

The theory of endogenous money supply forms one of the cornerstones of postkeynesian economics. It has been developing rapidly during the last twenty years, but is still neglected as a theoretical background for practical central bank policy. This may be due to the existence of different approaches to money endogeneity within postkeynesian economics. Postkeynesian economics thus lacks a general formulation of money endogeneity. Naturally, we may ask whether reinterpretation of current approaches to endogeneity – structuralism and horizontalism – into more general theoretical framework is possible.

This thesis aims at finding answer to this question. It is critical to Fontana's attempt to reinterpret structuralism and horizontalism into more general theory. In my opinion, Fontana misinterprets differences between the two approaches and focuses on their graphical representation too much. Regrettably, the second approach to reinterpretation based on detailed analysis of cross-differences shows that differences, some of them very serious, between horizontalists and structuralists still prevail. I come to the conclusion that so far the reinterpretation of structuralism and horizontalism into more general theory is not possible, thus rejecting my initial hypothesis.