

The Financialization of GDP: Implications for Economic Theory and Policy,
Jacob Assa,
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GDP has been traditionally criticised for its narrow focus on economic activities without reflecting the political, social and environmental issues that accompany them, in recent years, the rise of finance, and the shift in its nature and purpose, changed the function of advanced economies with GDP trying to fit these new realities. In addition, the rise of finance, and the shift in its nature and purpose in recent decades, changed the function of advanced economies with GDP trying to fit these new realities.

The Financialization of GDP delivers an exceptional perspective and a much-needed criticism on the malpractices in the formulation of national accounting. This book is an excellent resource for academics, researchers, students and professionals who work in the broad area of financialization and macroeconomics in general. Jacob Assa successfully attempts to dig into the problematization regarding the nature/definition and narrowness of GDP as the all-time leading macroeconomic indicator. He begins with the political economy of national accounting, continues with the historical treatment of financial services, proposing an adjusted measure of output - the FGDP (Final Gross Domestic Product) and ends by presenting the empirical and policy implications of the specific measurement. The book is divided into seven chapters.

To start with, Chapter 2 refers to the early formation of the leading macroeconomic indicators. More specifically, it reviews the historical and critical literature on national accounting, describing the latter mostly as a techno-political process, and not as the outcome of in-depth scientific methodologies incorporating the political, social and economic dimensions of human life. In other words, the existing two theoretical perspectives present national accounting either technocratic in nature but ahistorical in basis, or historical in content but descriptive in analysis. The book highlights the main contributors of both strands and exerts severe criticism on their inefficiencies.

Chapter 3 highlights that the construction of these complicated accounts was mainly the outcome of "dominant and dissenting voices", quantifying and serving the uneven and, many times, competing economic power of classes, states and nations in each period of time and across different countries. A critical observation is that theory, while providing useful guidance to explain socioeconomic dynamics, cannot be an adequate tool to obtain a complete picture of people's living standards.

In Chapters 4, 5 and 6, the book progresses with the empirical obser-

vations. Taking it a step further from those who tried analytically and empirically to present alternative measures of output, Jacob Assa treats the FIRE sector as an intermediate input which leads to a deterioration in GDP's performance. Personally, I believe this is the most significant contribution of this part of the book: the consideration of financial revenues as intermediate inputs (costs) to the economy as a whole. By emphasising on the problematic nature of the existing statistical framing, and providing an alternative approach to GDP measurement, Jacob tries to shed light to the actual transformation in the underlying economy due to the costs of financial services.

Thus, the book illustrates that the amount of revenues received by financial institutions is a cost of production to other sectors, and the greater the volume of these services the more the costly impact on the output. In contrast, FGDP shows a more somber and realistic picture of where the economy is and where it may be going, by treating financial output as an intermediate input deducting it from the total value added.

To conclude, it is unquestionable the fact that there is an urgent need for a more careful approach to national accounting as the malpractices of the last decades have led to the gradual undermining of public trust in economists, governments and official statistics.

Assa's alternative measurement is a courageous gesture in the financialised capitalist world that we live in today. FGDP allows economists to synchronise theoretical and policy stances that are often at odds. From my point of view, the most critical contribution of this book is that by correcting the measurement of economic output will allow us to fill the existing gaps, integrating political and social policies and practices necessary for a complete, accurate and real 'depiction' of human well-being.

The distribution of wealth - growing inequality?

M Schneider, M, Pottenger and J E King,
Cheltenham: Edward Elgar, 2016,
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Wealth inequality, and the closely related dimension of income inequality, have become so much the order of the day that a second and updated edition of *The distribution of wealth* is very welcome indeed. In this short book, Schneider, Pottenger and King are capable of providing an impressively comprehensive introduction to the distribution of wealth and its role in the economy. The authors not only cover an extensive empirical literature, but also discuss the measurement and the determinants of wealth inequality, the rela-