

“believe” a word Novak is writing.

An Argument for Decreasing America’s Deficit from the President’s Banker

Alberto Alesina, Carlo Favero and Francesco Giavazzi. *Austerity: When It Works and When It Doesn’t*. Hardcover: \$35.00. 6.125X9.25”, 384pp, 50 b/w images. ISBN: 978-0-691172217. Princeton: Princeton University Press, February 19, 2018.

This book addresses the question of the national deficit, and how this shortfall can best be resolved. Here’s is the summary from the publisher: “Looking at thousands of fiscal measures adopted by sixteen advanced economies since the late 1970s, Austerity assesses the relative effectiveness of tax increases and spending cuts at reducing debt. It shows that spending cuts have much smaller costs in terms of output losses than tax increases. Spending cuts can sometimes be associated with output gains in the case of expansionary austerity and are much more successful than tax increases at reducing the growth of debt. The authors also show that austerity is not necessarily the kiss of death for political careers as is often believed, and provide new insights into the recent cases of European austerity after the financial crisis.” A series of case studies of historic actions is a great way to explore this subject. The deficit should be an accounting error that countries correct with the most efficient strategies known to have worked in the past. If a country cannot afford purchasing the building of new infrastructure or its citizens do not want to contribute towards this and other national causes, it should not be able to borrow uncontrollably to live beyond its means. The book is written by an economics professor from Harvard (Alberto Alesina), a Deutsche Bank Chair in Quantitative Finance (Carlo Favero) and an economics professor at Bocconi University. The Deutsche Bank Chair title stands out, as this bank is currently being investigated for its questionable repeat lending to Trump despite him suing them and borrowing from one of their divisions to pay another; the runners of this bank have been accused of placing their own rewards for over-landing above the bank’s losses that results from these bad

investments. Their bonuses depend on the volume of money handed out, not on the profits or losses that result from this lending. Can this be one of the chairs personally responsible for lending to Trump? And this book is about countries paying back their debts? The third chapter is called, "The Punchline in a Nutshell"... maybe this is part of this punchline?

The book is divided into parts on the theory of austerity, different approaches needed for austerity during expansion and recession cycles, assessments of fiscal policy impacts, an analysis of the data from the test cases, impacts austerity has on taxes and the like, distinct characteristics of austerity in Europe, and the impact fiscal cheapness or tax increases has on election results. As if in response to my concerns regarding a lack of specific algorithms in an earlier book I reviewed in this set, there is a detailed section in the concluding portion of the book with the exact detailed calculus/ statistics formulas the authors utilized to evaluate the impacts of austerity on economies. This is great as it allows future researchers to double-check the findings. The entire book is full of graphs, charts, and numerical explanations fit for advanced graduate economics classes.

This study appears to lack a negative bias. In Chapter Eleven, they summarize that the public perception of debt as "not really a problem" is troubling because interests can grow and future generations should not have to pay for the current voting generation's over-spending (200). In Chapter Eight, they write this: "We do not know what would have happened without austerity: Debt repudiation? Panic? A second round of banking crises? What we do know is that the certainty with which anti-austerity commentators assure us that everything would have been much better is based on ideology, not facts" (117). This is the exact complaint I had with Novak's insistence on relying on what he believes to be true about Defoe, rather than trusting the facts of the case. Reasonable economists without an agenda have to admit that an eternal deficit can only be a negative for America going forward. It makes recessions and depressions more likely, and makes it less likely that when disaster occurs, the government can fix these problems (as it lacks the funds). Most of those investing in America's economy will lose money if the deficit endures, and yet the argument for austerity is an outlier rather than the norm in economic and political discussions.

This is a challenging read, but it presents the needed evidence for American politicians to make a more informed decision on spending.

Bankers lending to America will also gain needed understanding.

I Used This Book to Recuperate Money from a Lawsuit

Cara O'Neill. *Everybody's Guide to Small Claims Court, 17th Edition*. \$29.99. 418pp, b/w images. ISBN: 978-1-4133-2490-7. Berkeley: Nolo, March 2018.

This was the most profitable book out of this set for me personally because with it I settled a lawsuit against a contractor who had been refusing to refund the deposit I made for a carport, driveway and stairs. He never started any work, and I could not convince any of the three relevant police departments to file criminal charges. I might never have seen my \$2,375 (+ court fees) again if it was not for the guidance from this book. Some of the gems it provided is that interests accumulate on court settlements if a party despite being ordered to do so. The real problem for me was not winning the lawsuit: I had some experience with this step, and it went smoothly. The problem came in when I attempted to actually recuperate the money, and the guy would keep saying he was about to pay me back, but did not do so. This volume had strategies for fishing money out of civil cases I could not have imagined or figured out without it. I tried to find these answers online, but this free publicly-posted information was not helpful. Clearly, an author paid to write a book can do a better job explaining the intricacies of law than advice posted on blogs just trying to generate hits to increase revenue from ads.

The back cover promises exactly what it delivers. This book is for those who want to represent themselves (pro se) in civil court. Unlike books for lawyers that skip points obvious for this group, this book sympathizes with those entering this arena for the first time. The main points it promises to cover are: “file and serve papers; mediate an out-of-court settlement; prepare evidence to support your case; decide how much to sue for; line up persuasive witnesses; present a winning case; and collect money when you win.” Perhaps it is particularly outstanding because this is the 17th edition of this volume. I only received it for free for this review because its author, Cara O'Neill, has diligently edited it

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