States, Banks and Crisis: Emerging Finance Capitalism in Mexico and Turkey, by Thomas Marois. Cheltenham, UK: Edward Elgar, 2012. Hardback: ISBN 978-0-85793-857-2, (on-line price) £63.00, 288 pages.

In the post-1980 era of financial deregulation and liberalization, there has been an explosion in the size, significance, and power of financial markets and institutions. The role of finance in the functioning of the economy has become more and more important. Heterodox economists of various strands have produced critical accounts of this phenomenon — now widely referred to as financialization. Nevertheless, most of these analyses remained focused on the experiences of core capitalist countries, especially the USA, and there is still much need for critical analyses that theorize the role of finance in the rest of the world. *States, Banks and Crisis* represents an attempt in this direction by focusing on Mexico and Turkey's transitions to neoliberalism after 1980, and investigating why neoliberalism took on a particularly finance-led form. Thomas Marois labels the current phase of capitalist accumulation in these economies "emerging finance capitalism," which denotes "the fusion of the interests of domestic and foreign financial capital in the state apparatus as the institutionalized priorities and overarching social logic guiding the actions of state managers and government elites, often to the detriment of labor" (p. 10). The analysis of this "emerging finance capitalism" is built on the premises that states and banks are social relations, labor is vital to emerging finance capitalism, and financial crises are constitutive because their resolution provides the justification for transformations privileging the power of financial capital. In the first chapter of the book, Marois contextualizes his study of Mexico and Turkey, and moves on to the premises of the book in the second one. The third chapter analyzes the history of post-war development in Mexico and Turkey, and the next four chapters provide a detailed discussion of the rise of finance capitalism in these countries from 1980 onwards.

Five points can be made about the general arguments of the book. First, Marois's analysis is built on the understanding that, instead of looking at banks, states, and industry as discrete and historically fixed entities, one should see them as historically variable institutions which encompass social, political, and economic aspects. In light of this, the consolidation of finance capitalism in Mexico can be seen as a process where "Mexican state and government elites have led the restructuring of the state financial apparatus in ways that have institutionalized the interests of financial capital over and above other social interests" (p. 162). On the other hand, the rise of financial capitalism in Turkey was the outcome of a process where "through the historical evolution of material constraints and institutionalizations of power relations beneficial to financial capital and debt-led neoliberal strategies of growth … there has been a fusion of the interests of financial capital into the state apparatus" (p. 196).

Second, Marois argues that neoliberal transformations are not simply impositions from the outside as is argued by some critics of neoliberalism. They are the results of both the interests of domestic elites and the imperatives of world markets working hand in hand. In the Turkish case, "domestic advocates actively brought about the neoliberal restructuring of the Turkish state and society in ways that increasingly favored financial capital. … Consecutive governments promoted financial liberalization and exposed domestic banking to world market competitive imperatives while state authorities manipulated the state banks' developmental missions and crafted a stronger state financial apparatus to support neoliberal restructuring" (p. 99). Meanwhile, Turkish capitalists thought that "market liberalization would allow them to restore profitability and power through greater integration into the world market and the suppression of organized labor" (p. 101).

Third, while most critical analyses of neoliberalism consider financial crises as disruptive, Marois highlights the constitutive role of crises in the emergence of finance capitalism. Neoliberal restructuring and the rise of finance have led to recurrent financial volatility, and financial crises have become a regular feature of the modern era. However, "instead of challenging the social rule of neoliberal capitalism and the mounting power of financial capital, the resolutions to crises have institutionally fortified financial interests within capital accumulation, social reproduction, and the state" (p. 37). This argument is in line with empirical studies which show that financial crises seem to benefit international financial capital and segments of domestic capital, while structural changes implemented to remedy the situation usually further the power of capital in general (Dufour and Orhangazi 2007, 2009).

Fourth, Marois argues that there is little to differentiate between large (private and public) domestic and large foreign banks in the sense that both follow similar strategies of driving down labor costs and exploiting state financial support. His argument is that, "while private bank ownership remains sufficient to explain a bank's profit- and market-oriented operational strategies, private ownership is no longer necessary under emerging finance capitalism" (p. 38). This could be a contentious point as it would require more detailed empirical analysis to support this claim.

Last, Marois follows Gerard Dumenil and Dominique Levy (2004) in defining financial capital as "the upper fraction of capitalist owners and the financial institutions under their control" (p. 14). In this very broad definition of finance, not only financial institutions, but also all large-scale capital, are included aside from small businesses and shareholders. As David M. Kotz (2011) points out, in this definition, "finance turns out to more or less coincide with big capital, perhaps with small financial institutions thrown in" (p. 8). This diminishes the analytical use of the concepts of finance and finance capital. If financial capital is defined to include more or less all big capital, then statements, such as "the interests of financial capital increasingly represent the common interests of all capitals," lose their analytical explanatory power.

Overall, *States, Banks and Crisis* is a welcome contribution to the burgeoning literature of political economic analysis regarding the role of finance in modern economies and could help generate a much needed discussion.

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Back to Full Employment, by Robert Pollin. Cambridge, MA: MIT Press, 2012. Hardcover: ISBN 978-0262017572, $14.95, 208 pages.

After the near collapse of the financial system and the Great Recession, unemployment has significantly increased worldwide. According to the ILO Global Employment Trends 2013 report — a special edition warranted by the global employment crisis — the global unemployment rate is around six percent. This translates into a total of 197 million unemployed, and this number does not even include the 39 million that dropped out of the labor market. The report estimates that, in 2013, the number of unemployed will reach 202 million. Of these, 73.8 million are young people, comprising a youth unemployment rate of 12.6 percent. While rising unemployment is putting downward pressure on wages in advanced economies, 397 million workers across the globe are living in extreme poverty and 472 million cannot address their basic needs. In the US, the unemployment rate reached almost ten percent after the crisis, which constitutes about fourteen million people out of a labor force of 153 million. Adding underemployed and discouraged workers into this figure, the rate climbs to 16.5 percent, which corresponds to 25 million people.

Robert Pollin engages in an attempt to understand unemployment and discusses how it could be tackled in the U.S. context. *Back to Full Employment* starts with the question: Why should we care about full employment? First, Pollin argues, it is a matter of basic ethics to create "an economy with an abundance of decent employment opportunities," because the notion of equal rights for everyone suffers in the absence of this kind of economy. "How can we claim that everyone in society has equal rights when those who are unemployed are not able to participate on a solid footing in the life of their community?" (p. 145). Second, at the individual level, it is obvious that income is central to having a decent life. Beyond that, "your job is also crucial for establishing your sense of security and self-worth, your health and safety, your ability to raise a family, and your chances to participate in the life of your community" (p. 7). Third, at the macroeconomic level, high employment levels would lead to higher purchasing power as well as higher investment and growth.

Is full employment possible at all under capitalism? Taking up this question, Pollin reviews arguments from Karl Marx, John Maynard Keynes, Michal Kalecki, Milton Friedman, and William Phillips. Following a discussion of these authors'