



16 Ways to Meet a Capital Shortage

By [Dr. Mason Gaffney]

Article citation:

[Gaffney, Mason]. "16 Ways to Meet a Capital Shortage." N.d. Study guide.

Fair Use Disclaimer

The Robert Schalkenbach Foundation, a non profit private foundation, is publishing this article, at no cost, pursuant to the Fair Use provisions of Section 107 of the Copyright Act which states that under certain circumstances, the fair use of a copyrighted material for purposes of criticism, comment, teaching, scholarship and research is not an infringement of copyright. If you have any concerns about the publication of this article, please contact us at info@schalkenbach.org.

The Robert Schalkenbach Foundation's Digital Collections and Archives is an extension of the Robert Schalkenbach Foundation's Engel Georgist Library. It collects, organizes, preserves, and provides free online access to researchers and the general public of Georgist literature including books, newspapers, pamphlets, scholarly articles and archival materials.

RSF is particularly proud to offer free online access to the works of the late Georgist scholar Mason Gaffney, made possible through the generosity of the Danica Foundation and with the consent of the Mason and Letitia Gaffney Trust.

Robert Schalkenbach Foundation: <https://schalkenbach.org/>

Engel Georgist Library: <https://www.librarycat.org/lib/EngelGeorgistLibrary>

RSF Digital Collections and Archives: <https://schalkenbach.starter1ua.preservica.com/>

16 Ways to Meet a Capital Shortage

Test your understanding: name 5 or more ways to meet a capital shortage. FIRST, make your list; then peek.

1. $-\Delta C$, thus ΔS . (S, for Saving, = $Y - C$)
- 2. ΔY , hold C constant. Use labor more; use KF and land more, e.g. with swing and graveyard shifts, around the clock, the week, the year.
- ✓ 3. DINK it: defer children; work women.
- ✓ 4. Defer replacement of KF.
5. Draw down natural funds (but cf. #7).
- ✓ 6. Build cheaper; forego longevity.
7. Apply more work downstream, less upstream.
8. Speed turnover, raise flow/fund ratio.
9. Borrow abroad; sell assets abroad; repatriate capital.
10. Retire debt, especially public debt.
11. Draw down consumer capital.
12. Draw down all capital.
13. ΔM (as was done after recession of '81-'82).
14. Internalize corporate &c. institutional profits.
- ✓ 15. Defer maintenance, remodeling, workovers, etc.
16. Scoop me: think of something I overlooked!