The Economics Of Inflation A Study Of Currency Depreciation In Post War Germany 1914 1923 Monetary Economics

The volume deals with the main problems faced by capitalist economies, inflation and unemployment, in a new and original way, and provides the theoretical foundations for quantum macroeconomic analysis. Its aim is to allow English-speaking economists and interested readers to have a direct access to the analysis provided by Schmitt in his 1984 book Inflation, chômage et malformations du capital. Orthodox economics has failed to provide a consistent insight of the pathologies hindering our economies, and both the academic and the economic worlds are much in need for an alternative approach capable to explain the origins of these pathologies and how they can eventually be disposed of. Schmitt's volume provides a revolutionary explanation of the cause of today's economic disorder as well as an innovative solution allowing for the passage from disorder to order. Neoclassical and Keynesian theories of any type are essentially based on equilibrium analysis and this is why none of them has ever been able to provide a consistent macroeconomic analysis based on macroeconomic foundations. This is what Schmitt's book aims for: developing a new analysis built on identities rather than conditions of equilibrium, capable to explain the objective origins of inflation and unemployment. In this volume, Schmitt introduces a new, revolutionary analysis centred on the concept of quantum time. The topics analysed by Schmitt cover the entire field of national macroeconomics, from production to capital accumulation, the leading role in this ground-breaking investigation being played by what he calls the theory of emissions. The ensuing macroeconomic theory is built on a set of laws derived from the monetary nature of our economic systems and defines the logical framework of inquiry into modern macroeconomics.

What role did economics play in leading the United States into the Civil War in the 1860s, and how did the war affect the economies of the North and the South? Tariffs, Blockades, and Inflation uses contemporary economic analyses such as supply and demand, modern market theory, and the economics of politics to interpret events of the Civil War. Simplifying the sometimes complex intricacies of the subject matter, Thornton and Ekelund have penned a nontechnical primer that is jargon-free and accessible. Tariffs, Blockades, and Inflation also takes a comprehensive approach to its topic. It offers a cohesive and a persuasive explanation of the how, what, and why behind the many factors at work on both sides of the contest. While most books only delve into a particular aspect of the war, this title effectively bridges the gap by offering an all-encompassing, yet relatively brief, introduction to the essential economics of the Civil War. This book starts out with a look at the reasons for the beginning of the Civil War, including explaining why the war began when it did. It then examines the economic realities in both the North and South. Also covered are the different financial strategies implemented by both the Union and the Confederacy to fund the war and the reasons behind what ultimately led to Southern defeat. Finally, the economic effect of Reconstruction is discussed, including the impact it had on the former slave population. Thornton and Ekelund have contributed an overdue examination of the Civil War that will impart to students a modern way to better comprehend the conflict. Tariffs, Blockades, and Inflation offers fresh, penetrating insights into this pivotal event in American history.

"This is the most comprehensive and authoritative account of the great German inflation from 1914 to 1923." - Henry Hazlitt As an Austrian study of hyperinflation, this study has never been surpassed. The same is true of the detailed examination of the rise of hyperinflation in German in the interwar period: there is not anything more authoritative. It is a huge study, 466 pages, with a fantastic amount of data and statistical analytics. But the narrative too is very exciting and infused with a thoroughly Austrian understanding of the impact of dramatic monetary expansion. It affects not only prices but also capital structures, political events, and the structure of society itself. Hitler did not emerge in a vacuum. Bresciani-Turroni covers the essential prehistory of a world-wide calamity. This volume is thorough, authoritative, and riveting in every respect - the achievement of a lifetime to last the ages.

Who would disagree that money matters? Economists have yet to sufficiently explore issues related to monetary inflation in relation to the Cantillon effect, i.e. distribution and price effects resulting from uneven changes in the money supply and their impact on the economy. This book fills this important gap in the existing literature. The author classifies the various channels through which new money can be injected into the economy and demonstrates that it is not only the increase in money supply that is important, but also the way in which it occurs. Since the increase in money supply does not affect the cash balance of all economic entities in the same proportion and at the same time - new money is introduced into the economy through specific channels - a distribution of income and changes in the structure of relative prices and production occur. The study of money supply growth, carried out in the spirit of Richard Cantillon, offers an important analytical framework that facilitates the development of a number of sub-disciplines within economics and provides a better understanding of many economic processes. It significantly explores the theory of money and inflation, the business cycle and price bubbles, but also the theory of banking and central banking, income distribution, income and wealth inequalities, and the theory of public choice. This book is therefore an important voice in the fundamental debate on the role of monetary factors in the economy, as well as on the effects and legitimacy of a loose monetary policy. In 2017, the doctoral dissertation on which the book is based was awarded the Polish Prime Minister's prize. In these times of non-standard monetary policy and rising income inequalities in OECD countries, the focus on the distribution effect of monetary inflation makes this a must read for researchers and policy-makers and for anyone working in monetary economics. This title was translated from Polish by Martin Turnau.

One would think states and peoples have had so many bad experiences with inflation that politicians at the helm of these states would do everything within their power to avoid inflation and, in particular, its very intensive shape, i. e. hyperinflation. However, this has not been the case. After the big inflations of the twenties and the post-war inflations of the fourties, we still witness intensive, economically, socially and politically extremely painful inflationary processes. And the eighties will be particularly engraved in history as a period in which the inflation has assumed an exceptionally dynamic character with respect to some countries. This regards, in the first place, Latin America, but not exclusively. Not without reason -as will be of particular intensity has also affected shown in this book -inflation countries which, according to the passed economic doctrine, were supposed to be completely immune from this economic illness. Most generally, the inflation can be assumed to be a uniform phenomenon which, in each case, can be described by a single, universal definition, while being divided into a number of forms and types distinguishable according to their original and secondary sources, their mechanisms, the ways of their manifestation as well as to their effects and the methods of counteracting them.

This book identifies the likely causes of high inflation and assesses the available policy options for preventing or curing it. The approach consists of making hypotheses about the economic motivation of individuals, developing a model assessing the results.

Frederick Mishkin's work has been dedicated to understanding the relationship between money, interest rates and inflation. The 15 essays in this collection - unabashedly empirical and rigorous - include much of Professor Mishkin's most highly regarded work. Money, Interst Rates and Inflation offers a coherent and informative assessment of how monetary policy affects the economy. In addition, the essays in this collection illustrate how rational expectations econometrics can be used to answer basic questions in the monetary-macroeconomics and finance areas.

The Economics of Inflation provides a comprehensive analysis of economic conditions in Germany under the Great Inflation and discusses inflationary conditions in general. The analysis is supported by extensive statistical material. * For this translation the author thoroughly revised the original work * Includes an appendix on German economic conditions in the years following the monetary reform, 1923-24.

Seminar paper from the year 2009 in the subject Economics - Economic Cycle and Growth, grade: 1,3, University of Applied Sciences Hof, language: English, abstract: The understanding of the cause and effects of inflation is crucial to understanding its impact on society throughout history. Inflation was a main cause for empires to fall. By lowering the metal content of the coin or nowadays with the issuance of an ever increasing amount of "paper currencies" backed by "nothing," a debasement of the currency was and is a direct consequence. With the debasement of the currency, people are deprived of the purchasing power of the currency. Before we look at the ramifications of inflation, a correct and distinct definition of the term inflation is required. The word inflation is derived from the Latin "inflare" and means to increase or to balloon.1 In this context it relates to the increase of money supply by continuing government issue of currency. Up until the 1940s the term inflation only referred to an increase in the money supply beyond the increase in goods and services during a given period of time.2 By this definition, the cause of inflation is easy to determine; namely the institution issuing the currency. From the 1940s through to the present day, the prevailing definition of inflation significantly varies from the historic definition. The standard definition of inflation today adopted by economists and the mainstream press is that inflation is an increase in prices. This change of the meaning of the term inflation is by no means harmless since it paved the way towards inflationism. As we will see later on in this study, inflation has been prevailing in the industrialized countries since World War I and has been exacerbated by the complete demonetisation of gold in 1971 as President Nixon closed the "Gold window." By focusing on the term inflation I will rely on the historic and the Austrian economic definition due to its longer period in use and its higher accur

On the basis of theoretical considerations and on the evidence of real-world economies, Frank Hahn demonstrates in unequivocal terms that Monetarism offers an implausible solution to the most pervasive economic problems. He confronts the central issue of current economic theory by making the case that the growth of the money supply is not a necessary cause of inflation, as the Monetarists have assumed. And he contends that inflation is in any case not the overwhelming satanic force disrupting society and the economy that the strict Monetarists think it to be on theoretical grounds and so many others feel it to be in terms of practical economic realities. It is the tax systems, he points out, that are the real influence at work against the economies of the industrialized nations. Frank Hahn, one of Britain's most eminent economists, is Professor of Economics at Cambridge University and author of Equilibrium and Macroeconomics (MIT Press 1985).

Containing inflation has turned out to be one of the most challenging aspects of economic management in Iraq. This paper posits that conventional as well as unconventional factors explain inflation dynamics in the recent past. We build a theoretical model based on the insights into the workings of socialist economies under supply shortages provided by Shleifer and Vishny (1992) to help explain price dynamics. In the model, strategic behavior of the fuel distribution monopolist results in fuel shortages, with implications for fuel and non-fuel inflation. A number of step-wise adjustments of administered prices for fuel products since December 2005 offer an interesting experiment to help study this behavior. Our findings show that inflation may have been influenced by shortages in fuel and non-fuel commodity supplies, which themselves are driven by violence and rent-seeking.

Many central banks target an inflation rate near two percent. This essay argues that policymakers would do better to target four percent inflation. A four percent target would ease the constraints on monetary policy arising from the zero bound on interest rates, with the result that economic downturns would be less severe. This benefit would come at minimal cost, because four percent inflation does not harm an economy significantly.

Explanations for inflation had for a long time been ceded to the purview of economists. The acceleration in rates of inflation within advanced economies during the 1960s and 1970s, however, prompted sociologists and political scientists to attempt their own accounts for this phenomenon. There are two major competing explanations of the postwar inflation. One, most commonly held by economists, is that inflation has been produced by governments through a combination of policy errors and cynical manipulation of policy for electoral purposes. The other, often advanced by sociologists and political scientists as an alternative, is that inflation has been an outcome of class conflict. In his study that ranges widely over the literature in the relevant disciplines, Smith examines the strengths and weaknesses of each account, with particular attention to the evidence presented in support of class-conflict explanations. He concludes that, on balance, the policy-error/cynical-manipulation explanation is better supported than its class-conflict rival. The clarity with which Smith presents these rival accounts and the critical rigor of his scrutiny make this a work of interest to advanced students in macroeconomic theory and to policy makers.

"Martin Bronfenbrenner in the Journal of Finance had this to say when the book was first released "A thoughtful, scholarly, and systematic treatise on the economics of inflation. If this reviewer were asked to hang a course on inflation theory upon one single text, it would almost certainly be this one."The principal concern of this book is to set out the elements that enter into problems of analyzing inflation. This detailed, readable review of contemporary theory on the problems of inflation fills an important gap in the literature on macro-economics that: 1) assesses the implications of inflationary processes for economic policy; 2) synthesizes a general framework within which to illustrate inflationary processes; 3) reconciles the approaches of "demand inflation" and "cost inflation"; and 4) analyzes the determination and behavior of the general price level in an exchange economy. The first part of the book reviews neo-classical and "Keynesian" type models of the closed macro-economy, analyzes determination of the general price level, and introduces a restatement of conventional employment theory with emphasis on the general price level. The second part considers the problems of price and wage determinations and the demand for money in more detail, synthesizing the analyses into a model of the macro-economy and discussing the implications of this model and the preceding analysis for economic policy. Describing alternative approaches to the theory of inflation, each of which has resulted in partial theories, the book avoids fragmentary explanations by setting the entire discussion in the context of a macro-economic general equilibrium framework."--Provided by publisher.

This book presents a theoretical framework to explain chronic inflation and hyperinflation. The roots of these two phenomenon are a fiscal monetary regime in which money issues finance the public deficit. Chronic inflation is modeled by using both the old and the new Keynesian model, with a different policy rule. Instead of using the Taylor rule, the central bank policy rule states that money is issued to finance the public deficit. The chronic inflation models take into account the fact that indexation mechanisms adjust prices and wages, yielding the inertial component of inflation. The dynamics of these models can be very unstable under parameter changes or shocks that hit the economy. The previous hyperinflation models surveyed in this book attempt to explain hyperinflation as a bubble phenomenon because they assume a constant real deficit financed by money. The mechanics of hyperinflation models in this book explains hyperinflation by a fiscal crisis, characterized by an increasing fiscal deficit. This fiscal crisis yields an intertemporal budget constraint that is not sustainable. The analysis of the pathology of hyperinflation uses the same tools employed to understand the pathologies of public debt and external debt crises. The hyperinflation model allows a taxonomy of hyperinflations, namely bubble, weak and strong, that can be tested with the inflation tax revenue curve.

This book develops a simple model of the inflationary process for use in any undergraduate macroeconomics course. It was written specifically for use in the second half of a one-semester introductory course and presupposes knowledge of a basic model of income determination. - Preface.

"This is the most comprehensive and authoritative account of the great German inflation from 1914 to 1923." -Henry Hazlitt The Economics of Inflation: A Study of Currency Depreciation in Post-War Germany (1931), by Costantino Bresciani-Turroni is a widely-regarded study of the rise of hyperinflation in Germany between the two world wars. It is often considered unsurpassed or the clarity of its description of the effects of monetary expansion. Moreover, the data and statistical analysis it provides take the reader well beyond such fundamental knowledge to provide a critical understanding of the origins of the global disasters-the Great Depression, the rise of Fascism, and the Second World War-that ensued. Readers interested in history and finance will find this a fascinating study.

Inflation is a complicated concept. Under ideal circumstances, an inflation rate of 2 or 3 percent can be good for the economy, as it helps boost businesses' profits. Unchecked, however, inflation can lead not only to financial hardships for individuals but to widespread economic downturns. Students will learn how inflation is affected by supply and demand, how it existed long before paper currency, how it can be regulated, and how a lack of regulation can affect the economy. From examples throughout U.S. history and comparisons of the costs of goods over time, students will understand how different rates of inflation in different contexts affect the economy.

Macroeconomics is the application of economic theory to the study of the economy’s growth, cycle and price-level determination. Macroeconomics takes account of stylized facts observed in the real world and builds theoretical frameworks to explain such facts. Economic growth is a stylized fact of market economies, since England’s nineteenth-century industrial revolution. Until then, poverty was a common good for humanity. Economic growth consists in the persistent, smooth and sustained increase of per-capita income. A market economy shows periods of expanding and contracting economic activity. This phenomenon is the economic cycle. The price of money is the amount of goods bought with one unit of money, in other words, the inverse of the price level. Determination of the price level, or the value of money, is a fascinating subject in a fiat money economy.

This is a new release of the original 1958 edition.

The Economics of InflationA Study of Currency Depreciation in Post-War Germany, 1914-1923

Exploring the characteristics of inflations and comparing historical cases from Roman times up to the modern day, this book provides an in depth discussion of the subject. It analyses the high and moderate inflations caused by the inflationary bias of

Martin Bronfenbrenner in the Journal of Finance had this to say when the book was first released "A thoughtful, scholarly, and systematic treatise on the economics of inflation. If this reviewer were asked to hang a course on inflation theory upon one single text, it would almost certainly be this one." The principal concern of this book is to set out the elements that enter into problems of analyzing inflation. This detailed, readable review of contemporary theory on the problems of inflation fills an important gap in the literature on macro-economics that: 1) assesses the implications of inflationary processes for economic policy; 2) synthesizes a general framework within which to illustrate inflationary processes; 3) reconciles the approaches of "demand inflation" and "cost inflation"; and 4) analyzes the determination and behavior of the general price level in an exchange economy. The first part of the book reviews neo-classical and "Keynesian" type models of the closed macro-economy, analyzes determination of the general price level, and introduces a restatement of conventional employment theory with emphasis on the general price level. The second part considers the problems of price and wage determinations and the demand for money in more detail, synthesizing the analyses into a model of the macro-economy and discussing the implications of this model and the preceding analysis for economic policy. Describing alternative approaches to the theory of inflation, each of which has resulted in partial theories, the book avoids fragmentary explanations by setting the entire discussion in the context of a macro-economic general equilibrium framework. R. J. Ball is professor of economics and econometrics in the London Graduate School of Business Studies. He has been Senior Lecturer at Manchester University, Chairman of the Royal Bank of Canada, Principal of London Business School, and Chairman, Legal and General Group Plc. His main research interest is the formulation and application of macroeconomics policy. He is author of many books and journal publications.