THE COLLECTED WRITINGS OF JOHN MAYNARD KEYNES

VOLUME VII

THE GENERAL THEORY OF EMPL/OYMENT INTEREST AND MONEY

M

FOR THE

ROYAL ECONOMIC SOCIETY

CONTENTS

General Introduction	page ix
Editorial Introduction	xv
Preface	xxi
Preface to the German Edition	XXV
Preface to the Japanese Edition	xxix
Preface to the French Edition	xxxi

BOOK I

INTRODUCTION

I	THE GENERAL THEORY	3
2	THE POSTULATES OF THE CLASSICAL Economics	
	ECONOMICS	4
3	THE PRINCIPLE OF EFFECTIVE DEMAND	23
	BOOK II	
	DEFINITIONS AND IDEAS	
4	THE CHOICE OF UNITS	37
5	EXPECTATION AS DETERMINING OUTPUT	
	AND EMPLOYMENT	46
6	THE DEFINITION OF INCOME, SAVING AND	
	INVESTMENT	52
	Appendix on User Cost	66

V

THE GENERAL THEORY OF EMPLOYMENT

7 THE MEANING OF SAVING AND INVESTMENT FURTHER CONSIDERED page 74

BOOK III

THE PROPENSITY TO CONSUME

...

8	THE PROPENSITY TO CONSUME: I. THE OBJECTIVE FACTORS	89
9	THE PROPENSITY TO CONSUME: II. THE SUBJECTIVE FACTORS	107
10	THE MARGINAL PROPENSITY TO CONSUME	113

BOOK IV

THE INDUCEMENT TO INVEST

II	THE MARGINAL EFFICIENCY OF CAPITAL	135
12	THE STATE OF LONG-TERM EXPECTATION	147
13	THE GENERAL THEORY OF THE RATE OF Interest	165
14	THE CLASSICAL THEORY OF THE RATE OF INTEREST Appendix on the Rate of Interest in Marshall's Description of Fouriering Biography's Drivertheory	175
	Principles of Economics, Ricardo's Principles of Political Economy, and elsewhere	186
15	THE PSYCHOLOGICAL AND BUSINESS Incentives to liquidity	194
16	SUNDRY OBSERVATIONS ON THE NATURE OF CAPITAL	210

CONTENTS

17	THE ESSENTIAL PROPERTIES OF INTERES	Т
-	AND MONEY	page 222
18	THE GENERAL THEORY OF EMPLOYMENT	
	RE-STATED	245
	BOOK V	
	MONEY-WAGES AND PRICES	
19	CHANGES IN MONEY-WAGES	257
	Appendix on Prof. Pigou's Theory of Unemployment /	272
20	THE EMPLOYMENT FUNCTION	280
21	THE THEORY OF PRICES	292

BOOK VI

292

SHORT NOTES SUGGESTED BY THE GENERAL THEORY

22	NOTES ON THE TRADE CYCLE	313
23	NOTES ON MERCANTILISM, THE USURY LAWS, STAMPED MONEY AND THEORIES OF UNDER-CONSUMPTION	333
24	CONCLUDING NOTES ON THE SOCIAL Philosophy towards which the General theory might lead	372
	Appendix 1. PRINTING ERRORS IN THE FIRST EDITION	385
	Appendix 2. FLUCTUATIONS IN NET INVESTMENT IN THE UNITED STATES (1936)	386
	Appendix 3. RELATIVE MOVEMENTS OF REAL WAGES AND OUTPUT (1939)	394
	INDEX vii	413