

ing the invisible hand from hurrying the market along to the most efficient economy of near zero marginal cost and the prospect of nearly free goods and services. This catch-22 is the inherent contradiction that underlies capitalist theory and practice.

Eighty years after Lange and Keynes made their observations, contemporary economists are once again peering into the contradictory workings of the capitalist system, unsure of how to make the market economy function without self-destructing in the wake of new technologies that are speeding society into a near zero marginal cost era.

Lawrence Summers, U.S. secretary of the treasury during President Bill Clinton's administration and former president of Harvard University, and J. Bradford DeLong, a professor of economics at the University of California, Berkeley, revisited the capitalist dilemma in a joint paper delivered at the Federal Reserve Bank of Kansas City's symposium, "Economic Policy for the Information Economy," in August 2001. This time, there was much more at stake as the new information technologies and the incipient Internet communication revolution were threatening to take the capitalist system to a near zero marginal cost reality in the coming decades.