

Money and Markets

In the development of the history of economic thought, contrasting views of money and markets have emerged. Whilst some economists have seen money as an instrument created by individuals in an attempt to overcome the difficulties of barter, others have seen it as something created before the market, maintained and promoted by the State. Similarly, whereas some economists have seen the market as a level playing field, others have seen it dominated by specific group interests.

This book brings together 14 essays by leading authors in the field of economics to look at the relationship between money and markets throughout economic theory and history, thus providing a key to understanding important issues in monetary theory and other important debates in contemporary economics.

Taking a critical stance of much mainstream economics literature and offering alternative arguments, this title is essential reading for postdoctoral researchers in the field of both the history of economics and current economic theory.

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A doctrinal approach
*Edited by Alberto Giacomin and
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Maria Cristina Marcuzzo**

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In our Introduction we address those issues to which, in our view and in our understanding of the topic, these papers provide a contribution. However, they can and, we hope, will be read following other threads. We have, therefore, chosen not to take them in the same order of presentation as in the table of contents, to stress that our Introduction reflects what *we* have been stimulated to ponder and learned by reading and editing this book.

The money market is a component of the economy which provides short-term funds. The money market deals in short-term loans, generally for a period of a year or less. As short-term securities became a commodity, the money market became a component of the financial market for assets involved in short-term borrowing, lending, buying and selling with original maturities of one year or less. Trading in money markets is done over the counter and is wholesale. In the above data visualization, we even the playing field by using a common denominator to put the world's money and markets all on the same scale and canvas. Each black square on the chart is worth \$100 billion, and is not a number to be trifled with: In fact, the entire annual GDP of Cuba could fit in one square (\$97 billion), and the Greek economy would be roughly two squares (\$203 billion). Alternatively, if you're contrasting this unit to numbers found within Corporate America, there are useful comparisons there as well. The money market refers to trading in very short-term debt investments. These investments are characterized by a high degree of safety and relatively low rates of return. James Chen, CMT, is the former director of investing and trading content at Investopedia. He is an expert trader, investment adviser, and global market strategist. Learn about our editorial policies. James Chen. The money market is a financial market wherein short-term assets and open-ended funds are traded between institutions and traders. The market offers very high liquidity as the assets can easily convert into cash. Thus, it helps businesses and the government in meeting their working capital requirements. Investments here fall under the range of a day to a year, with the risks and gains both being low.