



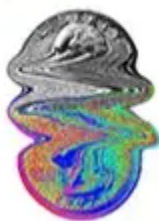
FT Series **Best Books of the Year 2021**

## Best books of 2021: Economics



Martin Wolf November 17, 2021

The Future  
of Money



## **The Future of Money: How the Digital Revolution is Transforming Currencies and Finance**

by Eswar S Prasad, *Belknap* £28.95/*Harvard University Press* \$35

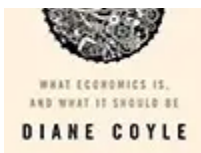
Digital technologies are also transforming the world of finance. Prasad of Cornell provides an [invaluable overview](#) of what this might mean: physical money will disappear; central bank money will compete with the new private versions; financial intermediation will be transformed; and new opportunities will open to the world's population. But, with opportunities come risks. As Prasad summarises: “A glorious future beckons, perhaps”.



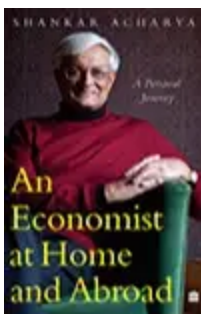
## **The Resilient Society**

by Markus K Brunnermeier, *Endeavor* \$24

In this important book, Princeton's Brunnermeier argues that “resilience can serve as the guiding North Star for a post-Covid society”. The global financial crisis and the pandemic have taught us that we need to be resilient if we are to respond to shocks successfully. Resilience is not the same as “robustness”. It is “about being able to weather a storm and recover”. We must do better at it.



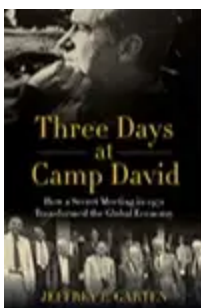
Coyle, now at Cambridge university, is an exceptionally thoughtful commentator on economics. In this [book](#), she rejects what she calls the “straw men” arguments of the many critics of economics, though admitting how difficult it is for economists to be objective. Instead, she focuses on two other weaknesses: first, the assumption of the rational economic “cog” has become even more unrealistic in the age of “snowballing” digital “monsters”; and, second, practitioners of economics are wildly unrepresentative of the society they study.



### **An Economist at Home and Abroad: A Personal Journey**

by Shankar Acharya, *HarperCollins India* \$24

Acharya has been a close friend of mine since we met in 1971, when we both worked together at the World Bank. Subsequently, he returned to India, where he was the longest serving chief economic adviser in the finance ministry, serving three reforming finance ministers, notably Manmohan Singh. Since then he has been the wisest analyst of the performance of the Indian economy. In this lovely autobiography, he recounts his personal and professional life with charm and perspicacity.



### **Three Days at Camp David: How a Secret Meeting in 1971 Transformed the Global Economy**

by Jeffrey E Garten, *HarperCollins* \$29.99

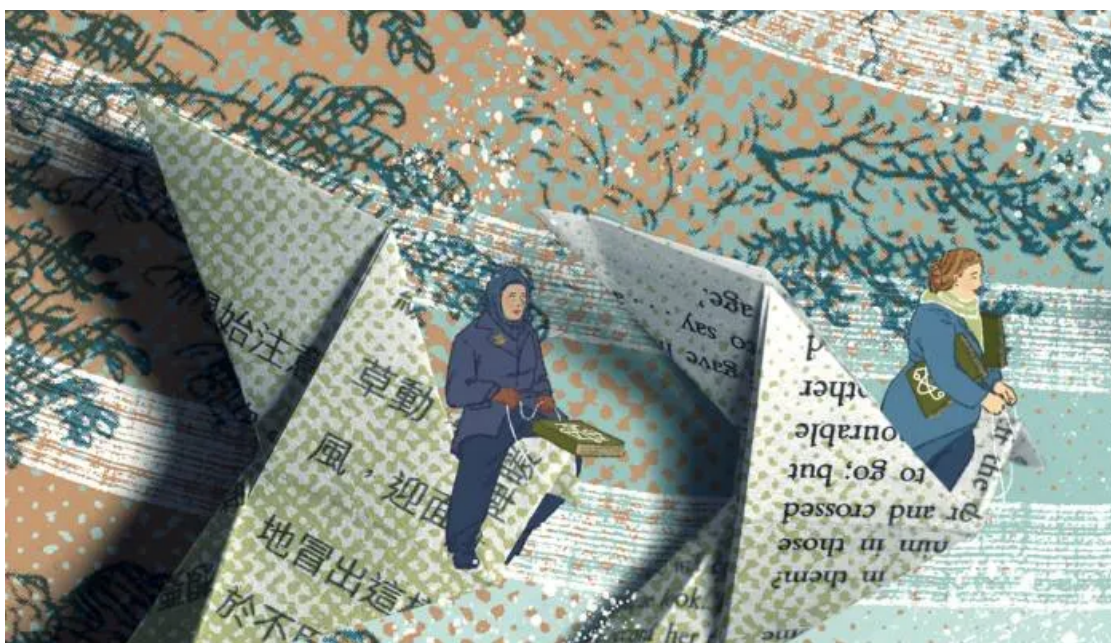
At a secret meeting at Camp David over the weekend of August 13-15 1971, President Nixon and his senior advisers decided to sever the link between the dollar and gold. This was not just the definitive end of the gold standard, it also marked the beginning of a new monetary order. In this outstanding book, Garten explains in detail what happened and draws lessons for today.



### **Sustainable Futures: An Agenda for Action**

by Raphael Kaplinsky, *Polity* £18.99/*Wiley* \$21.50

Ours is an age of intellectual upheaval. People are looking for new paradigms. Kaplinsky, an expert on innovation, defines our challenge as the exhaustion of the “Mass Production” paradigm and its replacement with the “Information and Communications Technologies”



All this week, FT writers and critics [share their favourites](#). Some highlights are:

**Monday:** [Business by Andrew Hill](#)

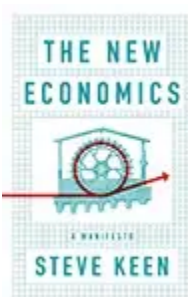
**Tuesday:** [Politics by Gideon Rachman](#)

**Wednesday:** [Economics by Martin Wolf](#)

**Thursday:** Fiction by Laura Battle

**Friday:** History by Tony Barber

**Saturday:** Critics' choice

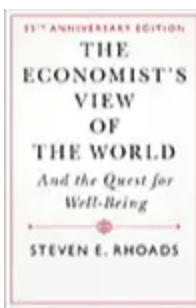


### **The New Economics: A Manifesto**

by Steve Keen, *Polity* £12.99/*Wiley* \$14

Keen is one of the world's leading heterodox economists. This [book](#) is a fierce assault on a lack of realism of neoclassical economics that borders on religious belief. He is particularly effective in skewering the complacent assumptions of conventional beliefs in macroeconomics, monetary economics and environmental economics. A great deal of what he writes makes good sense, especially on the merits of Post-Keynesian and “biophysical

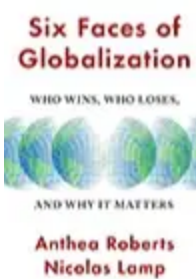
weapons, we need to find ways of making them less dangerous.”



### **The Economist's View of the World: And the Quest for Well-Being**

by Steven E Rhoads, *Cambridge University Press* £20

This is a 35th anniversary version of a classic. Rhoads, an emeritus professor of politics at the University of Virginia, has built upon the best explanation I know of how orthodox economists think about choice, markets, externalities and other concepts. The new edition will be valuable to non-economists and economists alike: the former will learn how economists think; and the latter will learn some of the limits to how they think.

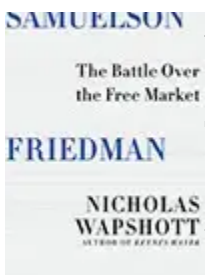


### **Six Faces of Globalization: Who Wins, Who Loses, and Why It Matters**

by Anthea Roberts and Nicolas Lamp, *Harvard University Press*

£28.95/\$35

This is an interesting and original book. Its starting point is that people have different “narratives” of globalisation. The authors distinguish six such narratives: the “establishment” narrative; the “left-wing populist” narrative; the “right-wing populist” narrative; the “corporate power” narrative; the “geoeconomic” narrative; and the “global threats” narrative. Their conclusion is that the best approach is to synthesise apparent opposites. There is not one truth, but rather many partial truths.



by Nicholas Wapshott, *WW Norton* \$28.95

This is a follow-up to the author's *Keynes Hayek*. Its focus is with the debate between [MIT's Paul Samuelson and Chicago's Milton Friedman](#), whose contrasting views graced the pages of *Newsweek* for 18 years.

Samuelson was an economist's economist: his methodological influence was profound. Friedman had a huge influence on monetary economics. But his political influence was arguably even greater. By focusing on these two men, Wapshott illuminates debates that remain current to this day.

*The Magic Money Tree and other economic tales*



### **The Magic Money Tree and Other Economic Tales**

by Lorenzo Forni, *Agenda* £14.99/\$25.00

Budget constraints matter. This is true for private households and businesses. It is also true for governments. Those that forget this simple lesson of history will get into a mess. This is the theme of this little book by Forni of the University of Padua. He takes the reader through the basic realities of budgeting, credit and money. It is the job of governments and central banks to stabilise economies through fiscal and monetary policy, as Keynes taught us. But one cannot create long-term growth simply by creating vast amounts of money. If one forgets this truth, one is likely to end up looking rather like contemporary Argentina.