JOURNAL ARTICLE

Consumption Taxes and Compensatory Finance

Alan T. Peacock and John Williamson

The Economic Journal
Vol. 77, No. 305 (Mar., 1967), pp. 27-47 (21 pages)
Published By: Oxford University Press

https://doi.org/10.2307/2229346
https://www.jstor.org/stable/2229346

CONSUMPTIO

THE purpose of this
tween taxes on income
policy. By " stabilisatio
and stable level of emplo
The development of
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example, distinctions hav
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factors identified, an ope
industrial sectors has bee
consumption taxes—as d
infrequent and generally
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of consumption goods, in
multiplier models.
The accepted conclu
taxes is that these are m
income. True, this con
may not hold good if the
push variety, but there i
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paper includes these fact
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reached is, as previous
plausible one that consu
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The model of inflation
of a sort that would pr
developed economy. D
system through the labo
to be determined by a m

[1] The authors wish to ackno
of Essex and York.
[2] See, particularly, R. A. M
1959), Part IV.
[3] Cf. Bent Hansen, *The Econ*

Journal Information

The Economic Journal was first published in 1891 with a view of promoting the advancement of economic knowledge. Today, The Economic Journal is among the foremost of the learned journals in economics. It is invaluable to anyone with an active interest in economic issues and has established a reputation for excellence.The Economic Journal is a general journal with papers that appeal to a broad and global readership and offer a speedy and fair review process for...

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