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Long Waves and Falling Rate of Profit in the J-Economy

----Empirically Estimated

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1.The Basic Point for the Long waves

A long wave of capitalist development is that it created long term booms and crisis on economical conditions that it is occur over several decades.this process works out contradictory ways.this contradictory ways argued that this paper take aim at the target point.

a) The three point of long waves research.

Growth approach(Kondratiev,Freeman)

Crisis approach(Mandel)

System approach(Goldstein)

b) The synthesis of this three dimensional approach.

This three dimensional approach can not explain that the long waves inclined contradictions. These solution of the problem was thought only one phase or harmonized with contradicted several tendencies of coused long waves.

2.Law of profit-rate

Marx emphasized that general late of profit(not average)can be explained long term period that it sifts new revel of profit-rate. Economist thought inverted over not for average late of profit but for the tendency of falling profit rate.

The general tendency of the rate of profit to fall and the counter-acting factors were dual face of the law of profit-rate. J. S. Mill's (1806-1873) explained that it was harmonized with this contradicted dual tendencies.

Marx's emphasized not only the two factors inconsistency but also contradictory consequences. This problem hints study of the long-waves. The long waves factors consist on the counter-acting factors against the law.1)more increased intensity of exploitation of labor.2)depression of wages below the natural labor-power values.3)the generating of relative over-populations.4)cutting down on the elements of constant capital.5)foreign trade cheapens the element of the constant and variable capital values.6)The rising associational combined-capital.7)Shorten the turnover

-time of circulation capital.8)Increasing the military spending and non-productive

labor class. These counter-acting factors effects long term booms and crisis occur over several decades. Cyclical process changes in turn strength and weakness of it factors at a faster or slower pace.

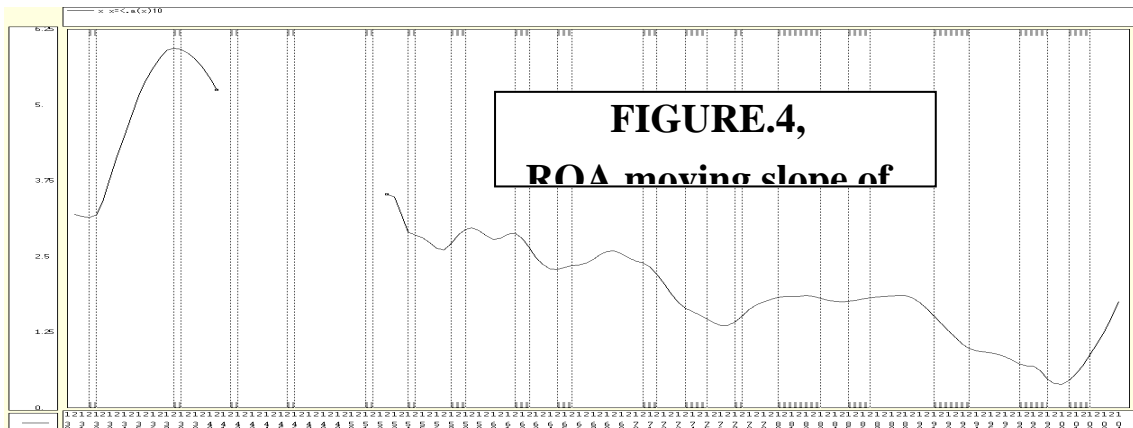
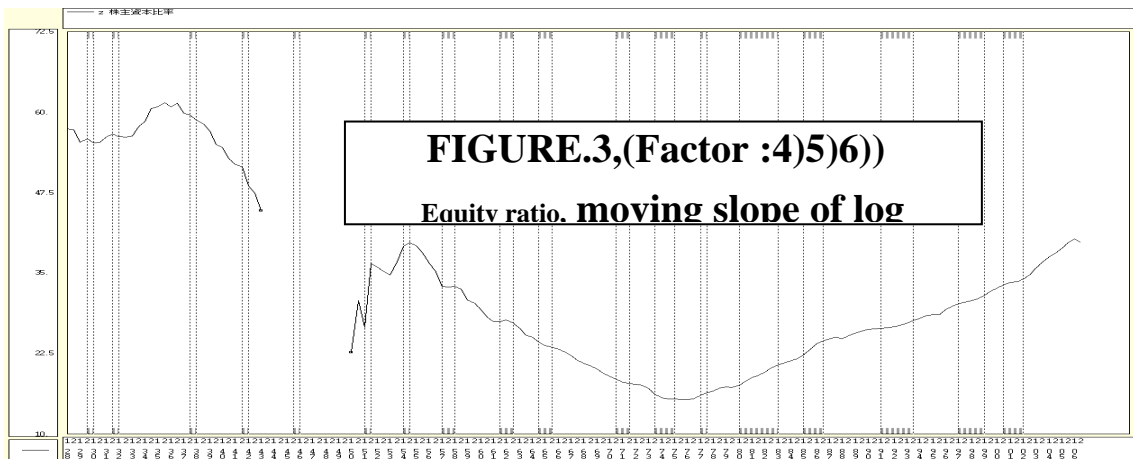
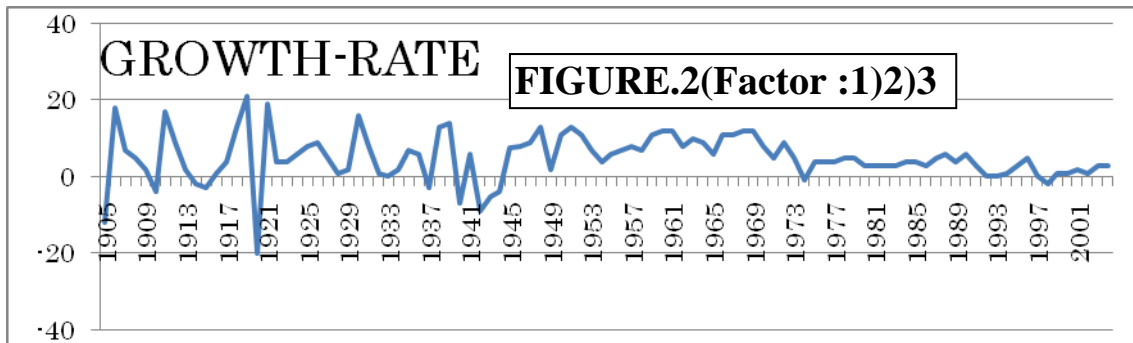
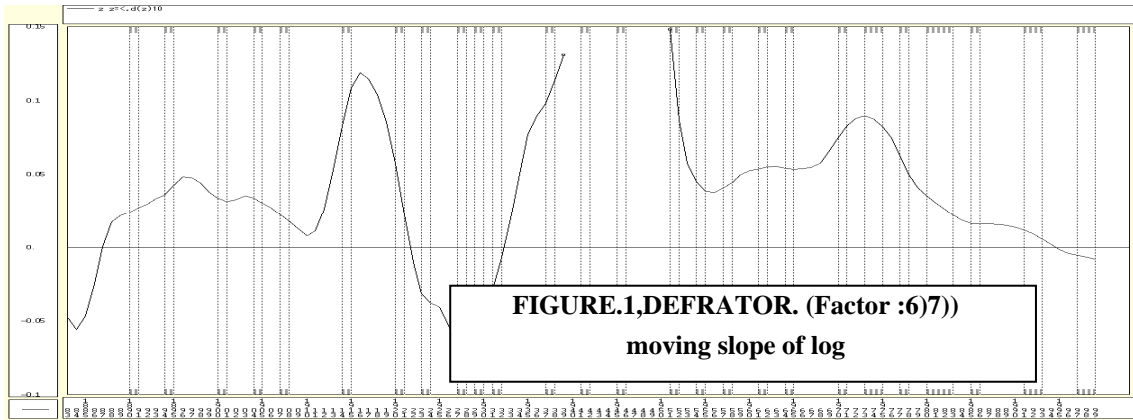


TABLE.1)

| | NIP | Deflator | NIP | Deflator | | ROE | Equity ratio | ROA | Equity ratio | | ROE | Equity ratio | |
|------|-------|----------|------|----------|-------|---------|--------------|---------|--------------|-------|---------|--------------|-------|
| 1978 | 401 | 35.9 | 1955 | 51456 | 16.53 | 1928. 1 | 57.5 | 1955. 2 | 7.58 | 38.09 | 1983. 1 | 8.83 | 20.73 |
| 1879 | 611 | 41.5 | 1956 | 55004 | 17.41 | 1928. 2 | 57.29 | 1956. 1 | 7.36 | 36.6 | 1983. 2 | 8.48 | 21.08 |
| 1880 | 799 | 49.5 | 1957 | 59391 | 18.48 | 1929. 1 | 55.38 | 1956. 2 | 7.43 | 35.15 | 1984. 1 | 8.21 | 21.42 |
| 1881 | 813 | 54.7 | 1958 | 63356 | 18.53 | 1929. 2 | 55.96 | 1957. 1 | 7.93 | 32.85 | 1984. 2 | 8 | 21.73 |
| 1882 | 713 | 49.9 | 1959 | 70454 | 19.6 | 1930. 1 | 55.31 | 1957. 2 | 8.59 | 32.78 | 1985. 1 | 7.84 | 22.31 |
| 1883 | 575 | 39 | 1960 | 78844 | 21 | 1930. 2 | 5.67 | 1958. 1 | 9.14 | 32.87 | 1985. 2 | 7.75 | 23.12 |
| 1884 | 492 | 32.5 | 1961 | 88068 | 22.74 | 1931. 1 | 5.62 | 1958. 2 | 9.48 | 32.51 | 1986. 1 | 7.71 | 24.11 |
| 1885 | 621 | 34.1 | 1962 | 94793 | 23.42 | 1931. 2 | 5.58 | 1959. 1 | 9.61 | 30.75 | 1986. 2 | 7.64 | 24.45 |
| 1886 | 682 | 31.3 | 1963 | 104709 | 24.93 | 1932. 1 | 5.59 | 1959. 2 | 9.54 | 30.3 | 1987. 1 | 7.54 | 24.81 |
| 1887 | 661 | 32.2 | 1964 | 114656 | 26.42 | 1932. 2 | 5.91 | 1960. 1 | 9.48 | 29.31 | 1987. 2 | 7.43 | 25.06 |
| 1888 | 675 | 32.5 | 1965 | 121726 | 27.66 | 1933. 1 | 6.48 | 1960. 2 | 9.71 | 28.14 | 1988. 1 | 7.36 | 24.81 |
| 1889 | 691 | 35.4 | 1966 | 135338 | 29.31 | 1933. 2 | 7.06 | 1961. 1 | 10.1 | 27.45 | 1988. 2 | 7.32 | 25.26 |
| 1890 | 937 | 40.6 | 1967 | 150045 | 30.85 | 1934. 1 | 7.57 | 1961. 2 | 10.4 | 27.51 | 1989. 1 | 7.27 | 25.67 |
| 1891 | 837 | 38 | 1968 | 168549 | 32.45 | 1934. 2 | 8.09 | 1962. 1 | 10.3 | 27.72 | 1989. 2 | 7.07 | 26.02 |
| 1892 | 901 | 39 | 1969 | 188708 | 34.36 | 1935. 1 | 8.6 | 1962. 2 | 9.92 | 27.23 | 1990. 1 | 6.73 | 26.22 |
| 1893 | 936 | 36.2 | 1970 | 204363 | 36.74 | 1935. 2 | 9.02 | 1963. 1 | 9.5 | 26.37 | 1990. 2 | 6.3 | 26.34 |
| 1894 | 1163 | 38.2 | 1971 | 214746 | 38.53 | 1936. 1 | 9.35 | 1963. 2 | 9.22 | 25.39 | 1991. 1 | 5.79 | 26.41 |
| 1895 | 1222 | 41 | 1972 | 234260 | 41.09 | 1936. 2 | 9.65 | 1964. 1 | 9.14 | 25.05 | 1991. 2 | 5.29 | 26.49 |
| 1896 | 1232 | 44.3 | 1973 | 246446 | 47.33 | 1937. 1 | 9.91 | 1964. 2 | 9.31 | 24.29 | 1992. 1 | 4.8 | 26.67 |
| 1897 | 1490 | 49 | 1974 | 245192 | 56.34 | 1937. 2 | 10.1 | 1965. 1 | 9.68 | 23.74 | 1992. 2 | 4.33 | 26.92 |
| 1898 | 2073 | 51.6 | 1975 | 255015 | 59.67 | 1938. 1 | 10.2 | 1965. 2 | 10.1 | 23.47 | 1993. 1 | 3.88 | 27.24 |
| 1899 | 1768 | 51.9 | 1976 | 264568 | 64.67 | 1938. 2 | 10.2 | 1966. 1 | 10.4 | 23.19 | 1993. 2 | 3.57 | 27.63 |
| 1900 | 2024 | 55.6 | 1977 | 276430 | 68.65 | 1939. 1 | 10.2 | 1966. 2 | 10.7 | 22.79 | 1994. 1 | 3.4 | 27.98 |
| 1901 | 2112 | 53 | 1978 | 291380 | 71.49 | 1939. 2 | 10.1 | 1967. 1 | 11.3 | 22.24 | 1994. 2 | 3.28 | 28.32 |
| 1902 | 1915 | 53.5 | 1979 | 306375 | 73.45 | 1940. 1 | 10 | 1967. 2 | 11.9 | 21.44 | 1995. 1 | 3.2 | 28.51 |
| 1903 | 2262 | 56.9 | 1980 | 314165 | 77.99 | 1940. 2 | 9.87 | 1968. 1 | 12.4 | 21.03 | 1995. 2 | 3.08 | 28.55 |
| 1904 | 2348 | 59.9 | 1981 | 323710 | 80.45 | 1941. 1 | | 1968. 2 | 12.7 | 20.63 | 1996. 1 | 2.91 | 29.29 |
| 1905 | 2204 | 64.2 | 1982 | 333838 | 81.81 | 1941. 2 | | 1969. 1 | 12.7 | 20.11 | 1996. 2 | 2.7 | 29.8 |
| 1906 | 2691 | 66.2 | 1983 | 342251 | 83.36 | 1942. 1 | | 1969. 2 | 12.6 | 19.42 | 1997. 1 | 2.46 | 30.18 |
| 1907 | 3102 | 71.4 | 1984 | 356199 | 85.6 | 1942. 2 | | 1970. 1 | 12.6 | 19 | 1997. 2 | 2.33 | 30.46 |
| 1908 | 3128 | 68.7 | 1985 | 370626 | 87.35 | 1943. 1 | | 1970. 2 | 12.7 | 18.58 | 1998. 1 | 2.29 | 30.73 |
| 1909 | 3033 | 65.6 | 1986 | 382524 | 88.65 | 1943. 2 | | 1971. 1 | 12.6 | 18.11 | 1998. 2 | 2.02 | 31.04 |
| 1910 | 2940 | 66.4 | 1987 | 400455 | 88.65 | 1944. 1 | | 1971. 2 | 12.3 | 17.81 | 1999. 1 | 1.54 | 31.51 |
| 1911 | 3581 | 68.9 | 1988 | 424547 | 89.32 | 1944. 2 | | 1972. 1 | 11.7 | 17.72 | 1999. 2 | 1.28 | 32.12 |
| 1912 | 4148 | 73 | 1989 | 443197 | 91.54 | 1945. 1 | | 1972. 2 | 10.9 | 17.62 | 2000. 1 | 1.23 | 32.67 |
| 1913 | 4245 | 73.1 | 1990 | 468054 | 93.65 | 1945. 2 | | 1973. 1 | 10.3 | 17.08 | 2000. 2 | 1.37 | 33.15 |
| 1914 | 3948 | 69.7 | 1991 | 481938 | 96.01 | 1946. 1 | | 1973. 2 | 9.86 | 16.2 | 2001. 1 | 1.69 | 33.55 |
| 1915 | 3882 | 70.6 | 1992 | 483688 | 97.47 | 1946. 2 | | 1974. 1 | 9.67 | 15.64 | 2001. 2 | 2.06 | 33.64 |
| 1916 | 4716 | 85.3 | 1993 | 486004 | 98.01 | 1947. 1 | | 1974. 2 | 9.47 | 15.53 | 2002. 1 | 2.48 | 34.03 |
| 1917 | 6200 | 107.4 | 1994 | 489288 | 97.84 | 1947. 2 | | 1975. 1 | 9.18 | 15.47 | 2002. 2 | 2.93 | 34.64 |
| 1918 | 9152 | 140.7 | 1995 | 503506 | 97.15 | 1948. 1 | | 1975. 2 | 8.82 | 15.42 | 2003. 1 | 3.38 | 35.66 |
| 1919 | 13593 | 172.3 | 1996 | 526379 | 95.87 | 1948. 2 | | 1976. 1 | 8.54 | 15.44 | 2003. 2 | 3.95 | 36.57 |
| 1920 | 11962 | 189.4 | 1997 | 525774 | 96.54 | 1949. 1 | | 1976. 2 | 8.5 | 15.53 | 2004. 1 | 4.64 | 37.45 |
| 1921 | 11037 | 146.4 | 1998 | 515580 | 96.4 | 1949. 2 | | 1977. 1 | 8.73 | 16.02 | 2004. 2 | | 38.05 |
| 1922 | 11177 | 143 | 1999 | 518473 | 95.33 | 1950. 1 | | 1977. 2 | 9.2 | 16.45 | 2005. 1 | | 38.77 |
| 1923 | 11808 | 145 | 2000 | 522998 | 93.75 | 1950. 2 | | 1978. 1 | 9.73 | 16.75 | 2005. 2 | | 39.69 |
| 1924 | 12979 | 150.8 | | | | 1951. 1 | | 1978. 2 | 10 | 17.23 | 2006. 1 | | 40.23 |
| 1925 | 13652 | 147.3 | | | | 1951. 2 | | 1979. 1 | 10.1 | 17.34 | 2006. 2 | | 39.66 |
| 1926 | 13195 | 130.7 | | | | 1952. 1 | | 1979. 2 | 10.2 | 17.25 | | | |
| 1927 | 13097 | 124.1 | | | | 1952. 2 | 10.8 | 1980. 1 | 10.2 | 17.6 | | | |
| 1928 | 13349 | 124.8 | | | | 1953. 1 | 10.4 | 1980. 2 | 10.1 | 18.22 | | | |
| 1929 | 13297 | 121.3 | | | | 1953. 2 | 9.06 | 1981. 1 | 9.89 | 18.77 | | | |
| 1930 | 11598 | 91.2 | | | | 1954. 1 | 7.91 | 1981. 2 | 9.71 | 19.17 | | | |

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