

Contents

PREFACE	vii
PART I. DEFINITIONS	
I The Meaning of a Country's Balance of Payments	3
II The International Consistency of Balance-of-Payments Definitions	18
III National Income, Domestic Expenditure, and the Balance of Trade	29
PART II. THE NEUTRAL ECONOMY	
IV Spontaneous Disturbances and the Neutral Economy	43
V The Income Effects of a Spontaneous Change in Domestic Expenditure	52
VI The Price Effects of a Spontaneous Change in Domestic Expenditure	65
VII The Effects of Other Spontaneous Changes	82
PART III. FINANCIAL POLICY	
VIII The Meaning of Fiscal and Monetary Policy and of Internal and External Balance	99
IX Financial Policy for Internal and External Balance	108
X Conflicts between Internal and External Balance	114
NOTE TO PARTS II AND III. Some Examples of International-Trade Multipliers	125
PART IV. PRICE ADJUSTMENTS	
XI Price Adjustments as a Means of Policy	151
XII External Balance through Variable Exchange Rates	163
XIII Internal Balance through Wage Flexibility	171
XIV The Gold Standard	178
XV The Operation of the Gold Standard and of Variable Exchange Rates Compared	190
XVI <i>The Conditions Necessary for Effective Price Adjust-</i> <i>ments</i>	201
XVII The Rôle of Speculation	218
XVIII Foreign-Trade and Home-Trade Products	232
XIX Inter-regional and International Adjustments Com- pared	251

PART V. DIRECT CONTROLS

XX	Types of Direct Control: Financial Controls	263
XXI	Types of Direct Control: Commercial Controls	276
XXII	The Control of Capital Movements	290
XXIII	The Control of Imports and Exports	304
XXIV	Direct Controls, Price Adjustment, and Economic Welfare	323

PART VI. THE NETWORK OF WORLD PAYMENTS

XXV	Payments between Many Countries	333
XXVI	Multilateral Income Effects	345
XXVII	Multilateral Price Adjustments	357
XXVIII	The Meaning and Purpose of Discrimination	378
XXIX	The Methods of Discrimination	386
XXX	The Use of Discriminatory and Non-Discriminatory Controls	401
XXXI	Discrimination and Economic Welfare: Conclusion	420
	Index	426