CONTENTS

Foreword by Henry Kaufman vii

Preface and Acknowledgments to the First Edition by Hyman P. Minsky ix

Minsky's Stabilizing an Unstable Economy: Two Decades Later by Dimitri B. Papadimitriou and L. Randall Wray xi

PART 1: INTRODUCTION 1

1. ECONOMIC PROCESSES, BEHAVIOR, AND POLICY 3

PART 2: ECONOMIC EXPERIENCE 13

2. A DEEP RECESSION BUT NOT A DEPRESSION IN 1975: THE IMPACT OF BIG GOVERNMENT 15

3. A DEEP RECESSION BUT NOT A DEPRESSION IN 1975: THE IMPACT OF LENDER-OF-LAST-RESORT INTERVENTION 43

4. THE EMERGENCE OF FINANCIAL INSTABILITY IN THE POSTWAR ERA 77

PART 3: ECONOMIC THEORY 107

5. PERSPECTIVES ON THEORY 109

6. THE CURRENT STANDARD THEORY: THE AFTER-KEYNES SYNTHESIS 129

7. PRICES AND PROFITS IN A CAPITALIST ECONOMY 157
8. INVESTMENT AND FINANCE 191
9. FINANCIAL COMMITMENTS AND INSTABILITY 219

PART 4: INSTITUTIONAL DYNAMICS 247
10. BANKING IN A CAPITALIST ECONOMY 249
11. INFLATION 283

PART 5: POLICY 317
12. INTRODUCTION TO POLICY 319
13. AN AGENDA FOR REFORM 327

APPENDIX A: FINANCING STRUCTURES 371
APPENDIX B: CONSUMER PRICES AND REAL WAGES 381

Index 385