

Title: To Whose Value is the Euro?

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Abstract

My article contends that Marxist economic analysis can shed more light on the likely effect of the Euro on the EU economy, and the UK economy if the UK were to join, than conventional neo-classical macroeconomic analysis. Accumulated wealth/rentiers are incorporated into a model of the economy in-order to analyse how inflation effects the distribution of total social wealth between rentiers and business. The model suggests rentiers gain, and business in general loses, from a state of price stability. We proceed to concentrate on inter-firm issues by developing a multi-sector model of the economy. The model is employed to illustrate how leading firms are also likely to benefit from price stability in the Euro-zone to the cost of business in the Euro-zone in general.