

The Dialectic of Finance

Supply	Assets	<i>Flow of Funds</i>	Liabilities	Demand
	Accounting Cost	<i>Output Price</i>	Asset Price	
Economics	Gold	<i>Money Payment</i>	Credit	Finance
	Capital Accumulation	<i>Income</i>	Capital Gains	
Real				Nominal
	Past (Stock)	<i>Now (Flow)</i>	Future (Stock)	

Interlocking Balance Sheets, Finance

Business

Household

Government

Financial

<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Plant & Equip	Trade Credit	Human Capital	Consumer Credit	Land	Bills	Credit	Credit
Inventory	Corp. Bonds	Houses	Mortgages	Plant & Equip	Bonds	--Trade	
						--Consumer	
						--Govt.	
						Bonds	Bonds
						--Corporation	
						--HH	
						--Govt.	
Credit		Credit		Credit			
Bonds		Bonds		Bonds			
	Net Worth		Net Worth		Net Worth		Net Worth

Interlocking Balance Sheets, Money

Central Bank		Banking System		Private Sector		Public Sector	
<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Gold	<i>Money</i> --currency --reserves --Tdeposits	Money	<i>Deposits</i>	Money	<i>Credit</i> --Corp. --Consumer	Money	<i>Credit</i> --Government
Foreign Exch.		--reserves		--currency		--Tdeposits	
Credit --Government		Credit --Corp. --Consumer		Deposits		Deposits	

