The remaining essays of the volume include a philosophical investigation by Christopher Finlay of "Commerce and the Law of Nations in Hume's Theory of Money," and four essays about aspects of money and credit in Ireland in the eighteenth and early nineteenth centuries. Charles Ivar McGrath provides an account of the creation and maintenance of the Irish national debt from 1716 to 1745; Sean Moore explains the not wholly innocent role of the established Church of Ireland in supplying credit in colonial Ireland; C. George Caffentzis explains Bishop Berkeley's proposal for an Irish national bank; Kevin Barry examines the view of the suspension of cash payments during the Napoleonic Wars in Maria Edgeworth's "national" novels.

The two latter essays in particular indicate how the question of providing a useful medium of exchange other than a metallic coinage was engaging some of the finest minds of the eighteenth and nineteenth centuries. The other essays in the volume show that there was good reason for such engagement.

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Stephen P. Dunn, *The Economics of John Kenneth Galbraith: Introduction, Persuasion and Rehabilitation* (Cambridge: Cambridge University Press, 2010), pp. xx, 477, US$115.00. ISBN 978-0521-51876-5.

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Stephen Dunn describes this book as having its main goal to show that John Kenneth Galbraith's (JKG's) thought has been underappreciated by both Post-Keynesians and Institutionalists in the history of economic thought. But, in reality, the book is really of two parts: the first is Dunn's very detailed and engaging description of JKG's thought *without* tying in—in any systematic way—followers or precursors; the second is to relate JKG's influence on those who followed him, especially in Post-Keynesian economics. It is only under this first part that the book fully succeeds; more on this to follow.

Dunn divides JKG's thought into two main currents. The first current is his "major trilogy" (p. 295) of the corporatization of the American economy, this trilogy being *The Affluent Society* (1958), *The New Industrial State* (1967), and *Economics and the Public Purpose* (1973). It is in these volumes that JKG proposes his theories of the "bimodal" economy, in which the large corporations (one-half of the economy) hold smaller businesses, and the other half of the economy is in a "subservient" (p. 354) position due to the social power created by the "technostructure" in the large corporations. This current also includes JKG's well-known "social imbalance" narrative, in which society spends too much on personal consumption while there is the "under production of merit and public goods" (p. 89). It is the corporate technostructure that has harnessed the awesome technological powers of modern capitalism to produce "socially irrelevant commodities" (p. 89) while, unfortunately, power over this technology is not in the hands of those who provide public goods (Galbraith's main concerns were environmental degradation, militarization, lack of public housing, health care and transportation, and an education system focused too much on economic production).

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The second current, in which Dunn attempts to show how JKG's thought has been influential on subsequent Post-Keynesians, plays less of a role in the book and, in fact, is discussed in detail only in the last quarter of the book. The major works in this narrative are *The Great Crash, 1929* (1955), *Money* (1975), and *A Short History of Financial Euphoria* (1990). It is here that we are introduced to the Post-Keynesian tropes of endogenous (and non-neutral) money, the wage-price spiral, imperfect competition and excess capacity (only, of course, in the dominant large corporations), the failure of Say's Law in bringing adequate employment without government fiscal policy demand management, and the fallacy of composition where debt at the macro (State) level cannot be compared to that of the household if that public debt is used to ensure adequate levels of employment, especially for public works during periods of recession and depression.

The two currents of the book, then, are held together under the "bimodal" theory. As one example, we find that retained earnings reduce risk faced by the large corporations from the endogenous money instabilities created by a monopolized–centralized monetary authority, whereas manipulation of the interest rate can influence economic activity in the "market" (smaller businesses) as opposed to the "planning system" (the dominant large corporations).

Where the book might have been improved in Dunn's attempt to place JKG in the historical lineage of Post-Keynesian economic thought is in the chapter called "Money and the Real World." It is here that Dunn describes JKG's ideas relating to today's current Post-Keynesian tropes as espoused by, for example, Victoria Chick, Paul Davidson, Paul Krugman, Hyman P. Minsky, Malcolm C. Sawyer, Paul Shiller, and Dunn himself. (There is a curious lack of reference to Robert Frank in this book, someone whose views on consumerism and normative prescription closely follow JKG's, though there are the necessary references to Veblen.) Dunn describes JKG's ideas well while mostly giving relevant citations only to these follow-on Post-Keynesian thinkers. What is missing in this chapter is analysis as to how JKG's ideas actually influenced these following thinkers. Describing JKG's ideas, then adding citations for further readings, does not complete the argument that Dunn states he sets out to achieve. For a knowledgable Post-Keynesian, this approach might be sufficient, but for an historian of economic thought new to, and interested in, such a popular figure as JKG, this is insufficient and perhaps disappointing.

This being said, however, in the next chapter—mostly about financial booms and busts, called "A man for Our Times"—Dunn is much more careful and thorough while, at the same time, using sparkling narrative in describing the commonalities (and some critique) among Post-Keynesians on the instability of endogenous money capitalism. It appears that Dunn is more interested in the analysis of this instability than in more general Post-Keynesian economic theory. Whether one agrees that "greed," "speculation," "hubris," "deregulation," and the herd-like behavior of the "animal spirits" create recession- and depression-causing business cycles, Dunn, here, has done well in presenting JKG's influence on Galbraithian descendants (including Paul Krugman and Joseph Stiglitz). In this chapter, we learn, as well, that financial institutions deemed "too big to fail" are part of the dominant sector in JKG's bimodal theory (that is, until/if they are allowed to go bankrupt and become liquidated).

Dunn spends most of the book on describing the "planning system" used by corporations to minimize market risk, describing how these corporations have the ability, through

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monopolistic power, to manipulate—in fact, "victimize" (p. 63)—the consumer into buying their product. The planning system of these corporations (the tobacco, pharmaceutical, agro-business, and automobile industries are described in the most detail) give them power over the consumer to the point where it is not price competition (or consumer sovereignty) that determines supply and demand.

Large corporations support Keynesian demand management (government spending in times of economic downturn) in order to keep demand high enough to produce at their capacity (technological advance and concomitant investment leads to overcapacity), yet, we find that Galbraith admits that these fiscal-stimulus policies help the dominant sector more than the general good. Large corporations, especially those in the military–industrial complex and those receiving the necessary stimulus spending (some corporations seek "a protective response from the state," [p. 61]) have social and economic powers over the other half of the economy, which is dependent upon the market alone for survival.

Dunn proposes that this corporate "planning system" adds to what was missing in pre-Galbraithian Keynesianism: a microfoundation for stability to complement the macrofoundations of the stability of monetary and fiscal policy. However, others may not agree with this, as this was perhaps accomplished by Ronald Coase in 1937, albeit, of course, Coase is not considered of the Post-Keynesian school. Dunn places JKG's work in reference to that of Coase, but, at least to this reviewer, credits JKG with too much originality viz-à-viz Coase.

In Galbraith's "Revised Sequence," where it is not the consumer who is sovereign, it is the dominant, large, corporate sector that receives the fiscal-stimulus spending (and benefits of the "multiplier") needed to keep producing towards capacity while not having to lower prices and profits, and that gains through the wealth created under capitalism and the affluent society. The technostructure is not out to maximize profits for the shareholders but to create wealth, power, and survival for itself.

As stated, one of the Galbraith's theses is that half the economy in the USA is dominated by large corporations. Dunn presents this data in Table 1 (p. 114), where we find that, in 2002 (the book was published prior to the 2012 census), self-employed people (those without employees) make up around 17% of the economy's workforce. This then means, of course, that 83% of the workforce have 'jobs' and work for others. According to the table, the dominant corporations, those approximately 1000 firms with market capitalizations of $1 billion or more, receive half the revenue of goods sold, while the remaining approximately five million employer firms receive the other half. Dunn, perhaps, could have gone the next step and shown that the dominant firms received around $323,000 in revenues per employee, while the "market" firms received only around $141,000 in revenues per employee. Whether this difference is due to the social power of the technostructure or simply economies of scale is another discussion and obviously not within the realm of this book review.

Dunn is careful to call attention to the fact that endogenous money (a defining commonality among Post-Keynesian thought, described here mostly as increased bank lending and innovative financial instruments to ensure consumption financing, means that inflation is a *real* economy phenomenon (for Galbraith, meaning the dominant sector's utilizing their market power to keep prices high) as opposed to a Friedmanite *monetary* cause. This means, for Galbraith, that inflation is to be tamed by wage and price controls. In historical context, Dunn uses the fact that JKG was the "Price Czar"

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(p. 34) during WWII to help describe the formulation of JKG's views on price planning to control inflation (and, in fact, to help plan the economy using Keynesian macroeconomic tools). "Corporate power made comprehensive price control necessary in the Second World War but it also contributed to its success" (p. 321, from Galbraith 1975.) Dunn describes how JKG does not call for the commonly accepted, industrial organization economics, break-up of monopolistic corporations, but, rather, for wage and price controls, finding large corporations, as does Schumpeter, a source of economic dynamism.

Finally, this reviewer enjoyed most the chapter on JKG's methodology, where we learn that his method is not one of "imitative scientism," but, "like Hayek, Keynes, Kaldor, Marshall, Marx, Menger, Robinson, Schumpeter and Veblen" (p. 77), Galbraith was an ontological realist, where the analyst's moral predispositions influence analysis. JKG was a social reformer, a man with a public purpose. For this reviewer, then, we can match up his vision and some of the missing analysis of his critique of corporations. Galbraith was a believer in macroeconomic policy making and a progressive income tax to create a more stable and equitable society. Perhaps this moral foundation prevented him from seeing one reason why there is absentee ownership of corporations. The federal income tax allows the write-off of corporate debt interest payments pre-tax. This, of course, creates incentives for debt-based capitalization over equity for those who are in the management class. Galbraith's "technostructure" gains its social power as debt-to-equity ratios increase and shareholders lose their incentive to monitor in detail their investments. This, too, might explain the huge and increasing pay differentials between the CEO and the person on the factory floor, as described in the "A Man for Our Times" chapter. In this regard, it would have been nice to see some comparisons with other heterodox ideas for the corporatization and financialization of the economy in this otherwise engaging monograph.

Dunn writes, "So while the grand sweep of Galbraith's analysis is often caricatured as conveying a world of durable, dominant American megacorporations surreptitiously manipulating gullible consumers, one should resist using this as an excuse for dismissing Galbraith's economic contributions without further and deeper considerations" (p. 11). Our author succeeded in doing just this, and this book can be recommended to anyone interested in the intersection between economic thought and social engagement. Also of note, Dunn includes a bibliography of more than 350 "additional" works written by JKG (alone and with others), both in the popular and scholarly press. It is no wonder that John Kenneth Galbraith remains, even today, one of the United States' most well-known economists, even if, as Dunn proposes, underappreciated by economists themselves.

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