



Journal of Post Keynesian Economics >

Volume 9, 1986 - [Issue 1](#)

20 Views | 38 CrossRef citations to date | 0 Altmetric

Original Articles

A Note on Finance, Liquidity, Saving, and Investment

J. A. Kregel

Pages 91-100 | Published online: 04 Nov 2015

🗨️ Cite this article <https://doi.org/10.1080/01603477.1986.11489602>

Sample our
Politics & International
Relations Journals

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



 References

🗨️ Citations

 Metrics

 Reprints & Permissions

Read this article

 Share

J. A. KREGEL

A note on finance, liquidity, saving, and investment

But, alas I have only driven them into more tergiversations. I am really driving at something extremely plain and simple which cannot possibly deserve all this exegesis. (Keynes on the debate over the finance motive in a letter to Shaw, April 13, 1938)

In a 1984–85 article in *JPKE* I addressed the recently revived policy position that private saving, interpreted as forgoing consumption in order to free real resources, was the major determinant of a nation's level of investment so that policy should be designed to increase individuals' desired savings. Although it presented an alternative post Keynesian position on the issue, it clearly was not intended, as Asimakopulos's comment intimates, to represent the full scope of post Keynesian theory. This delimitation of the argument to a question of policy was not gratuitous but conscious; the assumptions that I used were those associated with the policy debate and I should be surprised if any reader should have concluded, as Asimakopulos appears to have done, that I was attempting to so limit post Keynesian theory as to suggest that the only factor which leads to increased investment is a reduction in the rate of interest! Where Asimakopulos interprets my use of the phrase "post Keynesian position" (1984–85, p. 139) as Mosaic pronouncement, it should be clear that it was meant to imply the post Keynesian alternative relative to the rather particular arguments of the

The author is Professor of International Economics at The Johns Hopkins University, Bologna Center, Italy. He would like to thank A. Graziani, J. Snippe, and the Editor for their invaluable suggestions for improving the presentation without implicating them in the final result.

> [Access through your institution](#)

Log in to Taylor & Francis Online

> [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


EUR 48.00

 Add to
cart

Issue Purchase

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

EUR 190.00

 Add to
cart

* Local tax will be added as applicable

Related Research

People also read

Recommended articles

Cited by
38

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 personalised research and resources by email



Sign me up



Copyright © 2026 Informa UK Limited [Privacy policy](#)

[Cookies](#) [Terms & conditions](#) [Accessibility](#)

Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG

 Taylor and Francis
Group