

## Professor Okishio's concept of the rate of income

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### Abstract:

This paper examines the theoretical implications of Professor Okishio's concept of the rate of income, which is defined as income per unit of direct labor. He used the rate of income to measure the degree of inter-industry unequal exchange. Interestingly, the rate of income can be interpreted as an industry-level application of the so-called New Interpretation's 'monetary expression of labor time' (MELT) established since the 1980s. Under the assumption that the skill level of labor in each industry is the same, this concept can be applied to the estimation of industry-level rates of surplus value and the analysis of value transfers between industries.