Index

American Construction Council 134
American Economic Association (AEA) meetings of, 40, 107, 228–9
‘The Business Depression of Nineteen Hundred Thirty’ (1931), 108
American Federation of Labor ideology of, 68 members of, 68
Aristotle economic ideas of, 5, 8, 19
Arnold, Thurman background of, 210
The Folklore of Capitalism, 13, 210–12
Austria-Hungary University of Vienna, 59
Bankers’ Panic (1907) events of, 35–6, 45
Baruch, Bernard 78, 191–2 associates of, 156 background of, 77 head of WIB, 81, 190 influence of, 191 memoirs of, 78–9 report on WIB (1921), 78
Belgium 81
moral economy theories of, 12–17, 19–20, 27, 34, 78, 85, 119, 126, 135, 161, 169, 191, 239, 242, 245, 258
Berle, Adolph member of ‘Brains Trust’, 132
Brandeis, Louis followers of, 190
Brookings Institute 212 formation of (1916), 177
The National Recovery Administration: An Analysis and Appraisal (1935), 177–82, 185–6
Brown, Douglass V. 174–5 criticisms of NIRA codes, 174
Building Trades Council 189
Business Week political views of, 194–5
capitalism 82, 84, 119, 145, 156, 220, 227, 246 credit system of, 18

275
managerial, 93–4, 116, 119, 201
state, 155–6, 164
Catchings, Waddill 10, 56, 63, 85–8, 95, 99, 102, 104–6, 108
background of, 55
Profits, 55
strategies for combating under consumption, 58–9, 102–6
view of government spending strategies of, 57
Chase, Stuart 10, 97, 118–20, 123, 137, 196, 203, 212, 258
A New Deal (1932), 117–18
background of, 94
criticism of ‘Industrial General Staff’, 97
criticisms of NRA, 196
focus on waste in industry, 95
Government in Business (1935), 195
Prosperity: Fact or Myth? (1929), 94–5
‘Recovery’ (1940), 234
The Tragedy of Waste (1925), 94
China
economic development of, 7
Christianity
opposition to market economy, 5, 162
Quakers, 81
Clark, Charles E.
‘The Supreme Court and the N.R.A.’ (1935), 193
Clark, John Bates 30
Clark, John Maurice 10, 44, 107, 133, 201, 229–31
concept of ‘accelerator’, 42–3, 45, 107, 146, 200, 230–1
concept of ‘balanced economy’, 146–7
criticisms of NIRA, 201–2, 259
‘Economics and the National Recovery Administration’ (1934), 147
focus on ‘crowding out’, 107–8
member of Committee of Industrial Analysis, 197
observation of causes of business cycles, 42
Strategic Factors in Business Cycles, 146
Studies in the Economics of Overhead Costs (1923), 42
theory of accelerator, 200
theory of overhead costs, 43–4, 200
view of causes of business cycles, 45
view of unions, 44
Clinton, Bill
administration of, 257
economic policies of, 253
collectivism
gradual, 242–3, 248–9, 258–60
Progressive view of, 242
Committee of Industrial Analysis
creation of (1936), 197
members of, 197, 199
report of, 197–9
Committee on Business Cycles
formation of (1921), 83
Committee on Economic Security
Social Security in America (1937), 209
Communism 85–6, 117, 155, 161, 183, 200, 225
as moral economy, 7
Compton, Wilson
‘Putting a code to work’ (1934), 151
Congressional Digest
articles in, 184–5
Coolidge, Calvin 80
coopertive commonwealth
criticisms of, 20–21
stockpiling of production excess in, 18–19
transition to, 14
use of credit in, 18
Cortelyou, George
US Secretary of the Treasury, 36
Coughlin, Father Charles E. 162, 165
background of, 160
economic theories of, 160–2
proposal for creation of National Union for Social Justice, 161
Council for National Defense
formation of (1916), 74, 77
members of, 74
creative destruction 25–6, 52, 54, 62, 158, 165, 248
moderation of, 128, 172
relationship of business cycles with, 60–61
role of entrepreneurs in, 245
Croly, Herbert
co-founder of The New Republic, 73–4, 162
The Promise of American Life, 73
Czech Republic 59
Darwinism
influence on economic models, 22–3, 31, 33
Davis, William H.
member of Committee of Industrial Analysis, 197
Debs, Eugene
imprisonment of, 76
leader of SPA, 76
Dewey, John
influence of, 69–70
Dickinson, John 164
US Assistant Secretary of Commerce, 143
DuPont Co
attempted use of scientific management by, 67
Economics of the Recovery Program, The
essays in, 171
Edwards, Morris
writings of, 150–51, 212
efficient markets theory concept of, 49
Emerson, Harrington
testimony before Interstate Commerce Commission (1910), 67
entrepreneurs 2–4, 58, 61–2, 184, 216, 220, 252
aims of, 71
role in creative destruction, 245
Fair Labor Standards Act (FLSA) 208, 249
provisions of, 205–6, 212
fascism 118, 153, 162, 183, 200
economic ideology of, 155
German, 155
Italian, 155
Federal Farm Board 114
advised withholding of wheat (1929), 115
formation of (1929), 100
Federated Association of Engineering Societies (FAES) 81–2, 96
ideology of, 82
Federal Trade Commission 110, 173
First World War (1914–18) 53, 74, 79, 81, 84, 87, 110, 116, 237, 258
issuing of bonds for funding of, 40
Paris Peace Conference (1919), 214
SPA opposition to US participation in, 76
US government control of economy during, 75–6, 96, 100, 103, 116, 137, 241
Fisher, Irving 10, 50–51, 63, 89
background of, 47–8
criticisms of, 64
influence over development of efficient markets theory, 49
observation of business cycles, 51
student of William Graham Sumner, 21, 47
The Nature of Capital and Income (1906), 48–9
The Purchasing Power of Money (1911), 50
Flynn, John T.
‘Other people’s money’, 194
Ford, Henry 10, 63
background of, 52
business strategies of, 53–4
explanation of business cycles, 52
view of bankers, 54
Ford Motor Company 52
Model T, 204
sales at, 54
Index

Foster, William T. 10, 56, 63, 85–8, 95, 99, 102, 104–6, 108
background of, 55
Profits, 55
strategies for combating
underconsumption, 58–9, 102–6
view of government spending
strategies of, 57
France 114
Fraser, Herbert F.
editor of America’s Recovery
Program, 139
Gantt, H.L.
membre of Council for National
Defense, 74
Gayer, Arthur
‘Fiscal policies’, 228–9
General Electric
personnel of, 110
George, Henry 94
Germany 114
economic developments in, 148, 156, 200
Third Reich (1933–45), 155, 200
Gompers, Samuel
leader of American Federation of
Labor, 68
Goodrich, Carter 109
government 1, 34–5, 39, 46, 60, 71, 78, 85, 96, 100–101, 103, 116, 161, 169, 185–6, 191, 259
aim to promote public welfare, 38
efforts to control profits, 86–7
ownership of productive resources, 158, 218, 227
relationship with businesses, 27
relationship with unions, 142
spending and taxation policies of, 57, 107, 230–1, 233
Great Depression 4, 10, 63, 98–9, 101, 104, 110, 133, 137, 140, 148, 161, 186, 200, 206, 208–9, 213, 217, 233, 236, 240, 242
events of, 64, 124, 136, 171, 182, 216, 222, 237
impact on economic theories, 230–31
GNP during, 99
public works in, 112
great recession (2007–9) 255
role of housing boom in, 40
Hansen, Alvin
role in development of Hicks-Hansen
IS-LM model, 224
Harding, Warren G.
appointment of Herbert Hoover as US
Secretary of Commerce (1921), 82
presidential campaign of (1920), 79–80
Harriman, Henry
president of US Chamber of
Commerce, 111, 176
Harrison, George M.
membre of Committee of Industrial
Analysis, 197
Hayek, Fredrick A. 202, 242
Hoover, Herbert 10, 59, 96, 99–100, 108, 121, 138, 152, 184, 186, 236
American Individualism, 84
background of, 81, 136
criticisms of, 145
economic policies of, 100–103, 122, 133, 150, 155, 183, 189, 196, 234
head of US Food Administration, 81
influence of, 121–2
memoirs of, 85
Presidential Conference on
Unemployment (1921), 40, 82, 112, 213
state of the union address speeches
made by (1929–32), 101–4
The Challenge to Liberty (1934), 153
US Secretary of Commerce, 40, 81, 112
Hughes, Charles Evan
Chief Justice of US Supreme Court, 188
industrial democracy 75–6, 130
industrial economy
role of businessmen in, 32
Intercollegiate Socialist Society
members of, 76
Interstate Commerce Commission 114
Italy
economic developments in, 81, 114, 124, 148, 156, 200
James, William
influence of, 81
Japan
economic developments in, 148
Johnson, General Hugh S. 189–90
background of, 156–7
US military procurement
representative to WIB, 110, 156, 190
view of creative destruction, 158
Journal of Political Economy 224
J.P. Morgan
role in response to Bankers’ Crisis (1907), 35–6
Keynes, John Maynard 11, 55, 59, 213, 230, 236–7, 259
background of, 214
concept of ‘the multiplier effect’, 106, 112, 228–9, 233
fiscal policies of, 217–21, 224–9, 232, 236–7, 244, 247, 252–3, 255
The Economic Consequence of the Peace (1920), 214, 216
The General Theory of Employment, Interest and Money, 214, 217, 219, 221–2, 224, 226
theory of consumption, 215
Knickerbocker Trust Company
failure of, 36
Krugman, Paul 259
economic theories of, 250, 255–6
Nobel Prize in Economics recipient, 254
The Conscience of a Liberal (2009), 254–5
Laidler, Harry
founder of Intercollegiate Socialist Society, 76
head of League for Industrial Democracy, 76
League for Industrial Democracy
members of, 76
Lenin, Vladimir 81
Leo XIII, Pope
Rerum Novarum, 160
leverage
use of, 32–3, 36
Lippmann, Walter 10, 72, 74, 92–3, 97, 121, 124, 137, 186, 201, 205, 242–3, 259
A Preface to Morals, 92
An Inquiry into the Principles of the Good Society (1938), 202
background of, 70, 182
co-founder of The New Republic, 162
concept of ‘gradual collectivism’, 249
Drift and Mastery (1914), 70–71
economic theories of, 204
The New Imperative (1935), 182–4
Long, Huey
economic policies of, 153–4
governor of Louisiana, 153
‘Our blundering government’ (1935), 154
Maling, Patrick Murphy
editor of America’s Recovery Program, 139
Mallery, Otto T. 82
lectures of, 112
secretary of Public Works Committee, 112
market economy 1–2, 5, 18, 21, 27, 30–31, 38–9, 45, 47–9, 82, 86, 89, 91, 93–5, 97, 104, 124, 126, 138, 140, 149, 155, 166–8, 173, 180, 184, 202, 212, 222, 239–40, 246, 252, 256–7
additional costs of, 17
credit as volatile element within, 54
Fallacy of Composition, 140–41
hierarchies within, 23
legal and ethical codes in, 3
potential causes for recessions in, 24–5
relationship of business cycles with, 46–7
requirements of, 9, 14
role of innovation in, 19, 60
*Roosevelt’s Revolution*, 141
supporters of, 28–9
use of monetary incentives, 2–3, 16, 28
Marx, Karl 6–8, 12, 82, 116
criticisms of market economy, 48
Mason, Edward S. 185–6
‘Controlling industry’, 172
Mead, George H.
former chairman of NRA Business Advisory Council, 197
member of Committee of Industrial Analysis, 197, 199
view of NIRA, 199–200
Mill, John Stuart 216
economic theories of, 127–8
militarism
potential influence over moral economy, 35
von Mises, Ludwig 202, 242
Mitchell, Wesley Clair 10, 39, 41–2, 44, 82, 89, 106, 109, 133
analysis of business cycles, 39, 148
*Business Cycles* (1913), 37
‘Intelligence and the guidance of economic evolution’ (1936), 149
presence at annual meeting of American Economic Association (1922), 40
support for Federal Reserve, 42
‘The social sciences and planning’ (1935), 148
view of causes of business cycles, 45
Moley, Raymond 258
member of ‘Brains Trust’, 132, 247
moral economy 1–2, 6, 9–10, 12, 26–8, 34, 63, 65, 78, 84–5, 91, 97, 119, 126, 129, 135, 138, 147, 160–61, 164, 171, 182, 201, 212, 238–40, 242, 245, 254, 258–9
communism as, 7
family dynamic model, 7–8
nationalization as part of, 14
NRA as, 144
potential influence of militarism on, 35
Progressive Era as key stage of development, 7
requirements of, 9
use of ‘credit cards’ in, 17
work as moral obligation under, 16
Mussolini, Benito 118, 153
rise to power (1922), 81
Namm, Benjamin H.
‘The war on cut-throat prices’, 151
*Nation*, The 159–60
founding of (1865), 159
‘Issues and Men’, 159
political views of, 159
*Nation’s Business*
articles of, 137, 150–2, 174–7, 207, 212
founding of, 150
National Broadcast Company
‘Economic Aspect of the Depression’ (1931–2), 112
National Bureau of Economic Research personnel of, 38
National Civic Federation 67
National Economic Council 135
proposals for, 114–17
National Electrical Manufacturers Association
meeting of (1931), 110
criticisms of, 159, 172, 190, 196, 202, 259
goals of, 179, 192, 198, 238
labour codes of, 137–8, 140, 142, 151, 173–5, 178–9, 185, 188, 195–6, 199–200, 212
passing of, 137, 144
purpose of, 143
voiding of (1935), 187–8, 190, 192–4, 197, 205, 213
National Labor Relations Act (NLRA) (1935) 249
aims of, 205, 207
passing of, 206
National Labor Relations Board (NRLB) 207
National Recovery Administration (NRA) 1, 13, 137, 140, 144, 146–7, 152, 157, 159, 163, 180–2, 186, 198, 212–13
as moral economy, 144
Business Advisory Council, 197
codes of, 164–9, 172, 178, 184–5
criticisms of, 157, 162, 194, 196, 212
Division of Economic Research and Planning, 143
goals of, 199
Labor Advisory Board, 141, 177
labour provisions of, 175, 185
nationalization 33, 78, 161, 222
as part of moral economy, 14
of industry, 8, 14, 68, 72, 97, 247
aims of, 241–2, 256
criticisms of, 243
programs of, 141, 146, 149, 238–9, 244–5, 247–8
New Republic, The
articles in, 74–5, 162, 193, 219, 234, 241
editorial staff of, 73–4, 235
founding of (1914), 162
political views of, 162–3, 193, 233, 235, 237
Obama, Barack 259
economic policies of, 250–54
The Audacity of Hope: Thoughts on Reclaiming the American Dream (2006), 250–2
Owen, Robert 6, 12
Perkins, Frances
US Secretary of Labor, 207
Pigou, A.C. 59
Plato
economic ideas of, 5, 7–8
opposition to market economy, 13
Progressive Era (1900–20) 1–2, 10–11, 28, 65, 171, 229
as key stage for development of moral economy, 7
Progressive movement 1, 70–71, 74–5, 94, 111, 129, 153, 190, 200–201
attempts to curb excesses of business cycles, 4–5
ideal of scientific administration, 75
political efforts of, 70–1
presence in Democratic Party 135
social efficiency, 70
view of collectivism, 242
Reagan, Ronald
economic policies of, 251
recessions 2, 9, 28, 30, 35, 39, 51–5, 64, 80, 89, 94–5, 107–8, 141, 147
causes of, 4, 24, 40, 43, 50, 60–61, 113, 215, 229
Reconstruction Finance Corporation 100, 104, 122
loans provided by, 234
Reich, Robert
economic theories of, 250, 257–8
US Secretary of Labor, 257
Roosevelt, Franklin D. 1, 98, 124, 134, 139, 145, 148, 179–81, 184, 186, 189–90, 203, 213, 220, 247–8, 251, 259
creation of Committee of Industrial Analysis, 197
economic policies of, 120–21, 126, 136, 139–40, 153, 164, 196, 234–5, 240, 253
family of, 129
fireside chat radio broadcasts (1933), 138–9, 238–9
Oglethorpe University
commencement speech (1932), 120–21, 123, 132, 134–5
Roosevelt, Theodore 10, 70, 153
  background of, 35, 127, 129
  economic theories of, 36–8, 45
  family of, 129
  view of role of federal government, 35–7

Sachs, Alexander 164
  chief of NRA’s Division of Economic Research and Planning, 143

Saint-Simon, Pierre 6, 12

Samuelson, Paul A.
  ‘The theory of pump-priming reexamined’, 230–2
  Say’s Law of Markets 4, 54, 58–9, 146
  criticisms of, 214–15
  development of, 6
  predictions of, 4, 18, 56–7

Schumpeter, Joseph A. 10, 23, 63, 80, 128, 171, 204, 217, 226–8
  Austrian Minister of Finance, 59
  background of, 59
  Capitalism, Socialism and Democracy (1942), 245–6
  concept of ‘self-deflation’, 61
  criticisms of NIRA, 172
  view of business cycles as part of creative destruction, 60–61

Second World War (1939–45)
  economic impact of, 237
  US entry into (1941), 249
  War Production Board, 237

Shlaes, Amity
  The Forgotten Man (2007), 21

Slichter, Sumner
  background of, 166–7
  economic theories of, 167, 169–70, 223–4
  proposal for National Planning Board, 168

Smith, Adam 19, 48, 82, 242
  support for market economy, 93
  The Theory of Moral Sentiments, 5
  The Wealth of Nations, 5–6

Social Security Act 208, 212
  provisions of, 206, 249
  socialism 13, 21, 82, 155–6, 168, 225, 242

  criticisms of, 84
  economic theories of, 22–3
  reform, 68
  state, 195
  US movement for, 68–70
  Socialist Party of America (SPA) members of, 68, 76, 154
  opposition to US participation in First World War (1914–18), 76

Soule, George 117, 123, 146, 203, 247–9, 258
  A Planned Society, 116
  background of, 144
  criticisms of Gerard Swope, 116 lectures of, 243–4
  The Coming American Revolution, 145
  ‘The idea of planning’, 114

Soviet Union (USSR) 7, 86, 88, 116, 118, 120, 124, 145, 155
  economic development of, 81, 114, 117, 119, 148, 200

Spanish-American War (1898) 34–5, 213, 236

Spanish Civil War (1936–9) 162

Stalin, Josef 81, 155

Steffens, Lincoln
  observation of Soviet and Italian economic developments, 81
  stock market 30, 33–4, 43, 49, 64, 106
  as psychological concept, 32
  collapse of, 33, 106
  valuation of capital, 48

Sullivan, Mark 184

Sumner, William Graham 10, 20–22, 24, 28, 34, 47, 72, 87, 170, 204, 242, 259
  background of, 21
  market economy theories of, 12, 22–4, 239, 253
  students of, 21, 30–31, 47
  view of capital, 22–3
  view of causes of recessions, 24–5
  view of government, 27
  view of unions, 25–6

Swope, Gerard 145, 258
  background of, 110
  criticisms of, 116
Index

Swope Plan, 110–11, 123–4, 134, 156, 172, 212

Taylor, Frederick W. 10, 82, 118–19
background of, 65–6
concept of ‘scientific management’, 65, 67–9, 201
critics of, 66–7
influence of, 133
The Principles of Scientific Management (1911), 65–6

Thomas, Norman
The Choice Before Us (1934), 154–5
US presidential election campaigns of, 154

Tily, Herbert J.
president of National Retail Council, 142

Trotsky, Leon 81

Tugwell, Rexford Guy 10, 88–9, 92, 94, 97, 114, 134–5, 164, 212, 220, 240–41, 248, 254, 258
background of, 88
concept of ‘voluntary industrial policy’, 90–91
Industry’s Coming of Age, 88
member of ‘Brains Trust’, 88, 132–3, 140
‘Responsibility and economic distress’, 113
Roosevelt’s Revolution, 189
US Assistant Secretary of Agriculture, 140
view of New Deal, 247
view of NRA, 189
underconsumption 4, 19, 55, 63, 102, 133, 141, 160, 185, 206
proposed solutions for, 10, 55–9, 85, 99, 102, 105, 132, 138, 164, 239
unions 25, 34, 44, 66–7, 155, 177
government relations with, 142, 219
potential for moral capability enhancement of workers, 129
strikes, 25–6
United Kingdom (UK) 219
Edinburgh, 5
Glasgow, 5

Treasury, 214, 220
United States of America (USA) 35, 61
Census of (1890), 13–14
Chamber of Commerce, 111, 137, 145, 150, 165, 175–7
Columbia University, 42, 88, 129
Congress, 41, 67, 77, 83, 100–101, 114, 117, 122, 137, 179, 189, 194, 197, 206, 208, 213
Constitution of, 113, 123, 176, 188, 193, 197, 210, 212
Cornell University, 31
Court of Appeals, 210
Democratic Party, 77, 135, 163, 190
Department of Commerce, 84
Department of Justice, 210
Department of Labor, 208
economy of, 88, 99, 104, 113, 117, 120, 257
Federal Reserve, 40, 42, 45, 54, 64, 80, 89, 99, 114–15
Federal Reserve Act, 39, 135
Harvard University, 59, 65, 127, 129, 166, 171, 174, 226
Massachusetts Institute of Technology, 94, 110
military of, 110
New York, 36, 77, 187
Office of Price Administration, 237
Office of War Mobilization, 237
Senate, 154
Supreme Court, 11, 83, 187–8, 190, 192–5, 197, 205, 207–10, 212–13, 259
University of Chicago, 38
University of Minnesota, 234
University of Virginia, 232
Wall Street, 30
Washington DC, 81, 97, 146, 210
Yale University, 21, 30, 44, 243
US Food Administration personnel of, 81
US Steel Company control over Tennessee Coal and Iron Company, 36
executive personnel of, 36
Index

Veblen, Thorstein 10, 32, 34, 38, 42, 44–5, 47, 54, 63, 89, 92, 109, 133, 236, 258

background of, 30–31
concept of ‘machine process’, 31, 34
Stanford University, 81
student of William Graham Sumner, 21
The Theory of Business Enterprise (1908), 31
The Theory of the Leisure Class (1899), 31
view of capital, 32
view of financial markets as dangerous, 49
view of use of leverage, 33

Villard, Oswald Garrison
‘The gifts of New Deal’ (1934), 159

Vining, Rutledge
‘Suggestions of Keynes in the writings of Veblen’ (1939), 236

Wagner, Robert F.
background of, 192
proponent of Labor Relations Act, 177, 192, 194, 206
support for NIRA, 192

Walling, William English
writings of, 69

War Industries Board (WIB) 10–11, 75, 77–9, 84, 91, 97, 114, 116, 118–19, 124–5, 137, 151, 191, 195, 203, 237, 241, 258
criticisms of, 87
formation of (1917), 79
members of, 76, 81, 190
philosophy of, 78, 247
proposal for revival of, 122

Ward, Paul W.
‘NRA – haven for cake-eaters’ (1935), 159–60

Wilcox, Clair
editor of America’s Recovery Program, 139

Wilson, Woodrow 70, 135, 153
administration of, 190
Democratic presidential nomination campaign (1912), 77

Wolman, Leo 165
chairman of Labour Advisory Board of NRA, 141

Wright, David McCord
‘The economic limit and economic burden of an internally held national debt’ (1940), 232–3