



Journal of Post Keynesian Economics >

Volume 9, 1986 - Issue 1

7 Views | 25 CrossRef citations to date | 0 Altmetric

Original Articles

# Finance, Liquidity, Saving, and Investment

A. Asimakopulos

Pages 79-90 | Published online: 04 Nov 2015

Cite this article <https://doi.org/10.1080/01603477.1986.11489601>

Sample our  
Economics, Finance,  
Business & Industry Journals

>> [Sign in here](#) to start your access  
to the latest two volumes for 14 days

References

Citations

Metrics

Reprints & Permissions

Read this article

## We Care About Your Privacy

We and our 855 partners store and access personal data, like browsing data or unique identifiers, on your device. Selecting "I Accept" enables tracking technologies to support the purposes shown under "we and our partners process data to provide," whereas selecting "Reject All" or withdrawing your consent will disable them. If trackers are disabled, some content and ads you see may not be as relevant to you. You can resurface this menu to change your choices or withdraw consent at any time by clicking the ["privacy preferences"] link on the bottom of the webpage [or the floating icon on the bottom-left of the webpage, if applicable]. Your choices will have effect within our Website. For more details, refer to our Privacy Policy. [Here](#)

We and our partners process data to provide:

...

I Accept

Reject All

Show Purpose



## Finance, liquidity, saving, and investment

### Introduction

The post Keynesian approach to economic theory builds on Keynes's emphasis on the key role of investment in determining the level and rate of growth in economic activity (this emphasis is also to be found in Kalecki's writings). Desired saving is brought into equality with investment as a result of both the multiplier and income distribution effects of changes in investment. It is this investment which determines saving, rather than the reverse.

For the rate of investment in fixed capital to increase, entrepreneurs must be confident enough about the prospects of future profitability to commit themselves to the development and ownership of productive facilities, which require the provision of finance by banks, the expenditure of funds, and the assumption of liabilities by entrepreneurs that reduce their liquidity.<sup>1</sup> This requirement for finance—whose availabil-



> [Log in](#)

## Restore content access

> [Restore content access for purchases made as guest](#)


## Purchase options \*

[Save for later](#)

### PDF download + Online access

- 48 hours access to article PDF & online version
- Article PDF can be downloaded
- Article PDF can be printed


USD 53.00

 Add to cart

### Issue Purchase

- 30 days online access to complete issue
- Article PDFs can be downloaded
- Article PDFs can be printed

USD 231.00

 Add to cart

\* Local tax

## Related



A Note

J. A. Kre  
Journal o  
Publishe

Finance

Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive updates by email



Sign up



Copyright

Access



Registered  
5 Howick Place

Taylor & Francis Group  
Taylor & Francis business

