



Book Title: Crisis Economics

Author: Nouriel Roubini and Stephen Mihm

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Nouriel Roubini and Mihm offer a survey of what went wrong in many financial crises, what ideas economists developed to deal with crises and how to get the economies out of the morass. Roubini's main point is that financial crises are not exotic beasts that nobody can predict; they are a regular feature of business life made worse by bad regulation as well as monetary and fiscal policies.

This book focuses on the fact that crisis is a normal part of economic cycles and as such should be guarded against which is something the current system doesn't essentially do. In the book the author explains the history of economic crises over the last few centuries, he explains what got us in trouble and suggest the ways we can guard against this in the future. Its a really interesting book that deals dispassionately with a subject that usually gets caught up in party politics, he suggests many things that need to happen to sort out the financial system which come from both left and right of the political spectrum which is really how politics should work frankly not the partisan politics you see around the world currently. A right winger will not always be correct, likewise nor will a left winger, on the whole the best way forward in most cases will be somewhere in the middle taking into account points from both side and this book shows what that way forward could and probably should be.

Most important, the authors—considering theories, statistics, and mathematical models with the skepticism that recent history warrants—explain how the world's economy can get out of the mess we're in, and stay out. According to Roubini, economists and investors are increasingly realizing that they can no longer afford to consider crises the black swans of financial history.

The book ends on a somber note: "We will plant the seeds of an even more destructive crisis if we squander the opportunity to implement necessary reforms".

**Book Review by Doc. Dr. Antoneta POLO,
RSI Journal editor**