In the next two chapters (six and seven), the scholars investigate the agricultural transformation and potential for manufacturing sector. It is clear in this section that the share of manufacturing increased unlike agricultural activities between 2002 and 2012 in Tanzania. The authors argue that the number of formal manufacturing enterprises are relatively small, yet it is growing unlike many other African economies. This trend gives rooms for creation of export push strategies in manufacturing, strengthening special economic zones and improving trade logistics. However, they also draw attention to the fact that two-thirds of the increase in manufacturing employment between 2002 and 2012 was in informal sector. Although both formal and the informal manufacturing sector employment increased, informal sector grew with a faster pace than the formal manufacturing employment.

In chapters eight and nine, the authors emphasis on the importance of productivity as a way out of poverty. The section first provides a background information on the growth, jobs and patterns of employment in the country and then provides alternative options for skills development. From chapter ten onwards, the book examines the public investment and fiscal reforms, monetary policy and financial sector development and financial inclusion.

Overall, *Tanzania: The Path to Prosperity* takes the reader on a journey to the prosperity of Tanzania. The book is written with a wide audience in mind. It is enriched with figures and tables to clarify difficult topics. Specialist academic language is particularly avoided in the book which made it very easy to follow. Very few editing errors in the book are only a minor distraction to the story being told. The book is an excellent resource to students, educators and the policy makers.

What's Right with Macroeconomics?
R M. Solow and J-P Touffut (eds).
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Since the beginning of the recent economic crisis, 'What's right with Macroeconomics' is a question economists have been frequently asked and asked themselves. This is a conference volume, edited by Robert M. Solow and Jean-Philippe Touffut from the Cournot Centre in Paris, it contains seven papers and the transcript of a roundtable held in France at the end of 2010. The seven authors contributing to the book present critiques to modern macroeconomics, offer alternative models to the mainstream dynamic stochastic general equilibrium (DSGE) model or suggest changes to existing ones.

While the authors do not come to a clear-cut answer to the book's title, they give food for thought for further development. Throughout the volume, is encouraging to see three important elements. Firstly, the authors show attempts to modify the economist's old conception that what the theoretical models leave out does not matter (finance cannot be ignored). This, despite being a general view in the volume, is emphasised in four contributions: Timbeau, Corsetti, Chatelain and de Grauwe. Timbeau, in the first contribution to the volume highlights two important elements of macroeconomics that the post-2007 period exposed: how harmful uncertainty can be, and the presence of heterogeneous agents in the economy. In a slightly different way, Corsetti, while carrying out a review of emerging issues in international macroeconomics, isolates three interesting topics for future research: the transmission of shocks, the role of financial channels in magnifying seemingly small shocks, and the misallocation of resources as both a cause and a consequence of the crisis. Chatelain, starts describing the conditions that led to the financial crisis, pointing out also that the regulations in international capital markets are weak and can lead to other crises. Then he continues discussing research on how to include a financial accelerator into a DSGE model. De Grauwe presents a convincing behavioural model that creates correlation in beliefs which in turn generate waves of optimism and pessimism explaining endogenous business cycle movements. He compares this model to a DSGE model where agents experience no cognitive limitations. As explained by the author, the model has *ad hoc* features and more importantly, does not introduce financial markets and the banking sector. This approach, even if still a work in progress, is a very interesting contribution.

The second element highlighted in the book is the importance of institutions, and Robert Gordon's roundtable presentation is brilliant in that regard. Gordon reviews the development of macroeconomics in the past fifty years, and using Texas as an example, he stresses on the importance of institutions, explaining that the reason why this US State escaped most of the effects of the recession is due to its institutional arrangements. In his analysis, also Timbeau offers an intuition about the role institutions could have in addressing the two elements exposed by the 2007 crisis discussed above.

The need for more flexibility from economists towards new ideas is the third important element highlighted in the book. Few economists believe all its model's assumptions, but few would rather start anywhere else. In that regard, especially contributions of Timbeau and Ragot show some frustration with mainstream economics, leaving hope for a new era in economic research. Ragot, in the final contribution, makes interesting remarks to address in the field of economics and into the research of DSGE models, he expresses his doubts towards mainstream economics, and he suggests (as Timbeau), that new research programs are needed.

However, while throughout the book most authors analyse the shortcomings of benchmark models, they do not engage with an analysis of successes or failures of newer techniques (excluding De Grauwe). On the contrary, when comparing different models, to some extent, they are defending original DSGE models. The crisis has been the equivalent of an earthquake for economics but in the volume the authors are 'hedging' when proposing a new path. This is the biggest shortcoming of the book, as hedging does not do much to bring research further. The part in the book dedicated to the improvement of the techniques to model macroeconomics outweighs the theoretical discussion, giving the impression that technicalities are still more important than observing real world interactions. This notwithstanding, the book is a good reading, its balance between theory, evidence and examples makes it an attractive reading not only for economists, but also for a an interested reader.