

Summary of articles

R&D rivalry vs R&D cooperation under uncertainty, by J. Beath, Y. Katsoulacos and D. Ulph.

We consider whether or not R&D expenditures will be greater or less under a research joint venture (RJV) than under R&D competition and whether or not firms will always find the former preferable to the latter. With imitation difficult, the answer to the latter question depends on the relative strength of conflicting forces: whilst cooperation will increase expected payoffs through a positive "coordination effect" it will also intensify the competition faced by the innovator in the product market by enabling firms to gain access to the most recent technology. With imitation easy, on the other hand, firms will always prefer an RJV to R&D competition.

Journal of Economic Literature Classification Number : 621.

Can opening a futures market be destabilizing? The effects of imperfect arbitrage and of the way expectations are formed, by Patrick Artus.

The theoretical literature shows that, if speculator's expectations are rational, opening a futures market stabilizes the spot price. It has been argued that some features of the behaviour of market participants (program trading, irrational expectations, imperfect arbitrage) could on the contrary lead to a destabilization of spot prices when a futures market is introduced. In this article, the consequences of such market imperfections, and the possibility for them not to be only transitory if market participants learn the actual functioning of the market, are analyzed using a simple theoretical model.

Journal of Economic Literature Classification Numbers : 311, 313.

Un modèle estimé de demande de capital en déséquilibre dans l'industrie française, by Pierre Poret.

This paper presents econometric estimates of the probabilities from 1961 to 1986 that the French manufacturing sector was respectively in a Keynesian demand-constrained regime and in a profit-constrained regime. Based on a disequilibrium specification, a model of demand for capital is tested by non-linear least squares, assuming that regime probabilities follow a logistic distribution. The Keynesian demand con-

straint is measured by expected demand data provided by business surveys. From 1975 to 1982, manufacturing investment is found to have been limited mainly by insufficient profits. From 1983 to 1986, on average, a more equal balance between demand and profit-constrained regimes is observed.

Journal of Economic Literature Classification Numbers : 021, 522, 211.

A short-period growth cycle model, par Jörg Glombowski et Michael Krüger.

Goodwin's well-known growth cycle model has been rejected by Keynesians because it fails to take product disequilibria into account and gives rise to cycles which are much longer than observable business cycles. In the present article it is shown that cycles of much shorter duration can be obtained if the Goodwin model is modified by taking reactions to product market disequilibria into account. While shifts in income distribution between wages and profits remain the cycle maker, the modifications intensify the profit squeeze (and profit recovery) and thus speed up the cyclical process.

Journal of Economic Literature Classification Number : 131.

Théorie monétaire de J.M. Keynes : L'hypothèse de séparabilité de la demande de monnaie, par Cécile Dangel.

In the General Theory the money demand is expressed as the sum of two components, each of which is dependent of a specific argument. This article aims to show that Keynes considers the money demand in this fashion in other areas of his writings, particularly in *The Treatise on Money* when he distinguishes the industrial and the financial circulations. Furthermore Keynes hesitates, including in the General Theory, between an equilibrium method and a sequence analysis when he comes to the determination of the main variables of his model. The hypothesis that the money demand bear a separated form seems consistent with a sequential approach. Finally the article suggests that this hypothesis expresses in monetary terms the important difference stressed by Keynes in the General Theory between the activities of enterprise and speculation.

Journal of Economic Literature Classification Numbers : 031, 311.