

## Lecture 15: Keynes

In this lecture, we cover Keynes as well as some of the developments following his *General Theory*, namely the work of Kalecki and the Harrod-Domar model of growth. Formally this amounts to a large number of pages, both in V&G and in B&D (so at least the present handout will be short), but there is rather much overlap. The chapter on Keynes in V&G is very well-written, catching all the main points and giving a good argumentation for what is the really new achievement, the balancing of savings and investment *not* through interest rates but through income. The two chapters in B&D can be taken as a supplement, to be read or skipped according to taste.

We run quickly through Kalecki but use a some time on Harrod(-Domar), a brief version can be found in Lecture Note 15.

**We read:** V&G, chapter 30-33, B&D, chapters 1-2.