



Book Review

HOW THE SO-CALLED ORTHODOX ECONOMIC SCIENCE HAS FAILED

The Rise And Fall of Homo Economicus
 Papadopoulos Publishing.
 6/2012, pp. 381 (Greek language)
www.peopleneedtoknow.gr

Yianni Papadogiannis' book *The Rise And Fall of Homo Economicus* is a worthwhile effort in probing the reasons why after a lengthy run of the flawed premises of the orthodox economic science it failed to foresee the great financial crises such as those of 1929 and 2008.

Papadogiannis' tome is divided in four 'connections' as he calls them, each of these 'connections' subdivided into many chapters, preceded by a prologue and an introduction to the theme. The first 'connection's' name is the Birth of Economics and is divided into six chapters, dealing with the beginnings of the economic surge, the advent of the Economologists such as Adam Smith, Thomas Malthus, David Ricardo and John Steward Mill, continuing with Karl Marx as the prophet of the disaster. It goes on with chapters such as the Deviation and ends with the Empire of the Neoclassics.

On Crises is the name of the second 'connection' in which the author enumerates eras of crises such as the panic of 1873, the Great Depression of 1929 and the recession

of 2007. It might be wise to mention at this point a passage in the prologue where he stresses the disasters of companies such as Lehman Brothers, AIG Merrill Lynch and General Motors, pointing out that some of them went into bankruptcy while others were nationalized. While the first stamen is correct about the bankruptcy of some, the second is not, as no companies were nationalized, they were just bailed out by receiving large sums of money to restructure. The third 'connection' dubbed Human, very human deals with the workings of the Homo Sapiens and their strengths and weaknesses, the social life, the trap of knowledge, on insight and the Role of Fate, finally arriving at the fourth and last 'connection' which deals with the Fall of the Homo Economicus, the title of the book itself. This 'connection' deals with subject ssuch as the Tower of Babel, the Wall of Reality, the Grand Perplexity, It's the Human, silly, Behavioral Finances and the Thjrd Route to Knowledge. He ends up his dissertation by the summation that the crisis of 2007 does not constitute the failure of the free market, but merely the bankruptcy of a dogmatic theory as far as the boundless possibilities of an irrefutably free financial action. What went bankrupt in 2007, was the market's fundamentalism and once again, the firm human certainty.

Limassol's Carnival To Boost Cyprus Tourism

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as Cheese Week, as cheese and other dairy products may still be consumed.

The climax of the Carnival happens on

Greek Casinos Listed Among Year's Losers

