Contents

List	List of Tables	
List	List of Figures	
Prej	Preface	
Ack	Acknowledgements	
Par	t I A Very Dismal Science	
1	The Greatest Pyramid Scheme since the Time of the Pharaohs?	3
2	From Economic Miracle to Credit Crunch: Thirty Years of Self-Delusion	9
Par	t II The Microeconomic "Market-Value" Fallacy	
3	A Mediaeval System of Accounting	25
4	Fair-Value Accounting and Balance-Sheet Myopia	37
5	The Market-Value Delusion and the Credit Crunch	47
Par	t III The Macroeconomic "Single-Gear" Fallacy	
6	The Topsy-Turvy Wonderland of Single-Gear Economics	65
7	Traffique: The Praeheminent Studie of Princes	76
8	Capitalism and Socialism: The Fatal Conceit	84
9	A Genuine Free-Market Alternative	93
Par	t IV The Tax that Got Passed by Mistake	
10	Income Tax: A Two-Hundred-Year-Old Myth	103
11	The Assessed Taxes	108
12	Not So Much a Tax, More an Anti-Avoidance Provision	116
13	The Growth of the Monster	126
Par	t V Reform of the Tax System	
14	Economic Efficiency or Social Justice?	141
15	Taxation and "The Law of the Market"	149
16	Pay As You Spend	160

vi Contents

17 Pay As	You Spend: The Social Justification	172	
18 Pay As	You Spend: The Economic Justification	181	
Part VI Th	e Bankruptcy of Economic Policy		
19 Toxic E	conomic Theory and Global Recession	197	
Technical A	ppendices: The Source of the Poison		
Appendix A	The Fatal Flaw in Accounting Theory: The Present-Value Fallacy	209	
Appendix B	The Fatal Flaw in Macroeconomic Theory:		
	The Single-Gear Fallacy	220	
References		242	
Index		247	