

A History of Economics: The Past As the Present (John Kenneth Galbraith)

Sample Index

Topics which are discussed in notes, but not the surrounding text, are indicated by the letter n between the page number and the note number; for example 227n9 indicates page 227, note number 9.

- Abstinence Theory of Interest 105–106
 Acheson, Dean 202
 advertising 290
 affluence 289–291
 aggregate demand *see* demand
 Agricultural Adjustment Act 199
 Agricultural Adjustment Administration 207–208
 agricultural economics 202–203, 206–209
 agricultural societies 9–19, 23–24, 46–48
 Agricultural System (Physiocrats) 47–56
 agriculture
 attitudes towards 13–14, 18, 52–53, 54, 98
 deflation in 149–150, 199, 206–209
 population growth and 77–79, 83–84, 101, 102, 167
 in U.S. 100–101, 155–156, 206–209
 Altmeyer, Arthur J. 215
 American Economic Association 156, 165, 214
 American economic thought
 on concentration of industry 160–164, 181–184, 242, 290
 in Great Depression 195–205, 226–227 *see also*
 agricultural economics
 Keynesian Revolution 238–250
 optimism and 99–101, 155–156
 Single Tax 53–54, 167–169
 Social Darwinism 121–123, 164–166
 Veblen, Thorstein 152, 160, 166, 170–177, 208
 on welfare state 210, 213–220
 see also United States
 American Revolution 56, 144, 146
 American System 157
 Americas, discovery of 33–35, 70
 Ancient Greece 9–19
 Ancient Rome 9–10, 18–19, 20, 143
 anti-Semitism 22–23
 antitrust legislation 71, 161–163, 184, 242, 243
 Aquinas, Saint Thomas 25–26, 27–28
 aristocrats 46–48, 50, 56, 132
 Aristotle 10–15, 17
 Arnold, Thurman 242
 Association for Evolutionary Economics 129n1
 Austria 187, 190, 191, 269

 balance of trade 41, 256–257, 298
 Balogh, Lord Thomas 189
 bank notes 142–150
 Bank of Amsterdam 141–142
 Bank of England 143, 179
 Bank of the United States 147–148
 banks
 in France 43n16, 143–144, 144n2
 history of 141–142
 money creation by 141–144, 147–148, 179–180
 regulation of 142–143, 147–148
 in U.S. 147–148, 203–204
 Banque Royale (France) 143–144, 144n2
 Becher, Johann Joachim 43
 Beecher, Henry Ward 164–165

 Bellamy, Edward 166
 Bentham, Jeremy 117–118, 118n5
 Berle, Adolf A., Jr 196, 197–199
 Beveridge Report 251
 Biddle, Nicholas 148
 bimetalism 29
 Bismarck, Count Otto von 210–211
 Blanc, Louis 126
 Bloomsbury Group 228
 Bodin, Jean 35
 borrowing *see* interest; lending
 bourgeois *see* aristocrats; capitalists
 Brain Trust 196–199
 brands 182–183
 Britain
 dominance of economic thought 89, 94, 156
 monetarism in 145, 274, 275
 welfare state in 211–213, 251
 see also England
 British East India Company 42, 43–44
 Brüning, Heinrich 223
 Bryan, William Jennings 150, 150–151, 156–157, 157n1
 Bryce, Robert 240–241
 budget deficits 223, 226–227, 234–235, 298
 Bullock, Charles J. 145
 bureaucracy, corporate 278–280
 Bush, George H. T. 98
 business
 economists and 219–220, 288–289
 forecasting in 264–265
 vs government 285–286, 293
 Keynesian economics, opposition to 219–220, 236, 252, 253
 universities and 173
 welfare state, opposition to 217, 219–220
 see also concentration of industry; corporations
 business cycles *see* depressions; recessions
 business degrees 288

 Canada 42, 169, 241
Capital (Marx) 131
 capital, return on
 Abstinence Theory of Interest 105–106
 Adam Smith on 67
 Ricardo on 86, 105
 capitalism
 Marx on 132–137
 productiveness of 132, 138
 reform of 137–139, 187, 210–220, 218–219, 224–225
 Ricardo and 81, 85–88
 Sismondi on 97–98
 capitalists 53, 86–88, 114–115, 128
 Carey, Henry Charles 100–101, 157
 cartels 25–26, 269–270
 Carter, Jimmy 274
 Cassel, Gustav 224

- Catchings, Waddill 225–226
 central banks 142–144, 147–148, 179–180
 Chamberlin, Edward H. 182–183
 charity 78–79, 122, 123
 Chase, Salmon P. 146
 Chicago School 183
 Chicago, University of 188
 child labor 96
 Christianity *see* religious thought
 Churchill, Winston 231
 cities 10, 16, 24–25
 Civil War (U.S.) 146, 148, 158
 Clark, Colin Grant 244
 Clark, John Bates 108
 class system 23–24, 52, 97–98, 114–115, 120–121, 128
 see also inequality; power, distribution of
 classical economics
 on concentration of industry 161–162, 181–184, 205, 242–243, 287–288
 criticism of 100–102, 171–172, 288–289 *see also* communism; Keynesian economics
 defence of 116–125, 164–166, 190–191 *see also* population growth theories
 definition of 89–90, 90n1, 227n9
 depressions and 115–116, 135–137, 193–195, 221–222
 dominance of 112, 178, 179–180, 283–287, 299
 postwar resurgence 253, 254, 299
 economic interest and 113, 284, 285–286, 299
 on government 285–286, 293
 inequality and 90, 114–118, 120–125
 on inflation 268, 296–297
 laissez-faire see laissez-faire
 microeconomics and 112, 235–236, 265, 268, 273
 on overproduction 75–77, 80–81, 115–116
 on tariffs 70, 159
 unemployment and 76–77, 113–114, 136, 193
 see also Friedman, Milton; Marshall, Alfred; Ricardo, David; Say, Jean Baptiste; Smith, Adam
 Clay, Henry 157
 Clayton Antitrust Act (1914) 162
 Clemenceau, Georges 229–230
 cloth manufacture 57
 colonialism 33–35, 178–179
 Columbus, Christopher 33, 35
 combination movement 160–162
 see also concentration of industry
Coming struggle for power (Strachey) 186
 Committee for Economic Development 252
 Commons, John R. 214–215
 communism
 beliefs 86, 116, 133–137
 capitalism's response to 137–139, 189, 210–211
 in Japan 292–293
 Lenin 178–179
 Marxism's impact on world 126–127
 Mill (John Stuart) on 120–121
 Plato and 16–17
 Ricardo's unintended contribution to 67, 81, 85–87, 90–91
 in Soviet Union 138–139, 184–186, 187
 in the U.S. 127, 134
Communist manifesto, The (Marx) 130–131, 137
 competition *see* concentration of industry
 competition assumption 184
 concentration of industry
 classical economics on 161–162, 181–184, 205, 242–243, 287–288
 legislation
 antitrust 71, 161–164, 184, 242, 243
 pro-monopoly 41–43
 Marx on 133, 136–137
 mercantilist thought 39, 40, 41, 41–42
 modern acceptance of 164, 183–184, 290
 prices, impact on
 high prices 25–26, 161, 267, 269–270
 low prices 204–205
 production, loss of 111, 242–243
 profit maximization, loss of 198–199
 see also business; corporations
 Confederacy (U.S.) 146
 conservatives 273, 286
 Consolidated Tobacco 162
 conspicuous consumption 62, 173–177
 Consumer Price Index 245, 267, 269, 270, 275
 Continental notes 144, 146
 Convenient Social Virtue 18
 cooperatives 99, 206, 224–225
 copper 29
 corporations
 management of 71–72, 172–173, 198–199, 276–280
 modern 71–72, 275–281, 293–295
 origin of 41–43
 power of 173, 268, 286
 profits and 198–199, 277
 tariffs and 160, 294–295
 see also business; concentration of industry
corvée 46–47, 49
 cottage industry 38–39, 133
 Council of Economic Advisers 254–255, 255–256, 258
 crises *see* depressions
 Crum, W. Leonard 245
 currency *see* money
 currency debasement 28–30, 140–141
 Currie, Lauchlin 241
 Dale, David 96
 Darwin, Charles 121–122, 124
Das kapital (Marx) 131
 debasement of currency 28–30, 140–141
 decolonization 178–179
 deficit financing 223, 226–227, 234–235, 298
 deflation 149–150, 199–209, 216
 demand
 management of
 Keynesian antecedents 222–223, 225–227
 Keynesian economics 222, 234–235, 245–246, 247–248, 252–253
 by monetary policy 204, 222, 225, 274–276
 price theory and 109–110
 Say's Law on 75–77, 80–81, 179, 193, 221–222
 wages and 234
 Democratic Party (U.S.) 150
 Department of Agriculture (U.S.) 214
 deposits 141–142
 depreciation of currency 151
 depressions
 classical economics and 115–116, 135–137, 193–195, 221–222
 Great Depression *see* Great Depression

- (*depressions continued*)
 interest rates and 204, 222, 225, 274–276
 Malthus on 79–80
 Marx on 135–136
 postwar lack of 255–258
 Say's Law 75–77, 80–81, 179, 193
 welfare state, stabilising effects of 257
see also economic growth; recessions
- developing countries 117, 258–259
 development *see* economic development
- Dewey, Davis Rich 145
 "dismal science" 81
- distribution theories
 Adam Smith on 66–68
 explanation of 6–7
 Iron Law of Wages 67, 84–86, 86–87, 104
 Marx on 134–135
 Pareto's law 124
see also capital: return on; inequality; wages
- division of labor 59, 68–69, 276–277, 280–281, 288
 Dobb, Maurice 186
 dollar, gold standard and 200–202
 Dorfman, Robert 156
 double-digit inflation 267
droit naturel, le 50–51
 du Pont de Nemours, Éleuthère Irénée 50
 du Pont de Nemours, Pierre Samuel 50
 Dutch East India Company 42
- Eccles, Marriner 241
 Eckstein, Otto 261
 econometrics 261–265
Economic consequences of the peace, The (Keynes) 229
 economic development
 as a field of study 258–259
 protectionism and 93–95, 157, 160, 294–295
 economic growth
 capitalism as generator of 132, 138
 fiscal policy to stimulate
 Keynesian antecedents 222–223, 225–227
 Keynesian economics 222, 234–235, 245–246, 247–248, 252–254
 inflation and 35
 interest rates and 203–204
 money supply and 35, 145, 148
 postwar 255–258
- economics
 British dominance of 89, 94, 156
 forecasting and 4–5, 55, 261–265
 Keynes on 282–284
 latency during good times 99–101, 102, 155, 258
 mathematical economics 151–154, 259–260, 285
 political asymmetry of 266–267, 298–299
 as a science 124–125, 129, 259–260, 284–285, 285
 static vs evolving 6–7, 93–94, 128–129, 171, 299–300
 statistics and *see* statistics in economics
 study of 1–8, 73–74, 288
- Economics of welfare, The* (Pigou) 212
Économistes, Les (Physiocrats) 47–56
- economists
 antitrust cases and 162–163
 business and 219–220, 288–289
 classical economics, commitment to 283–287
 generational differences 238, 243–244, 288–289
- (*economists continued*)
 in postwar golden age 255–256
 the powerful and
 as antagonists to 59–60, 219
 as spokesmen for 87, 113, 134, 171, 173, 299
 reputation for gloom 81
 universities and 151, 156
- Economists' National Committee on Monetary Policy 202
- education, investment in 293
- Eliot, Charles 151
 Eliot, Thomas H. 215
 Ely, Richard T. 165, 214
- employees *see* corporations; workers
- employment 7, 69
see also unemployment
- Employment Act (1946) 252–256, 254, 255
- Engels, Friedrich 130–131
- England
 Industrial Revolution 57–59
 inflation in 34
 mercantilism 41
 stock market bubbles 42
see also Britain
- England's Treasure by Foreign Trade* (Mun) 43–44
- Enlightenment, The 48
- entrepreneurship 181, 188n7, 278
- equation of exchange 152–154, 200, 272, 274
- equilibrium economics 113–114, 128–129, 221–222
- Essay on the principles of population, An* (Malthus) 77–78
- ethics
 Convenient Social Virtue 18
 in economic debate 10–15
 inequality *see* inequality, justification of
 interest taking 12–13, 22–23, 27–28, 37–38, 98
 merchants 27–28
 moneymaking 15, 29, 37, 64–65
 prices 13, 25–27, 38
 slavery 11
- evolutionary economics 93–94, 129, 171
- exchange controls 69–70
- exchangeable value 82–83
- exports 44, 231
see also balance of trade
- factories 57, 58–59, 80
- factory workers 38, 114
- fair prices 13, 25–27, 38
- fallacy of composition 40, 70, 234
- farm prices, deflation in 149–150, 199, 206–209
- Federal Farm Board 206
- Federal Reserve System 148, 180, 203–204
- Federal Trade Commission Act (1914) 162
- feudalism 23–24, 46–47
- Feuerbach, Ludwig 126
- First Bank of the United States 147–148
- First World War 179, 228–230
- fiscal deficits 223, 226–227, 234–235, 298
- fiscal policy
 Keynesian antecedents 222–223, 225–227
 Keynesian economics 222, 234–235, 245–246, 247–248, 252–254
 tariffs and 157–158
- Fiscal policy and business cycles* (Hansen) 239
- fiscal surpluses 158, 258

- Fisher, Irving 151–154, 200, 201
 Flanders, Ralph E. 252
 Ford, Gerald 270
 forecasting 4–5, 55, 261–265
 Foster, William Trufant 224–226
 Fourier, Charles 126
 France *see* French economic thought; French Revolution
 Franklin, Benjamin 145
 free banking 148
 free trade 60–69, 70, 159–160
 French East India Company 42
 French economic thought
 Physiocrats 48–56
 Proudhon 98–99
 Say's Law *see* Say's Law
 Sismondi 96–98
 social issues, focus on 95–96
 traditional 46–47
 French Revolution 49–50, 56, 144
 Friedman, Milton 123, 153, 250, 271–273, 274n5
 full employment
 inevitability of *see* Say's Law
 policies for *see* fiscal policy: Keynesian economics
 full employment budgets 252–253
- General theory, The* (Keynes) 227–228, 232–235, 237n1, 238, 239
 George, Henry 53–54, 102, 166–168, 166–169
 German economic thought 36, 91–95, 210–211, 223, 293
 Germany
 Nazism 22–23n2, 92, 222–223, 243, 247
 reparations 230
 Gibbon, Edward 61, 62
 GNP (Gross National Product) 244–246, 247, 255
 gold
 Adam Smith on 69–70
 mercantilist thought 39, 40
 quantity of 33–36
 use as money 14–15, 140–141
 gold standard
 deflation, link to 200–203
 return to in Britain 231
 government
 banking and 142–144, 147–148, 179–180
 vs business 285–286, 293
 classical economics on 285–286, 293
 concentration of industry and 41–43, 71, 161–164, 184, 242, 243
 economic development and 93–95, 157, 160, 294–295
 fiscal policy *see* fiscal policy
 merchants and 32–33, 36–37, 39, 51
 monetary policy *see* monetary policy
 money creation by 143–147, 148–149, 150–151
 price policies 149–150, 199–209, 248–249, 268–269, 272–276, 296–297
 taxes *see* taxes
 see also *laissez-faire*; welfare state
 Gray, Alexander 10–11, 17, 55, 87n 23
 Great Britain *see* Britain
 Great Depression 193–209
 agriculture in 199, 206–209
 classical economics and 193–195, 221–222
 (*Great Depression continued*)
 deflation in 199–209
 Keynesian economics and 222, 227–228, 233–236
 Greece, Ancient 9–19
 Greenbacks 148–150
 Gresham, Sir Thomas 30
 Gresham's Law 30
 Gross National Product (GNP) 244–246, 247, 255
 growth, economic *see* economic growth
 guilds 25, 41–42
- Haberler, Gottfried 190
 Hamilton, Alexander 157
 Hammarskjöld, Dag 224
 Hansen, Alvin Harvey 238–240, 244
 Harvard Economic Society 262
 Harvard University 151, 237–240
 Hayek, Friedrich A. von 190, 192, 249–250
 Heckscher, Eli Filip 36
 Hegel, Georg Wilhelm Friedrich 128, 129
 Heller, Walter W. 258
 Herodotus 14
Higher learning in America, The (Veblen) 173
 history of economics, study of 1–5, 73–74
 Hitler, Adolf 92, 222–223
 Homestead Acts (1862) 156
 Hoover administration 206–207
 Hoover, Herbert 195, 234
 Hornick, Philipp W. von 43
 household industry 38–39, 133
 housing benefits 218
 housing prices 290
 Hudson's Bay Company 42
 Hull, Cordell 159
 Hume, David 9n1, 62, 68
 Hungary 187
- imports 44, 298
 see also balance of trade; tariffs
 income
 distribution of *see* distribution theories
 inequality of *see* inequality
 marginal propensity to consume and 233, 257
 national 244–246, 247
 income taxes 249, 271
 incomes and prices policies 249, 296–297
 India 38–39, 178
 industrial policies 94–95, 157, 160
 Industrial Revolution 57–59, 87–88, 96, 114
 industrialists 57, 88
 inequality
 historic overview 18, 114–115
 justification of
 marginal utility of money 212–213
 Pareto's law 124
 Physiocrats 47, 50, 52–53, 56
 population growth theories 77–79, 83–86, 116–117
 Social Darwinism 121–123, 164–166
 Utilitarianism 117–121
 monetary policy and 273, 298–299
 opposition to 21–22, 97–98, 116, 132, 133–135, 167–169
 see also class system; power, distribution of
 infant-industries policies 94–95, 157

- inflation
 in 1970s 267, 269–270, 274–275
 classical economics on 268, 296–297
 economic growth as stimulus to 35
 interest rates and 273–275
 Keynesian economics and 265, 266–271
 money supply and 34–35, 149–150, 152–154, 272, 274–275
 policies for managing 248–249, 268–269, 270–276, 296–297
- innovation 181–182
- Input-Output 55, 260
- Instinct of workmanship, The* (Veblen) 173
- institutional economics 93–94, 129, 171, 214
- interest
 Abstinence Theory of Interest 105–106
 ethics of 12–13, 22–23, 27–28, 37–38, 98
- interest rates
 depressions and 204, 222, 225, 274–276
 economic growth, impact on 203–204
 inequality, as cause of 273
 inflation, use of to combat 273–275
 supply and demand and 110–111
- Interindustry Analysis 55
- Interstate Commerce Act (1887) 161
- "invisible hand" 64–65
- Ireland 78, 117
- Iron Law of Wages 67, 84–86, 86–87, 104
- Italy 141
- Jackson, Andrew 148, 151
- Japanese economic thought 292–294
- Jesus 20–21
- Jevons, William Stanley 108, 125
- Jews, prejudices against 22–23
- Johnson, Thomas L. 168
- joint-stock companies 42
see also corporations
- just prices 13, 25–27, 38
- Kaldor, Lord Nicholas 189, 251
- Kemmerer, Edwin W. 202
- Kennedy administration 260
- Keynes, John Maynard 227–236, 244, 282–284
General theory, The 227–228, 232–235, 237n1, 238, 239
- Keynesian economics
 antecedents to 222–223, 225–227
 business, opposition from 219–220, 236, 252, 253
 decline of 265, 266–267, 274, 281, 293–294
 on fiscal policy 222, 234–235, 245–246, 247–248
 at Harvard 237–240
 inflation and 265, 266–271
 opposition to 236, 240, 250, 253–254
 overview of 233–235
 political asymmetry of 265, 266–267, 298–299
 rise of 227–228, 240–248, 251–253
 Say's Law, and end of 76–77, 116, 222, 232, 233
 statistical proof of 244–247
 on unemployment 76, 222, 233–234
- Keyserling, Leon 258
- King, Wilfred I. 244
- Kirkaldy (Scotland) 60, 61n4
- Klein, Lawrence R. 261
- Knight, Frank H. 188
- Komiya, Ryutaro 294
- Kuznets, Simon 244–245, 246, 247
- La Folette, Robert 215
- labor *see* wages; workers
- labor, division of 59, 68–69, 276–277, 280–281, 288
- Labor Theory of Value 66, 83, 86–87, 90, 104, 105
- laissez-faire*
 definition 51
 in Germany 92, 93, 210
 in Japan 293
 in US 248, 249
- land
 population growth and 77–79, 83–84, 100–102, 167–169
 public ownership of 169
 taxes on 52–54, 167–169
- landed classes 46–48, 50, 56, 132
- Lange, Oskar 188–189
- Lassalle, Ferdinand 126
- Lausanne, University of 124
- Law, John 42, 43n16, 143, 144n2
- leisure class 62, 173–177
- lending 142–143, 179–180
- Lenin, Vladimir Ilyich 178–179, 186
- Leontief, Wassily 55
- Les Économistes* (Physiocrats) 47–56
- Liberalism 123
- Lindahl, Erik 224
- List, Georg Friedrich 92–95
- living standards 87–88, 248
- Lloyd George, David 211–212, 230
- Lloyd, Henry Demarest 166
- Lombard Street 141
- Looking backward, 2000-1887* (Bellamy) 166
- Louis XIV 46–47
- Louis XVI 49
- Lundberg, Erik F. 224
- Machlup, Fritz 190
- macroeconomics 77, 235, 265, 295–297
- Malthus, Thomas Robert 77–81
- management, corporate 71–72, 172–173, 198–199, 276–280
- Mantoux, Paul 58
- marginal propensity to consume 233, 257
- marginal utility 65–66, 107–112, 134–135, 212–213
- market prices 25–27
- markets, medieval 24–26, 32
- Marshall, Alfred 5, 104, 110, 179
- Marshall Plan 190
- Marx, Karl 127–128, 129–131
- Marxism
 beliefs 86, 116, 133–136
 capitalism's response to 137–139, 210–211
 impact on world 126–127
 in Japan 292–293
see also communism
- Massachusetts Bay Colony 62–63
- mathematical economics 151–154, 259–260, 285
- mature industries 95, 160
see also senile industries
- McConnell, Campbell 277n9
- McGovern, George 271–272n3
- McNair, William 168
- Means, Gardiner C. 197–198, 206
- Menger, Karl 108

- mercantilism
 Adam Smith and 31, 43n16, 44–45, 69
 beliefs 37–41, 43–44
 reactions against 50–53, 69–71
 rise of 32–33, 36–37
see also merchants
- Merchant Adventurers 41–42
- merchant capitalism *see* mercantilism
- merchants
 attitudes towards 27–28, 32–33, 37
 government and 32–33, 36–37, 39, 51
see also mercantilism
- Mexico, Spanish silver from 33–36
- microeconomics
 continuation of classical economics in 112, 235–236, 265, 268, 273
 definition 65, 77
 macroeconomics and 295–297
- Middle Ages 12, 23–30, 37–38
see also feudalism; mercantilism
- Mill, James 77, 118–119
- Mill, John Stuart 3n1, 77, 115, 116, 119–121
- minimum prices 26–27, 208
- mining 33–34
- Mises, Ludwig von 190
- Mississippi Company (Compagnie d'Occident) 42
- Mitchell, Wesley C. 194, 200
- Modern corporation and private property, The* (Berle and Means) 197–198
- Mondale, Walter 98
- monetary policy
 deflation, use of to combat 149–150, 199–204
 depressions, use of to combat ("pushing on a string") 204, 222, 225
 inequality of 273, 298–299
 inflation, use of to combat 270–276
 in postwar boom 270
 rise of monetarism 28, 144–147, 151–154
 unemployment, as cause of 274–276
see also money supply
- money
 difficulty of defining 153, 272
 innovation and 99
 marginal utility of 212–213
 origin of 14–15, 28–30, 140–141
 paper money 142–150
- money supply
 economic growth and 35, 145, 148
 expansion of
 by banks 141–143, 147–148, 179–180
 by government 143–147, 148–149, 150–151
 growth of in colonial era 33–37
 interest rates and 203–204
 as measurement of wealth 39–40
 price levels, effects on 34–35, 149–150, 152–154, 200, 272, 274–275
see also monetary policy
- moneymaking, attitudes towards 15, 29, 37, 64–65
- monopolies *see* concentration of industry
- Montchrétien, Antoine de 43, 44
- Morgan, John Pierpont 23
- Moynihan, Daniel Patrick 271n3
- Müller, Adam 92
- multinational corporations 295
see also corporations
- Mun, Thomas 43–44
- Murray, James E. 252
- Muscovy Company 42
- Myrdal, Gunnar 224
- Nathan, Robert Roy 246
- nation states 36–37, 91–92, 179
- National Accounts 244–246, 247
- National Association of Manufacturers (NAM) 253
- National Farmers Union 253
- national income 244–246, 247
- National Recovery Act (NRA) 204–206
- National system of political economy, The* (List) 93
- national wealth 39–40, 69
- natural law 50–51
- Nazism 22–23n2, 92, 222–223, 243, 247
- negative income tax 271
- neoclassical economics 90, 227n9
see also classical economics
- Netherlands 141
- New Deal 200, 226, 249
- New Lanark 96
- New World 33–35, 42, 70
- New York Tribune, The* 127
- Nixon, Richard 248–249, 269
- Nordhaus, William D. 277n9, 278
- notes (paper money) 142–150
- Nourse, Edwin G. 254
- NRA (National Recovery Act) 204–206
- October Revolution 184–185
- Ohkawa, Kazushi 294
- Ohlin, Bertil G. 224
- oil prices 269–270
- oligopolies 183–184
see also concentration of industry
- O'Mahoney, Joseph 252
- On the principles of political economy and taxation* (Ricardo) 82n11
- OPEC 269–270
- Oresme, Bishop Nicole 28–30
- overproduction 75–77, 80–81, 97, 115–116, 193
see also demand; supply and demand
- Owen, Robert 96
- paper entrepreneurship 278
- paper money 142–150
- Pareto's law 123–124
- payroll taxes 216
- Pearson, Frank A. 200–201
- pensions 211, 216–219
- Petty, Sir William 68
- Philippe, Duc d'Orléans 143–144
- Physiocrats 47–56
- Pigou, Arthur C. 212, 217, 228
- pin factory example 59, 68–69
- Pitt, William 61
- Pittsburgh, mayor of 168
- plantations 156
- Plato 16–17
- Pliny 18
- Poland 187, 188–189
- population growth
 land and 77–79, 83–84, 100–102, 167–169
 wages and 84–86, 97, 100–101, 104, 116–117
- postwar boom 255–258, 270
- postwar planning 251–252

- poverty, justification of *see* inequality: justification of
- power, distribution of 116, 128, 133–135, 286
see also class system; inequality: justification of
- price fixing 25–26, 161–162, 267, 269–270
- prices
 concentration of industry and
 high prices 25–26, 161, 267, 269–270, 296–297
 low prices 204–205
 gold standard, effect of 200–201
 indices of 245, 267, 269, 275
 just prices 13, 25–27, 38
 Labor Theory of Value 66, 83, 86–87, 90, 104, 105
 marginal utility and 107–110
 money supply and 34–35, 149–150, 152–154, 200, 272, 274–275
 policies for managing
 deflation 149–150, 199–209
 inflation 248–249, 268–269, 270–276, 296–297
 price indices 245, 267, 269, 275
 Say's Law on 75–77, 179
 study of 5–6, 289–290
 supply and demand 82–83, 103–104, 109–110
 value in use vs value in exchange 13, 65–66, 107
see also deflation; inflation
- Principles of economics* (Marshall) 5, 104, 179
- Principles of political economy* (John Stuart Mill) 116, 119, 120
- Principles of political economy* (Malthus) 77
- private property 18–19, 20, 98–99
- production
 capitalism as generator of 132, 138
 monopolies, restricting effect of 111, 242–243
 overproduction 75–77, 80–81, 97, 115–116, 193
- produit net* 51–54, 68
- profits
 Abstinence Theory of Interest 105–106
 Adam Smith on 67
 in corporations 198–199, 277
 Ricardo on 86, 105
 wages and 86–88, 90–91
- Progress and poverty* (George) 166
- progressive taxation 249
- protectionism *see* tariffs
- Proudhon, Pierre Joseph 98–99, 126
- public expenditure *see* fiscal policy; welfare state
- public land ownership 169
- public policy *see* fiscal policy; monetary policy; welfare state
- public works 223, 226
- Purchasing power of money, The* (Fisher) 152
- "pushing on a string" 204, 222, 225
- quantitative easing *see* money supply: expansion of
- Quantity Theory of Money 34–35, 150
- Quesnay, François 49, 54–55
- railroads, price fixing and 161–162
- Reagan administration 297–298
- Reagan, Ronald 65, 79n6, 258, 286, 290
- real estate values, taxes on 53, 167–169
- recessions
 in 1980s 274–276, 291
 definition 275n7
 interest rates and 222, 274–276
see also depressions
- redistribution 165, 212–213, 257
see also welfare state
- Reed, Daniel 217–218
- regulation
 antitrust 71, 161–163, 184, 242, 243
 bank 142–143, 147–148
 prices 248–249, 268–269, 296–297
see also tariffs
- religious thought 12–13, 22–23, 37–38, 164–165
see also Aquinas, St Thomas; Oresme, Nicole
- rent 67–68, 83–84, 104–105
- reparations 230
- Report on manufacturers* (Hamilton) 157
- Republican Party (U.S.) 218
- revolutions 56, 144, 185
see also American Revolution; French Revolution
- Rheinische zeitung* 129
- Ricardo, David 80–88
 Iron Law of Wages 67, 84–86, 86–87, 104
 Labour Theory of Value 83, 86–87, 90, 104
 on profits 86, 105
 Say's Law and 80–81
- Robbins, Lionel 195
- Robertson, Sir Dennis 237–238
- Robinson, Joan 182–183
- Rogers, James Harvey 201
- Roll, Lord Eric 73, 189, 190
- Rome, Ancient 9–10, 18–19, 20, 143
- Roosevelt administration 196–206, 207–208
- Roosevelt, Franklin Delano 195–196, 227, 234, 249
- Roosevelt, Theodore 174
- Ruml, Beardsley 252
- Russian Revolution 184–185
see also Soviet Union
- Saint-Simon, Claude Henri 126
- Samuelson, Paul A. 240, 277n9, 278
- savings 75, 76, 232, 233, 256
- Say, Jean Baptiste 74–75, 95
- Say's Law 75–77, 80–81, 179, 193, 221–222
 end of 76–77, 116, 222, 232, 233
- Schlesinger, Arthur M. 217
- Schmoller, Gustav 36
- Schumpeter, Joseph Alois 131, 181–182, 195, 238
- Schwartz, Anna Jacobson 272
- Scott, Howard 172
- Second Bank of the United States 147–148
- Second World War *see* World War II
- self-interest 64–65, 79, 171
- senile industries 95, 160, 294–295, 297
- Senior, Nassau William 105–106, 124–125
- serfdom 23–24, 46–47
- Serra, Antonio 43
- service sector 80
- Sherman Act 71, 161, 162
- silver
 Adam Smith on 69–70
 mercantilist thought 39, 40
 quantity of 33–36
 use as money 14–15, 140–141, 149, 150–151
- Simons, Henry C. 188
- Single Tax 53–54, 167–169
- Sismondi, Jean Charles Léonard de 96, 97–98
- slavery 11, 13, 18, 156, 157
- Sloan, Alfred P. 217

- Smith, Adam 57–72
 on corporations 43n16, 71–72
 distribution theories 65, 66–68
 on division of labour 59
 on free trade 70
 importance to economics 73
 invisible hand 64–65
 life overview 60–61
 mercantilism and 31, 43n16, 44–45, 69
 price theories 65–66
 on public policy 62–63, 68–71, 72
 on trade unions 70–71, 115
Wealth of nations 58, 59, 60–61, 62, 63–64
- Smoot-Hawley Tariff Act (1930) 158, 159
- social classes *see* class system
- Social Darwinism 121–123, 164–166
- Social Security 216–218
- socialism
 for corporations 295
 Polish economists and 187–189
see also communism
- sociology 121
- Sombart, Werner 22–23n2
- South Sea Company 42
- Soviet Union 138–139, 184–187, 279
- Spain 33–36
- speculation 42–43, 169
- Spencer, Herbert 121–123, 164–166
- Sprague, O.M.W. 202
- Sraffa, Piero 82n11
- Stable Money Association 200
- Staël-Holstein, Anne Louise Germaine de 96
- stagflation 274
- stagnation *see* underemployment equilibrium
- Stalin, Josef Vissarionovich 186
- standard of living 85, 282
- Standard Oil 161, 162
- state *see* government
- state-chartered banks 147–148
- state-chartered companies *see* corporations
- state pensions 211, 216–219
- statistics, in economics
 forecasting 4–5, 55, 261–265
 GNP 244–246, 247, 255
 Input-output 55, 260
 mathematical economics 151–154, 259–260, 285
 price indices 245, 267, 269, 275
- Steffens, Lincoln 185
- stock market 42–43, 195
- stockholders 62, 198, 277
- Stone, John Richard 261
- Strachey, John 186
- subsistence theory of wages 66–67
see also Iron Law of Wages
- Sumner, William Graham 122–123, 165, 166, 170
Supply and control of money in the United States (Lauchlin) 241
- supply and demand 82–83, 109–110, 110–111
see also demand; overproduction
- surpluses (fiscal) 158, 258
- Swedish economic thought 223–225
- Taber, John 217
- Tableau Économique 54–55
- tariffs
 Adam Smith on 70
 (*tariffs continued*)
 stage of development and 93–95, 157, 160, 294–295
 in U.S. 94–95, 157–160
- Taussig, Frank W. 159n4, 179
- taxes
 Adam Smith on 72
 on agriculture 52–53
 deflationary impact of 216
 on land 52–54, 167–169
 money creation as substitute for 143, 144
 negative income tax 271
 progressive taxes 249
 reduction of to spur growth 258
 welfare state and 211
- technology 69, 85
 Technocracy 172–173
- Temporary National Economic Committee (TNEC) 242–243
- Thatcher, Margaret 274, 286
- Theory of business enterprise, The* (Veblen) 172
- Theory of economic development, The* (Schumpeter) 181
- Theory of political economy, The* (Jevons) 125
- Theory of the leisure class, The* (Veblen) 166, 173–177
- Theory of the moral sentiments, The* (Adam Smith) 60
- Thomas, Elbert 252
- Tinbergen, Jan 261
- tobacco, use as money 14n8
- trade (between countries)
 balance of 41, 256–257, 298
 exports 44, 231
 free trade 60–69, 70, 159–160 *see also* tariffs
- trade (buying and selling)
 attitudes towards 27–28, 32–33, 37
 growth of 32, 35–36
- trade deficits 298
- trade unions
 Adam Smith on 70–71, 115
 inflation and 267
 unemployment, effect on 111–112, 234
- Traité d'économie Politique* (J.B. Say) 75
- Treatise on money, A* (Keynes) 231–232
- Trend of economics, The* (Tugwell) 197
- Trenton Potteries 162
- Truman, Harry S. 254
- trusts 160–164
see also concentration of industry
- Tsuru, Shigeto 294
- Tugwell, Rexford Guy 196–197, 214
- Turgot, Anne Robert Jacques 49–50, 55–56
- Ulyanov, Vladimir Ilyich (Lenin) 178, 179, 186
- underemployment equilibrium 222, 233–234, 239, 251
- unemployment
 in 1980s 275–276
 classical economics and 76–77, 113–114, 136, 193
 fiscal policy to combat 76–77, 222, 226, 233–234, 247–248, 252–254
 in Great Depression 221
 Marx on 132–133, 135
 modern concern with 7, 283, 290–291
 trade unions, impact of 111–112, 234
 wages and 233–234
 in World War II 248
- unemployment insurance 211, 215, 216, 217, 221, 257

- United Shoe Machinery Company 162
- United States
- agriculture in 100–101, 155–156, 206–209
 - concentration of industry in 160–164
 - fiscal policy *see* fiscal policy
 - Great Depression *see* Great Depression
 - inflation in 267, 269–270, 274–275
 - Keynesian Revolution in 238–250
 - monetary policy *see* monetary policy
 - paper money and 144–150
 - tariffs and 94–95, 157–160
 - unemployment in 221, 248, 275–276
 - welfare state in 210, 213–220
 - see also* American economic thought
- United States Department of Agriculture (USDA) 207, 214
- universities
- corporations, involvement of 173
 - economists and 151, 156
- University of Chicago 183, 188
- University of Wisconsin 214
- U.S. Steel 162
- USDA (United States Department of Agriculture) 207, 214
- Utilitarianism 117–121
- utility
- in price theory 65–66, 82–83, 107–110
 - redistribution and 212–213
 - wages and 110, 134–135
- utility regulation 215
- Uzawa, Hirofumi 294
- value *see* price
- Vanderlip, Frank A. 200
- Veblen, Thomas 169, 170
- Veblen, Thorstein 152, 160, 166, 170–177, 208
- Veritas Foundation 240
- Victory Program 246
- Vietnam War 257
- Voltaire, François-Marie Arouet de 60
- wage-price spirals
- downwards 204–205
 - upwards 267–269, 296–297
- wages
- Adam Smith on 66–67
 - controls on 248–249, 268–269
 - Iron Law of Wages 67, 84–86, 86–87, 104
 - marginal utility and 110, 134–135
 - in modern corporations 280–281
 - population growth and 84–86, 97, 100–101, 104, 116–117
 - profits and 86–88, 90–91
 - reductions to 231, 234
 - slavery and 11, 13, 156
 - unemployment and 233–234
 - see also* workers
- Wages Fund Theory 121
- Wagner, Robert F. 252
- Wallace, Henry A. 200
- Walras, Auguste 107–108
- Walras, Léon 123–124
- War Production Board 246
- Warburg, James 202
- Warren, George F. 200–201, 202
- Warren Plan 201, 202–203
- wars
- financing of 143–144, 146, 148–149
 - impact on prosperity 16, 34, 256, 257, 293
 - see also* specific wars
- wealth
- attitudes to 21–22, 39, 40
 - conspicuous displays of 173–177
 - national 39–40, 40, 69
- Wealth against commonwealth* (Lloyd) 166
- Wealth of nations* (Adam Smith) 58, 59, 60–61, 62, 63–64
- French response to 74–75, 95–96
 - see also* Smith, Adam
- Weber, Max 34
- welfare state 210–220
- in Britain 211–213, 251
 - opposition to 166, 217, 219–220
 - as preserver of capitalism 137–138, 189
 - stabilizing effect of 257
 - in Sweden 224–225
 - see also* redistribution
- Wells, David A. 151
- Wells Prize 151
- Westphalen, Jenny von 128
- Wicksell, Knut 223–224
- Wilcox, Clair 159
- Wilson, Woodrow 229
- Winant, John G. 200
- Wisconsin 238
- Wisconsin Plan 215
- Wisconsin, University of 214
- Witte, Edwin E. 215
- workers
- Lenin on 179
 - Marx on 132, 133–135
 - powerlessness of 96, 97–98 *see also* inequality
 - work ethic of 173
 - see also* wages
- Works and correspondence of David Ricardo, The* 82n11, 104n2
- World War I 179, 228–230
- World War II
- Keynesian Revolution and 243–244, 246, 247–250, 251
 - reparations after 230
 - savings and 256
 - unemployment during 248
- Wright, Chester Whitney 146n7
- Xenophon 15–16
- Yale University 238
- Zollverein 93, 130