Index

abolition of money 3
absolutism (true believer syndrome) 28–9, 39–42
agriculture 11, 26, 39
Alesina, Alberto 104
anthropology (pressure-of-history) 37–8, 56–7, 84–5, 156
anti-capitalists/-globalists 4–5, 8–10
‘peaceniks’ 9–10
‘The Indignant’ 3, 5, 10, 12–13, 135, 147
prospective alliances 11–12
archeology 34–5
astrophysics 35
Attali, Jacques 115–16
Australia 93, 111
Austria 64, 67, 99, 125
Aviva survey 118
Balladur, Édouard 119
Baltic countries 126, 153
banks 97, 100
Barro, Robert 102
Bauer, Peter 7
‘Beijing Consensus’ 75
Belgium 64, 99
Bhagwati, Jagdish 82, 85–6
BHP Billiton (Australia) 18
biofuels 43
Brazil 59–64
demographic factors 93
efficiencies/growth/macroeconomic stability 61–3
foreign direct investment 60
GDP per capita increases (1950–1995) 60
interventionist/inward-oriented economies
bureaucratization and wage differentials 60–61
creation of ‘national champions’ 64
inflation and 60
macroeconomic imbalances 60
state controls 59–60
natural resources 18, 61
structuralist economics 60
see also BRIC countries
BRIC countries 158
strengths and weaknesses 90–94
structural transitions in economic development process 64–70
see also Brazil; China; India; Russia
Brown, Gordon 120–21
Bulgaria 67
Canada 93, 101–2
capitalism 6, 149–50
Cardoso, F.M. 62
Castro, Fidel 111
change, attitudes towards 155
China 6, 17, 25, 72–82
demographic policies/consumption/labor 77–8, 88, 92–3
environmental problems 79
expectations, ideological and substantive 72–3, 79–81
foreign trade 76–7
housing market 75
industrial economy 74
innovation/research/education 81–2, 159
investment-intensive growth 75–6
overview of prospects 159
share of private consumption in GDP 75–6
town and village enterprises 74–5
see also BRIC countries
Club of Rome 14–15
communist economies 3, 6, 22, 28, 50–52, 66–7, 80
criminality 146–7
Cuba 111
Czech Republic 153
Czechoslovakia 67
Dalrymple, Theodore (pen name) 123, 147
Dasgupta, A.K. 81
debt 98–102, 103, 116
democracy 152–3, 155, 160
demographic factors
Brazil 93
China 77–8, 88, 92–3
India 89–90, 93
Russia 52–3, 92–3
United States of America 131, 137–8, 151, 156
working age changes: comparison projections (2006–50) 93
Denmark 67
Deutsch, Karl 155
East–Central European economies 51, 52, 66, 126, 153
Easterly, William 7
Eberstadt, Nicholas 137, 138
ecological issues 38–9, 79, 107–8
economic analysis of politics 41
economic cycles, see mineral resource cycles
economic freedom
growth and 5–6
innovation and 54, 133–4
profit-making principle 100
structural transitions 64–70
agriculture to industrialization 66–8
‘good-enough’ rules scenario 65
industrialization to services 68–70
institutional factors 69–70
US exceptionalism 134–9, 155–6
economic prospects 141–57
capitalism questioned 149–50
overview 158–60
strengths/advantages 152–7
democracy 152–3, 155, 160
within Europe 153–5
taxation posited as solution to problems 150–52
welfare state as determinant of problems 141–8
adjusted and non-adjusted scenarios 119, 121, 160–62
economic structuralism 60
economies: world ranking (1850) 92
Economist, The (8 September 2008) 102
education 81–2, 129
Ehrlich, Paul 22–3
Eichengreen, B. 69
employment subsidies 151
energy consumption, communist/capitalist comparisons 67
energy supply, see mineral resource cycles
European Monetary Union 124–7
European Union 54
economic growth and employment benefits 129
economic strengths 153–4
Eurozone crisis 124–7
Growth and Stability Pact (GSP) 124
membership rules 124–5
welfare: adjustment and non-adjustment scenarios 160–62
see also individual country names
expansionary policies 102–3
financial crisis, see global financial crisis
financial transactions tax 150–51
Finland 67, 125
fiscal policies 104, 124, 131–2, 150–52
fiscal revenues 151
food production 11, 26, 39
foreign aid 6–7
foreign direct investment (FDI) 6, 55, 60
France 64, 92, 93, 146
collectivist ideas 116–17
demoralization through subsidy 117–18
expenditure and sustainability 99, 115–16
pensions 105, 118
state-dominated character of 119–20
trade unions and 118
work ethic/workfare 119
France Telecom 118
Friedman, Milton 40, 143
Fukuyama, Francis, The Origins of Political Order 65

Gandhi, Rajiv 87
GDP ratios
debt ratios 103, 124, 132
energy intensity, communist/capitalist comparisons 67
per capita, as measure of growth 54, 57, 68–9, 73, 75–6
public expenditure ratios 97–9, 103–4, 116, 142
geology 36
Germany 67, 92, 93, 99, 112–15, 126, 146, 161
global financial crisis 97–108
interest rate cuts 102–3
pension liabilities 105–7
public expenditure and indebtedness
97–100
GDP ratios 103–4
US housing market 100–101
welfare state model and 103
global warming 28–46
biofuels 43
climatologists and 31–4
anthropogenic supporters and mitigators 34
databases and methodology 32–3
predictive models 32
economics of 107–8
government subsidy and public choice 41–2
‘green economy’ 43, 107–8
media and 40
psychology and political economics of 37–46
obsessive compulsive disorder 39
‘pressure-of-history’ explanation 37–8
technology, fear of 38–9
‘true believer syndrome’ 28–9, 39–42
renewables 43–4
skeptics’ views 29–37
anthropogenic ‘settled science’ 29–31
archeologists 34–5
astrophysicists 35
géologists 36
‘Heidelberg Appeal’ 30
‘Maunder Minimum’ 35–6
overview 42–5
globalization 3–14
anti-globalists/anti-capitalists 4–5, 8–10
‘peaceniks’ 9–10
‘The Indignant’ 3, 5, 10, 12–13, 135, 147
prospective alliances 11–12
economic freedom and catch-up rates 5–6
foreign aid 6–7
foreign direct investment (FDI) 6
Gore, Al 29–31
Gray, John 14–15
growth, see economic freedom; GDP ratios
Greece 105, 124
‘green economy’, see global warming
Greenspan, Alan 102
Growth and Stability Pact (EU) 124
Hayek, Friedrich von 38
Heitger, Bernhard 98
history 37–8, 56–7, 84–5, 156
Hoffer, Eric, The True Believer 28–9
Hollande, François 117
housing markets 75, 100–103
Hughes, Gordon 43–4
Hungary 67, 153
immigration 138
Index of Economic Freedom 120
India 6, 82–90, 92
bureaucracy 84, 86–7, 89
demographic factors 89–90, 93
dirigiste economy 82–3
exports 89
historical and religious influences 84–6
industrialization 83–4
job creation 88
poverty 87, 88–90
pro-market shift 86
reforms 84–5, 88
service sector development 86, 89
see also BRIC countries
‘The Indignant’ 3, 5, 10, 12–13, 135, 147
individualism and learned helplessness 144–5
Indonesia 92, 93
Industrial Revolution 133
industrialization
in China 74
under communism 50–52
dynamic transition from agriculture to 66–8
in India 83–4
inflation 60
institutions
as determinants of growth 5, 70, 74, 113
economic transitions and 63–5, 68–70
bad choices and wishful thinking 110–11
British 121–3
European Monetary Union 124–7
French 115–20
German 112–15
India’s dirigiste economy 82–3
liberal, rule-of-law 152–3
religious, see religion
see also political economics; public expenditure; welfare state
intellectual freedom 159
interest rates 102–3
Intergovernmental Panel on Climate Change (IPCC) 107–8
Ireland 146
iron ore 18
Islamic economies 163
Italy 64, 67, 92, 99, 146
Jager, Cornelis de 35
Japan 92, 93
job creation, India 88
journalists 40
judicial systems 122–3, 146–7
Kaletsky, Anatole, Capitalism 4.0: The Birth of a New Economy 10
Kennedy, Paul 150
Keynesian multiplier 150
Kindleberger, Charles 144–5
Kohl, Helmut 9
Kolakowski, Leszek 12
Korea 93
Kornai, János 76
Lal, Deepak 84–5
learned helplessness 143–9
legal systems 122–3, 146–7
Lindzen, Richard 29, 34
Lomborg, Bjørn 44
Luce, Edward 86, 87
Luxembourg 99
Magnusson, David 143–4
Marxism 3, 6
Maslov’s hierarchy of needs 79
McTaggart, David 40
Mead, Walter Russell 155
media 40
Mexico 93
Miami 136
military activities 156
military expenditures and exports 52, 132
Mill, John Stuart 9, 45
mineral resource cycles 14–26
action–reaction model 24
capitalist market economy 24
dynamics of supply and demand 15–17
availability/lead time 17–18
investment phases 20–21
price decline triggers 20
supply response and new technologies 18–19
political errors and 25–6, 58
shortage predictions 14–15, 22–3
mortgages 100–102
Moyo, Dambisa 7
Muravchik, Joshua, Heaven on Earth 3
Muslim economies 163
Napieralski, G. 150
Nehru, Jawaharlal 83
Netherlands 99, 125, 146, 147
Nietzsche, Friedrich 13
Nouvel Observateur, Le 118
oil 16, 18, 58
Olson, Mancur, *The Logic of Collective Action* 11
OPEC 17
Park, D. 69
pensions 105–7, 115, 118, 130, 146
Peru 61
Poland 67, 146, 153
political economics
global warming issues 37, 40, 41–2, 107–8
housing policies (USA) 100–101
mineral resources and 25–6, 58
public choice and 41
reality gap, Russia 57
see also institutions; public expenditure
Popper, Karl 37
poverty 39
foreign aid and 6–8
‘green-economy’ and 44–5
India 87–90
sweatshops 11
world share (1820–2000) 8
property rights 70, 74–5
psychology 143–4, 154–5
sense of entitlement 147–8
true believer syndrome 28–9, 39–42
public choice 41–2
public expenditure
affecting growth 97–102
demonstrations against 134–5
expansionary policies 102–3
GDP ratios 104, 138
health/welfare payments 130–31
pension liabilities 105–7
welfare system, see welfare state
see also institutions; political economics
Putin, Vladimir 57
Rasmussen, P.N. 150
religion
Brahminical 83, 85
Catholicism 136
monotheistic 37–8
nature and 37, 40
Protestantism (USA) 136
‘true believer syndrome’ 28–9, 39–42
renewables 43–4
Ridley, Matt 39
Rio Conference (1992) 30
Russia 49–59
demographic factors 52–3, 92–3
economic vulnerability 49–50
engineering exports 51–2
GDP per capita (2010) 57
industrial performance under communism 50–52
modernization proposals (since 2009)
domestic and foreign business firms 54–6
history and politics 56–7
investment and bond markets 56
mineral resources and 58
R&D spending 54
service sectors 58
top–down nature of 53–4
see also BRIC countries; Soviet Union
Samuelson, Paul 106
Sarbanes–Oxley Act (USA) 133
Sarkozy, Nicolas 116
Schneider, Stephen 40
Seligman, David 144
Shin, K. 69
Shultz, George 45
Silicon Valley 54
Simon, Julian 24
Sloterdijk, Peter 151–2
Slovakia 67, 153
Slovenia 153
SMEs, Russian 55
socialist politics 8–9, 83, 111
Soviet Union 9–10, 52, 153; see also Russia
Sowell, Thomas 148
Spain 83, 92, 99
Stevens, Bret 152, 162
Stigler, George 32
Stuart Mill, John 9, 45
subsidy and public choice 41–2
Svensmark, Henrik 35
Sweden 67, 99, 125–6
Switzerland 126, 127
Tarchalski, Kazimierz 130

taxation 150–52

technological innovation 18–19, 39, 54, 81–2, 133–4, 159
town and village enterprises (TVEs) 74–5

transitions in economic development process 64–70
true believer syndrome 28–9, 39–42
Turkey 93

unemployment 119, 129, 131

United Kingdom of Great Britain 92, 93

criminality and legal system 122–3, 147
global warming policies 45
public expenditure 99
under Labour 104, 132
under the Coalition 120–22

United Nations: Intergovernmental Panel on Climate Change 31

United States of America 92, 146

biofuels drive 44
California 134
demographic factors 93, 131, 137–8, 151, 156
dollar weakness 127
economic growth (1980s and 1990s) 129–30
exceptionalism 129–39
attitude to change 155
creditworthiness and political uncertainty 139
demographic underpinnings 137–8, 156
demonstrators/Tea Party network 135–6
incentive to innovate 133–4
religious bodies and 136, 156

expansionary policies 102–3, 131
fiscal policy ‘Europeanization’ 131–2, 134
fiscal revenues 151
housing market 100–101, 130
labor market 131, 137–8, 151
Miami 136
pension liabilities 105
public choice (sugar support program) 41–2

public expenditure
demonstrations against 134–5
GDP ratios 99, 104
health/welfare payments 130–31, 138
non-adjusted and adjusted scenarios 160–61
R&D spending 54
Sarbanes–Oxley Act and venture capital 133–4
Silicon Valley 54

Venezuela 111

Wall Street Journal 152–3

Wang, H. 81

welfare state
as determinant of economic problems 12, 103, 130, 141–3
non-adjusted and adjusted scenarios 119, 121, 160–62
long-term effects of learned helplessness 143–9
sense of entitlement 147–8
see also institutions

Wildavsky, Aaron 100

Winiecki, Jan, Economic Prospects: East and West 9, 141, 145

Zischka, Anton, Oil Runs the World 15