

(the propagation mechanism). However, I did not find a coherent argument showing how the endogenous nature of money can be the underlying cause of crises. If the supply of money is endogenous, as argued by the author, it cannot be the cause of the crisis. Money and finance provide the means by which the crisis is propagated. The underlying cause can be explained, à la Marx, by the inherent contradictions of a capitalist society. There is some discussion of the immediate causes of the crisis in Chapter 7, but it is not linked to the discussion in Chapters 3 and 5.

This is a book that provides much information for people interested in heterodox theories of money and the crisis and is recommended reading for students.

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Ross Gittins, *Gittins' Gospel: The Economics of Just about Everything*. Allen & Unwin: Sydney, NSW, Australia; Melbourne, VIC, Australia; Auckland, New Zealand; London, 2012; viii + 312 pp.: 9781743313558, AUD\$26.99 (pbk)

Jessica Irvine, *Zombies, Bananas and Why There Are No Economists in Heaven: The Economics of Real Life*. Allen & Unwin: Sydney, NSW, Australia; Melbourne, VIC, Australia; Auckland, New Zealand; London, 2012: Fairfax Books, an imprint of 2012, x + 256 pp.: 9781742379975, AUD\$24.99 (pbk)

Reviewed by: GC Harcourt, *University of New South Wales, Australia*

Australia is a lucky country to have two such fine economics journalists as Ross Gittins and Jessica Irvine. They both recently (2012) published selections of essays taken from their columns of recent years in the *Sydney Morning Herald* and the *Age*. Gittins' selection has the title *Gittins' Gospel: The Economics of Just About Everything*. Irvine's title is *Zombies, Bananas and Why There Are No Economists in Heaven: The Economics of Real Life*. Irvine is now at the *Australian*, but for many years, she worked with Gittins at the *Sydney Morning Herald*. Their columns are always my first turn to read, even when an Ashes series is on.

Ross Gittins started his professional life as an accountant (I define an accountant as an economist with a sense of humour, the definition which fits Gittins like a glove). Although, as he tells us, he took some economics courses during his accounting training, he really learnt on the job once he became a journo. He also tells us that he grew up in a

Salvation Army family and that his father regularly preached, but as a teacher rather than as a Fire and Brimstone Hell-raiser. His father's moral values and teaching style have been passed onto his son.

Jessica Irvine has an Honours degree in Economics (Social Sciences) from the University of Sydney – the dreaded Political Economy major – but she is also well versed in the approach of mainstream economics. Her own approach is very much that of the late James Meade, a UK Nobel Prize recipient, who is well known in Australia, a country he much admired, for his close friendship with the late Trevor Swan, our greatest economist, and for his classic article with the late Eric Russell in the 1957 *Economic Record* (Meade and Russell, 1957), on how the Australian economy worked. James Meade described himself as 'Lib-Lab', meaning that he was a liberal Keynesian economist who advocated use of competitive markets wherever possible (especially for international trade), but who had Labour values which entailed above all advocating policies that provided equality of opportunity for all and equitable distributions of income and wealth.

The coverage of topics by both authors is extremely impressive. Gittins is well up with developments in modern economics and on how they link back to the findings of past greats. He takes in behavioural economics and neuroeconomics as well as evolutionary and institutional economics (old and new) as they develop. He is a master at explaining clearly and entertainingly the gist of ideas, how they apply and illuminate. He has an underlying seriousness of purpose – he would never regard economics and its theory as ends in themselves – but he is as well a witty and compelling writer. His values are humane, his idea of what is a good society and what economic policy could contribute to attaining it, reflect his upbringing, and are all the better for that. He hopes some of the ideas in his essays, now that they are in book form, will be, if not 'eternal, ... have a longer shelf-life than others' (p. 303).

He cannot stand hypocrisy or humbug or stupidity, and he says so vigorously. At times, he stereotypes the economics profession and finds more homogeneity than in fact there is, but overall, he is fair, balanced and very careful to name his sources.

One of his strengths is to chase up recent interesting and innovative books and articles and present their central ideas in an abundantly clear and compelling manner. He really is a superb teacher, able to make clear the intricacies of the budget, the economics of climate change, the roles of an independent central bank, the causes of the GFC, and the problems facing a small open economy in an environment of deregulated markets and floating exchange rates, beset by the limitations and constraints of a Federal system. Gittins has an excellent sense of the orders of magnitude of key economic variables and statistics. He takes his readers carefully and succinctly through their meanings in his unfolding narratives. As is to be expected, he has great sympathy for the underprivileged and those adversely affected by the brutal processes at work in modern economies, and he always applauds policies that tackle these ills efficiently and equitably. Gittins has fought a valiant battle against the harmful effects of the embedded fetishes of sizes of budget deficits and debt to income ratios.

Jessica Irvine's essays exhibit many of the same traits. She has a delightful and subtle wit, her sentences are replete with amusing asides and gentle puts down and teases, not

least of herself. She too has a fine sense of orders of magnitude, an ability to use key statistics to bring perspective and proportion to theory and controversial topics. Each essay has an informative table of statistics and facts to illuminate the topic she is discussing. Her essay on the economics of asylum seekers puts to shame the inaccurate and inhumane, racially tinged, discussions of this issue by both major political parties.

Irvine parts company with Gittins in that his definition of economics goes back to Marshall's mankind in the ordinary business of life, whereas she is much more Wicksteedian/Robbinsonian. Scarcity is the ultimate definer of what economics is about: it analyses an aspect of *all* life rather than a part of life. That is why, she argues, there are no economists in Heaven – there is no scarcity there so they would not be needed. Her description of Heaven makes clear how dull it would be, much in accord with my father's saying: 'Heaven for scenery, Hell for comfort'.

Both writers recognise and argue passionately for full employment as the dominant aim of policy. As a result, they put control of inflation in its proper place, subservient to attaining full employment, while advocating policies which could keep the rate of inflation from accelerating when full employment is sustained. Both admire Keynes and Kalecki, their theories and policies. This background influences strongly and properly their assessments of modern macroeconomics associated with Friedman and then Lucas and his surrogates. Neither of our authors will have a bar of the notion that economics is a value-free social science. They understand well that ideology and analysis are indissolubly mixed and they make their own views explicit in their evaluation of theories and policies.

If I were asked by would-be students of economics what they should read in order to decide whether to take courses in economics, as well as Robert Heilbroner's (1953) *The Worldly Philosophers* and Partha Dasgupta's (2007) *Economics: A Very Short Introduction*, I would recommend that they read these two volumes. If after reading all four the would-be students are not turned on, economics is not for them.

Ross Gittins and Jessica Irvine recognise that professional economists need a technical language and advanced techniques properly to undertake professional work. But our authors bring us superbly the conceptual bases that underlie these 'tools of trade'. The United Kingdom is well served by having the articles of Larry Elliot, William Keegan and Samuel Brittan, and the United States by having those of Paul Krugman and Joe Stiglitz, to guide them. Australia easily matches them with these articles by Ross Gittins and Jessica Irvine. If we heed their wise illuminations, we could indeed be a lucky country.

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