

RONALD COASE

www.Padasalai.Net

- Transaction Cost
- Coase Theorem
- Coase Conjecture


Born	December 29, 1910
Died	September 2, 2013
Nationality	British
Notable Work	The Nature of the Firm (1937)
School of Economic Thought	Institutional Economics

“Economics, over the years, has become more and more abstract and divorced from events in the real world.”

ECONOMIC PRINCIPLES



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DAVID RICARDO

www.Padasalai.Net

Born	April 18, 1772
Died	September 11, 1823
Nationality	British
Magnum Opus	Principles of Political Economy and Taxation (1817)
School of Economic Thought	Classical Economics

- ✓ Comparative Advantage
- ✓ Labor Theory of Value
- ✓ Ricardian Equivalence
- ✓ Law of Diminishing Returns
- ✓ Economic Rent

ECONOMIC PRINCIPLES

“Nothing contributes so much to the prosperity and happiness of a country as high profits.”



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THOMAS MALTHUS

www.Padasalai.Net

- Malthusian Growth
- Malthusian Catastrophe

Born	February 1766
Died	December 23, 1834
Nationality	English
Magnum Opus	An Essay on the Principle of Population (1798)
School of Economic Thought	Classical Economics

“The power of population is indefinitely greater than the power in the earth to produce subsistence for man.”

ECONOMIC PRINCIPLES



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WILLIAM PHILLIPS

www.Padasalai.Net

Born	November 1914
Died	March 1975
Nationality	New Zealander
Magnum Opus	
School of Economic Thought	Neo-Keynesian Economics


Phillips curve

ECONOMIC PRINCIPLE

“ I don't want to deal with any more hurricanes. I'd rather take an earthquake or a tornado. ”



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VILFREDO PARITO

www.Padasalai.Net

Born	July 1848
Died	August 1923
Nationality	Italian
Magnum Opus	Manual of Political Economy (1906)
School of Economic Thought	Neoclassical Economics Lausanne School

- Pareto Efficiency
- Pareto Principle
- Pareto Index
- Pareto Distribution

ECONOMIC PRINCIPLES

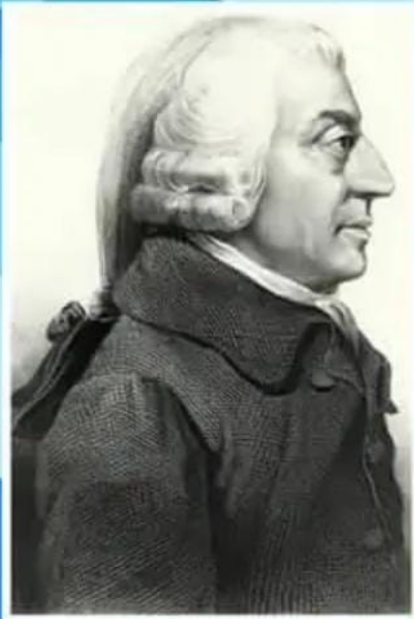
“For many events, roughly 80% of the effects come from 20% of the causes.”



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ADAM SMITH

"The Father of Economics"

www.Padasalai.Net

Born	June 16, 1723
Died	July 17, 1790
Nationality	Scottish
Magnum Opus	The Wealth of Nations (1776)
School of Economic Thought	Classical Economics

- ✓ Absolute Advantage
- ✓ Modern Free Market
- ✓ Division of Labor
- ✓ The Invisible Hand
- ✓ Paradox of Value

ECONOMIC PRINCIPLES

“It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.”



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PAUL KRUGMAN

www.Padasalai.Net

Born	February 28, 1953
Nationality	American
Published Work	Spatial Economy – Cities, Regions and International Trade (1999)
School of Economic Thought	Keynesian Economics

- ✓ New Trade Theory
- ✓ Economic Geography

ECONOMIC PRINCIPLES

“ I believe in a relatively equal society, supported by institutions that limit extremes of wealth and poverty. I believe in democracy, civil liberties, and the rule of law. That makes me a liberal, and I'm proud of it. ”



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VILFREDO PARETO

www.Padasalai.Net

Born	July 1848
Died	August 1923
Nationality	Italian
Magnum Opus	Manual of Political Economy (1906)
School of Economic Thought	Neoclassical Economics Lausanne School


- ✓ Pareto Efficiency
- ✓ Pareto Principle
- ✓ Pareto Index
- ✓ Pareto Distribution

ECONOMIC PRINCIPLES

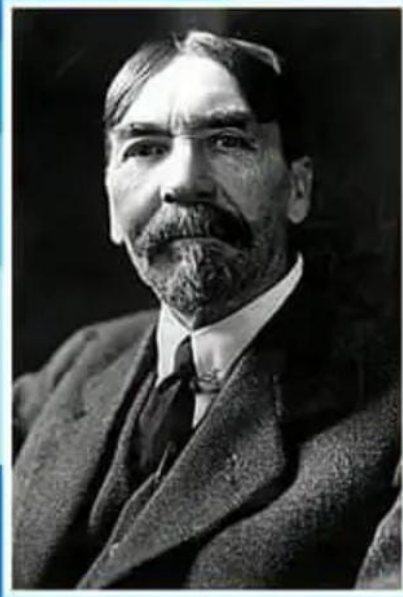
“For many events, roughly 80% of the effects come from 20% of the causes.”



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THORSTEIN VEBLEN

www.Padasalai.Net

Born	July 30, 1857
Died	August 3, 1929
Nationality	American
PUBLICATION	The Theory of the Leisure Class (1899)
School of Economic Thought	Institutional Economics


- Conspicuous Consumption
- Veblen Good
- Conspicuous Leisure

ECONOMIC PRINCIPLES

“Conspicuous consumption of valuable goods is a means of reputability to the gentleman of leisure.”



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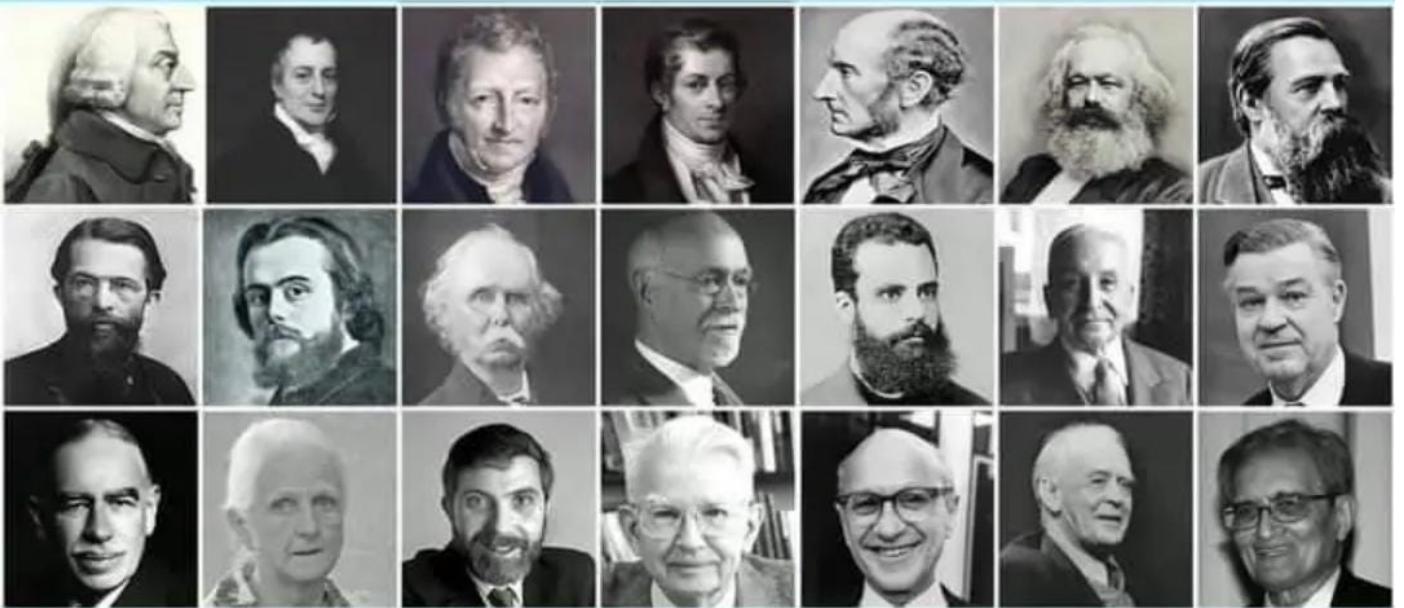
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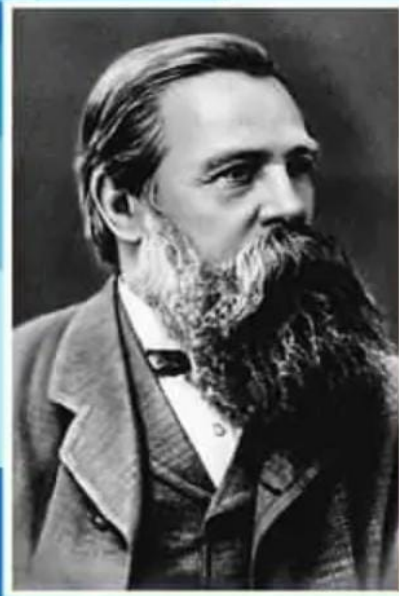


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NOTABLE ECONOMISTS

of the World





FRIEDRICH ENGELS

www.Padasalai.Net

Born	November 28, 1820
Died	August 5, 1895
Nationality	German
Magnum Opus	The Condition of the Working Class in England (1845)
School of Economic Thought	Marxism

Alienation of Workers

“
An ounce of action is worth a ton of theory.
”

ECONOMIC PRINCIPLES



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FRIEDRICH HAYEK

www.Padasalai.Net

Born	May 8, 1899
Died	March 23, 1992
Nationality	Austrian-British
Notable Work	Individualism and Economic Order (1948)
School of Economic Thought	Austrian School of Economics

- ✓ Price Signal
- ✓ Austrian Theory of Business Cycle

ECONOMIC PRINCIPLES

“We must face the fact that the preservation of individual freedom is incompatible with a full satisfaction of our views of distributive justice.”



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LUDWIG VON MISES

www.Padasalai.Net

Born	September 1881
Died	October 10, 1973
Nationality	Austrian
Publication	The Theory of Money and Credit (1912)
School of Economic Thought	Austrian School of Economics


- Economic Calculation Problem
- Austrian Business cycle Theory

ECONOMIC PRINCIPLES

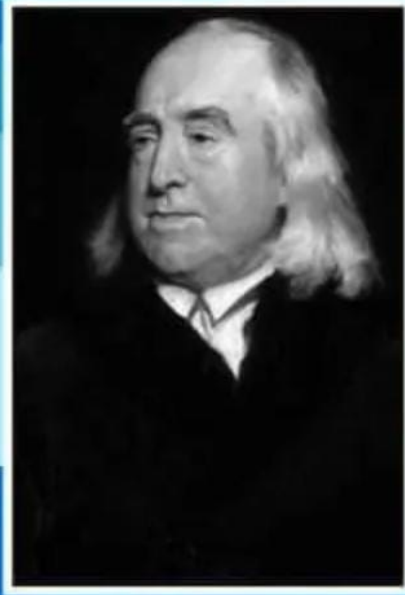
“All rational action is in the first place individual action. Only the individual thinks. Only the individual reasons. Only the individual acts.”



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JEREMY BENTHAM

www.Padasalai.Net

Born	February 15, 1748
Died	June 6, 1832
Nationality	English
Magnum Opus	Principles of Political Economy and Taxation (1817)
School of Economic Thought	Utilitarianism


Utility or Greatest Happiness Principle

ECONOMIC PRINCIPLES

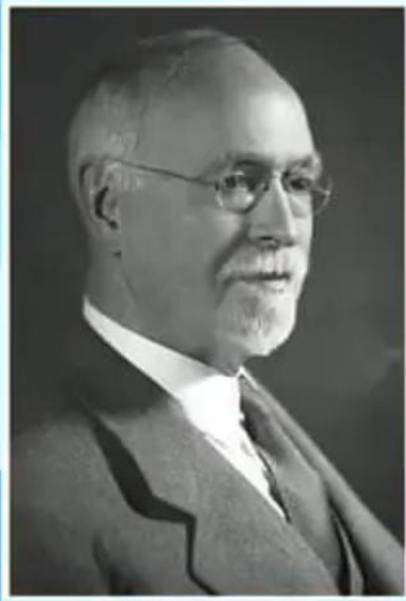
“The said truth is that it is the greatest happiness of the greatest number that is the measure of right and wrong.”



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IRVING FISHER

www.Padasalai.Net

Born	February 27, 1867
Died	April 29, 1947
Nationality	American
Magnum Opus	Mathematical Investigations in the Theory of Value and Price (1892)
School of Economic Thought	Neoclassical Economics


- ✓ Fisher Equation
- ✓ Price Index
- ✓ Equation of Exchange
- ✓ Debt Deflation
- ✓ Money Illusion

ECONOMIC PRINCIPLES

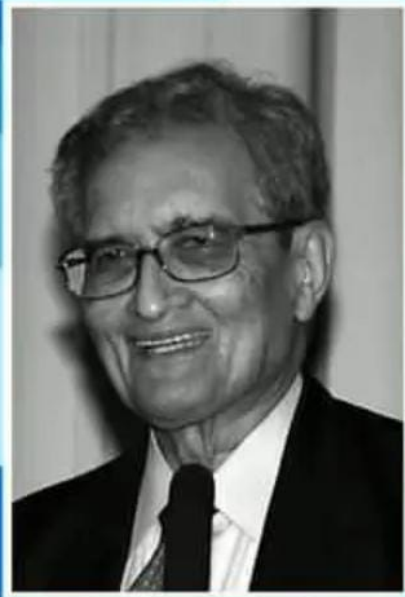
“The rate of interest acts as a link between income-value and capital-value.”



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AMARTYA SEN

www.Padasalai.Net

Human Development Theory


Born	November 3, 1933
Nationality	Indian
Publication	Thoice of Techniques: An Aspect of the Theory of Planned Economic Development (1960)
School of Economic Thought	Welfare Economics

“The identity of an individual is essentially a function of her choices, rather than the discovery of an immutable attribute.”

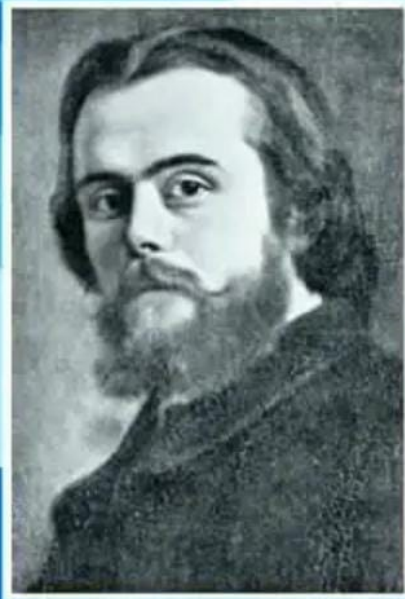
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LEON WALRAS

"Father of the General Equilibrium Theory"

www.Padasalai.Net

Born	December 16, 1834
Died	January 5, 1910
Nationality	French
Magnum Opus	Elements of Pure Economics (1874)
School of Economic Thought	Lausanne School Marginalism

- General Equilibrium
Supply equals Demand
- Walrasian auction

ECONOMIC PRINCIPLES

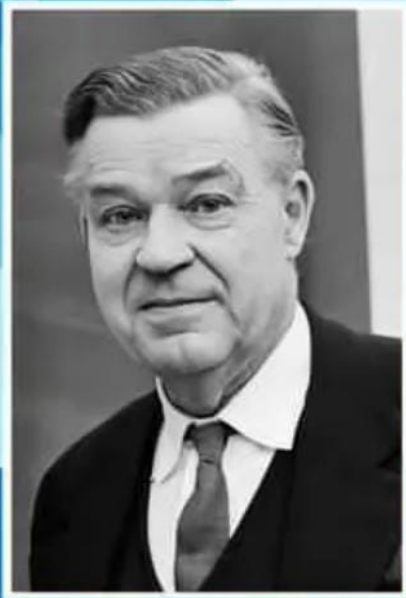
“I say that things are useful whenever they can be put to any use at all; whenever they are seen to be capable of satisfying a want.”



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GUNNAR MYRDAL

www.Padasalai.Net

Born	December 1898
Died	May 1987
Nationality	Swedish
Publication	The Political Element in the Development of Economic Theory (1930)
School of Economic Thought	Institutional Economics

Circular Cumulative Causation

ECONOMIC PRINCIPLES

“
In society, liberty for one may mean the suppression of liberty for others.
”



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JEAN-BAPTISTE SAY

www.Padasalai.Net

Born	January 5, 1767
Died	November 15, 1832
Nationality	French
Magnum Opus	A Treatise on Political Economy (1803)
School of Economic Thought	Classical Economics


- ✓ Say's Law or Law of Markets
"Supply creates its own demand"
- ✓ Entrepreneurship

"The entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield."

ECONOMIC PRINCIPLES



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ALFRED MARSHALL

"Founder of Neoclassical Economics"

www.Padasalai.Net

Born	July 26, 1842
Died	July 1924
Nationality	British
Magnum Opus	Principles Economics (1890)
School of Economic Thought	Neoclassical Economics


- ✓ Supply and Demand
- ✓ Costs of Production
- ✓ Economies of Scale

ECONOMIC PRINCIPLES

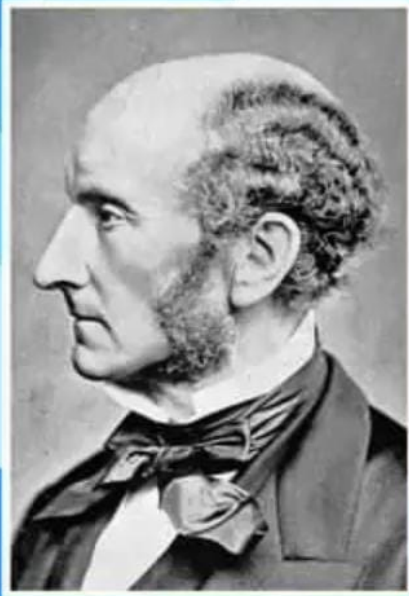
“All wealth consists of desirable things; that is, things which satisfy human wants directly or indirectly: but not all desirable things are reckoned as wealth.”



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JAMES STUART MILL

www.Padasalai.Net

Born	May 20, 1806
Died	May 7, 1873
Nationality	English
Magnum Opus	Principles of Political Economy (1848)
School of Economic Thought	Classical Economics

Hierarchy of pleasures in Utilitarianism

ECONOMIC PRINCIPLES

“ I have learned to seek my happiness by limiting my desires, rather than in attempting to satisfy them. ”



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PAUL SAMUELSON

www.Padasalai.Net

Born	May 15, 1915
Died	December 13, 2009
Nationality	American
Publication	Economics (1948)
School of Economic Thought	Neo-Keynesian Economics

Revealed Preference

ECONOMIC PRINCIPLES

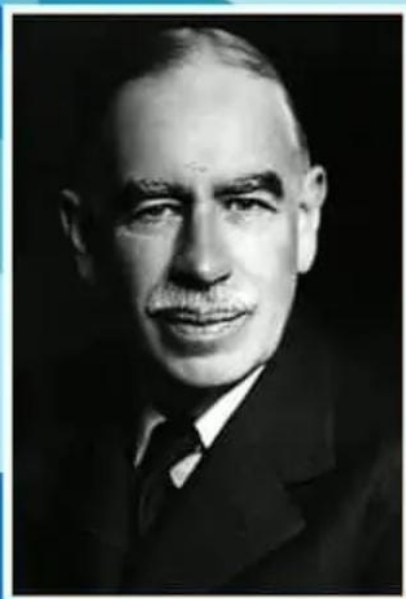
“
Every good cause is worth some
inefficiency.
”



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JOHN MAYNARD KEYNES

“Founding Father of Macroeconomics”

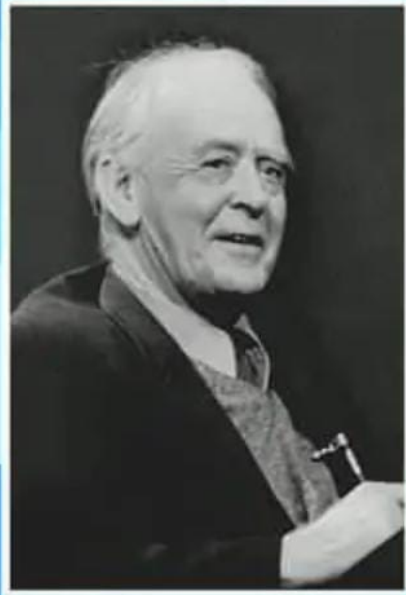
Born	June 5, 1883
Died	April 21, 1946
Nationality	British
Magnum Opus	The General Theory of Employment, Interest and Money (1936)
School of Economic Thought	Keynesian Economics

- ✓ AD-AS Model
- ✓ Liquidity Preference
- ✓ Spending Multiplier
- ✓ Macroeconomics

ECONOMIC PRINCIPLES

“The difficulty lies, not in the new ideas, but in escaping from the old ones.”





JOHN HICKS

www.Padasalai.Net

Born	April 8, 1904
Died	May 1989
Nationality	British
Publication	The Theory of Wages (1932)
School of Economic Thought	Neo-Keynesian Economics

- IS-LM model
- Induced Innovation

ECONOMIC PRINCIPLES

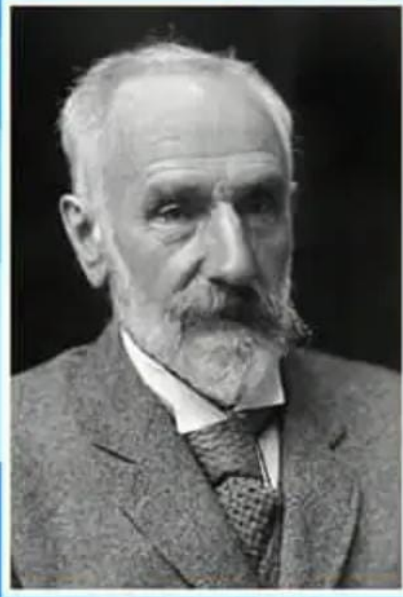
“
The best of all monopoly profits
is a quiet life.
”



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FRANCIS YSIDRO EDGEWORTH

www.Padasalai.Net

Born	February 8, 1845
Died	September 11, 1823
Nationality	Irish
Magnum Opus	Mathematical Physics (1881)
School of Economic Thought	Neoclassical Economics

- ✓ Edgeworth Box
- ✓ Indifference Curve
- ✓ Edgeworth's Limit Theorem

ECONOMIC PRINCIPLES

“Economic controversy is generally a thankless task. You cannot hope to make any impression on your opponent. Yet he is the only reader on whose interest you can count.”



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WILLIAM STANLEY JEVONS

www.Padasalai.Net

Born	September 1, 1835
Died	August 13, 1882
Nationality	British
Magnum Opus	The Theory of Political Economy (1871)
School of Economic Thought	


- ✓ Marginal utility theory
- ✓ Jevons Paradox

ECONOMIC PRINCIPLES

“Pleasure and pain are undoubtedly the ultimate objects of the calculus of economics. To satisfy our wants to the utmost with the least effort - to procure the greatest amount of what is desirable at the expense of the least that is undesirable - in other words, to maximize pleasure, is the problem of economics.”



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CARL MENGER

"Father of the Austrian School of Economic Thought"

www.Padasalai.Net

Born	February 23, 1840
Died	February 26, 1921
Nationality	Austrian
Magnum Opus	Principles of Economics (1871)
School of Economic Thought	Austrian School

Marginal Utility

ECONOMIC PRINCIPLES

“
Man himself is the beginning
and the end of every economy.
”



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FREDERIC BASTIAT

www.Padasalai.Net

Born	June 30, 1801
Died	December 24, 1850
Nationality	French
Magnum Opus	Economic Harmonies (1850)
School of Economic Thought	Classical Economics


- ✓ Opportunity Cost
- ✓ Parable of the Broken Window

ECONOMIC PRINCIPLES

“Everyone wants to live at the expense of the state. They forget that the state wants to live at the expense of everyone.”



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ALFRED MARSHALL

"Founder of Neoclassical Economics"

www.Padasalai.Net

- ✓ Supply and Demand
- ✓ Costs of Production
- ✓ Economies of Scale

Born	July 26, 1842
Died	July 1924
Nationality	British
Magnum Opus	Principles Economics (1890)
School of Economic Thought	Neoclassical Economics

"All wealth consists of desirable things; that is, things which satisfy human wants directly or indirectly: but not all desirable things are reckoned as wealth."

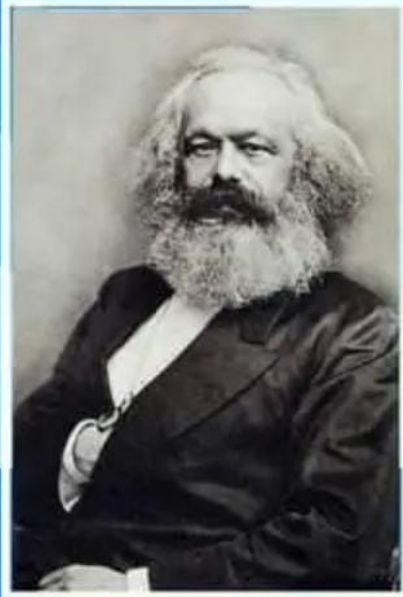
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KARL MARX

www.Padasalai.Net

Born	May 5, 1818
Died	March 14, 1883
Nationality	German
Magnum Opus	Das Kapital (1867–1883)
School of Economic Thought	Marxism

- ✓ Surplus Value
- ✓ Labor Theory of Value

“From each according to his abilities, to each according to his needs.”

ECONOMIC PRINCIPLES



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MILTON FRIEDMAN

www.Padasalai.Net

Born	July 31, 1912
Died	November 16, 2006
Nationality	American
Publication	Capitalism and Freedom (1962)
School of Economic Thought	Chicago School

- Monetarism
- Permanent Income Hypothesis
- Natural Rate of Unemployment
- Helicopter money

ECONOMIC PRINCIPLES

“One of the great mistakes is to judge policies and programs by their intentions rather than their results”



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