian economics.
7. Describe the role of Marxism and socialism in the abandonment of classical economics.
8. Explain how the abandonment of classical economics in the nineteenth century contributed to the success of anticapitalist ideas in the twentieth century.
9. Which schools of economic thought have been opposed to capitalism or essential features of it? Which of these have been the most important since the 1930s?
10. Explain the role of Marshall's doctrine of the representative firm in leading to the conclusion that large-sized firms usually cannot gain by cutting their prices.
11. Explain what is meant by the partial equilibrium approach of Alfred Marshall in contrast with the general equilibrium approach of classical and Austrian economics.
12. How has the partial equilibrium approach led to the breakup of economics into "microeconomics" and "macroeconomics"?
13. What is the theoretical substance of most textbooks on "microeconomics"?
14. What is the theoretical substance of most textbooks on "macroeconomics"?
15. Describe the shortcomings of mathematical economics.
16. Describe the special status of von Mises in the defense of capitalism.