
Elementary Particles of the Capitalist Order

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RECENT PUBLICATIONS

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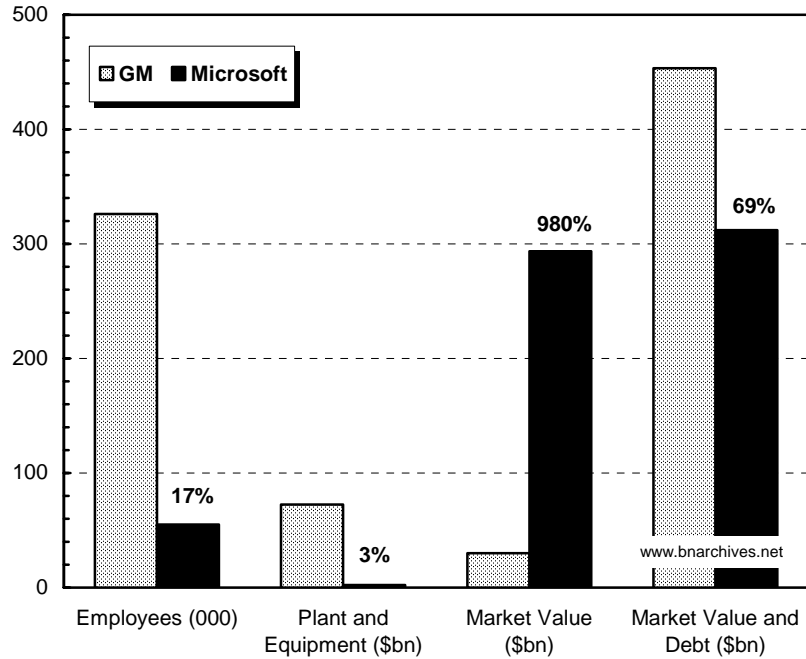


FIGURE 1. General Motors versus Microsoft, 2003

SOURCE: Compustat through WRDS (series codes: data29 for employees; data8 for net plant and equipment; data24 for price; data54 for common shares outstanding; data181 for total liabilities).

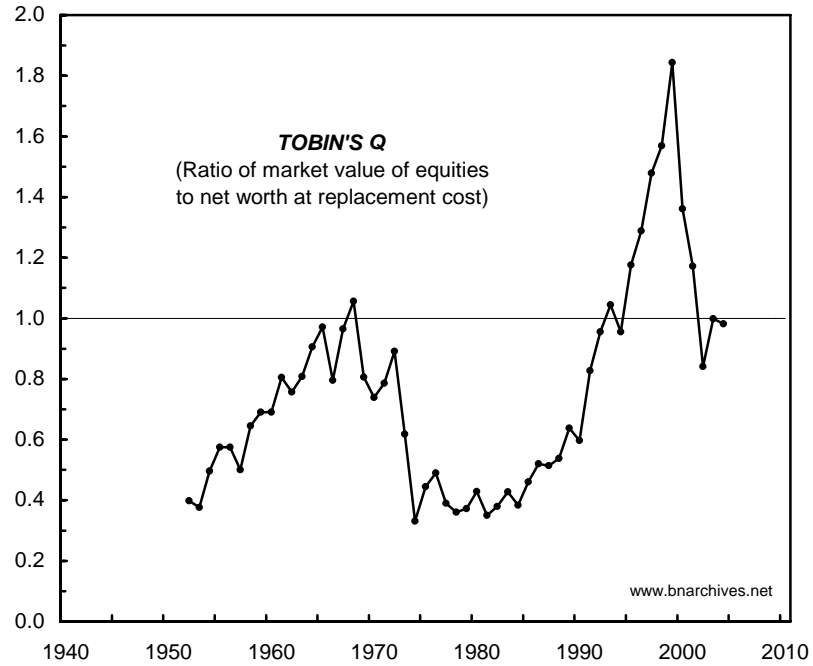


FIGURE 2. "Nominal" vs. "Real" Capital in the U.S.

NOTE: Data pertain to the non-financial corporate sector excluding farms.

SOURCE: U.S. Federal Reserve Board through Global Insight (series codes: FL103164003 for market value; FL102090005 for net worth).

$$\textit{capitalisation} \equiv \frac{\textit{future earnings} \times \textit{hype}}{\textit{risk} \times \textit{discount rate}}$$

$$\textit{capitalisation}_D \equiv \frac{\textit{future earnings}_D \times \textit{hype}_D}{\textit{risk}_D}$$

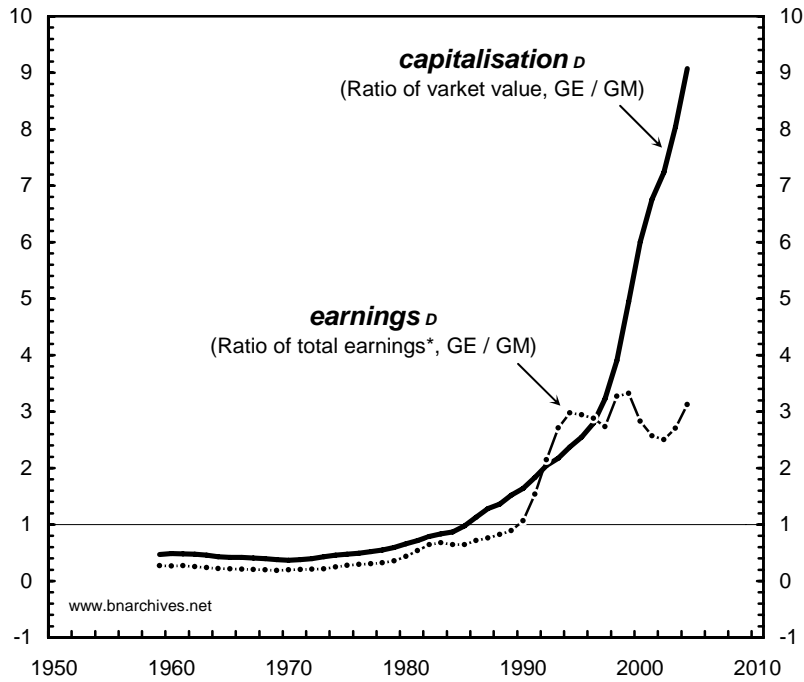


FIGURE 3. Differential Capitalisation and Differential Earnings: GE vs. GM

* Total earnings excluding extraordinary items, net of taxes.

NOTE: Original series for earnings and market value are expressed as 10-year moving averages. Differential earnings and differential market value are computed as ratios of those moving averages.

SOURCE: Compustat through WRDS (series codes: data25 for price; data54 for common shares outstanding; data58 for earnings per share).

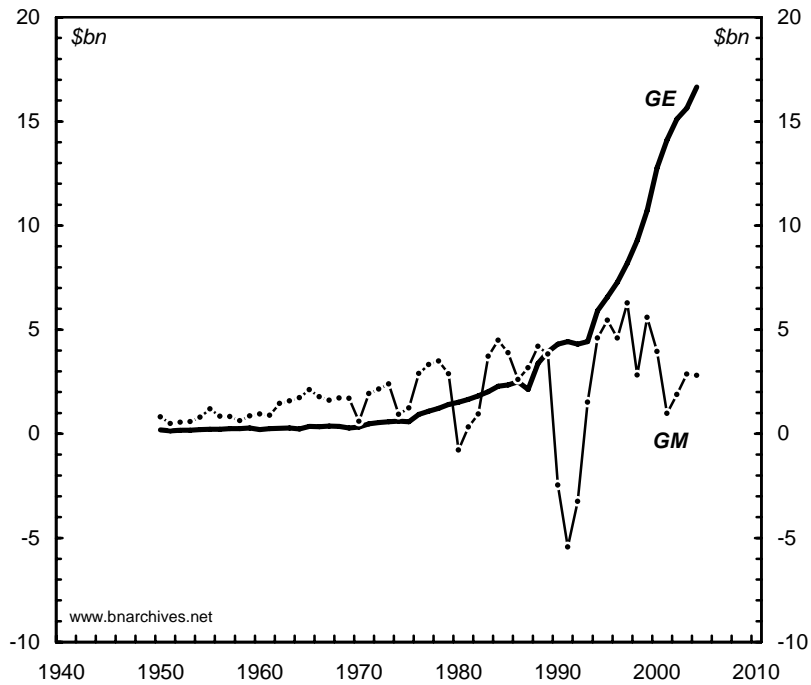


FIGURE 4. Earning Levels and Volatility: GE vs. GM

NOTE: Earnings refer to total earnings excluding extraordinary items, net of taxes.

SOURCE: WRDS (series code: data54 for common shares outstanding; data58 for earnings per share).

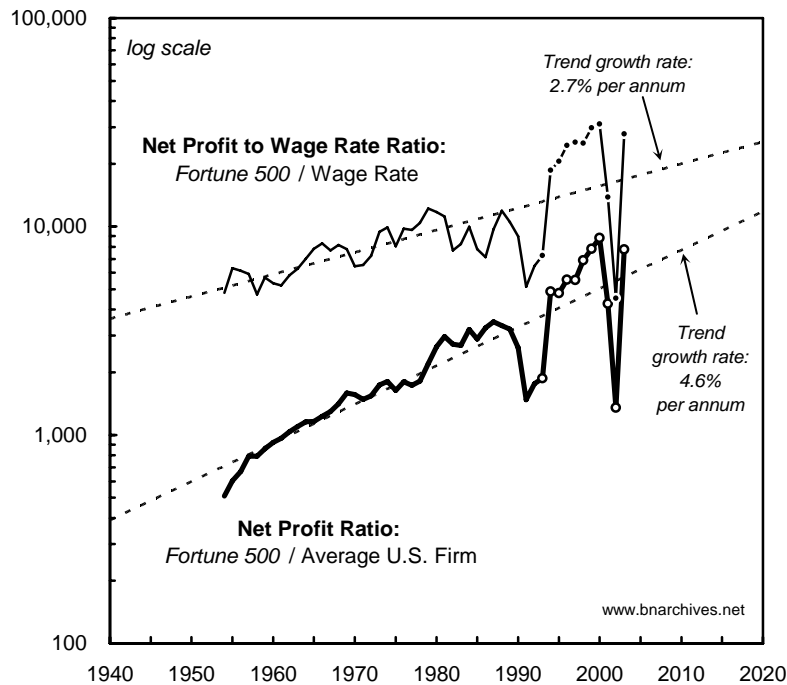


FIGURE 5. Fortune 500: Differential Earnings

NOTE: Net profit for the average U.S. firm is total after tax profit divided by the number of corporate tax return. The annual wage rate is based on total private average hourly earnings. Until 1993, the Fortune 500 list included only industrial corporations (firms deriving at least half their sales revenues from manufacturing and/or mining). In 1994, the list was expanded to include all corporations. For 1992-3, data for Fortune 500 companies are reported without SFAS 106 special charges.

SOURCE: *Fortune*; U.S. Internal Revenue Service; U.S. Department of Commerce through Global Insight (series codes: ZA for profit after tax without IVA and CCADJ; AHEEAP for total private average hourly earnings).