

Macroeconomics

for Emerging East Asia

Calla Wiemer

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10. Business Cycles

A. Early Thinking on Business Cycles

Features of the business cycle

Mills vs Pigou

Austrians vs Keynesians

B. The Neoclassical Synthesis and Its Demise

The Phillips Curve

The natural rate of unemployment

C. Exogenous Shock Theories

Rational Expectations

Real Business Cycle Theory

New Keynesian Economics

Self-fulfilling expectations & path indeterminacy

D. Minsky's Endogenous Cycle Theory

Robust vs fragile finance

Financial instability hypothesis

Government intervention averts disaster but sows inflation & perpetuates fragility

America's 2008 Minsky moment

E. The Philippine Experience

Minsky moment of the 1980s

Later cycles

F. Interplay between Shocks and Fragility

Data Note

Bibliographic Note

Bibliographic Citations

Acknowledgement

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