The demand for money is affected by several factors, including the level of income, interest rates, and inflation as well as uncertainty about the future. This way in which these factors affect money demand is usually explained in terms of the three motives for demanding money: the transactions, the precautionary, and the speculative motives. Keynes proposes two theories of liquidity preference (i.e. the demand for money) in Chapter 13 and the overall success of a correction in Chapter 15 of The General Theory of Employment, Interest and Money. Although the neoclassical approach is...