5-30-1949

Handwritten Notes for Minsky's PhD Thesis with no title, Dynamics Theory

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Hiatt in Dynamic

There be way of two large aggregates. The aspect of offsetting savings = to increasing productive cap. e.g. all that which effectively offsets savings so that new function C-Y position of Y is maintained (or increased) does not increase

Y by I σ of Dma

Dynamical investment ≠ Statical investment in quantity

Full Employment:

1) pressure of demand upon supply necessary.

2) Bottlenecks phenomena as a desirable thing

need to look for crises phenomena independently of accelerator

use the relative rate of innovati + gross investment

~~w/ ee~~ Grossinvestment as rate of introduction of innovation.

net investment as offsets to savings

Ersleep fundamental equation

$$\frac{\Delta I}{I} = \alpha\,\sigma$$

where α is 1/3 to 1/4 of

total α then:

$\alpha\sigma = 1\ 2$ or so

this makes

Y - household C ≠ S such that for I a group of offsets to Y-household C which do not affect stream of income as I does

$\frac{1}{\frac{\partial S}{\partial Y}} = \alpha k$

e.g. $\frac{\partial S}{\partial Y} = \alpha$

$C = u(Y)$

$\Delta Y \approx C + \Delta C$

$= \sum_j \left(\sum_i C_{ij} + \Delta C_j \right)$ i = goods. j = people.

$$k = \frac{1}{1 - \frac{\sum_j \sum_i \Delta C_{ij}}{\Delta Y}}$$

$j : \Delta y_j = \Delta s + \sum \Delta c_i$

$\frac{\left(\sum_j \Delta C_{ij} \right)_{j=\alpha}}{\Delta Y} \neq \sum \Delta C_{ij} \; j = \beta$

$\Delta C_i \underset{i=\alpha}{\text{all } j} \neq \sum C_j \underset{C=\beta}{\text{all } j}$

To discuss: compensating variation where ~~all the~~ commodities are

"important"