Contents

PREFACE TO THE BRITISH EDITION XI INTRODUCTION XV

PART I THE FREE MARKET

- 1 The Prevailing View 3
- 2 The Five Building Blocks of Capitalism 8
- 3 Freedom and Power 11
- 4 The New Property 16
- 5 The New Monopoly 29
- 6 The New Contracts 48
- 7 The New Bankruptcy 59
- 8 The Enforcement Mechanism 67
- 9 Summary: The Market Mechanism as a Whole 81

PART II WORK AND WORTH

- 10 The Meritocratic Myth 89
- 11 The Hidden Mechanism of CEO Pay 97
- 12 The Subterfuge of Wall Street Pay 108

x / Contents

| 13 | The Declining | Bargaining Power of the Middle | 115 |
|----|---------------|--------------------------------|-----|
|----|---------------|--------------------------------|-----|

- 14 The Rise of the Working Poor 133
- 15 The Rise of the Non-working Rich 143

PART III COUNTERVAILING POWER

- 16 Reprise 153
- 17 The Threat to Capitalism 158
- 18 The Decline of Countervailing Power 168
- 19 Restoring Countervailing Power 183
- 20 Ending Upward Pre-distributions 193
- 21 Reinventing the Corporation 196
- 22 When Robots Take Over 203
- 23 The Citizen's Bequest 211
- 24 New Rules 218

ACKNOWLEDGMENTS 22I

NOTES 223

INDEX 265