local consumers." Precisely how much flexibility rice allows is a bit uncertain, but that it occurs again and again in different global samples shows us that crop type might not be an ideal exogenous characteristic that is predetermined in a stable fashion by geography or soil suitability. Again, this seems to be a promising area demanding further investigation.

Carol H. Shiue, *University of Colorado Boulder*

A History of Financial Crises: Dreams and Follies of Expectations. By Cihan Bilginsoy. New York: Routledge, 2015. Pp. 500. $189.98, hardcover; $58.60, paper.
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The financial panic of 2008 has renewed interest in books on historical financial crises among both casual readers and instructors of college courses. Cihan Bilginsoy's new book, *A History of Financial Crises: Dreams and Follies of Expectations*, is intended for the latter. It is essentially an introductory textbook devoted to financial crises, complete with detailed narratives of many significant bubbles and crashes, which are followed by end-of-chapter lists of concepts and timelines. It also introduces the reader to economic and mathematical concepts useful to the analysis of those events, and to different theoretical perspectives on bubbles and crises. There is also a digression on the history of economic thought, and the intellectual traditions that have produced those perspectives. In short, this is an extremely ambitious textbook. But any work that attempts to cover such a wide range of topics must sacrifice depth and precision in service of the breadth of its analysis, and those tradeoffs are apparent in this book.

Bilginsoy, a Professor of Economics at the University of Utah, wrote the book as part of an effort to create a course that introduced students from a variety of disciplines to the study of financial crises. The book therefore assumes no prior knowledge of economics, and presents introductory discussions of basic concepts that students would normally encounter in an introductory economics or finance course. The book begins with chapters devoted to three famous early bubbles—the Dutch tulip mania, the Mississippi Bubble, and the South Sea Bubble—and then presents chapters devoted to theories of economic behavior and of financial crises. The remainder of the book presents analyses of later financial crises both in Britain and in the United States, which culminate in several chapters devoted to recent changes in the financial system and the onset and aftermath of the panic of 2008.

This book is quite different from Charles Kindleberger and Robert Aliber's *Manias Panics and Crashes: A History of Financial Crises* (2011), the best-known work of its kind. Kindleberger and Aliber's work is devoted to the presentation of a single, coherent theory of financial crises, and presents brief descriptions of a large number of historical episodes from a wide-ranging set of countries and time periods to illustrate the different stages of the crises postulated by the theory. In contrast, in spite of all the history in Bilginsoy's book, at its core it is much more about economics than about financial crises. It is quite agnostic about the underlying mechanisms behind the episodes it describes, and presents several competing theories of crises, in the hope of helping students understand how economists model behavior, and inspiring students to formulate their own opinions regarding the persuasiveness of different schools of thought. The book uses students' interest in crises to get them thinking critically about economics.

The book's even-handed approach to the theoretical and doctrinal debates surrounding bubbles and crashes is quite distinctive. Bilginsoy presents several different frameworks through which such events can be understood, including "fundamentals-based orthodoxy," the Austrian school, behaviorist analysis, and what he calls the Bagehot-Mynsky-Kindleberger financial instability theory. Many of the discussions of crises in the book refer specifically to these different perspectives, and offer different interpretations of the causes and consequences of those events consistent with different theories. Students reading this book will be exposed to a much broader range of perspectives than they would normally encounter in an introductory economics course.

Some instructors, particularly those wishing to focus on the historical content of the book, may find its approach to the different theoretical perspectives somewhat of a liability. All the different schools of thought are taken seriously, and a sincere effort is made to reconcile the details of the historical crises with the predictions of several of them. But the reader is not given a framework within which to evaluate or compare the competing theories. The book's aim is to introduce readers to alternative perspectives, rather than to show the reader the current state of knowledge about financial crises and use it to reject incorrect theories or accept correct ones.

Another distinctive element of this book is that it presents a thorough discussion of the historical contexts within which major crises have occurred—there is much more historical detail than in Kindleberger and Aliber. And yet economic and financial historians may find these chapters somewhat frustrating. Bilginsoy's summary of the literature on particular crises is reasonably good, but it falters at key points. Take, for example, the chapter on the crash of 1929 and the banking crises of the early 1930s. The text describes possible wealth effects of the stock market crash, but makes no mention of Christina Romer's analysis of the resulting uncertainty and its effects on consumers' expectations and spending behavior ("The Great Crash and the Onset of the Great Depression," *Quarterly Journal of Economics* 105, no. 3 (1990): 597–624). And the description of the debates regarding the banking panics of the Great Depression and the relative importance of illiquidity or insolvency fails to mention Gary Richardson and William Troost's work assessing the impact of the Atlanta Fed's efforts to provide emergency liquidity to banks within its district ("Monetary Intervention Mitigated Banking Panics during the Great Depression: Quasi Experimental Evidence from a Federal Reserve District Border, 1929–1933," *Journal of Political Economy*, 117, no. 6 (2009): 1031–73). The analysis contained in works such as these would have enriched the discussion significantly.

The historical narrative also touches on a number of topics that have been the subject of considerable interest by economic historians, and occasionally makes rather simplistic statements about them. For example, the reader is told that "from mid century onward… railroads were the foundation of [American] economic growth" (p. 168), "Friedman and Schwartz (1963) do not convince many economists" (p. 248), and "other means of transportation could not compete with railways due to their technical inferiority" (p. 155). The truth, of course, is much more complicated. And introducing students to the larger debates surrounding those statements strikes me as just as important, and perhaps even more fruitful, than introducing them to different schools of thought.

Eric Hilt, *Wellesley College*