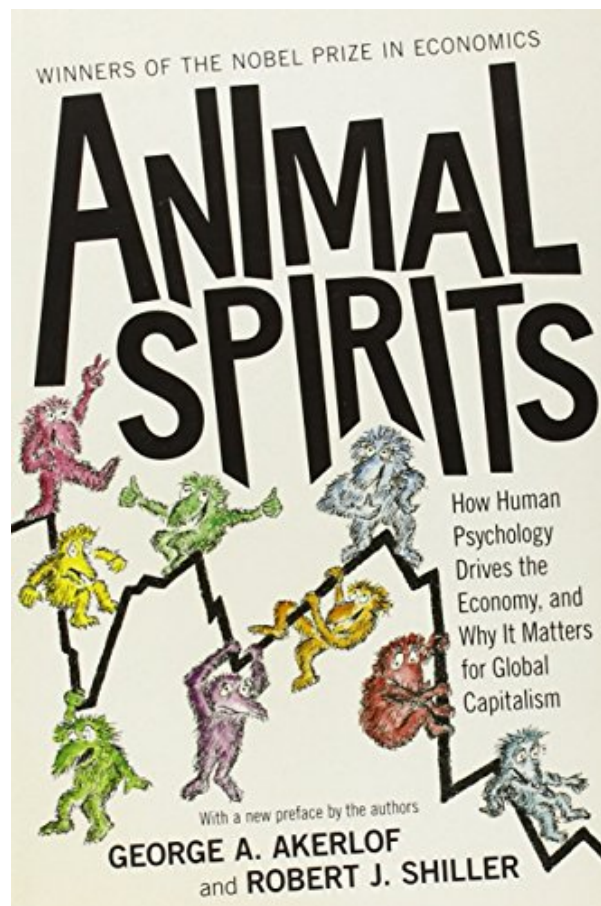
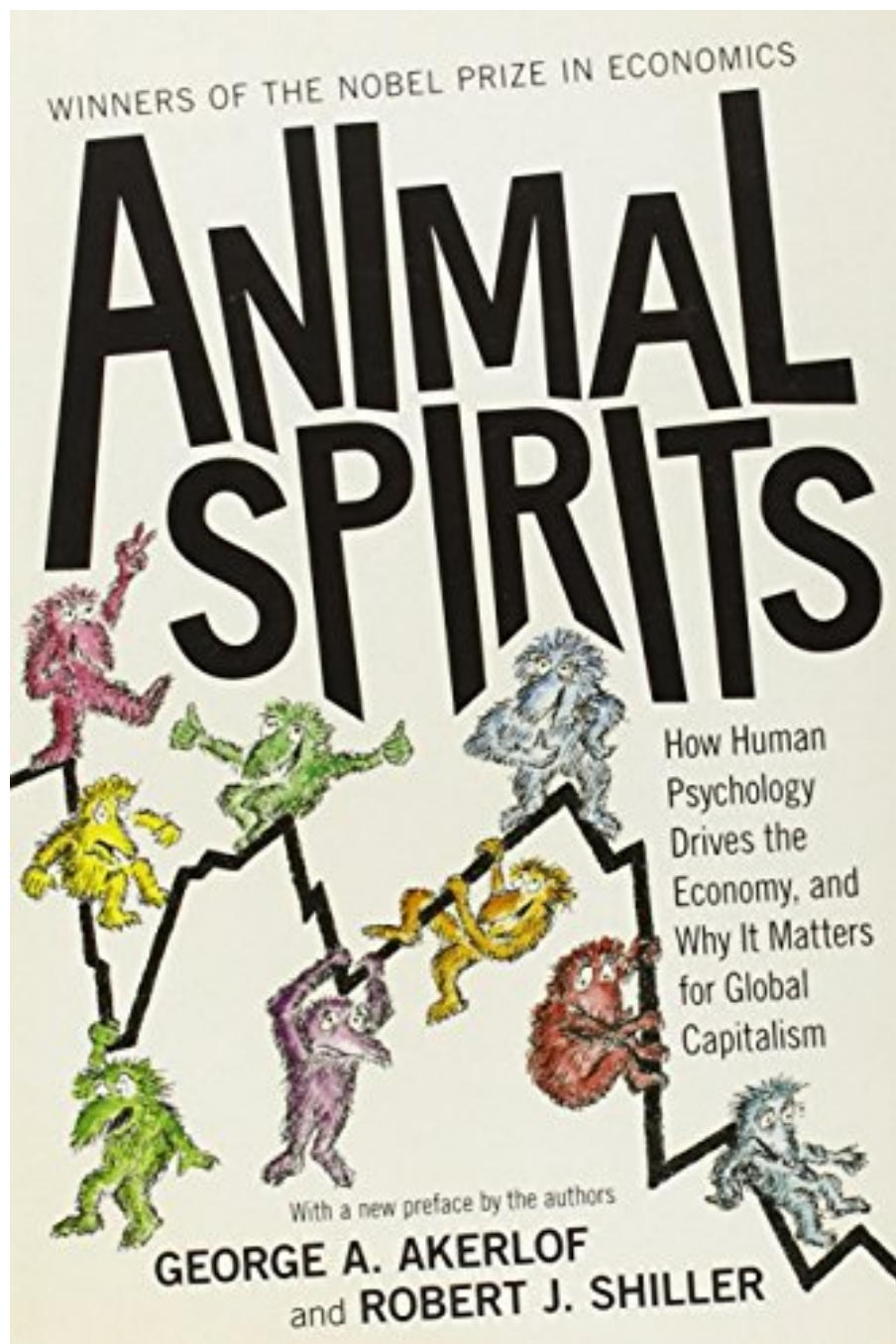


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Review

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- George A. Akerlof, Co-Winner of the 2001 Nobel Prize in Economics
- Winner of the 2009 International Book Award, getAbstract
- Co-Winner of the 2010 Silver Medal Book Award in Entrepreneurship, Axiom Business
- Co-Winner of the 2010 Robert Lane Award for the Best Book in Political Psychology, American Political Science Association
- Winner of the 2009 Paul A. Samuelson Award for Outstanding Scholarly Writing on Lifelong Financial Security, TIAA-CREF
- Winner of the 2009 Finance Book of the Year, CBN (China Business News) Financial Value Ranking
- Shortlisted for the 2009 Business Book of the Year Award, Financial Times and Goldman Sachs
- Featured on the Books of the Year list, Financial Times (FT.com)
- Listed on Bloomberg.com in a review by James Pressley as two of "our favorite financial-crisis books this year"

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"As George Akerlof and Robert Shiller show in a new book Animal Spirits, this is no freak storm. It may mark the long-awaited encounter between psychology and economics. . . . Akerlof and Shiller's book is probably the first macroeconomic exploration of the subject that is accessible to those interested in the subject but who don't have the academic training to understand the detailed argument."--Mint

"My book of the week is an easy one this time around: it's Animal Spirits, by Robert Shiller and George Akerlof. . . . Admittedly, I'm biased as a fan of both Shiller's and Akerlof's. Believe me, however, when I say the blessedly brief Animal Spirits is a thoughtful and well-written look at how economics discarded

psychology and lost its way on the trip from Adam Smith, through Keynesianism, to laissez-faire. The book puts the current crisis in a useful economic context, with consistent and practical selections from behavioral finance illuminating everything along the way. . . . Highly recommended."--Paul Kedrosky, SeekingAlpha

"Another contribution to the human-nature-ensures-economics-is-irrational school of thought. But, unlike many of the rants against people trying to make an honest profit, this is a measured examination of how the present crisis is explained in economic terms. And so it should be. George Akerlof is a Nobel prizewinner, Robert Shiller teaches at Yale and is the author of *Irrational Exuberance*, which should give you an idea of this one's approach. This fascinating work uses economics to explain real-life issues, such as real estate price cycles, to key policy problems, such as the relationship between inflation and employment."--Stephen Matchett, *The Australian*

"George Akerlof and Rober Shiller's *Animal Spirits* is a plea to start believing our lying eyes rather than the model. Rather than try to explain away the apparent irrationality in human behaviour, Akerlof and Shiller say we need to try to understand it and shape policies that take it into account. . . . The core message of *Animal Spirits* is that we should stop trying to cage the spirits and instead admit their central importance. Specifically, this means that world governments will need to intervene forcefully in the current economic crisis with both fiscal stimulus and direct measures to stimulate lending--to restore some of the confidence that the crash has sapped."--Matthew Yglesias, *The National*

"In saluting Keynes' quip, Akerlof and Shiller argue that much of the story is in the unreliability and incompleteness of supposedly rational behavior--the micro-foundation of the free-market model. They contend that modern economics, even self-described Keynesian economics, has given short shrift to this core behavioral insight. . . . Their best chapter is on the limited capacity of central banks to prevent or cure calamities."--Robert Kuttner, *The American Prospect*

"Akerlof and Shiller take psychological research seriously, and it's refreshing to see that they're not trying to reinvent the wheel. . . . The book is an interesting read and would probably be very useful for an undergrad class that needs an introduction to behavioral economics. A & S do a nice job of moving between the theoretical and the practical, the empirical and the implied. The writing is accessible and the topic is more than relevant to our current economic situation."--Orgtheory.net

"*Animal Spirits* is succinct, clear and lively."--Brad Willis, *Edmonton Journal*

"In an intriguing new book, *Animal Spirits*, US economists George Akerlof and Robert Shiller argue that psychology plays a far bigger role in determining economic outcomes than economists realize--and that, broadly speaking, people get what they expect. If we think good times are ahead, we act confidently in a way that creates them. And if we expect a downturn ahead, we act defensively and unwittingly ensure that's what we get."--Tim Colebatch, *The Age*

"The authors are right in pointing out the inadequacy of conventional economics in understanding, not to say addressing, today's economic woes, because they fail to take into account these animal spirits."--Wan Lixin, *Shanghai Daily*

"[*Animal Spirits*] is a short, thoughtful and sometimes simplistic book that calls for a different vision of economics. . . . *Animal Spirits* may well be a GPS system for a changing economic future."--Gene Rebeck, *Delta Sky*

"*Animal Spirits* presents a rigorous case for the importance of 'confidence multipliers' and 'stories' in

explaining recent market behaviour and of 'fairness' and 'money illusion' in preventing wages from falling in recessions to the market-clearing rate. Written in an accessible style, the book provides a very useful practical primer for policy-makers, practitioners and academics on many aspects of the current crisis. The authors also make a compelling theoretical case for macroeconomists taking more account of the role of non-economic motives and irrational responses."--Richard Bronk, *The Business Economist*

"[T]he authors do a superb job of conveying the importance of behavioural economics to a non-specialist audience. They increase our understanding of recent economic events and they show that animal spirits affect how governments should manage the economy."--Natalie Gold, *Times Higher Education*

"Animal Spirits offers a road map for reversing the financial misfortunes besetting us today. Read it and learn how leaders can channel animal spirits--the powerful forces of human psychology that are afoot in the world economy today."--Money Science

"[T]his very book seems to be one of the 'must-reads' in the Obama administration."--Andreas Ernst, *JASSS*

"Ideologists are likely to dismiss this volume. However, for other readers--whether their perspectives are quantitative or qualitative--Animal Spirits may fill a troubling gap in existing investigations of the causes of booms and busts."--Thomas H. Wilkins, *Investment Professional*

"Akerlof and Shiller's book is an interesting and thought-provoking attempt to understand how underlying human psychology drives the economy. The questions they pose and the examples they provide should be read by any economist seeking to better understand the differences between what economics predict will occur, and how people actually behave as individuals and within larger groups."--Dmitri Leybman, *Midway Review*

"Animal Spirits, which attempts to leverage the insights of behavioral economics to reanimate the vision of John Maynard Keynes, is perfectly timed for the present moment."--Nick Schulz, *Wilson Quarterly*

"Animal Spirits is exceptional in showing how economics can be accessible and relevant in dealing with this awesome challenge."--Irish Times

"George Akerlof and Robert Shiller have offered an attractive road map for a macroeconomics that might be inspired by the recent financial crisis."--Romar Correa, *Economic & Political Weekly*

"I believe this book to be best suited for those individuals who come from different fields but have a keen interest in economics and finance."--Kristina Vasileva, *Journal of General Management*

"It is perhaps the ultimate compliment to suggest that Russia's greatest writer would very much have agreed with Barany's depiction of the Russian military--and that his approach is a superior one for understanding Russian military politics."--John P. Moran, *Perspectives on Politics*

"More important than the timeliness of the book was the legacy that it leaves behind. This book helps us to understand as never before how macroeconomics really works."--Stan C. Weeber, *Journal of Global Analysis*

"Akerlof and Shiller deserve at least two cheers--one for providing a more solid psychological foundation for our understanding of confidence and another for re-introducing such an important concept into mainstream macroeconomics."--Martin Rapetti, *Eastern Economic Journal*

From the Back Cover

"This book is a sorely needed corrective. *Animal Spirits* is an important--maybe even a decisive--contribution at a difficult juncture in macroeconomic theory."--Robert M. Solow, Nobel Prize-winning economist

"This book is dynamite. It is a powerful, cogent, and convincing call for a fundamental reevaluation of basic economic principles. It presents a refreshingly new understanding of important economic phenomena that standard economic theory has been unable to explain convincingly. *Animal Spirits* should help set in motion an intellectual revolution that will change the way we think about economic depressions, unemployment, poverty, financial crises, real estate swings, and much more."--Dennis J. Snower, president of the Kiel Institute for the World Economy

"*Animal Spirits* makes a very timely and significant contribution to the development of a new dominant paradigm for economics that acknowledges the imperfections of human decision making, a need which the panic in financial markets makes all too apparent. I am not aware of any other book like this one."--Diane Coyle, author of *The Soulful Science: What Economists Really Do and Why It Matters*

"Akerlof and Shiller explore how animal spirits contribute to the performance of the macroeconomy. The range of issues they cover is broad, including the business cycle, inflation and unemployment, the swings in financial markets and real estate, the existence of poverty, and the way monetary policy works. This book is provocative and persuasive."--George L. Perry, Brookings Institution

About the Author

George A. Akerlof is the Daniel E. Koshland Sr. Distinguished Professor of Economics at the University of California, Berkeley. He was awarded the 2001 Nobel Prize in economics. Robert J. Shiller is the best-selling author of *"Irrational Exuberance"* and *"The Subprime Solution"* (both Princeton). He is the Arthur M. Okun Professor of Economics at Yale University.

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Akerlof and Shiller reassert the necessity of an active government role in economic policymaking by recovering the idea of animal spirits, a term John Maynard Keynes used to describe the gloom and despondence that led to the Great Depression and the changing psychology that accompanied recovery. Like Keynes, Akerlof and Shiller know that managing these animal spirits requires the steady hand of government--simply allowing markets to work won't do it. In rebuilding the case for a more robust, behaviorally informed Keynesianism, they detail the most pervasive effects of animal spirits in contemporary economic life--such as confidence, fear, bad faith, corruption, a concern for fairness, and the stories we tell ourselves about our economic fortunes--and show how Reaganomics, Thatcherism, and the rational expectations revolution failed to account for them.

Animal Spirits offers a road map for reversing the financial misfortunes besetting us today. Read it and learn how leaders can channel animal spirits--the powerful forces of human psychology that are afoot in the world economy today. In a new preface, they describe why our economic troubles may linger for some time--unless we are prepared to take further, decisive action.

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Features

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"More important than the timeliness of the book was the legacy that it leaves behind. This book helps us to understand as never before how macroeconomics really works."--Stan C. Weeber, Journal of Global Analysis

"Akerlof and Shiller deserve at least two cheers--one for providing a more solid psychological foundation for our understanding of confidence and another for re-introducing such an important concept into mainstream macroeconomics."--Martin Rapetti, Eastern Economic Journal

From the Back Cover

"This book is a sorely needed corrective. Animal Spirits is an important--maybe even a decisive--contribution at a difficult juncture in macroeconomic theory."--Robert M. Solow, Nobel Prize-winning economist

"This book is dynamite. It is a powerful, cogent, and convincing call for a fundamental reevaluation of basic economic principles. It presents a refreshingly new understanding of important economic phenomena that standard economic theory has been unable to explain convincingly. Animal Spirits should help set in motion an intellectual revolution that will change the way we think about economic depressions, unemployment, poverty, financial crises, real estate swings, and much more."--Dennis J. Snower, president of the Kiel Institute for the World Economy

"Animal Spirits makes a very timely and significant contribution to the development of a new dominant paradigm for economics that acknowledges the imperfections of human decision making, a need which the panic in financial markets makes all too apparent. I am not aware of any other book like this one."--Diane Coyle, author of *The Soulful Science: What Economists Really Do and Why It Matters*

"Akerlof and Shiller explore how animal spirits contribute to the performance of the macroeconomy. The range of issues they cover is broad, including the business cycle, inflation and unemployment, the swings in financial markets and real estate, the existence of poverty, and the way monetary policy works. This book is provocative and persuasive."--George L. Perry, Brookings Institution

About the Author

George A. Akerlof is the Daniel E. Koshland Sr. Distinguished Professor of Economics at the University of California, Berkeley. He was awarded the 2001 Nobel Prize in economics. Robert J. Shiller is the best-selling author of "Irrational Exuberance" and "The Subprime Solution" (both Princeton). He is the Arthur M. Okun Professor of Economics at Yale University.

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68 of 78 people found the following review helpful.

Book Review: Animal Spirits

By Will Alexander

Economists, in pursuit of mathematical precision, seem to have forgotten that not everything can be easily counted. Traditional economic theory centers on the premise that people make perfectly rational decisions. People, however, are not so rational. Despite many attempts, not every variable that goes into our decision-making process can be easily quantified, weighted, and stuffed into a formula. As any non-economist knows psychology -- and its hard to measure variables -- plays a large role in how people make decisions.

George Akerlof and Robert Shiller's book, *Animal Spirits*, offers an accessible look at how traditional economics can be expanded by incorporating some basic concepts from psychology. The term "animal spirits," originally coined John Maynard Keynes in the 1930's, describes how impulses and emotions naturally lead to economic boom and bust cycles. Traditional economists seem to have ignored even the most primitive of these spirits.

Economists create impressively complex formulas attempting to accurately describe the state of the economy and predict future trends. However, there are just too many unquantifiable variables - feelings, emotions, intuition, and confidence- to accurately incorporate all available information into a simple neat equation. Incorporating psychology into economics may not sound like much of a breakthrough. But Akerlof and Shiller have stepped outside of current economic thought to gently nudge animal spirits back to the discipline.

The first part of the book offers five examples of animal spirits: confidence; corruption; money illusion; stories; and fairness. While there are many more psychological factors at work in decisions, these offer a step in the right direction. A quick look at the internet bubble shows how these spirits can unknowingly influence our decisions.

In the late 1990's, investors were confident in a "new economy" and drove the price of internet related stocks up far more than a reasonable estimation of their economic prospects would justify. As the stock market increased in value, we entered a positive-feedback cycle from our investment decisions that further increased our confidence. As confidence rose so did the markets. In the end, we all know how this cycle turned out.

In the second part of the book Akerlof and Shiller answer some big questions calling attention to the role of the animal spirits. Why do economies fall into depression? Why is saving for the future so arbitrary? Why is there unemployment? Why are financial prices so volatile? Why do real estate markets go through cycles? Why is there special poverty amongst minorities?

The book offers persuasive, well-researched, prose that challenges the conventional wisdom that underlines much of existing economic theory. In attempting to answer some large fundamental economic questions by calling attention to psychological influences, the book offers a first glimpse of what economic solutions might look like in the future.

330 of 402 people found the following review helpful.

Disappointing

By P. Johnson

Let me edit my review slightly. Please notice the first words of my original review: "Given such accomplished economists." I don't think it's unreasonable to hold these authors to a very high standard. Because I know that they could have done a much better job of organizing their thoughts, and given the

stakes involved at an early stage in the development of financial crisis when policy makers were in dire need of good advice, I was very critical. Consider this - in a book on "Animal Spirits" there is very little on entrepreneurship! BTW Keynes did not originate the term, and Adam Smith was not an uncritical apologist for capitalists. Milton Friedman was not a blind apologist for corporations, and Ronald Reagan was not as radically free-market as people these days think. Gosh, how many times do these things need to be said?

Given such accomplished economists, and being sympathetic to behavioral economics I expected better from this volume. The book has obviously been rushed to print. There are numerous errors. Just to give a few examples:

They present Adam Smith as the father of the rational economic man model when in fact he was the author of "The Theory of Moral Sentiments" (a masterwork of psychology) and certainly never claimed that emotions did not matter for economics.

They present Keynes as having "animal spirits" at the center of his theories which is not true. They do not even give the background to the phrase, which was more than two hundred years old at the time Keynes wrote.

They completely misrepresent the work of Milton Friedman generally and with respect to the Great Depression specifically. They even get his ideas about money illusion wrong. They seem hopelessly confused about the difference between Friedman and the later "rational expectations" theory. In fact there is surprisingly little about modern macroeconomics including modern Keynesian thought.

Did they even read Friedman's great work on the Monetary History of the United States? They make a single reference in passing to it in the text. It is extremely meticulous in tracking the events of the Great Depression. Even J.K. Galbraith highly praised it as a work of empirical research.

Although they discuss bubbles and speculation the general reader would finish the book with no idea that experimental economists have been replicating and studying these phenomena in the lab for over 20 years and have discovered many things about what contributes to them. This is part of the authors' pattern of setting up mainstream economics as a straw man with no concern for psychology.

A more fundamental flaw is that they never make a persuasive case that animal spirits are the core of the problem. Yes there are many historical anecdotes and stories - but there is no overall scheme or theory in this book. It's a mess of disconnected thoughts, stories, anecdotes etc..

On a final note, there is a degree of condescension to the general reader which is quite irritating. For example, in discussing poker in the introduction we are informed that players often try to deceive their opponents and this is called ... "bluffing." (!)

In summary, a book that was rushed to market.

An addendum - just happened to pull the book off my shelf in July 2012. Was I too harsh before? I opened a chapter at random. Chapter nine - the authors try to argue that Friedman was wrong about there being no long run inflation/unemployment tradeoff. Somehow, in all this chapter, they manage to never once reference the ruinous stagflation of the 1970s! Instead they want to fuss about the difference between a 1.5% inflation target rate vs. a 0% inflation target rate. They invoke a lecture by Paul Samuelson - in 1964. Let me contrast that with Keynes biographer Robert Skidelsky in "The Return of the Master": "Milton Friedman predicted the coming of simultaneous increases in inflation and unemployment - so-called stagflation - as early as

1962." Even the most Keynesian of Keynesians agrees that at least on this one point Friedman had it right. No, I was not too harsh.

57 of 71 people found the following review helpful.

Including the Irrational in Macroeconomics

By Timothy J. Bartik

"Animal Spirits" is an important contribution to rethinking economic theory, particularly macroeconomic theory, so that it better takes account of human irrationality.

The central argument of the book is that various human emotions - overconfidence, unwarranted pessimism, a sense of fairness, and stigma effects - can have important aggregate effects on the economy. Economists have often tended to overlook these factors, for several reasons: the irrational is difficult to model, and it has sometimes been assumed that these "irrationalities" will average out or be weeded out by the market. But Akerlof and Shiller argue that frequently such "animal spirits" can result in self-reinforcing cycles of either boom or bust. Irrationality is not only not tamed by the market, but can even be reinforced.

Akerlof and Shiller consider varied topics in this book, including determinants of savings rates and wages, and high African-American poverty. However, most of the book focuses on how "animal spirits" might help better explain the business cycle. Their book is opportune, as the current downturn is plausibly explained as the result of the excesses of an unregulated speculative fever in housing and related investments. Their book includes a valuable postscript to one of the chapters that analyzes possible responses to the current financial crisis.

I think this book is best suited to an audience that is reasonably well-aware of economic ideas about markets and the macroeconomy. This of course includes professional economists as well as many policy wonks interested in macroeconomic policy. It would also be a valuable corrective for a wider audience that holds the belief that the market is always in the aggregate efficient. This book supplies one more valuable argument for some government intervention in the market: the need for regulation to discourage various sorts of speculative bubbles.

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ANIMAL SPIRITS: HOW HUMAN PSYCHOLOGY DRIVES THE ECONOMY, AND WHY IT MATTERS FOR GLOBAL CAPITALISM BY GEORGE A. AKERLOF, ROBERT J. SHILLER PDF

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Review

- Robert J. Shiller, Co-Winner of the 2013 Nobel Prize in Economics
- George A. Akerlof, Co-Winner of the 2001 Nobel Prize in Economics
- Winner of the 2009 International Book Award, getAbstract
- Co-Winner of the 2010 Silver Medal Book Award in Entrepreneurship, Axiom Business
- Co-Winner of the 2010 Robert Lane Award for the Best Book in Political Psychology, American Political Science Association
- Winner of the 2009 Paul A. Samuelson Award for Outstanding Scholarly Writing on Lifelong Financial Security, TIAA-CREF
- Winner of the 2009 Finance Book of the Year, CBN (China Business News) Financial Value Ranking
- Shortlisted for the 2009 Business Book of the Year Award, Financial Times and Goldman Sachs
- Featured on the Books of the Year list, Financial Times (FT.com)
- Listed on Bloomberg.com in a review by James Pressley as two of "our favorite financial-crisis books this year"

"Akerlof and Shiller are the first to try to rework economic theory for our times. The effort itself makes their book a milestone."--Louis Uchitelle, New York Times Book Review

"There is barely a page of *Animal Spirits* without a fascinating fact or insight."--John Lanchester, New Yorker

"Akerlof and Shiller succeed, too, in demonstrating that conventional macroeconomic analyses often fail because they omit not just readily observable facts like unemployment and institutions such as credit markets but also harder-to-document behavioral patterns that fall within the authors' notion of 'animal spirits.' Confidence plainly matters, and so does the absence of it. When the public mood swings from exuberance to anxiety, or even fear, the effect on asset prices as well as on economic activity outside the financial sector

can be large."--Benjamin M. Friedman, New York Review of Books

"Two of the most creative and respected economic thinkers currently at work, George Akerlof and Robert Shiller, . . . [have written] a fine book at exactly the right time."--Clive Crook, Financial Times

"A truly innovative and bold work. . . . At a time when plummeting confidence is dragging down the market and the economy, the authors' focus on the psychological aspect of economics is incredibly important."--Michael Mandel, BusinessWeek

"Animal Spirits [is] . . . the new must-read in Obamaworld."--Michael Grunwald, Time

"[Animal Spirits] really applies to all the big areas where we need change."--Peter Orszag, Obama budget director (quoted from Time magazine article)

"White House Budget Director Peter Orszag is a numbers guy, a propeller head as President Obama would say. But as David Von Drehle and I write in this week's print version of Time, Orszag has been spending his time recently reading not about spreadsheets, but about psychology. In particular, he has been reading a new book by the economists George Akerlof and Robert Shiller called *Animal Spirits: How Human Psychology Drives The Economy, and Why It Matters For Global Capitalism*. . . . We are, it turns out, slaves to the Animal Spirits. They have brought us to our knees. And now they are the only things that can save us."--Michael Scherer, Time.com's Swampland

"In their new book, two of the most creative and respected economic thinkers currently at work, George Akerlof and Robert Shiller, argue that the key is to recover Keynes's insight about 'animal spirits'--the attitudes and ideas that guide economic action. The orthodoxy needs to be rebuilt, and bringing these psychological factors into the core of economics is the way to do it. . . . The connections between their thinking on the limits to conventional economics and the issues thrown up by the breakdown are plain, even if they were unable to make every link explicit. Even more than Akerlof and Shiller could have hoped, therefore, it is a fine book at exactly the right time. . . . *Animal Spirits* carries its ambition lightly--but is ambitious nonetheless. Economists will see it as a kind of manifesto."--Clive Crook, Financial Times

"An influential Democrat who was also one of the world's top-ten, highest-paid hedge fund managers last year thinks he knows which book is at the top of the White House reading list this spring: *Animal Spirits*, the powerful new blast of behavioural economics from Nobel prize-winner George Akerlof and Yale economist Robert Shiller."--Financial Times

"Akerlof and Shiller remind us that emotional and intangible factors--such as confidence in institutions, illusions about the nature of money or a sense of being treated unfairly--can affect how people make decisions about borrowing, spending, saving and investing. *Animal Spirits* is an affectionate tribute to the man [John Maynard Keynes] whose ideas, unfashionable for the past 30 years, have resurged."--Nature

"*Animal Spirits* is a welcome addition to our Hannitized national economic debate, in which anyone who advocates government spending risks being labeled a socialist. . . . *Animal Spirits* is most compelling when the authors summon all the key behavioral patterns to explain vast, complex phenomena such as the Great Depression. . . . *Animal Spirits* . . . [is] aimed squarely at the general reader, and rightly so: Macroeconomics is now everybody's business--the banks are playing with our money."--Andrew Rosenblum, New York Observer

"[A] lively new financial crisis book."--James Pressley, Bloomberg News

"The two superstars have produced a truly innovative and bold work that attempts to show how psychological factors explain the origins of the current mess and offer clues for possible solutions. At a time when plummeting confidence is dragging down the market and the economy, the authors' focus on the psychological aspect of economics is incredibly important."--Michael Mandel, BusinessWeek

"What Sigmund Freud did for the study of the mind, George Akerlof and Robert Shiller are doing for economics. Freud, healer or fake--take your pick--built a career and a field of medicine on the idea that people are driven by irrational forces. Akerlof, professor of economics at the University of California, Berkeley and winner of the 2001 Nobel Prize in economics, and Shiller, the Yale economist who is the eminence grise of the housing meltdown, argue that massive government market intervention programs are the only way to turn fear into enthusiasm for spending and investing--the 'animal spirits' that are an essential part of recovery. . . . Akerlof and Shiller pick up on the idea of the emotional impetus to investment. With elegant reasoning and lovely prose, they demonstrate that we'll all be wallowing in misery unless governments around world, especially the in the G7 nations, help to return markets to optimism. . . . Animal Spirits is a fine discussion of the last few decades of development of economic theory, especially monetary economics."--Andrew Allentuck, The Globe & Mail

"[T]his book is rather more than the usual lament about the failings of economics. Its authors are two of the discipline's leading lights. . . . Most of the time, the unrealistic assumption of rationality serves economists fairly well. They should, however, be more prepared to depart from it, especially in times like these--even if that makes behaviour more difficult to describe in elegant equations. Messrs Akerlof and Shiller have therefore done their profession a service."--The Economist

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