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
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Robert Sweeney
University of Leeds

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 taxes. This lay the foundation for a subsequent fiscal collapse. Pro-cyclical fiscal and monetary stances further inflated the property bubble, with Irish society largely acquiescent.

The invocation of alternative schools is welcome and the book successfully links Minskian theory with Irish banking practices with an impressive degree of clarity. Their contention of 'budgetary profligacy' (p115) is flawed and their evaluation of fiscal policy tendentious. The Irish state ran budgetary surpluses through most of the 2000s, so the charge of profligacy can be maintained only if it is assumed that policymakers identified a bubble, which they did not. Inexplicably, no blame is assigned to the ECB for its refusal to intervene in public debt markets.

The third and final substantive part deals with the crisis itself. Most important was the decision by the government in September 2008 to implement a blanket guarantee of the liabilities of the Irish banking system. For Donovan and Murphy this was justified as the reputational and financial costs of doing otherwise would have been catastrophic. The guarantee, they argue, was an inevitable result of the bubble and the imperative that no bank be allowed to fail.

This is highly contentious and seriously misreads policy alternatives. Other European countries intervened more cost effectively through, for instance, guaranteeing new debt only and initiating liquidation procedures (see Whelan, 2013). More, neither the option of reneging on the guarantee nor leaving the euro is considered.

In allocating blame, while 'bankers' (and opinion makers) are repeatedly mentioned, their 'rational' behaviour is taken as given so that the broader population and domestic state structures are more often implicated. The complete ignoring of class divisions within and across borders allows much weaker societal categorisations into public vs private workers, domestic vs international agents, and so on. This facilitates conclusions such as 'few segments of the population failed to benefit significantly (from the boom)' (p141) while in reality though average incomes increased somewhat, top incomes increased much more rapidly (O'Connor and Staunton, 2015).

Overall, the book is well-written and documents the failures of the financial apparatus well. Its reading of macroeconomic policy and evaluation of policy alternatives is flawed and narrow. As a political work its allocation of responsibility on state failures and the broader population over financial actors is akin to blaming the police and community rather than those who perpetrated the crisis.

References

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Whelan K, (2013). *Ireland's Blanket Guarantee Supporters: Still Wrong After All These Years.* Forbes Business. 7.10.2013