

Market economies

- 75,000 BCE Shell necklaces used as barter in Blombos Cave in South Africa
- 8000 BCE Distinctively shaped clay tokens keep track of food, livestock, and land in Mesopotamia (now Iraq, eastern Syria, and southern Turkey)
- 8000 BCE Salt mined in the Dead Sea and available for trade nearby in Jericho
- 7500 BCE Systems of inventory and counting of cattle and grains appear
- 4000 BCE Chiefdoms of northern Europe trade in amber
- 4000 BCE Gold and silver mining begins
- 4000 BCE The first documented long-distance networks of caravan routes and shipping routes between early urban settlements in lowland Mesopotamia, now southern Iraq
- 3700 BCE Complex accounting symbols scratched on clay tokens in Sumer (now southern Iraq)
- 3500 BCE The Sumerians store tokens, which represent the counts of goods, in clay jars to prevent theft
- 3300 BCE Token use disappears with introduction of cylinder seals to seal and account for Mesopotamia jars' contents
- 3100 BCE Centralized administrations in many large temple-centered cities hire specialized workers
- 3000 BCE Cuneiform written on clay tablets in Mesopotamia for keeping accounts
- 2500 BCE The Great Pyramid built in Giza, Egypt; laborers strike for a daily ration of garlic
- 2350 BCE Long-distance trade between Sumer and the Persian Gulf region, Iran, Afghanistan, and the cities of the Indus Valley
- 2000 BCE Weights and measures standardized in Babylonia, facilitating monetary revolution since gold and silver serve as units of account for prices
- 2000 BCE Banking develops in Babylonia from storing goods in temples as safe havens
- 2000 BCE *The Epic of Gilgamesh* written to describe the period of 2750–2600 BCE, refers to trade with far lands for materials scarce in Mesopotamia such as wood, particularly cedar, written
- 1800 BCE The Assyrians create network of caravan routes and establish trading colonies for exchange of goods
- 1780 BCE The Hammurabi code in Babylon includes laws governing prices, wages, trading, and banking, including “an eye for an eye” and “let the buyer beware”
- 1700 BCE Wages paid in silver in Babylonia
- 1200 BCE Phoenicia, surrounded by empires, exemplifies an international economy due to its extensive naval trade
- 1200 BCE Phoenician alphabet used mainly for commercial notes
- 1158 BCE During the period of events occurring in Homer's *The Iliad* Greece has a gift economy, where social prestige is determined by quantity and status of gifts given, rather than gifts received
- 1100 BCE Egypt regulates sale of beer
- 1100 BCE The Chinese trade silk with other nations
- 705 BCE Stamp seals and alphabetic Aramaic written on leather or papyrus replace cylinder seals in the Assyrian empire
- 700 BCE The touchstone, which tests alloys and purities of metals, makes uniform coinage possible
- 700 BCE Coins expand vast trading empire of Lydia (now northwest Turkey)
- 650 BCE Punch-marked coins appear in India to differentiate types of coins and guarantee their quality
- 630 BCE Lydian coins made from electrum, an amalgam of gold and silver
- 550 BCE *Salarium argentum*, a salt used for payment, becomes the forerunner of salary
- 550 BCE Banking business practiced in Babylonia

525 BCE Egyptian Pharaoh Amasis allows the Greeks (previously excluded for bad behavior) to enter Egypt to trade, but not to study in the royal library

500 BCE The Archaemenid Persian dynasty introduces metal finger rings, replacing stamp and cylinder seals

407 BCE Sparta captures the Athenian Laurion Minesto (a silver mine) to cut off silver supplies

450 BCE Agora, a civic center and marketplace, built in Greece

400 BCE Round, base metal coins produced in China

390 BCE Golden coins minted by Greek King Philip II of Macedonia

375 BCE Pasion, a former Greek slave, becomes a famous Athenian banker

350 BCE The Romans begin using coins

330 BCE Greek King Alexander the Great's army requires in total half a ton of silver a day

300 BCE The Ptolemaic empire in Egypt uses a *giro* system, where payments move from one account to another without transferring money

200 BCE The Silk Road under China's control links China in the east with Rome in the west

118 BCE Banknotes of one-foot deerskin used in China as money

62 BCE Mesopotamia becomes center of the Silk and Spice Route

20 BCE Roman traders use counting boards and hand abaci

5 Earliest craft association *shreni* appears in India

75 *Periplus of the Erythraean Sea*, a Greek sea text, describes navigation and trade between Roman Egyptian ports and the Red Sea, East Africa, and India

190 Chinese invent the wooden abacus

301 Emperor Gaius Aurelius Valerius Diocletianus (Diocletian) issues the Edict on Maximum Prices, setting the upper price limits for items and wages

435 Coins no longer used in the U.K. as a medium of exchange, since invading Anglo-Saxon kings distribute wealth through commodities rather than coins; coins do not come back into use in the U.K. for 200 years

600 The prophet Mohammed partially owns a trading shop in Mecca, selling myrrh, frankincense, and spices

626 Emperor Tai Tsung of the Tang dynasty enthroned and later establishes trade routes to India and Persia under Chinese control

786 Under the caliph Harun Al-Rachid (immortalized in *The One Thousand and One Nights*), Baghdad's trade and commerce of silks and tiles extend to China, the East Indies, Africa, Russia, and the Baltic Sea through caravans and ships

800 The expression "to pay through the nose" derives from the Danes' practice in Ireland of slitting the noses of those not paying the Danish poll tax

800 Arabs and Persians establish trading stations on the East African coast

800 During the medieval ages beer used for tithing, trading, payment, and taxing

928 Kingdoms of Saxony unite in England; Statute of Greatley provides for a single national currency

983 Venice and Genoa carry on flourishing trade between Asia and Europe

1024 The first paper money, block printed, introduced in China

1086 The Domesday Survey, a census by William the Conqueror, assesses and compiles land and resource ownership in England to regulate tax assessments

1100 The need to transfer large sums of money for the crusades stimulates western European banking

1132 Henry I of France grants charters of corporate towns protecting commerce and industry

1150 The word *market* first appears in the English language

1250 Zimbabwe trades vast amounts of gold extensively with Africa, China, and Persia

1260 Mongolian emperor Kublai Khan replaces coins with paper notes throughout the empire

1266 Assize of Bread and Ale enacted (the first law to regulate the production and sale of food in the U.K.)

1275 Marco Polo's *Travels* introduces concept of paper money to Europe

1300 Trade fairs at Bruges, Antwerp, Lyons, and Geneva

1345 Florentine banking houses go bankrupt through nonpayment of English King Edward III

1384 The Worshipful Company of Fishmongers incorporated; all fish sold within London must be inspected by the company

1392 Foreigners in the U.K. forbidden to sell goods

1407 Casa di San Giorgio, the first public bank, transfers balances between accounts in Genoa, Italy

1450 *Khipu*, knotted objects, used for record keeping and to communicate affairs of state throughout the Incan empire

1494 Double-entry bookkeeping method invented

1498 Vasco da Gama reaches India as a result of new experimental forms of equity capital; his discovery breaks the Venetian monopoly on the sugar and spice trade

1500 *Potlach*, the Native American custom of exchanging gifts, establishes rank in North American Indian cultures

1511 King Ferdinand finances Spain's foreign expansion through the New World saying, "Get gold, humanely if you can; but at all hazards, get gold!"

1529 Treaty of Zaragoza (Saragossa) divides the world in half with Portugal gaining control of lands and seas west of the line and Spain most of the Pacific Ocean

1538 Portuguese merchants first arrive in Japan

1545 Silver discovered in the Andes Mountains in Spanish controlled Peru

1551 Alehouses and taverns licensed in the U.K.

1565 The London Royal Exchange established to act as a center of commerce

1580 The booty stolen from the Spaniards during Francis Drake's circumnavigation of the globe (estimated at between £300,000 and £1,500,000) described by British economist John Maynard Keynes as "the fountain and origin of British Foreign Investment"

1597 In his *Essays*, which includes "Of Plantations," Francis Bacon encourages long-term rather than short-term investment in colonies

1600 Gold and silver from the Americas triple Europe's previous amount

1602 The Dutch East India Company (VOC) becomes the first multinational company and introduces the term *share*

1602 Amsterdam Stock Exchange founded to manage VOC's shares

1608 The first checks, "cash letters," used in the Netherlands

1609 Amsterdam's Wisselbank, a *girobank*, allows transferring of money into the accounts of others by checks but does not give credit

1619 Tobacco used as currency in Virginia

1634 An extreme interest in Dutch tulip bulbs causes neglect of other industries

1637 Dutch tulip trade collapses

1637 *Wampum*, a type of shell, becomes legal tender in Massachusetts

1640 English King Charles I forcibly purchases the East India Company's pepper stock credit and immediately sells it at a loss for ready cash

1648 The use of goldsmith's safes after the seizure of the mint by King Charles I accelerates goldsmiths becoming bankers

1658 Swedish financier Johannes Palmstruck devises first bank note issued by the Swedish state bank

1661 French King Louis XIV names Jean-Baptiste Colbert, proponent of mercantilism, Finance Minister of France

1661 Sweden becomes the first European country to issue paper currency

1670 The British crown grants charter to the Hudson's Bay Company to operate trading posts along the Hudson Bay coast

1687 Isaac Newton's *Principia Mathematica* work in physics influences economics; he later becomes Master of the Mint in the U.K.

1690 Massachusetts issues the first paper money to cover the costs of military expeditions; the practice of issuing paper notes spreads to other colonies

1695 Pierre Le Pesant articulates laissez faire (free-market) as a reaction to Colbert's policies in *Détail de la France, sous le règne présent* ([The Detail of France under the Present Reign](#))

1697 Charles Davenant discusses balance of trade in *Discourses on the Publick Revenues and on the Trade of England*

1697 Imports and exports recorded in the U.K.

1698 John Castaing posts prices of stocks and commodities, the beginnings of the London Stock Exchange, in Jonathan's Coffee-House in Change Alley

1727 Tobacco notes become legal tender in Virginia

1732 Benjamin Franklin writes *Poor Richard's Almanack* and publishes versions for the next 25 years, including on wisdom and on economics

1739 Benjamin Franklin's Philadelphia printing firm prints colonial notes with unique raised impressions of patterns cast from actual leaves, an effective counterfeit deterrent not understood until centuries later

1752 David Hume's *Political Discourses* advances international trade theory

1758 Claude-Adrien Helvetius publishes *De l'esprit* arguing that self-interest is the primary motive of human conduct

1764 U.K. Currency Act forbids Colonial paper money

1775 The Continental Congress issues paper currency to finance the War of Independence

1776 Adam Smith writes *An Inquiry into the Nature and Causes of the Wealth of Nations*, a comprehensive treatise of economics arguing for a laissez-faire economy, an "invisible hand"

To found a great empire for the sole purpose of raising up a people of customers may at first sight appear a project fit only for a nation of shopkeepers. It is, however, a project altogether unfit for a nation of shopkeepers; but extremely fit for a nation whose government is influenced by shopkeepers — Adam Smith

1781 Congress charters the Bank of North America in Philadelphia, the first national bank, to support the financial operations of the government
1783 Unpaid soldiers prevented from looting the Bank of North America
1786 Congress adopts the dollar as the monetary unit of the U.S.
1788 Bread riots in France
1790 Brokers meet at an outdoor marketplace in Philadelphia to buy and sell securities issued by the new U.S. government
1791 The first Bank of the United States receives a 20-year national charter to serve as the U.S. Treasury's fiscal agent
1792 Merchants meeting regularly under a buttonwood tree on Wall Street organize America's first formal exchange
1816 Gold officially made the standard of value for banknotes in the U.K.
1826 Tax payments recorded on paper replace notches made in twigs in the U.K.
1829 U.S. trading volume reaches 50,000 shares a day
1829 The first cooperative stores in the U.S. open (Philadelphia and New York)
1831 Workers' uprising in Lyon, France (and also in 1834)
1836 U.S. trading moves inside with the fixtures over the trading posts modeled after streetlights
1837 Free Banking Act of Michigan allows citizens to open banks
1839 China's attempt to suppress British illegal opium imports, a total of 2,640,000 pounds, causes the Opium War
1839 Depression in the U.S. deepens as Bank of the United States fails
1840 Peddling, the U.S.'s earliest entrepreneurship, begins with backpacked men and horse-drawn carts collecting and recycling goods
1842 Opium War ends, reopening trade between China and Europe
1847 Gold discovered in California leads to a gold rush
1848 Karl Marx and Friedrich Engels predict the end of capitalism in *The Manifesto of the Communist Party*
1848 Gold is discovered in California at Sutter's Mill on the American River
1848 The Chicago Board of Trade established
1851 The Great Exhibition, the first world's fair, opens in London's Crystal Palace

[T]he Exhibition of 1851 . . . give[s] us a true test and a living picture of the point of development at which the whole of mankind has arrived, . . . the realization of the unity of mankind — Prince Albert

1851 Gold discovered in Australia
1854 The Treaty of Kanagawa opens Western trade with Japan
1859 The Canadian-American Reciprocity Treaty ensures open market access to the U.S.
1861 To finance the Civil War, Congress orders the U.S. Treasury to issue non-interest-bearing Demand Notes (redeemable for gold on demand) nicknamed "greenback" because of their color
1862 The U.S. issues the first paper money in \$5, \$10, and \$20 denominations
1863 The U.S. National Bank Act establishes a national banking system and authorizes the U.S. Treasury to oversee guidelines for banks

Those few who can understand the system will either be so interested in its profits, or so dependent on its favors, that there will be no opposition from that class, while on the other hand, the great body of people mentally incapable of comprehending the tremendous advantage that capital derives from the system, will bear its burden without complaint and perhaps without even suspecting that the system is inimical to their interests — Senator John Sherman writing in favor of the National Bank Act

1865 The U.S. Secret Service established as a Treasury bureau to control counterfeiters

1867 South African diamond fields discovered

1868 The Chicago Board of Trade begins trading in wheat, pork belly, and copper futures

1869 The Suez Canal shortens the trade route from Europe to India by 6,000 miles

1873 Financial crash in U.K. and Europe causes withdrawal of foreign capital in the U.S.

1882 Charles Dow and Edward Jones start Dow Jones & Company, the first index measuring the New York Stock Exchange's activity; the original 11 companies are Western Union, Pacific Mail Steamship and nine railroads

1882 John D. Rockefeller and associates organize the Standard Oil Trust; the trust is a new industrial organization in which the voting rights of a controlling number of shares of competing firms are entrusted to a small group of individuals (trustees)

1884 James Ritty invents the first working mechanical cash register

1886 U.S. trading volume hits 1,000,000 shares per day

1890 Alfred Marshall publishes *Principles of Economics* discussing supply and demand, marginal utility, and the costs of production; he asserts, “[T]he element of time [is] the source of many of the greatest difficulties in economics”

1890 Sherman Anti-Trust Act passed in the U.S.

1890 McKinley Tariff sets the average tariff rate for imports to the U.S. at 48.4%

1891 Land Boom Crash in Australia follows after rapid expansion due to gold discovery

1894 Congress enacts Income Tax Act, but the Supreme Court declares it unconstitutional

1895 The U.S.'s industrial output equals the U.K.'s

1897 Japan officially adopts the gold standard

1900 The U.S. enacts the Gold Standard Act, which helps establish a central bank and sets the dollar's value at \$20.67 per ounce of gold

1900 *The Wizard of Oz* published (later interpreted as an allegory with the Yellow Brick Road representing gold and the Emerald City representing paper money)

1905 Max Weber explains capitalism as developing from tenets in Protestant faith in *The Protestant Ethic and the Spirit of Capitalism*

1911 The Supreme Court orders breakup of Standard Oil Company based on anti-trust concerns

1912 West African Currency Board established

1912 Joseph Schumpeter publishes *The Theory of Economic Development* explaining his theory of entrepreneurship

1913 The Federal Reserve Act creates the Federal Reserve as the nation's central bank and issues new currency

1914 The Federal Trade Commission (FTC) established to police business practices in interstate commerce

1920 Babe Ruth traded from the Boston Red Sox to the New York Yankees for \$125,000

1921 Lenin's New Economic Policy announced in Russia

1923 Financial collapse of Germany as hyperinflation destroys value of Deutsche mark

1924 Massachusetts Investors Trust, the first official U.S. mutual fund, created
1924 Frozen food, which allows the market and lifespan of food to expand, invented
1924 Macy's, the world's largest store built with 2.1 million square feet of space
1928 Stock market boom in U.S.
1929 The U.S. stock exchange collapses on Black Friday, triggering the Great Depression
1930 End of the U.S. gold standard with gold devalued
1931 Japan ends the gold standard
1931 Depression reaches Europe
1932 Farmers in Iowa blockade roads, armed with pitchforks and shotguns, and refuse to allow produce to go to market
1933 President Franklin Roosevelt begins **New Deal government spending programs** including the Glass-Steagall Act, which establishes the Federal Deposit Insurance Corporation to guarantee the first \$2,500 (now \$100,000) of bank deposits
1933 Adolf Hitler becomes German Chancellor and gears Germany's financial system and economy toward rearmament
1934 The Securities and Exchange Commission (SEC) established in the U.S.
1935 Parker Brothers releases the game Monopoly
1936 John Maynard Keynes publishes *The General Theory of Employment, Interest and Money*, advising governments to increase money supply to overcome Depression
1936 The U.K. ends the gold standard
1945 After World War II ends, stock markets rally to new highs
1946 U.S. Congress passes the Employment Act to seek and maintain maximum employment
1946 Hungary suffers from the world's worst hyperinflation as note issues increase from 12,000 million to a 27-digit figure
1946 The Bretton Woods system establishes international commercial and financial rules with a standard exchange rate based on the dollar, and the World Bank and the International Monetary Fund

We need markets — big markets — around the world in which to buy and sell
— William Clayton, U.S. assistant secretary of state for economic affairs

1948 Market acceptance of frozen orange concentrate leads to frozen foods industry expansion and associated increases in packaging
1950 Ralph Schneider introduces Diners Club credit card
1951 The U.K.'s J. Lyons & Co uses the world's first business computer to calculate payrolls and optimum mixes for tea
1952 Inventors Joseph Woodland and Bernard Silver patent the bar code
1952 John Kenneth Galbraith critiques concentrations of economic power in *American Capitalism*
1953 China begins its first five-year plan for industrialization, collectivization of agriculture, and political centralization
1953 Taiwan begins major exportation
1954 The Ford Foundation sells \$657 million worth of Ford Motor Company stock, the largest secondary offering of stock
1954 Advertiser Leo Burnett introduces the Marlboro Man

1955 The Japanese economic miracle averages 92% annual growth, more than doubling the average income by 1960
1955 First McDonald's franchise opens in Des Plaines, Illinois, after Ray Kroc buys the rights from a hamburger stand in California
1955 The inclusion of "In God We Trust" on U.S. currency required by law
1957 Standard & Poor's calculates the S&P 500 Index, a measurement of U.S. stock market performance, at one-minute intervals
1960 Primitive money no longer in use in the world
1960 Japan's growth averages 107% annually
1962 Sam Walton opens Wal-Mart in Arkansas
1963 South Korea's first five-year plan for economic reform begins
1964 Gary Becker explains the need for funding individual's skills, education, health, and training in *Human Capital*

The main purpose of economics is to understand and to help alleviate poverty, and there is an intimate and transparent relation between investments in human capital and the alleviation of poverty — Gary Becker

1967 Congress authorizes U.S. Treasury to stop redeeming silver certificates in silver dollars or bullion
1967 The ATM (automatic teller machine) invented in England
1968 First computer installed on a trading floor
1969 The bar-code scanner invented
1970 Silver removed from the production of coins in the U.S., replaced with 75 % copper and 25 % nickel
1970 Eugene Fama's "Efficient Capital Markets" describes the market as constantly adjusting prices based on information
1971 The National Association of Securities Dealers Automated Quotation System (NASDAQ) opens as the first electronic stock market, displaying quotes for more than 2,500 securities
1972 Stock market retreats as the oil crisis, inflation, and unemployment stifle the U.S. and world economies
1972 International currency futures introduced
1973 President Nixon stops the dollar's convertibility into gold
1973 The Chicago Board Options Exchange opens
1978 Iranian oil exports cease because of the Iranian revolution
1978 Occidental Petroleum negotiates \$20 billion barter deal supplying the Soviet Union with fertilizer and receiving ammonia and urea; barter still used in world trade particularly in deals involving communist countries and countries short of hard currency
1979 European Monetary System created
1980 Junk (high risk, high yield) bonds provide ready financing for merger mania in U.S.
1980 Southeast Asia experiences rapid economic development
1982 Almost 200 mergers and acquisitions occur, from this date until 1989, valuing over \$1 billion
1984 The Federal Appeals Court legalizes nationwide ATM networks
1984 NASDAQ introduces Small Order Execution System, for small stock purchases

1986 Japan becomes world's top financial lender
1986 China's open-door policy allows for foreign investment and encourages development of a market economy and a private sector
1987 Alan Greenspan appointed Chairman of Federal Reserve; he will serve under four U.S. presidents

I have found no greater satisfaction than achieving success through honest dealing and strict adherence to the view that, for you to gain, those you deal with should gain as well
— Alan Greenspan

1987 Highest trade surplus (\$87 billion) in Japan
1989 RJR Nabisco pays executive F. Ross Johnson \$53,800,000 as part of a golden parachute clause (severance benefits if control of a company changes)
1989 RJR Nabisco takeover at \$25 billion, the biggest leveraged buyout (paid with debt)
1989 Stock markets open in Shanghai and Shenzhen, China
1992 U.S. Defense Department sues Lockheed Martin and Northrop Grumman after subsidizing more than \$100 billion in defense mergers for five years
1992 Europe begins a single market with no barriers to capital, labor, goods, or services
1994 Internet trading launched by K. Aufhauser & Company, Inc
1994 Communist China's gross domestic product (GDP) grows at an average annual rate of about 10%, the highest in the world
1994 China abolishes the official renminbi (RMB) currency exchange rate and fixes its first floating rate since 1949
1995 Andrew D. Klein launches the first Initial Public Offering (IPO) over the Internet for his microbrewery Spring Street Brewing Company
1995 By value, over 90% of all transactions in the U.S. are made electronically
1996 The Union Pacific and Southern Pacific merge forming the largest U.S. railroad
1997 The White House issues *The Framework for Global Electronic Commerce*
1997 Jiang Zemin legalizes private enterprise and unveils a plan to privatize Communist China's state-owned enterprises
1997 Indian Railways, with 1,583,614 regular employees, is the world's largest employer
1997 Devaluation of the Thai Baht collapses Thailand's economy and causes chaos in the financial markets of Indonesia, Malaysia, Philippines, Singapore, South Korea, and Taiwan
1998 More than 11,000 mergers in the U.S. occur with a total value of \$162 trillion, including Daimler-Benz and Chrysler Corp, SBC and Ameritech Corp, and Citicorp and Travelers
1998 More than 73 million debit cards have been issued in the U.S., with a total sales volume of \$1 Great Exhibition of the Works of Industry of all Nations.347 billion1998
U.S. states Attorney Generals file civil action against Microsoft Corporation for attempting to destroy and prevent competition in the desktop computer market
1999 Merger of Exxon and Mobil creates the world's largest company (by revenue)
1999 First Internet Bank of Indiana available on the Web
1999 KPMG study reveals only 17 % of mergers add value and more than 50% destroy value

1999 Aiming to quicken government response to citizens and the market, Vice President Al Gore organizes the Reinventing Government Conference in Washington, D.C.

1999 The Dow Jones Industrial Average tops 10,000 for the first time

1999 European single currency is created

2000 World Bank analyzes bank concentration across countries: the U.S. has more than 23,000 banking institutions; Japan, 4,635; Germany, 3,509; and France, 547

2000 America Online (AOL) and Time Warner become largest merger (3.5 trillion)

2000 With one dot-com failure a day and job losses near the 10,000 mark, venture capital funding becomes scarce

2000 Mergers totaling \$3.5 trillion occur, including The Union Pacific-Southern Pacific merger, forming the largest railroad in the U.S.

2000 Protesters block the World Bank and International Monetary Fund meetings to critique their Third World economic policies

2000 Prepaid debit cards introduced

2001 U.S. federal authorities permit Citigroup and Chase Manhattan Bank to acquire companies known for making predatory loans

2001 Enron Corporation, the seventh largest U.S. company and the world's largest energy trader, files for bankruptcy due to extensive use of energy and credit derivatives

2002 Euro coins and notes introduced by the European Union (E.U.)

2002 JetBlue, the most heavily capitalized airline start-up in history, introduced

2002 The European Commission reaffirms intention to uphold E.U. law in its probe into Microsoft's antitrust violations

2002 Arthur Andersen, Chicago accounting firm, surrenders its licenses to practice as a result of auditing Enron

2002 In response to the collapse of Enron and Arthur Andersen, the Sarbanes-Oxley Act establishes new standards for public company boards, management, and accounting firms

2003 The U.S. Defense Department drops the Terrorism Futures Plan, originally thought to be a market that would predict and prevent terrorist attacks

2003 Tyco International's CEO, Dennis Kozlowski, accused and later convicted of bilking \$600 million from company

2003 Microsoft agrees to pay \$200 million to settle class-action lawsuits filed in several U.S. states

2003 CEO Calisto Tanzi of Parmalat, Europe's largest dairy company, admits to hiding almost \$10 billion in losses and misappropriating at least \$620 million

2004 Jeffrey Ice patents single-use credit-card number

2004 Tyco International pays New Hampshire \$5 million to settle allegations of company officials' financial misconduct

2004 Merrill Lynch & Company wins dismissal of a suit filed in federal court in New York accusing it of inflating the value of Tyco International

2004 Morgan Stanley calls China the "greatest economic development story of the 21st century"

2004 Google sells its company shares on the stock exchange and online using a Dutch auction process rather than a traditional fixed sale price

2004 China's GDP accounts for 13% of world output, second only to the U.S.

2005 \$4,000,000 is the most paid for a membership on the New York Stock Exchange

2005 Refco, one of the largest derivatives brokers, suspends trading

2005 WorldCom founder Bernard Ebbers convicted of fraud, conspiracy, and filing false documents in \$11 billion accounting scandal, causing \$180 billion loss to investors

2005 The Bankruptcy Act imposes new costs and limits individuals from seeking bankruptcy and erasing debt

2005 The Supreme Court rules that file-sharing services and software companies liable for copyright infringement

2005 The Gulf Opportunity Zone Act spurs economic growth to businesses and entrepreneurs in Louisiana, Mississippi, and Alabama in response to Katrina

2005 Nobel Prize in Economics awarded to Robert Aumann and Thomas Schelling for advancing understanding of conflict and cooperation through game-theory analysis

2006 Congress passes a bill to raise the U.S. federal government's debt to \$9 trillion