

# Subject index

---

- economic fluctuations
  - business cycles 5, 6, 7, 101, 107–11, 113, 118, 122, 124, 125, 164, 170, 182, 220, 262
  - creative destruction 107, 109, 110, 123, 314
  - Great Recession 2, 8, 96, 145, 232
  - real business cycles 107, 110
- economics as a moral science 11, 64, 67, 207–8, 217
- equilibrium
  - calendar time 41–3
  - competitive 9, 24, 26, 35–40, 45, 54, 56, 179, 197, 201, 203
  - equilibrium macroeconomics 11, 160, 175–6
  - equilibrium solution 20–21, 26–7, 30
  - unemployment 117, 131, 134–5, 222, 225, 231, 233
  - unemployment equilibrium 117, 131, 134–5, 222, 225, 231, 233
  - Walrasian general equilibrium 37–8, 41, 196, 199
  - Walrasian macroeconomics 88, 101
- fundamental uncertainty and risk
  - confidence 4–7, 10, 14, 22–4, 28–9, 32, 47, 58–60, 63, 65, 67, 69–72, 114, 130, 163, 194, 208, 215, 283
  - fundamental uncertainty 3–4, 9, 21, 27, 30, 53, 60, 218, 225
  - liquidity 46–8, 55, 335, 338
  - marginal efficiency of capital (MEC) 4, 6, 133, 227, 277, 281, 283, 285, 286, 289, 306
  - risk 6–7, 14, 23–4, 28, 47–8, 51–2, 66, 133, 282, 315, 333–6
  - state of expectation 4, 5, 41, 43–4, 47, 55–6
- models
  - IS-LM model 77–8, 80, 82–4, 89–91, 93–4, 96, 212
  - Keynes's simple/static model 1, 9, 13, 31
  - Keynes's vision 9, 182, 258
  - labor productivity 118, 130, 137–8, 223, 229–30, 234, 318
  - microfoundations 85–6, 95, 144, 150, 289, 292
  - monetarism 84, 90–91, 94, 96, 122, 128, 141–4, 151, 154–5, 158, 195–6, 213
  - monetary economics 32, 68, 105–6, 150, 153, 210, 218–9, 304
  - monetary theory of production 12, 238, 245, 326, 335
  - money/nominal wage 20, 26, 32, 36–7, 39, 50, 55, 79, 106, 117–8, 130, 135, 139, 188, 193, 215, 281
  - quantity theory of money 103, 105, 114, 127, 129, 132, 134, 141, 147–9, 153, 158, 195, 247, 269, 271, 273
  - real wage 24, 31, 36–7, 79, 118, 139
  - rigid wages/ wage rigidities 223
  - Smith's vision 11, 181–2, 187–8
  - theory of value 34–5, 38–40, 42, 55, 132, 154, 184, 268, 271
- money
  - endogenous money 12, 27–8, 33, 128, 136, 142, 145, 149–50, 152, 154, 156, 293–300, 302–5, 320, 339
  - exogenous money 11, 128, 149–50, 294, 300
  - fundamental purpose of 333
  - government, creation of 328
  - love of 12, 239, 247–9, 258

- primary purpose of monetary
  - monopoly 332
- private creation of 327
- policy
  - demand management 11, 49–51, 54–5, 100, 140–41, 151–2, 165, 177, 207, 233
  - fiscal policy 133–4, 137, 163, 176, 189, 194, 214, 218, 223, 234, 240, 289, 324, 327–8
  - Keynes effect 31–2, 131, 224, 233
  - macroeconomic risk management/ socialization of investment 7–8, 13, 21, 33, 23–4
  - Pigou effect 153, 194, 224, 233
  - policy implications 9, 21, 28, 84, 115, 156, 223, 231, 283, 335
  - role of monetary policy 14, 100, 123, 154, 196, 235
  - stabilization policy 137, 153, 157, 207–8, 215, 324
- rate of interest
  - long term rate of interest 8, 24, 27–9, 32
  - money rate of interest 285
  - natural rate of interest 12, 106, 222, 226–7, 231, 234–5



