## CONTENTS

Series preface Preface		page xiii
		xv
I	Introduction	I
1.1	The relevance of the General Theory	I
1.2	The General Theory and historical time	2
1.3	The General Theory and equilibrium	4
1.4	Short-period equilibrium and change	7
1.5	The growth of the economy over time	9
2	Towards The General Theory	11
2.I	Introduction	ΙΙ
2.2	The transition from the Treatise	13
2.3	The 'Circus'	16
2.4	Drafts of The General Theory	19
2.5	Conclusion	23
3	The General Theory of employment	25
3. I	Introduction	25
3.2	The labour market	27
3.3	Involuntary unemployment	32
3.4	Expectations, time and realised results	38
3.5	Effective demand	41
3.6	The stability of equilibrium	46
3.7	Say's law	49
3.8	Long-period employment	50
3.9	Conclusion	51
3 3	Appendix	53
4	Consumption and investment	58
4. I	Introduction	58
4.2	The consumption function	59
4.2	The multiplier	$\overset{33}{65}$
		ix

4.4	The marginal efficiency of capital	70
4.5	Investment decisions, investment and time	77
4.6	The volatility of investment	80
4.7	Conclusion	82
5	Money, finance and the rate of interest	85
5. I	Introduction	85
5.2	The demand for money	87
5.3	The classical theory of interest	96
5.4	The 'safe' rate of interest	99
5.5	The rate of interest and employment	101
5.6	The essential properties of interest and money	102
5.7	Finance	109
5.8	A revolving fund of liquid finance	112
5.9	The term structure of interest rates	115
5.10	Conclusion	117
6	Equilibrium, change and time	120
6. г	Introduction	120
6.2	Independent variables and changes	122
6.3	Changes in money-wage rates	124
6.4	Equilibrium in a changing environment	128
6.5	The trade cycle	131
6.6	Long-period equilibrium in The General Theory	134
6.7	Conclusion	136
7	Harrod and dynamic economics	138
7. I	Introduction	138
7.2	The trade cycle	139
7.3	Transition to the 1939 'Essay'	144
7.4	Dynamic equilibrium	145
7.5	The line of steady advance	151
7.6	The instability principle	159
7.7	Conclusion	164
8	Robinson on the accumulation of capital	166
8. ı	Introduction	166
8.2	The determinants of the system	168
8.3	Short-period equilibrium	172
8.4	The desired rate of accumulation	175
8.5	Golden, and not so golden, growth paths	179
8.6	Instability	183

Contents		
8.7	Conclusion	185
9	Conclusion	188
References		193
Indexes		200