



Origins

Main Divisions

Three Schools of Thought

Contemporary Variants

Policy Outcomes

Economic Schools of Thought

Political Orientation

Economic Orientation

Institutionalization

Classicals, 1700s

Marx

British Classicals, Smith, Ricardo, Mill

Marshall, Microeconomics

Stagnationists

Hayek Austrians

Fisher Role of Interest Rate in Balancing Savings and Investment

Rational Expectations

Milton Friedman, Monetary Policy Highly Effective

Post Keynesians

Keynes

Stabilization Possible

Income Disparities need to be corrected or instability occurs

Discretionary Government Policy Effective

Government policy ineffective

Taylor and Technocratic policy rules effective

Capitalism Doomed

Capitalism Self-Correcting

Market Failure, Instability

Markets, Price Movements Create Stability

Business Cycle reflects new discovery, creative destruction