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MONEY AND PRICES

An integration of monetary and value theory

by

Milind Desai

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Advisory committee:
Prof. Dr. Rajas Parchure, Chair
Prof. Dr. Romar Correa
Shri. Rupayan Pal

Abstract:

The basic aim of this thesis is to provide a concise integration of monetary and value theory. The classical and the neoclassical strands of the literature present this picture in their own constructs and their relative failures provides the motivation for this work. We deviate from the mainstream idea of utility and general equilibrium frameworks as one of the basic assumption on which the general equilibrium framework rests is perfect substitutability between all the commodities in the economy which we feel is highly restrictive an assumption. We draw heavily on the work initiated by Piero Sraffa in 1926 and onwards. We hope to provide a simplified synthesis of the theory of money and value.

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