ALTERNATIVE IDEAS FROM 10 (ALMOST) FORGOTTEN ECONOMISTS

IRENE VAN STAVEREN

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—Peter Blom, *CEO of Triodos Bank Group and co-founder and co-chair of the Sustainable Finance Lab*

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Irene van Staveren is Professor of Pluralist Development Economics at the International Institute of Social Studies of Erasmus University Rotterdam. She is the author of various books, including a textbook: Irene van Staveren, *An Introduction to Economics from a Pluralist and Global Perspective* (2015). This book has been transformed into a mooc (massive open online course) on Coursera under the title Introduction to Economic Theories. Van Staveren is a member of the Dutch think tank Sustainable Finance Lab and advisory board member of Rethinking Economics NL. She is a columnist for *Trouw*, a Dutch daily newspaper, on economics and social and ecological sustainability. She has been awarded the Gunnar Myrdal Prize for her book *The Values of Economics—An Aristotelian Perspective* (2001). She is also the 2014 receiver of the Thomas Divine Lifetime Achievement Award by the Association of Social Economics.

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Introduction

The 2008 financial crisis offered an opportunity to change economics—critical economists like myself were optimistic about this. In June 2009, The British newsmagazine *The Economist* welcomed a long-awaited revision of economics programmes in colleges and universities, with a cover showing a melting textbook. But hardly anything changed in economics departments over the past decade. For about 40 years, it has been dominated by the neoclassical paradigm assuming self-interested and utility-maximizing agents expressing their exogenous and purely subjective preferences through demand and supply in free markets, constrained only by their resources.[1] A revealing overview article of the discipline argues that it is far more inward-looking, homogeneous and obsessed with rankings than any other social sciences discipline.[2] This has its impact on the real-world economy through its policy advice favouring market-based solutions and its general distrust of government.[3] Hence, the dominant economic paradigm goes beyond theory and method. It includes a worldview, institutional framework, and set of policies—often referred to as neoliberalism or market fundamentalism. A telling example is how up to 2008 financial models used by individual traders helped to collectively shape financial markets towards the image of an average low-risk scene in which high tail-risk, systemic risk and rising uncertainty were made invisible and unimaginable.[4]

Today, with a financial sector that has remained large and vulnerable, an economy generating rising inequality and rapid climate change, and which has shown to be very vulnerable to a pandemic, the world deserves even more urgently economic change as well as a change in economics that would help such a change materialize. But whereas most economists continue doing their highly specialized modelling and have adopted context-free randomized controlled trials as the golden standard for policy research, some even defend the current economic system—capitalism—as the best imaginable. They do so by arguing that the alternative is either North Korean style communism or

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anarchy.[5] But they forget that these two are more political systems than economic ones. The deeper problem is that they confuse capitalism with markets. Capitalism is only three centuries old. Markets are around much longer and have existed for centuries without capitalism. There are feasible alternatives for capitalism, but they all involve a role for markets. In the first half of the previous century, economic anthropologist Karl Polanyi compared various economic systems and discovered that they all consist of three domains of economic interaction: markets, a state (in whatever form, from nation state to tribal hierarchy), and the self-regulated community economy of mutual care, cooperation and commons.[6]

The challenge is to change but not to abolish markets—that would be foolish. Try to think of it. No labour market but some central planning agency that tells you which job to take or working for your own account but not being able to sell your goods or services to anyone. No product markets—but how can you consume the basic necessities if you do not have the resources and skills to grow and manufacture them by yourself, or with your local community without any form of exchange to get resources from outside your community? And, indeed, no international trade at all. And no form of financial markets for savings, credit and investment. Not even a highly regulated one or one run entirely by state banks allocating demand and supply of finance between households and firms. And try to imagine a state without any tax income. It would only function by brute force, demanding forced labour instead of taxes and going back to feudalism. An economy consisting of only a state and a community economy will function at a very low level of wellbeing—no resources for decent health care, public schools or scientific research, for example. Moreover, an economy without trade will punish those living in countries with limited natural resources and favour those who are lucky enough to be close to abundant fresh water, fertile soil and minerals. It may sound romantic, a world without markets, but to me it seems a nightmare in which the lucky and the powerful are likely to get what they want, either through the state run by elites due to a lack of a tax base, or by ignoring the state, which sounds equally undesirable. It will be a nasty world, just like a world without a state, as Thomas Hobbes argued almost four centuries ago. Just as nasty as a world without communities with their unpaid work in families, mutual caring and voluntary work in and between households, and their collective action around community resources. The challenge for a better economy is to abolish *capitalist* markets and to craft a new balance between the state, the market and a thriving community economy—indeed, a postcapitalist economy.

Fortunately, there are some economists who believe that this is possible. The best known perhaps is Kate Raworth, who imagines an economy that operates within the boundaries of social inclusion and environmental sustainability in her book *Donut Economics*.[7] The book has drawn much criticism from some economists, while other economists have simply ignored it. But outside economics, *Donut Economics* has attracted wide interest, from students, policy makers and business leaders alike. And rightly so, because its message is important and hopeful, although not new. The metaphor is wonderful and helps to get the message across that scholars critical of the dominant paradigm have advocated for decades. From the Club of Rome's *Limits to Growth* published in 1972 to the UN's *Human Development Report 2013* called *Humanity Divided*, Thomas Piketty's *Capital in the 21st Century* of 2014 and Tim Jackson's *Prosperity Without Growth* of 2017.[8] The donut metaphor entails a normative message about the upper and lower boundaries of a new economy for all. The donut provides an appealing normative framework for an alternative economy, like other recent publications have done focussing on a decent society or an inclusive society.[9] Such normative views give an economy a purpose and that is much-needed to reorient the world economy as well as our local economies towards the boundaries of the Paris Climate Agreement on the one hand and to make it respond to global poverty, inequality and social exclusion, as referred to in the Sustainable Development Goals, on the other hand. I am in favour of a donut economy, a decent economy and an inclusive society. But we can only achieve it when we also develop the economics for it. A normative framework on its own won't get us there.

Many others have advocated economic change as well as a transformation of economics. Indeed, the same economists who call for an alternative economy tend to be the ones criticizing neoclassical economics. But we need to go beyond criticism and normative frameworks. We need to imagine how a better economy can be brought about with an economic science that addresses the key issues. We need concepts, theories, models, indicators and methods that broaden our understanding of markets, economic behaviour and economic institutions. Just like the dominant economic paradigm shapes our current capitalist economy, we urgently need different economic thinking to contribute to the emergence of a postcapitalist economy, even if this will be tentative and open-ended. But there is an enormous lack of imagination among economists. My colleagues all around the world seem to be paralysed by the mistaken view of TINAC: There Is No Alternative for Capitalism. Or, and that is particularly the case for the younger economists and students, they simply have no clue how other economic theories, methods and policies look like or that they even exist. Because over the past four decades they have only been taught the tools of the mainstream filled with utility maximization equations and market equilibrium ideals coupled with mathematical models which are supposed to follow the format of propositions and theorems that need to be proven not in the real economy but in theory only.[10] No wonder that a global student movement has emerged after the financial crisis calling for pluralism in economic curricula.[11] And no wonder that several critical economists have set up networks in which they share their real-world-based studies of economic change.[12]

But we do not need to reinvent the wheel—economists of the past have developed, adapted and elaborated various alternative economic theories that often go back a long time. Some of the economists in this book even received a Nobel Memorial Prize for their contributions but are now almost forgotten. They have demonstrated that there are alternative ways of organizing production, finance, consumption, trade and wellbeing. They have studied and contributed to the economics we need for change. My selection of ten economists is based on the usefulness of their ideas for addressing today's challenges in economics to address the wicked problems we face today. Of course, there are others who did not make it to this book but whom I could have chosen. I decided to include ten—one per chapter. This number is large enough to show the variety of economic ideas in the history of economic thought, while it is small enough to do justice to each of them, their ideas, and the practices of their ideas in economic reality. The economists are, in chronological sequence, Adam Smith, Karl Marx, Thorstein Veblen, Frank Knight, John Maynard Keynes, Joan Robinson, Hyman Minsky, Gunnar Myrdal, Amartya Sen, and Barbara Bergmann. Each chapter has the same structure. I will first discuss the problem that is being addressed, introducing a particular problem related to the unsustainability and vulnerability of our current economy since the 2008 financial crisis and its link to current economics. This is followed by the insight provided by the economist and its theoretical basis. Then follows a short description of the economists and their life,[13] while each chapter ends with two examples of how the idea has been translated in practical alternatives that are feasible and, indeed, put into practice today despite of, as well as challenging, the capitalist economy.

I hope that this approach will inspire readers to reflect on alternatives for economic analysis on behalf of an economy that will be ready for the challenges ahead. Above all, I hope that this book sparks your imagination to contribute to an economics that serves an inclusive and climate neutral economy. You could even do this if you are neither an economist, nor planning to become one. There are many ways to contribute to a more relevant and meaningful economics. If you are a policy maker, you can support pluralism in economic education at all levels and commission economic policy advice from different economists rather than only the mainstream view. If you are a politician, you can decide to shift funding for economic research and teaching towards pluralist programmes and approaches. If you are a businessperson, you can hire economists with a much broader scope than the mainstream and express your demand for such economists. If you are an activist, you can team up with pluralist economists to work on feasible alternatives based on the ideas of unorthodox economists. If you are an interested citizen, you can challenge the TINAC view that is ubiquitous in newspapers, radio and TV shows, social media and political party programmes. Whatever you do with this book, I sincerely hope that it helps you to be inspired and to inspire others with your own reflections and contributions to the diversity of ideas about a postcapitalist economy.

Finally, my own inspiration for writing this book came from the economists themselves, two of them I was privileged to meet several times, and from the various heterodox economics associations that I am member of. It is thanks to all those courageous, creative and competent economists that I never gave up my research and teaching in pluralist economics and that I even wrote a pluralist introductory textbook.[14] In particular, I want to thank Geoffrey Harcourt for believing in this book, the Rector of my institute, Inge Hutter, for supporting me writing it while I was on partial sick leave, and my husband, Eric Brinkhorst, for reminding me that I should take my time for this book and take as much care of myself as I do of the ideas of the almost forgotten economists.[15]

Notes

1. Critiques of this paradigm emerged as early as 1899 with Thorstein Veblen's *Theory of the Leisure Class*, criticizing the hedonistic assumption of economic rationality as a lightning calculator of pleasure and pains: Thorstein Veblen, *Theory of the Leisure Class. An Economic Study of Institutions,* edited by B.W. Huebsch (New York: Viking, 1931 [1899]). Since then, numerous nonorthodox economists have followed suit, and the criticisms have multiplied since the 2008 financial crisis. This time with wide support from outside academia, including *The Economist*. But also from students, for example with a manifesto: Joe Earle, Cahal Moran and Zach Ward Perkins, *The Econocracy – the Perils of Leaving Economics to the Experts* (Manchester: Manchester University Press, 2016). Chapter 11 of this book will discuss criticism as well as the state of the debate in economics.
2. Marion Fourcade, Etienne Ollion and Yann Algan, "The Superiority of Economists," *Journal of Economic Perspectives* 29, 1 (2015): 89–114.
3. See, for example, four recent critiques of the dominant economic paradigm's theory and practice: Ha-Joon Chang, *Economics: The User's Guide* (London: Penguin, 2014); Steven Payson, *How Economics Professors Can Stop Failing Us* (Lanham: Lexington, 2017); Mariana Mazzucato, *The Value of Everything, Making and Taking in the Global Economy* (London: Penguin, 2018); David Colander and Craig Freedman, *Where Economics Went Wrong: Chicago's Abandonment of Classical Liberalism* (Princeton: Princeton University Press, 2018).
4. For an insightful reflection on this, see David Colander, Michael Goldberg, Armin Haas, Katarina Juselius, Alan Kurman, Thomas Lux, and Brigitte Sloth. "The Financial Crisis and the Systemic Failure of the Economics Profession," *Critical Review – A Journal of Politics and Society* 21, 2–3 (2009): 249–267.
5. Examples of such apologies for capitalism: Deirdre McCloskey, *Bourgeois Virtues: Ethics for an Age of Commerce* (Chicago: University of Chicago Press, 2006); Giacomo Corneo, *Is Capitalism Obsolete? A Journey through Alternative Economic Systems* (Cambridge (MA): Harvard University Press, 2017); Joseph Stiglitz, *People, Power, and Profits. Progressive Capitalism for an Age of Discontent* (New York: W.W. Norton, 2019).
6. Karl Polanyi, *The Great Transformation* (New York: Farrar & Rinehart, 1944). I was so impressed by this view that I did my PhD research on the topic, tracing the three economic domains back to Adam Smith and Albert Hirschman, who each in their own way confirmed Polanyi's view that a well-functioning economy consists of three value domains: freedom in markets, justice in the state and care in the community economy. Irene van Staveren, *The Values of Economics – an Aristotelian Perspective* (London: Routledge, 2001). A recent analysis of market fundamentalism based on the work of Polanyi can be found here: Fred

Block and Margaret Summers, *The Power of Market Fundamentalism. Karl Polanyi's Critique* (Cambridge (MA): Harvard University Press, 2016).

7. Kate Raworth, *Donut Economics. Seven Ways to Think Like a 21st-Century Economist* (New York: Random House, 2017).
8. Donella Meadows, Dennis Meadows, and Jørgen Randers William W. Behrens III, *The Limits to Growth* (Washington D.C.: Potomac Associates, 1972); UNDP, *Humanity Divided. Confronting Inequality in Developing Countries* (New York: United Nations Development Program, 2013); Thomas Piketty, *Capital in the 21st Century* (Cambridge (MA): Harvard University Press, 2014); Tim Jackson, *Prosperity without Growth – Foundations for the Economy of Tomorrow* (London: Routledge, 2017).
9. Pamela Abbott, Claire Wallace, and Roger Sapsford, *The Decent Society – Planning for Social Quality* (London: Routledge, 2016); IPSP, *Rethinking Society for the 21st Century* (Cambridge: Cambridge University Press, 2018).
10. William Thomson, "The Young Person's Guide to Writing Economic Theory," *Journal of Economic Literature* 37, 1 (1999): 157–183.
11. Rethinking Economics is an international student movement active in 15 countries: http://www.rethinkeconomics.org/. Accessed on July 15, 2020.
12. These networks include Promoting Economic Pluralism: https://economicpluralism.org/. Accessed on July 15, 2020. Economics for Inclusive Prosperity: https://econfip.org/. Accessed on July 15, 2020. Next to these new initiatives, there is a wide variety of long-standing heterodox economics associations, from social economics to feminist economics and from institutional economics to interdisciplinary themes, for example the capability approach and the self-management of commons by communities.
13. The short biographies in each chapter are compiled from various sources, including: Harry Landreth and David Colander, *History of Economic Thought*, 4th edition (Boston: Houghton Mifflin, 2001). Steven Pressman, *Fifty Major Economists*, 3rd edition (London: Routledge, 2013).
14. Irene van Staveren, *Economics after the Crisis – a Global and Pluralist Perspective* (London: Routledge, 2015).
15. This book is a translation and revision of Irene van Staveren, *Wat wij kunnen leren van economen die (bijna) niemand meer leest* (Amsterdam: Boom, 2016).

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Chapter 1: Karl Marx on Capitalism

The Problem

Our current economy is unsustainable in a variety of ways. We face climate change, resource depletion and loss of biodiversity as a consequence of relentless economic growth driven by material consumption. This is paralleled with social exclusion of millions of people in the global south and increasing income inequality in countries in both the global north and the global south. In addition, we regularly suffer from severe financial crises with an ever wider and deeper impact on a global scale. In this chapter, I will focus on the near implosion of capitalism during the 2008 financial crisis.

The fall of Lehman Brothers in September 2008 triggered a deep crisis in the global north, with important side-effects for the global south. Banks collapsed, citizens collected their savings in long lines at money machines, firms could no longer obtain credit, the prices of houses plummeted, economic growth turned into decline and unemployment increased as fast as it did after the oil crises in the 1980s. Stock exchanges went down as well and traders and consumers alike lost trust in the financial sector. The 2008 financial crisis and the long economic recession that it caused were in some ways more serious than the 1929 Wall Street Crash and the ensuing Great Depression, and certainly having a much wider impact beyond the US and Western Europe.

What started as the subprime crisis in the US in 2007 soon led to the euro crisis in Europe in 2009. The sudden end to the bubbles of stock prices, houses and two-digit profit rates of banks revealed the weaknesses of the eurozone. Some economists joked about the PIGS-countries (Portugal, Ireland, Greece and Spain) as if the euro crisis had nothing to do with the northern members of the eurozone. And while the crisis in Greece was prolonged by the Troika demanding inhuman and ineffective austerity measures, the chair of the Troika, Dutch Minister of Finance Jeroen Dijsselbloem, solved the crisis in Cyprus by forcing a haircut on the Russian and European bankers and investors on the

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island.[1] They had to accept losses, which reduced the burden on tax payers and reinforced the fact that with taking risk, investors have to accept the downside of it as well. But Greece received virtually no debt relief at all.

Tragedy in Greece

For Greece, the policies forced by the European Union (EU) and International Monetary Fund (IMF) were relentless and kept the country much longer in recession than was the case for other countries. Greek GDP declined by 45% between 2008 and 2016, and increased since then but in 2018 it was still 40% below the pre-crisis level.[2] Although the public deficit was relatively high and public debt had accumulated beyond what was allowed by the Maastricht criteria for stability of the euro (government deficit of maximum 3% of GDP and public debt of maximum 60% of GDP), the biggest problem leading up to the crisis in Greece was unsustainable private debt. But the private debt was even higher in the northern eurozone, in particular by banks. Banks' total debt was highest in Ireland and the Netherlands, over ten times GDP, but less than three times on average in Greece, Spain, Portugal and Italy.[3]

It is precisely this high indebtedness of northern European banks, which explains the harsh austerity demands by the Troika on Greece, because part of the assets of these banks were invested in Greek government bonds and shares of Greek banks. An interesting independent overview study from the European School of Management and Technology describes the rescue operation and shows that it was not the Greek government nor the Greek population but the commercial banks in the northern eurozone countries that were in fact saved by the first two emergency loans provided to the Greek government.[4] Ninety-five per cent of the 216 billion US dollar rescue loans disbursed between 2010 and 2015 were used to pay off debt and interest to IMF and the EU, which helped northern Eurozone banks to get rid of their Greek assets without having to take the downside risk of these investments. The study shows 'that less than 5% of the overall funds went to the Greek fiscal budget, with the overwhelming rest going to existing creditors in the form of debt repayments and interest payments'.[5] In the meantime, the Greek taxpayers have been paying back the loans for already a decade now, and are still suffering from the worst decline in income in the eurozone.[6] On top of this, the economy hardly recovers, as is signalled by an unemployment rate of 19%—the highest rate in the EU.[7] Moreover, it was among the hardest hit economies during the lockdown as a consequence of the COVID-19 pandemic due to a large dependence on tourism.

Under Water in the Netherlands

Although the social consequences of the crisis were hardest in Greece, followed by other southern countries of the eurozone, the Netherlands was hit particularly fiercely because of the size of the banking rescue operation. Two of the four large Dutch banks were nationalized (ABN AMRO and SNS Reaal), while ING and insurance companies received massive state support. In total the state provided support of around 45 billion euro over the period 2008–2013, which was 7% of average GNP over that period.[8] This has led, in turn, to high public debt and enormous cutbacks on public spending, in particular in education and health care. And the emergency support during the COVID-19 crisis is even higher.

The housing market was more heavily affected than elsewhere in Europe, due to very generous Dutch mortgage policies. These included a loan-to-value ratio (ltv) of 110% and a generous fiscal benefit for mortgage interest paid, which homeowners were allowed to deduct fully from their income tax statement. As a consequence, the Dutch housing market experiences stronger cycles than elsewhere, with a decline of 20% in house values up to 2013, compared to the euro-area average of 5%.[9] This was followed by a steep rise in prices and a significant increase of large private investors housing market, driving up rental prices too. In 2018, prices of houses sold increased 13% as compared to the previous year.[10] Hence, today, both buying and renting are very expensive in the Netherlands.

Moreover, 85% of Dutch houses are under mortgage debt. At the depth of the housing crisis, 1.5 million households had higher debts than the market value of their homes—resulting in underwater mortgages, as the Dutch say referring with some irony to our permanent struggle with the sea level. The disbalance between mortgage debt and house values caused a standstill to the market for residential real estate for five years.[11] Unemployment rose to 7.4% in 2014 and only reached the same level as before the crisis in 2019, with 3.3%.[12]

The Crisis: A Surprise?

Back to the origin of the crisis in the US. It started as a subprime crisis and quickly spread across the whole economy in the US and the EU and resulted in a global recession. What is striking about this crisis, as compared to crises over the past few decades, such as the debt crisis of the 1980s in Latin America and the Asian financial crisis at the end of the 1990s, is that it struck at the heart of capitalism. Many academic economists and economic policy makers simply said that nobody could see it coming. The general public, parliamentarians, people who lost their jobs, and students in every field of the social sciences were shocked and outraged by this excuse. Capitalism almost imploded, and there was not a single economist who had predicted it, noticed any signs, or had given a warning?

Her Majesty Queen Elizabeth asked, at a visit to the London School of Economics, why economists had not given any warning. The response was defensive, the standard textbook explanation of any crisis, namely an external shock to the economic system. In other words, the explanation of the crisis was that it was not caused within the economy but from outside. A matter of bad luck, very bad luck. This was the explanation provided by all well-known and influential economists. For example, an American professor of financial economics, Frederic Mishkin, had been very well paid for his advisory report to the government of Iceland in 2006, in which he claimed that the country had a strong economy—less than two years before its collapse.[13] Another financial economist, Nobel Memorial Prize winner Eugene Fama, continues to defend the external shock theory of the financial crisis. In his view, the economic system itself is always tending towards equilibrium, just as his financial models do. What is interesting is that he shared the prize with two other economists (Robert Shiller and Lars Peter Hansen) who do not believe in his financial market equilibrium theory. The fact that Fama was awarded the prize is perhaps more telling about the Swedish Central Bank, which awards and funds the Nobel Memorial Prize in economics, than about the value of Fama's theory. The family of Alfred Nobel has even distanced itself from the Nobel Memorial Prize and only supports the original Nobel Prizes, awarded by the Swedish Academy of Sciences.

Instead of being reassuring, the answer of the top economists that the crisis was just a matter of bad luck, their response resulted in bewilderment. If this could happen just like that, it could happen again, isn't it? And, again, without any warning. Why would we have well-paid and influential economists if they ignore the colossal elephant in the middle of financial markets? And if they did perhaps sense something, why haven't they asked themselves who was feeding the animal and with what?

Crises Are Part and Parcel of Capitalism

A few economists, even some bankers and financial sector supervisors, did feel or smell the elephant in the room. They figured out that the beast was fed with toxic derivatives by banks, traders and brokers, resulting in an enormous pile of dung consisting of debt. They did worry and did sound alarm bells. But nobody listened. The whistleblowers in the financial sector were ignored, taunted or sidelined. The same was true for the group of academic economists who did not believe in the equilibrium dogma of neoclassical economic theory and who were united in various heterodox economics associations in which they discussed the risk of increasing debt for the stability of the financial system. But their warnings were ignored too—both by the overwhelming majority of academic economists and by the authorities responsible for the supervision of the financial sector. In 2010, one of the heterodox associations, the World Economics Association, awarded a prize to the economist who had predicted the crisis most accurately. The winner was the Australian economist Steve Keen, with his regular warnings of a bursting bubble on the US housing market. Since then, he has been a celebrated speaker all around the world, explaining his debt model of financial instability based on the work of Hyman Minsky—whom we will meet in the next chapter.

The Dutch thinktank the Sustainable Finance Lab, of which I am a member, had invited Steve Keen to a give a seminar at the University of Amsterdam for an audience of senior finance specialists. Two years after the nationalization of ABN AMRO, the audience was still confounded by what had happened and what was unfolding in the euro crisis. Many of them were open to a different economic explanation. I had met Keen before and wanted to hear more about the predictive power of his model. At that time, I was secretly pleased by the thought that, as a PhD student back in 1997, I had put my name under a petition against the introduction of the euro under the weak conditions that it was, indeed, introduced five years later.[14] A small group of heterodox economists had predicted the problems. We just didn't know when a euro crisis would strike. Foreseeing a crisis is one thing, predicting the timing is quite another. Steve Keen appeared to be very close.

Financial crises do not arise from external shocks. They are part and parcel of capitalism. This insight was first expressed by Karl Marx, followed by John Maynard Keynes and Hyman Minsky. Financial crises are an inherent part of the dynamics of capitalist economies. The economic cycle of boom and bust is not just a side effect of capitalism but is its key dynamic force. Cycles are generally measured by the movements of GDP, while the stock exchange provides a good early signal of this movement, next to price movements in various asset markets. Figure 1 shows the development of the Dow Jones stock index over the past 13 years (end of month values)—from the top before the financial crisis (October 2007) to the COVID-19 lockdown in the first half of 2020. It shows how deep the crisis was in 2008 but also how steep the rise of the index has been since then.

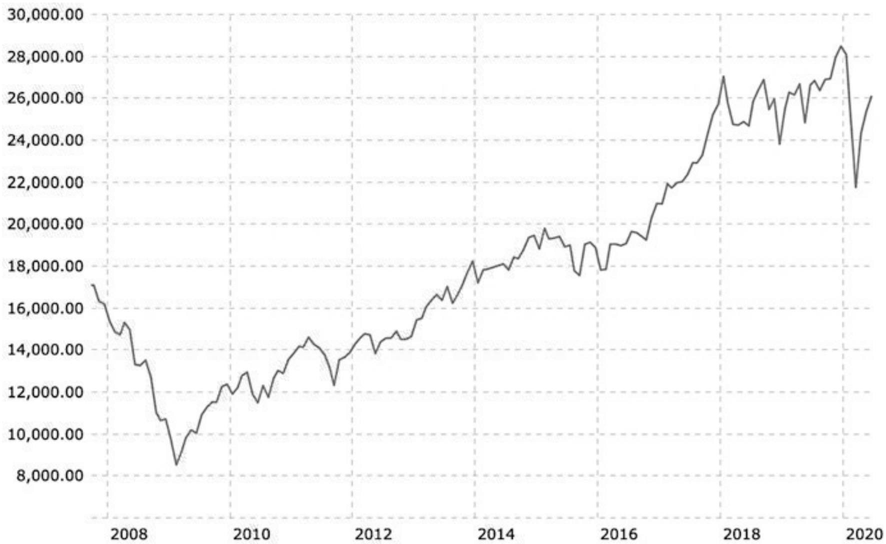

Fig. 1 The Dow Jones index of the New York Stock Exchange, February 2008–June 2020. (Source: https://www.macrotrends.net/1319/dow-jones-100-year-historical-chart, accessed on June 18, 2020)