

# Grasping Reality with Both Hands

The weblog  
of Brad DeLong. Since 1999.  
Comments (mostly) welcome.  
Or email me at [delong@hey.com](mailto:delong@hey.com) with "delong-weblog" as the subject.  
RSS feed.  
Also on twitter @delong.

## Macroeconomics for Beginners | Optional Lecture

The “general glut”: What people used to talk about, instead of recession and depressions. It focuses on what is going on: excess supply in pretty much all of the markets. Back Up to 1803: Jean-Baptiste Say argued back then that a “general glut” was a metaphysical impossibility: “If certain goods remain unsold, it is because other goods are not produced; and that it is production alone which opens markets to produce.... Whenever there is a glut, a superabundance, [an excess supply] of several sorts of merchandize, it is because other articles [in excess demand] are not produced in sufficient quantities...” By 1830 Say had changed his mind...

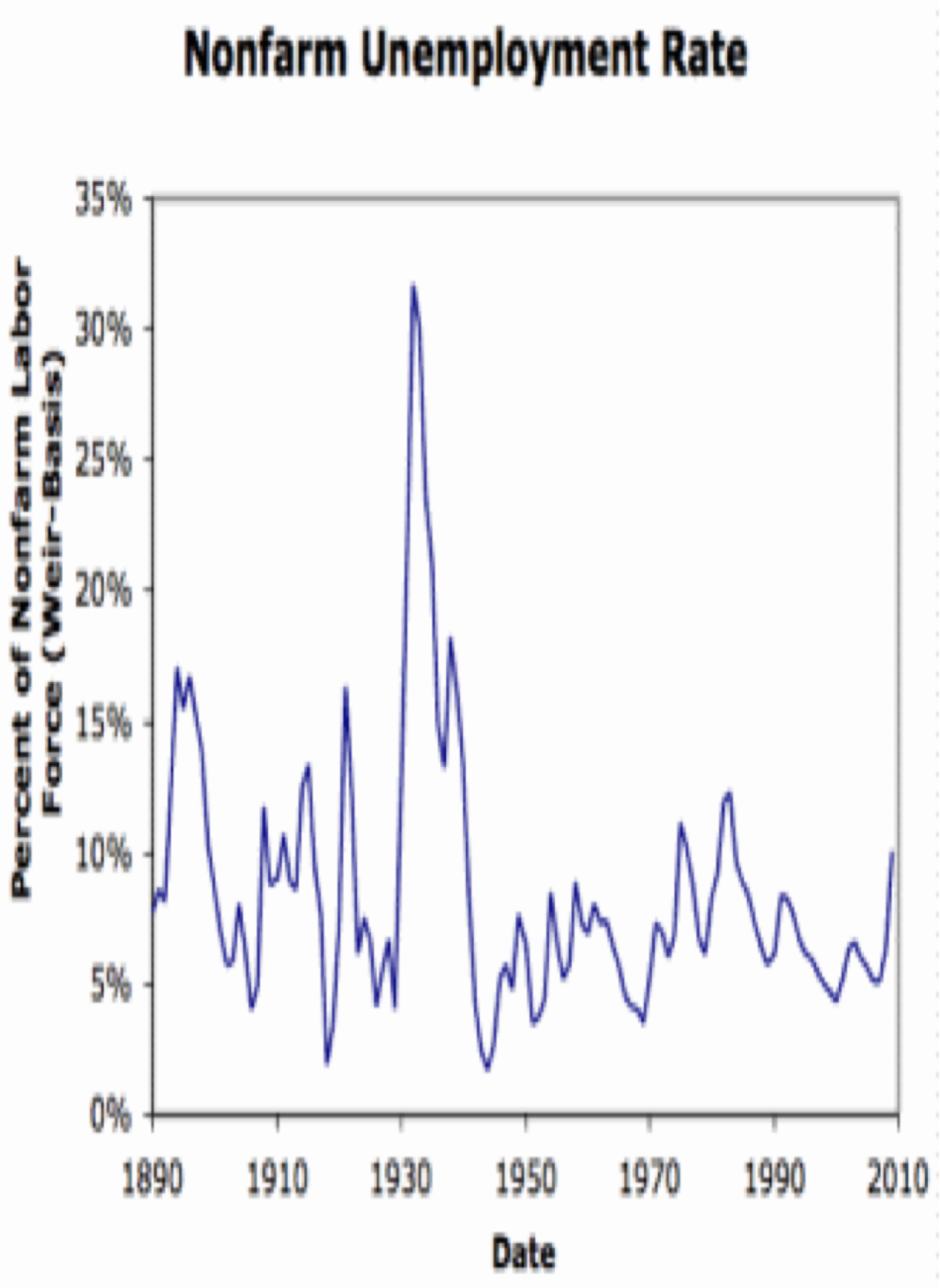
## Lecture: 5.3.O.1 Macroeconomics for Beginners

### The Polanyian Perplex:

- Market validates property rights—that is what a market economy is: the ownership, production, and exchange o commodities.
- “commodities” are properly pushed to their most valuable use by market forces, and it is right and proper that each use of them must pass a profitability test...
- But people want stable employment—and the flow of finance to guarantee that
- Why doesn’t the market guarantee stable employment a part of its normal functioning?

### The “general glut”:

- What people used to talk about, instead of recession and depressions
- It focuses on what is going on: excess supply in pretty much all of the markets



3:00 of audio in this slide; 28:15 in this slide group

## Back Up to 1803

<https://github.com/braddelong/public-files/blob/master/econ-115-module-5-lecture-3.O.1-optional-macro-for-beginners-%23tceh.pptx>

.#berkeley #economics #highlighted #lecture #macro #monetaryeconomics #monetarypolicy #optional #2020-08-29

Posted on August 29, 2020 at 15:44 in #berkeley, #economics, #highlighted, #macro, #monetaryeconomics, #monetarypolicy | [🔗 Permalink](#) | [💬 Comments \(0\)](#)

### Comments

Comment below or sign in with [📝 Typepad](#) [📘 Facebook](#) [🐦 Twitter](#) and more...

(You can use HTML tags like `<b>` `<i>` and `<ul>` to style your text. URLs automatically linked.)

Email address is not displayed with comment.

POWERED BY [TypePad](#)

Donate

### >About Brad DeLong

Brad DeLong's Short Biography