

Contents

| | |
|--|----------------|
| <i>Translators' introduction</i> | <i>page</i> ix |
| <i>Preface to the second edition</i> | III |
| PART I OBJECT AND DIVISIONS OF ECONOMICS | |
| Lesson 1 Adam Smith's and J.-B. Say's definitions | 3 |
| Lesson 2 Distinction between science, the arts, and ethics | 11 |
| Lesson 3 Social wealth. Triple consequences of scarcity. The fact of value in exchange and of economic theory | 20 |
| Lesson 4 The fact of industry and applied economics. The fact of property and social economics | 29 |
| PART II THEORY OF EXCHANGE | |
| Lesson 5 The market and competition. The problem of the exchange of two commodities for each other | 41 |
| Lesson 6 Curves of effective demand and effective supply | 52 |
| Lesson 7 Discussion of the solution of the problem of exchange of two commodities for each other | 68 |
| Lesson 8 Utility or want curves. The theorem of maximum satisfaction | 77 |
| Lesson 9 Discussion of demand curves. General formula for the mathematical solution of the problem of exchange of two commodities for each other | 97 |
| Lesson 10 Rareté, or the cause of value in exchange | 110 |

| | | |
|--|---|-----|
| Lesson 11 | The problem of the exchange of several commodities for one another. Theorem of general equilibrium | 118 |
| Lesson 12 | General formula of the mathematical solution of the problem of the exchange of several commodities for one another. Law of the determination of the prices of the commodities | 132 |
| Lesson 13 | Law of the variation of the prices of the commodities | 145 |
| Lesson 14 | Theorem of equivalent redistributions. Choice of a standard of measurement and of a medium of exchange | 156 |
| Lesson 15 | Purchase curves and sales curves. Price curves | 169 |
| Lesson 16 | Exposition and refutation of Adam Smith's and J.-B. Say's doctrines of the origin of value in exchange | 179 |
| PART III THEORY OF PRODUCTION | | |
| Lesson 17 | Capital and income. The three services | 191 |
| Lesson 18 | Elements and mechanism of production | 201 |
| Lesson 19 | The entrepreneur. Business accounting and inventory | 211 |
| Lesson 20 | Equations of production | 222 |
| Lesson 21 | Solution of the equations of production. Law of the determination of the prices of products and services | 231 |
| Lesson 22 | The principle of free competition. Law of the variation of the prices of products and services. Price curves | 247 |
| PART IV THEORY OF CAPITAL FORMATION AND CREDIT | | |
| Lesson 23 | Gross and net income. The rate of net income. The excess of income over consumption | 259 |
| Lesson 24 | Equations of capital formation and credit | 273 |
| Lesson 25 | Solution of the equations of capital formation and credit. Law of the determination of the rate of net income | 281 |

| <i>Contents</i> | vii |
|--|-----|
| Lesson 26 Theorem of the maximum utility of new capital goods. Law of the variation of the rate of net income | 297 |
| Lesson 27 Laws of the determination and variation of the prices of capital goods. The permanent market | 310 |
| Lesson 28 Increase of the quantity of products. Laws of the general variation of prices in a progressive society | 319 |
| Lesson 29 Critique of the doctrine of the Physiocrats | 331 |
| Lesson 30 Exposition and refutation of the English theory of the prices of products | 337 |
| Lesson 31 Exposition and refutation of the English theory of rent | 345 |
| Lesson 32 Exposition and refutation of the English theories of wages and interest | 362 |
| PART V THEORY OF MONEY | |
| Lesson 33 The problem of the value of money | 377 |
| Lesson 34 Mathematical theory of bimetallism | 390 |
| Lesson 35 Relative stability of the value of the bimetallic standard | 405 |
| Lesson 36 Fiduciary money and offsetting claims. Foreign exchange | 420 |
| PART VI PRICE FIXING, MONOPOLY, AND TAXATION | |
| Lesson 37 Price fixing and monopoly | 437 |
| Lesson 38 Taxation | 455 |
| APPENDIXES | |
| <i>Appendix I Geometrical theory of the determination of prices</i> | |
| I. The exchange of several commodities for one another | 469 |
| II. The exchange of products and services for one another | 480 |
| III. The exchange of savings for new capital goods | 489 |
| <i>Appendix II Observations on the principle of Messrs. Auspitz's and Lieben's theory of prices</i> | 495 |
| <i>Appendix III Note on Mr. Wicksteed's refutation of the English theory of rent</i> | 501 |
| <i>Index</i> | 511 |