

Name Index

A

Arrow, K.J., 169, 196

B

Baldwin, R.E., 55

Batra, R.N., 153

Bhagwati, J., 56, 67–69, 74, 76, 77, 79, 93, 103,
105, 106, 129, 133

Bickerdike, C.F., 93

Brander, J.A., 170

C

Casas, F.R., 153

Chang, W., 177, 185

Chipman, J.S., 63

Corden, W.M., 76

D

Das, S.P., 175

Diamond, P.A., 57

Dixit, A.K., 74, 145, 146, 150, 151,
170, 187

E

Easton, S.T., 153

Edgeworth, F.Y., 78, 93

Ethier, W.J., vi, 146, 170, 177, 187

F

Ferguson, D.G., 146, 150

G

Gehrels, F., 84

Graham, F., 93

Graham, F.D., 187

H

Hagen, E.E., 93

Helpman, E., vi, 170, 173, 185, 187

I

Inada, K., 71

J

Johnson, H.G., 75, 76, 79

Jones, R.W., vi, 73, 94, 98, 105, 112, 146, 150,
153, 156, 170, 175

K

Kaldor, N., 93

Kemp, M.C., vi, 55, 61, 67, 69, 70, 74, 77, 81,
85, 93, 98, 105, 106, 122, 131, 159, 170

Kennedy, C., 61

Kikuchi, T., 170

Kiyono, K., 182

Knight, F.H., 220

Konishi, H., 182

Kornai, J., 200

Kravis, I.B., 68

Krishna, K., 138

Krishna, P., 163

Krueger, A.O., 69, 72

L

Lancaster, K., 77, 170
 Laurence, C., 170
 Leontief, W.W., 55, 145
 Levinsohn, J., 170
 Lindahl, E., 220
 Lipsey, R.E., 142
 Lipsey, R.G., 77, 84

M

Magee, S.P., 98
 Mankiw, N.G. 182, 204, 206
 Markusen, J.R., 170, 187
 Marshall, A., 106, 197
 Mas-Collel, A., 197, 224
 McKenzie, L.W., vi, 60,
 169, 178
 McMillan, J., 166
 Meade, J.E., 55, 56, 73, 84, 85
 Melvin, L.W., 170, 187
 Metzler, L.A., 101, 102
 Mirrlees, J.A., 57
 Mohring, H., 221, 223
 Mundell, R.A., 73, 79
 Musgrave, R.A., 4, 11
 Mynt, H., 68

N

Negishi, T., 13, 63, 68, 77, 81, 93, 105, 169,
 170, 172, 187
 Nikaido, H.R., 60, 172
 Norman, V., 151, 170, 187

O

Oakland, W.H., 220, 221
 Ohlin, B., 109, 148, 151, 156
 Ohyama, M., 4, 39–51, 77, 80, 159,
 160, 163, 170, 173, 178, 179,
 182, 186, 189
 Okuno-Fujiwara, M., vii
 Osana, H., vii
 Ozga, S.A., 85

P

Phelps, E.S., 51
 Pigou, A.C., 26, 220
 Prebisch, R., 142

R

Ramaswami, V.K., 77, 93, 103, 105, 106
 Robbins, L.C., 196

S

Samuelson, P.A., v, 4, 5, 14, 19, 55, 63, 67–69,
 80, 109, 115, 116, 126, 178, 197, 219,
 224
 Sandmo, A., 220
 Schumpeter, J.A., 18
 Scitovsky, T., 55
 Seade, J.K., 172
 Singer, H.W., 142
 Sonnenschein, H., 69, 72
 Spence, A.M., 138
 Spiller, P.T., 170
 Steiner, P.O., 222, 223
 Stiglitz, J.E., 204
 Strotz, R.H., 221
 Suzuki, K., 153
 Suzumura, K., vii, 182
 Svensson, L.E.O., 146

T

Takayama, A., vi, 177
 Tan, A.H.H., 76
 Tinbergen, J., 88

U

Uzawa, H., vi, 11, 220

V

Vanek, J., 85, 159
 Viner, J., 84, 160, 162
 von Haberler, G., 82, 93

W

Warne, R.R., 170
 Weisbrod, B.A., 210
 Whinston, M.D., 182, 197
 Williamson, O.E., 222, 223
 Woodland, A.D., vii, 145, 146, 150, 170

Z

Zeckhauser, R.J., 210

Subject Index

A

Abenomics, 16, 19
Aggregate consumption function, 6
Antitrust policy, 170, 180–182, 185–187, 189, 200
Arbitrage, 58, 113, 161
Autarky, 59, 68, 149, 187, 188
Autonomous investment, 9
Average cost curve
 marginal cost curve, 184

B

Bagwell-Staiger view of the WTO, 159, 166
Balanced budget multiplier, 10, 11, 13
Box diagram, 115
Bubble, 3, 4, 6

C

Capital rich country
 exporting capital and labor intensive commodity, 145, 146
Capital stock, 6, 11, 13, 14, 16, 19, 26, 46
Cartel, 171–173, 182
Collusion, 170
Comparative advantage, 71, 185
Comparative advantage under factor mobility, 146
Comparative statics, 46, 73, 112, 169, 178, 184
Competition policy, 170, 180, 181, 188
Composite product, 3
Constant returns to scale
 increasing returns to scale, 170

Cournot–Nash equilibrium, 172

Currency devaluation, 109

D

Deep depression, 5, 18, 39
Deflationary gap, 8
Degree of competition, 170, 172, 173, 180, 181, 183–189
Degree of monopoly, 172, 175, 181
Direct investment, 145
Domestic distortion, 77, 79, 93–106, 110, 160

E

Economic aids, 74, 109, 123
Effective demand, 4, 6–8, 13, 18, 39, 42, 44, 48, 207
Elasticity
 income elasticity, 98, 112, 117
 price elasticity, 130, 133, 134, 172, 175, 180
Electric vehicle, 130
Engel curve, 120, 122
Entrepreneurial resources, 145, 180
Entry policy, 171, 180–182, 186
Equivalence theorem
 on tax and deficit financing, 4
 Ricardo-Barro neutrality proposition, 4, 18
Excess demand, 56, 58, 64, 71, 94, 95, 98, 102, 111, 112, 153, 161, 211
Excess entry thesis, 182
Expansion path, v, 12, 14, 18, 48, 49, 171
Expectation

- Expectation (*cont.*)
 adaptive expectation, 32, 34, 35
 rational expectation, 31, 34, 35
 stationary expectation, 30, 31, 34
- External economies, 57, 79, 81, 83, 93, 97, 110, 160, 170, 197, 219, 223
- F**
- Factor market equilibrium, 176
 Factor–reward differentials, 97, 105
 Fiscal discipline, 3
 Fiscal policy, v, 3–5, 8–14, 47, 48, 200
 Flow good, 11
 Full-employment, v, 4–7, 13–15, 18, 19, 37, 42, 45, 48–51, 131, 154
- G**
- GATT
 Article 24 of GATT, 159–166
 general tariff reduction, 160
- General equilibrium, v, vi, 8–14, 18, 41, 46, 55–88, 94, 130, 143, 169–190, 209, 214–219
- General theory, v, vi, 4, 18
- German transfer problem
 additional burden of a transfer, 110
 trade impediment, 109, 110, 115
 transferee, 110, 117, 119, 125
- The Giffen paradox, 106
- Globalization, 30, 31, 86, 87, 159, 160, 212
- Government bond, 3
- Government deficit, 3, 4
- Government expenditure, 3, 5, 7, 10–14, 16, 18, 21, 25, 27, 29, 40, 44, 45, 47–50, 207
- Great depression, 3, 6, 21, 50
- Gross national product, 23, 25, 27, 37
- H**
- Heckscher–Ohlin theorem, 145, 148, 151, 152, 156, 189
- Heckscher–Ohlin–Samuelson (HOS) model, 170, 171, 175, 177
- Homogeneous of degree zero, 177
- Homothetic preferences for commodities, 148
- I**
- Immiserizing growth
 inverse immiserizing growth, 130, 136, 137, 139, 140
- Imperfect competition, vi, 169–171, 180, 184, 187, 189
- Income compensated elasticity, 98, 112, 117
- Income effects, 12, 94, 102, 109, 110, 116, 126, 169
- Increasing returns to scale, 169, 189
- Index
 Laspeyres, 112
 Paache, 112
- Indifference curve
 homothetic, 115, 116
- Industrial concentration, 172, 180, 187
- Industry equilibrium, 171–176, 190
- Innovations, 4, 18, 50, 129–138, 140–143
 cost reducing innovation, 129, 130, 133, 134, 141, 142
 process innovation, 129, 132–134, 141
 product innovation, 129, 130, 134–141
 quality improving innovation, 129, 134–137, 140–142
- International competitiveness, 136
- International factor mobility
 internationally immobile factor, 146, 147, 150
 internationally mobile factor, 146, 147, 152, 156
- Investment multiplier, 10
- K**
- Kemp–Wan theorem, 159, 160, 162–166
- Keynesian Cross, 8
- Keynesian revolution, 3, 39
- L**
- Labor abundant country
 exporting labor and capital intensive commodity, 146
- Labor coefficient, 12, 16, 48
- Labor contract, 6
- Labor service, v, 5, 11, 47, 48, 145
- Leisure, 6, 13, 23, 58, 61
- Lerner's symmetry theorem, 125
- Liquidity trap, v, 4, 5, 42, 51
- Long-term expectation, 6
- Lost two decades, 4, 6
- Lump-sum
 subsidy, 95, 110, 123
 tax, 57, 69, 74, 111, 205, 209, 210
- M**
- The Manoilescu–Hagen case for protection, 105

- Marginal productivity of labor, 23, 27, 35
 Marginal propensity to consume, 43, 99, 112
 Market access
 right, 160, 166
 Market equilibrium, 6, 8, 39, 41, 43
 Market mechanism, 7, 14, 15, 22, 209, 215
 Market structure, 170, 171, 178, 180, 184–186, 188, 189
 Markup ration, 170, 171, 173, 175, 177, 179, 180, 182, 183, 186, 188–190
 Marshall–Lerner expression, 101, 114
 Merger, 170–172, 181
 Metzler condition, 102, 105, 125
 Mixed economies, vi, 12, 15, 19, 196, 207, 209–215
 Mixed system, 3–8, 10–16, 18, 19, 209–225
 2×3 model
 2-commodity, 2-immobile factor, 1-mobile factor, 153–156
 Monetary policy, vi, 5, 18, 25, 27, 37, 40, 49–51
 Money wage rate, 22, 23, 25, 28–29, 31–35
 Multiplier effect, 3, 4, 8, 10
 Multiplier theory, v, 3–8, 10–16, 18, 19
- N**
 National disposable income, 5, 7, 18
 National income, 3, 4, 6, 7, 11–13, 18, 43–46, 48, 51, 151, 153
 National product, 4, 6, 23, 25, 27, 37, 44, 47, 81, 138, 178, 179, 182, 188, 190
 Natural rate of unemployment, 22, 26, 29, 39
 Natural wage rate, 21–37
 Neo-classical synthesis, 14, 19
 Neo-Keynesian synthesis, v, 14–17
n×*m* model
 n-commodity, *m*-immobile factor, 147
 Nominal interest rate, 27, 28, 41, 42, 44, 45, 48, 49, 51
 Numeraire, 149, 175, 214
- O**
 Oil price hike, 21
 Opportunity cost, 5, 13, 18, 98, 103, 106
 Optimal policy mix, 183
 Optimal supply of public goods, 19
 Optimal tariff, 93, 94, 103, 104
- P**
 Pareto optimum, 19, 202
 Partial equilibrium, 46, 143, 169, 182, 195, 223
 Pattern of trade, 71, 151–153, 184, 185
 commodity trade, 145, 146, 151, 152
 factor trade, 145–156
 Perfect competition, 14, 15, 130, 147, 169–171
 Phillips curve, 22, 28–35
 Prebisch–Singer thesis, 142
 Preference for leisure and income, 23
 Price
 consumers' price, 58, 68, 87
 market price, 173, 175, 211, 212, 214
 producers' price, 58, 68
 prohibitive price, 134
 Price-taker, 175, 177, 178, 190, 210
 Price-taking country, 55, 59, 73–76, 79, 80, 82, 83, 87, 88, 188
 Primary product, 134, 142
 Private consumption, 6, 8, 13, 15
 Private good, vi, 3, 5–7, 10–16, 18, 19, 196, 199, 206, 210, 213, 215, 220, 222, 223
 Production frontier, 5, 8, 12–14, 16, 17, 19, 48, 50, 179, 196, 197, 207
 feasibility frontier, 171, 179, 181, 184, 186–188
 possibility frontier, 184
 Propensity to spend, 9
 Public capital stock, 11, 16
 Public finance, 3, 5, 16, 18
 Public good, v, vi, 3–8, 10–16, 18, 19, 44, 47, 48, 50, 199–201, 207, 209, 210, 212, 213, 219–225
 Public investment, 11, 13, 15, 16, 18, 19
 Pure competition, 178
- R**
 Real cash balance, 24, 27
 Real income, 4, 56, 61, 63–65, 78, 84, 86, 93, 94, 97, 99, 102–105, 109–114, 116, 117, 119, 120, 122–126, 161
 Real rate of interest, 6, 24, 30, 51
 Regional free trade agreement, vi
 Remittance, 59, 109
 Reparation, 59, 74, 109
 Representative
 consumer, 40, 131, 143, 181, 182, 199
 worker, 6
 Reservation wage rate of labor, 23, 26, 29
 Resource allocation, 3, 14, 19, 183, 184, 186, 196
 Returns to scale
 constant, 146, 148, 154, 170, 178
 increasing, 169, 189
 Ricardian model, 170, 175
 Rybczynski theorem, 177

S

- Social common capital, 11
- Social indifference curve, 5, 12, 16, 19, 48, 120, 188, 195, 197, 199, 201, 204
- Social utility function, 5, 12, 56, 63
- Social welfare, *v*, 4, 5, 12–14, 19, 48, 49, 63, 203, 207, 215, 217
- Solar generator, 130
- Sovereign risks, 4
- Stability condition, 43, 101, 114, 115, 123
- Stagflation, 21, 22, 33–37
- Stagnation, *v*, 3, 14, 18, 21, 22, 33–37, 50, 51, 130
- Stationary state, 15, 18, 43, 45, 49, 50, 175
- Steady state, 49, 51
- Stolper–Samuelson theorem, 177
- Surplus
 - consumer's, 134, 140, 197
 - producer's, 134, 140

T

- Tariff-import multiplier process, 116, 122
- Tariff reduction
 - preferential (PTR), 166
 - welfare-improving PTR, 165
- Tariff revenue, 67, 74, 79, 80, 106, 110, 113, 116, 117, 119, 120, 122, 126, 162, 165, 166
- Tax
 - ad valorem* tax, 58, 175
 - revenue, 8, 10, 24, 25, 40, 46
 - specific tax, 211
- Taxation, 4, 5, 11, 207
- Terms of trade
 - deterioration, 78, 112, 133, 140, 142, 164, 165
 - improvement, 66, 69–72, 124, 125, 138, 165, 189

Tied transfer, 110, 123–127

Trade

- horizontal, 142
- vertical, 142
- Trade equilibrium, 55, 94–97, 110, 112, 132, 185, 187
- Trade surplus, 109, 112, 116
- Transfer problem
 - transfer payment, 112–115, 120, 126
- Transferee, 127
- Trust, 198

U

- Underemployment equilibrium, 18
- Unemployment, 3, 6, 8, 11, 12, 14, 18, 21–37, 44, 46–51
 - insurance, 23, 26, 37
 - involuntary, 6, 18, 22, 23, 33, 37, 207
 - voluntary, 22
- Utility function
 - quasi-concave, 212
 - quasi-linear, 131, 143, 182
 - strictly quasi-concave, 212

W**Wage**

- contract wage, 6, 10, 14
- explosion, 21, 35
- reservation wage, 6, 8, 26
- Welfare comparison of different situation, 64
- Welfare economics, 4, 14, 41, 68, 160, 197, 209
- Work (income)-sharing, 11, 18
- World Trade Organization (WTO), *vi*, 159, 160, 166