about Smith's text. This is not the place to enter into a detailed theoretical critique of the Sraffian interpretation of classical economics in general or of Smith in particular. However, I will simply point out that not giving contemporary mainstream economists a voice in expounding on Smith as an economic theorist seriously distorts noneconomists' view of Smith's analytical system.

To make matters worse, the only mainstream voices come from the "new right"—a pejorative usage in and of itself (why "new right" and not "classical liberal"?)—and then only mediated through the ideas of Friedman, Buchanan, and Hayek. Fleischacker notes the existence of a "left" and a "right" Smith (485). The left Smith is well represented throughout the volume, while the right Smith gets fairly short shrift. This may, of course, simply be the result of recovering the "real" Smith and of setting the record straight after years of distortion and caricature. However, at least a more mainstream view of Smith the economist would have been in order, as well as his well-founded and prescient warnings about the "man of system."

Finally, in a volume as beautifully produced and elegant as this one and coming from a prestigious university press, one would not expect to find the large number of careless typographical, proofreading, and sundry errors that occur throughout the book. The misspelling of the name of my colleague, Steve Horwitz (405), is just one example.

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The Philosophy of Economics: A Contemporary Introduction

Julian Reiss

New York and London: Routledge, 2013 (321 pages)

In his introduction, Reiss cleverly hooks his readers by hanging distinctions among theoretical, methodological, and moral problems on the 2008 economic crisis. While I *might* be willing to forgive him for quoting Paul Krugman in such a context, I cannot forgive him for discussing everything from the failures of the neoclassical model, to econometric methods, to the integrity of the bankers while overlooking entirely the role of the state in setting up perverse incentives for risky investment. Reiss accomplishes, quite masterfully, what he sets out to do: Create a compendium of the current mainstream debates in the philosophy of economics. My only complaint is that the tenor of the current discussions is not always the best guide to what is genuinely important.

Notwithstanding its sins, *The Philosophy of Economics* is a well-constructed guide to an underserved subdiscipline. While all of the social sciences are waging an almost constant war of self-definition, it might be argued that the identity of economics has the greatest practical bearing. Nations rise and fall according to the economic policies they institute, changing quite rapidly in comparison to changes in other cultural phenomena—just think of the economic revolutions that have occurred in the last twenty years due to overhauls in economic policy: the Asian tigers, India, New Zealand, Ireland, and even Sweden. Reiss does an admirable job of representing quite accurately the current state of various debates. Furthermore, the book can serve as an introduction to economic thought in general, helpfully and succinctly covering subjects such as game theory in enough detail for an intelligent reader to grasp the concepts even if she were not already familiar with them. The elements of each chapter progress in such a logical way that one could use the book as a decent guide to structuring a course on one of the topics.

Reiss divides the book into three major sections that deal with theory, method, and morals and that cover such topics as rational choice theory, causality, modeling, measurement, and market failure. Of course, there is quite a bit of overlap throughout, and Reiss handles it splendidly. The organization of the book is interesting and easy to follow, his language is precise without being overly technical, and he is a clear writer who even throws a bit of humor in now and then. (Who says economics is the dismal science?) I do not know that all of his references to the show *Frasier* were as helpful as he found them, but concrete examples throughout and sensible, well-chosen references to the literature make fairly complicated debates comprehensible to any reader who has some familiarity with both philosophy and economics.

He also includes study questions and more fleshed-out references at the end of each chapter. I spent a little time mulling over one chapter's study questions and thought they would do an excellent job of forcing a discussion group to think through the issues he has raised.

Therefore my criticisms are not so much of Reiss himself, but of the state of the (sub) discipline in general.

As is common in the literature of the philosophy of economics, Reiss explicitly defines market failure in terms of neoclassical assumptions such as perfect competition and perfect information and thus fails to notice the ways in which markets solve problems that are not unique to markets but are simply ubiquitous in human existence. For instance, the industries of advertising, journalism, and education all address the problem of imperfect information to an impressive extent, but the model, which certainly has its limited uses, simply assumes them away.

Reiss has no problem referring quite often to theorists one could easily call passé, such as logical positivists. Conversely, if the twentieth century has been referred to by some as the "century of Hayek," where is he or his "information problem" mentioned anywhere in the book? One would think it a perfect subsection for chapter 7 on models, or somewhere in part 2 on methodology, but he is nowhere to be found. Reiss deals extensively with the man Hayek credits with inspiring his work—the eighteenth-century Scottish Enlightenment philosopher David Hume—but only on the subject of causation. While Reiss nods to Hume's accomplishments in economics proper (for instance, his contribution to the quantity theory of money and therefore, the debate with the mercantilists), he does not take advantage of any of Hume's work in his section on morality, even though Hume himself was far more interested in moral than in metaphysical questions.

Perhaps it is a pitfall difficult to avoid in philosophy, but problems are not the only interesting things to discuss. Reiss goes through the usual rounds of public goods, externalities, and the lot (as does Hume), but he misses Hume's ecstasy about markets and their moral consequences. Hume believes that, as the market mechanism depends on justice (defined as the willingness to respect the institutions of property rights, voluntary exchange, and promise-keeping), the virtue of "humanity," or what is sometimes called "extensive sympathy," will spread along with markets. That is, the necessity of cooperating under the aegis of the same moral rules allows people to develop a moral universalism that cannot be instilled through mere ideology. What about Immanuel Kant's claim that the spread of markets would deter war? This is a claim about markets that has inspired a whole literature of responses but is also never mentioned. While libertarianism is examined at some length in the discussion on inequality, its identification with Nozickean property rights makes Reiss' representation of it understandably unattractive. What of the classical liberal tradition? Could not its grounding in the conventional property rights of natural law provide a more interesting voice in the debate on inequality? More interesting, yes, but less stark and therefore less useful in a quick survey such as this one.

Reiss' subtitle, "A Contemporary Introduction," is perfectly fitting. He elegantly introduces the reader to the contemporary debate but in doing so sadly misses out on what his contemporaries ignore: the stunning success of the market mechanism.

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