

Partial list of symbols

One of the disadvantages of using algebraic-type formulations of economic propositions, as we are more or less obliged to do, is that there are never enough letters in the English and Greek alphabets to go round. In what follows the same symbols are therefore sometimes used for different concepts in different chapters (never within the same chapter). For the convenience of the reader the following list records those symbols that are, in fact, used more than once.

Chapter 3

C = currency in the hands of the non-bank public

D = bank deposits

H = the monetary base ('high-powered money')

R = bank reserves

w = the ratio of 'human to non-human wealth'

Chapter 4

a = responsiveness of the 'natural' unemployment rate to past actual unemployment

b = coefficient relating a 'vector' of supply side variables to the 'natural rate' of unemployment

β = coefficient in the equation for the 'Lucas supply curve'

λ = speed of adjustment coefficient in an 'adaptive expectations' mechanism

w = log of the nominal wage rate

Chapter 5

a = responsiveness of the rate of growth of bank lending and the money supply to the interest differential

c = propensity to consume

C = consumption spending

e = proportion of production costs that are financed by bank loans

k = 'mark-up factor'

θ = coefficients in the 'Taylor rule'

s = propensity to save

S = savings

Chapter 6

- a = total real value of assets
 c = real consumption
 k = real capital stock
 H = value of 'Hamiltonian' function
 λ = 'co-state' variable
 ρ = rate of time preference
 v = real value of money transfers

Chapter 7

- a = log of the average product of labour
 b = log of B (a parameter of the demand for money function)
 β = negative of b above
 c = propensity to consume
 D = real aggregate demand
 e = responsiveness of demand growth to an increase in the profit share
 h = responsiveness of real wages to an increase in growth
 k = aggregate profit share
 θ = rate of growth of autonomous demand
 v = responsiveness of productivity to an increase in growth
 w = log of the nominal wage rate

Chapter 8

- C = consumption spending
 D = real foreign debt position
 R = foreign investment income
 ρ = coefficients in the equation relating the currency risk premium to real foreign debt position
 s = log of the nominal spot exchange rate
 S = the nominal spot exchange rate