

Readers familiar with the critical study of banking and finance certainly will find the volume a wonderful and handy reference point. They should note, however, that several chapters are either reprints (MacKenzie; Engelen et al.) or reformulations (e.g. Gabor and Ban; Hardie; Lagna) of arguments published elsewhere, which underlines the impact these arguments have already made on the field. If there is something one could have wished for in this companion, it would be the attempt to move beyond the established spatial boundaries, roughly the North Atlantic, and delve into the issue of what really is 'global' in global finance and its regulation. This is by no means an easy task, but some contributions (Ötsch and Schmidt; Dimsky and Kaltenbrunner; Fligstein and Habinek) briefly remind us that it is one that scholarship has to tackle. The present *Companion* will surely help us along the way.

References

Knorr-Cetina K and Preda A (eds.) (2012) *Oxford Handbook of the Sociology of Finance*, Oxford: Oxford U P.

Wolfson M H and Epstein G E (eds) (2013) *Oxford Handbook of the Political Economy of Financial Crises*, Oxford: Oxford U P.

Paul Shaffer

Q-Squared: Combining Qualitative and Quantitative Approaches in Poverty Analysis.

Oxford UP: Oxford, 2013

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Within social sciences, mixed methods research is much in vogue. By underlining strengths and weaknesses, in *Q-Squared* (or *Q2*), that is a concise way of labelling the combined use of qualitative and quantitative approaches, Shaffer comprehensively discusses the most fundamental and pragmatic issue around the adoption of such mixed-methods namely the use of both quantitative and qualitative approaches in poverty analysis. The central message of the book is that mixed methods add value to research on poverty analysis conducted both in academia and policy works.

The first part of the book focuses on the epistemological foundation around the study of poverty and it examines the underlying assumptions on how we conceptualise and investigate this social phenomenon. Trying to answer the questions 'Who are the poor and which are their characteristics?',

it addresses the debate around the 'identification' of poverty. Shaffer argues that while answering those questions, epistemological foundations intervene in two ways: firstly, by shaping the conceptual and analytical categories, and secondly, by influencing the results. Poverty is indeed multidimensional and the validity of the results depends on the analytical categories endorsed and methods of assessment used. In particular, it is observed how the adoption of 'participatory dialogical' approach grounded in the critical hermeneutics, as opposed to the 'consumption approach' grounded in the empiricism, can give nature to dissimilar empirical results. In sum, methodological differences can affect the identification of the causal determinants of poverty. In addition, they may reinforce pre-existing views and policy solutions on how poverty can be quantitatively ranked and/or qualitatively classified. This insightful discussion is further expanded through a comprehensive overview of the evolution of the empirical works which applied Q2 approaches. The second part of the book addresses the question: 'Why are people poor?' By acknowledging and unpacking the ambitious arguments in favour of causal pluralism, Shaffer overviews the main approaches on causation that poverty analysis has produced through micro-econometric analysis, impact assessments and the dialogical approach. It is argued that conditional association, counterfactual dependence and mechanisms-based approaches can complement each other in addressing the different mechanisms of causality. Looking further at the causal analysis, the book emphasises as the major contribution of Q2 approaches the capacity of combining interpretations of static results and positions, typical of quantitative-oriented disciplines, with qualitative understanding of dynamic processes. For instance, Shaffer underlines that quantitative surveys may help systematise knowledge and facilitate the distinction between outliers and tendency. Nonetheless, the qualitative components allow explaining counter-intuitive results. In sum, Q2 facilitates the understanding of the multitude of causal variables involved in the process of developing knowledge.

In the concluding chapter the book investigates further on different types of mixed-methods tools which support well the study of poverty: (a) Triangulation, which assesses the same phenomena or research question with multiple techniques; (b) Complementarity, which uses one approach to elaborate better or expand more on the results obtained with a different approach; (c) Development, which informs through dialogical techniques the development of an existing result; (d) Expansion, deployed in causal analysis, it uses different methods to assess distinct but related aspects.

The aim of the book, which in my view has been successfully achieved, is to provide to a wide range of readers with a good level of expertise, an exhaustive overview of perspectives, tools and methods to study the complexities of poverty in the Global South. The various trajectories outlined in the book play all in support of the methodological pluralism developed over the years by policymakers and academics. The book recognises that multifaceted

empirical evidences and complex research questions require multiple inductive techniques to reduce the risk of blinding investigations. Thus, by recognising that knowledge is often partial and imperfect, Shaffer restrains researchers from limiting the array of analytical tools used.

Wynne Godley and Marc Lavoie

Monetary Economics: An Integrated Approach to Credit, Money, Income, Production and Wealth

Palgrave Macmillan, Basingstoke, 2e 2012

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Monetary Economics is an impressive work that offers the readers a complete and systemic new approach to analyse the economy. In the complex relations among households, firms and the various institutions of every country and of the world, the behaviours of every one of them is well explained both through a good narrative and a structured and solid framework. With the aim of giving a better understanding of the suggested scenarios, simulations also accompany the descriptive analysis.

While chapter 1 gives an overview and the basic idea of the approach offered inside the Post-Keynesian (PK) literature it also underlines the key features of what the authors name their SFC — Stock Flow Consistent — approach. In fact, through its solid accountability analysis, it traces the stocks such as the flows of each sector and institution during every moment of the equilibrium and disequilibrium situations. In such a PK framework it is underlined how, in the real world, the production of goods and investments take time and firms and households expectations regarding their decisions are in general falsified. This implies that loans (and a banking sector) from outside the production sector are systematically needed.

Chapter 2 explains the needs and the reasons of building a SFC model together with the characteristics of its Balance Sheet and the Transaction Flow matrix.

Chapters 3-5 present models that, despite different degrees of difficulty, describe a service economy where it is assumed that all services could be produced on demand, without any need to hold inventories of goods or services and where therefore production is in a sense instantaneous. In these models only outside money (the one provided by the government) is supposed to work. Chapter 3 develops the simplest SFC model, with government money as the only asset. Chapters 4 and 5 add to this characterisation portfolio choice, by adding respectively short-term bills and long-term bonds as investable assets.