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Innovation, Human Capital and Trade Competitiveness. How Are They Connected and Why Do They Matter?
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This book analyses and evaluates relations of human capital and innovation with international competitiveness of economies at different levels of development. The authors employ the national innovation system (NIS) approach and Porter's concept of country competitive advantage in the conceptual and empirical analysis of these relationships. The main contribution of the book is to show that competitiveness, innovativeness and human capital variables are mutually dependent. The conceptual analysis shows that these three dimensions have different relationships based on the specific type of national innovation system and level of development of a country.

The book has two parts: theoretical and empirical. The first part (Ch 1-3) focuses on theoretical issues and methodology surrounding the analysis of relationships between international trade competitiveness, innovativeness and human capital. The second part (Ch 4-8) presents an econometric model and twelve selected country case studies of different types of NISs. The historical and descriptive data analysis presented in the twelve case studies clearly supports the conceptual method presented in the first part of the book. However, the econometric study presented in Chapter 4 does not provide very reliable or informative results. The book's concluding chapter proposes specific economic policy tools in order to support medium and long term competitiveness for different types of NISs. The conclusions and policy recommendations are specifically focused on developing countries like Poland, since human capital development is essential for them in order to adopt modern technologies and increase innovative capacity.

In my opinion, the econometric study presented in Chapter 4 may be viewed as the weakest point of the book. The analysis focuses too much on econometric techniques rather that the economic significance of the results. As a result, it is not entirely clear how the results relate to the conceptual analysis presented in the theoretical chapters. Given a lack of data description, it remains unclear which countries have been used for which period in the model. The authors claim that the econometric study confirms that the key characteristics and significance of individual factors of competitiveness depend on the type of national innovation system. However, only results for two out of four NIS types may lead to such conclusions. The authors admit that strong multicollinearity of independent variables for three out of four NISs may lead to instability of the model. Another weakness of the econometric analysis is the decision to use different models for each group, which does not lead to comparable results. In my opinion a less complicated and single econometric technique for all NIS types may produce more reliable results.

Overall, I like the focus of the book on human capital as the key driver of innovation and competitiveness. Most literature analyses innovations as a simple input output process, but this book shows that innovation is a very complex process and having high R&D does not automatically lead to innovation. A country needs to develop human capital and supportive national innovation system to achieve international trade competitiveness. The authors clearly show that one size does not fit all. Each country needs to address their own specific problems. This book is best suited for economics students and professors. It may also be very useful for policy makers of developing countries interested in deeper understanding of human capital and innovation relations to international trade competitiveness.

Donal Donovan and Antoin E Murphy
The Fall of the Celtic Tiger: Ireland and the Euro Debt Crisis
Oxford University Press, 2013
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The fall of the Celtic Tiger traces the rise and downfall of the Irish economy and seeks to answer two related questions. First, on whose shoulders should responsibility for the crisis rest? Second, once the crisis began to unfold, were feasible policy alternatives available? It is thus part economic and part political analysis.

In 13 chapters the book’s 300 pages are separated into four parts. The first section provides historical and theoretical background. This includes an overview of Irish economic history followed by a critique of Neoclassical Macroeconomics and the uncritical acceptance of Efficient Market Theory. Minsky and Keynes are offered as alternative paradigms.

The second part analyses the causes of the Irish crisis and focuses on financial practices and macroeconomic policy. It traces how deregulation and poor governance of the financial system led to the huge property bubble at the centre of Ireland's crisis. It documents the various policy initiatives and argues the core supervisory failures lay with the domestic central bank and financial regulator, with indirect responsibility at the European level. The analysis is succinct and comprehensive though an important omission is the growth of the Irish securitisation market.

Regarding macroeconomic policy, it shows that fiscal policy became severely unbalanced in its progressive reliance on windfall, bubble-related