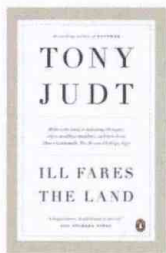


Neoliberalism, Keynes or Spain? We pick five of the best political and economics books of the past year

The reading list

By Jonathan Derbyshire



Tony Judt, *Ill Fares the Land* (Allen Lane, £20)
The English historian Tony Judt was diagnosed in the autumn of 2008 with a neurodegenerative disease that left him paralysed from the neck down. Despite

his condition, a year later Judt gave the Remarque Lecture at New York University, on which this book is based. He takes as his premise the claim that “something is profoundly wrong with the way we live today”. Over the past 30 years, western societies, especially the English-speaking ones, have thrown their lot in with the neoliberal “cult of privatisation”. However, the global financial crisis of 2008-09 was a reminder, Judt argues, that unregulated capitalism is inherently unstable, not to mention an incubator of all manner of social dysfunctions. It is time to make afresh the social democratic case for a capitalism that is tamed and put in the service of the common good.

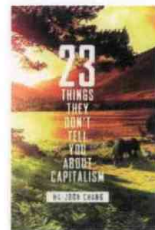
Rowan Williams and Larry Elliott (eds), *Crisis and Recovery: Ethics, Economics and Justice* (Palgrave Macmillan, £20)

Like Tony Judt, the contributors to this volume, edited by the Archbishop of Canterbury and the Guardian’s economics editor, see the crash of autumn 2008 as a watershed – not just a catastrophe, but also an opportunity to assess the limits of the form of financial capitalism that predominates in the west and to sketch the outlines of an alternative political economy. The upheavals of the Great Depression and the Second World War were followed by the establishment of institutions on a national and global scale that were designed to protect states and their citizens against the worst depredations of the free market. Something similar is

required today. In their contribution to the book, the Labour MP Jon Cruddas and the academic Jonathan Rutherford argue that we are now in the “end game of an old paradigm” and that it is time for a “restoration of trust and reciprocity in public life”.

Robert Skidelsky, *Keynes: The Return of the Master* (Penguin, £9.99)

One of the architects of the postwar social democratic settlement was, of course, the economist John Maynard Keynes. Robert Skidelsky argues that Keynes’s time has come again. The crash vindicated Keynes’s view that markets left to regulate themselves tend ineluctably to periodic deep slumps. During the neoliberal ascendancy, economists forgot Keynes’s fundamental lessons about uncertainty and allowed themselves to be dazzled by arcane mathematical models that bore very little relation to the way the world really is. Skidelsky believes that the lesson of Keynes’s political economy – that the state can and must intervene to promote both economic stability and social justice – is one we would do well to learn.



Ha-Joon Chang, *23 Things They Don't Tell You About Capitalism* (Allen Lane, £20)

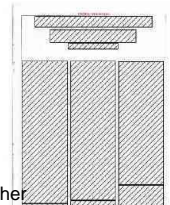
Cambridge political economist Ha-Joon Chang also takes the Keynesian view that “economics is not a science like physics or chemistry, but a political exercise”. Contrary to neoliberal orthodoxy, far from being bad for economic growth, active government more often than not actually stimulates it. For one of the things about capitalism that they (the “they” in this instance being the adepts of the cult of small government) don’t tell you is that there’s no such thing as a free market. All markets are

subject to rules that restrict freedom of choice: “How ‘free’ a market is cannot be objectively defined,” Chang asserts. “It is a political definition.” Chang is not just a myth-buster, therefore; he is an evangelist for the power of politics. “Market outcomes are not ‘natural’ phenomena,” he writes in his conclusion. “They can be changed.” Not least by politicians with sufficient strength of will.



José Luis Martí and Philip Pettit, *A Political Philosophy in Public Life: Civic Republicanism in Zapatero's Spain* (Princeton University Press, £20.95)

In an interview with the political philosopher Philip Pettit included in this book, the Spanish prime minister José Luis Rodríguez Zapatero agrees that “effective public institutions [and] effective public action” are essential preconditions of wealth and progress. After he came to power for the first time in 2004, Zapatero invited Pettit to give a lecture in Madrid on the basic principles of his “civic republican” political philosophy. Pettit was subsequently asked to offer a review of the performance of the Zapatero government measured against those principles, the most fundamental of which is the idea of freedom as “non-domination” (for Pettit, citizens are unfree, “dominated” in his terms, when they are subject to arbitrary and unaccountable power). That review occupies the central section of this book. Pettit’s assessment is largely positive, and he concludes that the Zapatero administration “kept faith with the civicist or-



Source: New Statesman {The Political Studies Guide 2011}
Edition:
Country: UK
Date: Monday 29, November 2010
Page: 17
Area: 360 sq. cm
Circulation: ABC 26787 Weekly
BRAD info: page rate £1,980.00, scc rate £35.00
Phone: 020 7730 3444
Keyword: Princeton University Press

> durrants

publican vision of government". It is unusual for a politician to take the strictures of a theorist or philosopher so seriously. But Zapatero's engagement with Pettit reminds us that political theory is "available for use in the public square as well as in the academic seminar". ●