# ECONOMICS FOR POLICYMAKING 

Selected Essays of Arthur M. Okun

Edited by<br>Joseph A. Pechman

## Contents

| Editor's Preface vii | Rational-Expectations-with- |
| :---: | :---: |
|  | Misperceptions as a Theory of the |
|  | Business Cycle |
| 1 | 131 |
| Inflation: Causes and Cures | ~ |
|  | III |
| Inflation: The Problems and Prospects before Us 3 | Output, Employment, and |
|  | Unemployment |
|  |  |
|  | Potential GNP: Its Measurement and |
| The Mirage of Steady Inflation 35 | Significance |
|  | 145 |
|  | r. |
| The Great Stagflation Swamp 49 | The Role of Aggregate Demand in |
|  | Alleviating Unemployment |
|  | 159 |
| Wage-Price Guideposts-Yes |  |
| 63 | Upward Mobility in a |
|  | High-Pressure Economy |
| A Reward TIP 67 | 171 |
|  |  |
|  | Conflicting National Goals |
| II | 221 |
| Implicit Contracts |  |
| Inflation: Its Mechanics and Welfare Costs$79$ | IV |
|  | Fiscal and Monetary Policy |
|  | Fiscal and Monetary Policy |
|  | Monetary Pólicy, Debt Management and Interest Rates: A Quantitative |
| The Invisible Handshake and the Inflationary Process | Appraisal |
|  | 253 |


| The Full Employment Surplus | On the Appraisal of Cyclical |
| :---: | :---: |
| Revisited | Turning-Point Predictors |
| 304 | 525 |
| The Personal Tax Surcharge and | The Predictive Value of Surveys of |
| Consumer Demand, 1968-70 | Business Intentions |
| 338 | 553 |
| Rules and Roles for Fiscal and | Uses of Models for Policy |
| Monetary Policy | Formulation |
| 375 | 562 |
| V | VII |
| Economic Performance, | Economic Policy Formulation |
| 1960-1980 |  |
|  | The Economist and Presidential |
| Measuring the Impact of the 1964 | Leadership |
| Tax Reduction | 577 |
| 405 | - |
|  | The Formulation of National |
| Achieving Sustained Prosperity | Economic Policy |
| 424 | 584 |
| Political Economy: Some Lessons of | VIII |
| Recent Experience | Equality and Efficiency |
| 450 |  |
|  | Equal Rights but Unequal Incomes |
| The Conduct of Monetary Policy 471 | 595 |
|  | Further Thoughts on Equality and |
| A Postmortem of the 1974 | Efficiency |
| Recession | 606 |
| 482 |  |
|  | Our Blend of Democracy and |
| Postwar Macroeconomics: The | Capitalism: It Works, but Is in Danger |
| Evolution of Events and Ideas | 632 ( |
| 496 |  |
|  | Bibliography of Arthur M. Okun |
| VI | 645 |
| Economic Forecasting |  |
|  | Permissions |
| A Review of Some Economic | 653 |
| Forecasts for 1955-57 |  |
| 507 | Index |
|  | 657 |

