

This trade was worth about £3 billion at today's prices. The war damaged the networks of merchants who were extensively engaged in American raw cotton. But, because cotton could be sourced from Brazil, Egypt, and India, the war simultaneously provided an incentive to develop networks that were not engaged in the American raw cotton trade. Further, while the war accelerated the development of cotton futures trading in Liverpool, the nature of this trade changed. In the pre-war era, speculation involved stocks of raw cotton held in Liverpool but, from 1861, speculation encompassed: raw cotton that might never be unladen at Liverpool, raw cotton that was in transit somewhere on the globe, or raw cotton that was not known for certainty to exist. These developments pitted Liverpool against Manchester: while brokers in the former city tried to inflate prices, brokers in the latter city tried to deflate prices. Although there was a substantial reduction in the volume of the raw cotton trade centred on Liverpool, the enormous rise in the price of raw cotton during the war meant that the value of the trade reached its nineteenth century pinnacle.

One of the strengths of *Losing the Thread*, is that Powell interweaves the evolving fortunes of Liverpool and America. For example, the war generated a significant change in the composition of members belonging to the Liverpool Cotton Brokers Association (LCBA). Simultaneously, the war facilitated the growth of raw cotton production in other American states, especially Texas. Another strength is that Powell is scrupulous when discussing the limitations of the sources used: some are fragmentary, while some cover the period before and after the war, but not during the actual conflict. A pertinent example of the need to be vigilant occurs in the discussion of the changing membership of the LCBA. The limited evidence suggests that there was much confusion about who, exactly, was a member of this institution; it appears that the LCBA was unable to distinguish between firms in which all partners were members, and firms where only *some* of the partners were members. This opaqueness raises the possibility that many selling brokers were importers, or vice versa. A further strength of this book—and one which this reviewer found particularly intriguing—was the “human angle.” For example, the book is dedicated to William Mayne Neill and Henry Montgomery Neill, Powell's great-great grandfather and great-great uncle, respectively, who became acknowledged experts on raw cotton merchanting and were the proprietors of the firm Neill Brothers & Co. Similarly, in the concluding chapter, Powell traces the contrasting post-war fortunes of some of the key players among the Liverpool merchant community. For example, Thomas Ellison, who was a cotton broker and historian, died with an estate valued at £16, 278, while Maurice Williams, also a cotton broker, lost a fortune, ended his working life as an estate agent, and left an estate worth less than £200.

Jim Powell has written a comprehensive and illuminating account of how the American civil war affected the Liverpool raw cotton market. In doing so, Powell has successfully disproved many of the myths that surround the U.K.-impact of this war. It seems appropriate to end this review by quoting Powell's general assessment of the war: “The civil war years were, except for a handful of successful speculators and some brokers, a time of unmitigated catastrophe for Britain's cotton trade, and ultimately for America's cotton producers”(p.12).

DAVID M. HIGGINS, *Newcastle University*

UNITED STATES AND CANADA

Mission Economy: A Moonshot Guide to Changing Capitalism. By Mariana Mazzucato.
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Mission Economy strives to convince the reader that governments can deliver on ambitious outcomes with the right approach. Mazzucato sees a mission orientated approach as a real opportunity for governments to lead in solving the economic, environmental, and social challenges we face today. Her breadth of experience working closely with policy makers shines

through. She writes beautifully about the history of moonshots and presents many facts that readers interested in government's role in innovation should know.

The Space Race is the canonical example of mission-oriented research and development spending. Many see important technological and economic spillovers flowing from National Aeronautics and Space Administration (NASA) moonshot as making the case for mission orientated public research and development. President Barack Obama, in his 2011 State of the Union, captured this well, "Half a century ago, when the Soviets beat us into space with the launch of a satellite called Sputnik, we had no idea how we'd beat them to the moon, the science wasn't there yet. NASA didn't even exist. But after investing in better research and education, we didn't just surpass the Soviets—we unleashed a wave of innovation that created new industries and millions of new jobs." *Mission Economy* fits squarely in this camp.

Mazzucato first takes the reader back to the original moonshot. She describes how President Kennedy announced in the early 1960s that the U.S. government would send a man to the moon and return them safely to earth before the decade was out. The success of the Apollo mission in 1969 remains a high point of human achievement. It was not easy. The United States was nowhere close to having the technological capability to immediately fulfill the mission upon Kennedy's announcement. A massive investment in space technology was required. NASA's budget grew accordingly, to a peak of \$5.933 billion (4.4 percent of the federal budget) in 1966. Mazzucato puts the total cost of the Apollo program at \$283 billion 2020 dollars. She notes how policy makers would shy away from such sums today, "What a contrast with how, today, we hear about *costs* of our public services – and the implication on annual deficits and debt – not the ambition or the grand outcomes they are trying to achieve" (Mazzucato, p. 4).

Mazzucato is on point in her discussion of the Moonshot's grand outcomes and grand costs. She treads into shakier ground on the mission's spillover effects to the broader economy. She highlights a number of high profile innovations where NASA played a role. That the technology needed to process data in real time inside the lunar module's small computer is a part of NASA's technological legacy is undoubtedly true. But how important was NASA in advancing technology more broadly? Surveys of space scientists right after the space race suggest NASA's contribution was more modest. Robbins, Kelly, and Elliot (1972) interviewed 161 recognized technological leaders to identify 109 major developments in a field's technology during the decade prior to the Moon landing. For each breakthrough they classify NASA's role in the technology's development: (1) an entirely new technology—6.3 percent of developments, (2) an incremental advance in a technology—64.8 percent of developments, or (3) a consolidation of existing knowledge about a technology—23.3 percent of developments. Solid economic evidence on the importance or even existence spillovers from mission orientated R&D is sorely lacking (Bloom, Van Reenen, and Williams 2019). We just do not know if mission led growth is more a myth or a reality.

This lack of evidence leads *Mission Economy* to become less successful as it becomes more perspective. The challenges highlighted are real—growing income inequality, global warming, biodiversity lost, the pandemic—but aren't we jumping the gun by saying a mission-based program is the solution? Even more so, since many of the challenges discussed are social or economic, how applicable is a mission-based approach that has cut its teeth solving technological challenges? Mazzucato is clear how hard these challenges are and that a mission-based approach is not a panacea. Yet, a skeptical reader is left wondering if we have not put the cart before the horse delivering policy prescriptions without a solid evidence base.

The haphazard categorization of ideas in "Bad Theory, Bad Practice" and "Good Theory, Good Practice" buckets without connecting to findings in the literature is a distraction from the much stronger contributions of *Mission Economy*. Few economics of innovation scholars would argue that *only* the private sector can create value, for example. Empirical economists have known for decades that basic research conducted by government and applied research conducted by the private sector can be complements. Yet, Mazzucato sees this as a "myth" in need of squashing.

There is much to like in this original and well written book. Mazzucato's discussion of the original Moonshot is careful, engaging, and gets much right. How applicable lessons from past mission-based policies are to today's policy choices an open question. With Cold War era data becoming increasingly accessible it is an exciting time for economic historians to make progress understanding what actually happened to share with today's leaders.

ALEXANDER WHALLEY, *University of Calgary*

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LATIN AMERICA

Mexican Banks and Foreign Finance: From Internationalization to Financial Crisis, 1973–1982. By Sebastian Alvarez. Switzerland: Palgrave Macmillan an imprint of Springer Nature, 2019. Pp. xxxii, 231. \$125.22, hardcover; \$87.65, softcover.
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The Latin American debt crisis that erupted in 1982 was a dramatic episode in the recent financial history of the world and had long lasting consequences. From those events and their aftermath, emerged an important wave of studies, primarily on sovereign debt, which was the focus of intense debate in economics and political science during the 1980s and 1990s.

The literature on the history of the financial systems of debtor countries, however, has been less abundant. The way the financial globalization of the 1970s worked and how the 1980s crisis unraveled in those economies has been in desperate need of fresh ideas and research. Sebastian Alvarez's book, *Mexican Banks and Foreign Finance: From Internationalization to Financial Crisis, 1973–1982*, is a refreshing contribution to this latter topic.

Mexican Banks and Foreign Finance starts with a story of financial globalization, focusing on the insertion of Mexico in the global financial markets of the 1970s. Using the case of Mexico, it explains the process of financial globalization that occurred at that time and gives us an idea of how little we know of this episode in emerging economies in general. The book is based on an in-depth analysis of primary sources in international archives, including the Bank of England, the Bank of International Settlements, the Federal Reserve of New York, the International Monetary Fund, Lloyds, as well as local archival sources in Mexico, such as the historical archive of the private bank Banamex and the archives of Banco de México, the central bank. The research captures well the understanding that international actors had of emerging economies during the period under analysis.

In the 1970s, Mexico experienced two phenomena. First, that country entered financial globalization as a consequence of the global expansion of the Eurodollar. At the same time, it was one of the lucky countries that experienced an oil boom between 1977 and 1982. Chapter 1 of the book describes the growing presence of emerging economies, mainly in Latin America, in the Euromarket. It also explains the evolution of foreign debt in those emerging countries in the 1970s.

Chapter 2 explains the evolution of the Mexican banking system and its internationalization. This chapter is indispensable because it helps the reader to understand the Mexican banking system and of its main institutional actors. Likewise, it allows us to understand the insertion of Mexican banks in international markets. It should be noted that the insertion of Mexican banks