

centers of government power' (p. x) are more likely to be able successfully to redefine themselves, especially if these areas are 'also ethnically diverse' and provide for 'direct contact with the communities in which they now seek to claim membership' (p. 138). However, the capacity of a community, or part of it, to realign itself is crucially dependent on the reaction of the majority community. In Malaysia and Assam the majority community reacted unfavourably to the minority's attempts at realignment. Therefore, 'realignment has the greatest likelihood of taking place among the urban populations of those countries in which government policies favour the interest of *subordinate ethnic groups*' (p. 135, emphasis added).

Given recent controversies concerning policies of multiculturalism, a more generalised discussion of what types of affirmative action are likely to produce conflict, e.g. a distinction between political rights and employment rights, would have been useful. Overall, however, this is a clear and well-written addition to the debate.

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Concepts of Money: Interdisciplinary Perspectives from Economics, Sociology and Political Science by **Geoffrey Ingham**. Cheltenham: Edward Elgar, 2007. 617pp., £145.00, ISBN 1 84376 590 X

This book collects 25 readings from an array of authors on how money is viewed in economic and political theory, preceded by a short essay by the editor that outlines the organisation of the book. Despite the interdisciplinary title, eighteen of the readings deal with economic theory without reference to politics or sociology. Most of the texts are worthwhile, but there is some repetition and the import of the readings is not always clear until afterwards. Five articles cover the role of state institutions in ensuring that money is accepted and used, and two articles discuss social constructivism's role in deciding whether a country has a hard or a soft currency. These last two sections will undoubtedly prove the most interesting for students of politics.

The works that precede them provide a good foundation on how economists hold competing views of money as: (1) a physical commodity that is readily accepted by individuals for payment (in orthodox theory); (2) a unit of account in financial calculations with no physical form; and (3) a form of credit that is created and destroyed by states and banks in a so-called monetary circuit. Marxist views of money (4) as a social claim on goods and production are added to critique other economic approaches and underline the role of credit in perpetuating the capitalist economy.

The book best provides insight into the main economic debates about the nature of money. We may derive public policy conclusions about the implications for modern policy questions, but the book's concrete examples are rooted in previous centuries. The implications of looking at money as a commodity and as a unit of account representing a commodity are that government can play no meaningful role in the real supply of money in the public sphere. If we look at money as a form of credit that can be released into the economy and managed with important distributive implications, then the impact of monetary policy on employment, welfare and wealth becomes clear, and with it, the drive to manage money in the public interest. The implications of the EU single currency without political union are raised but, unfortunately, not directly discussed.

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Foreign Aid: Diplomacy, Development, Domestic Politics by **Carol Lancaster**. Chicago IL: University of Chicago Press, 2006. 284pp., £31.50, £13.00, ISBN 0 226 47043 1, ISBN 0 226 47045 8

In *Foreign Aid: Diplomacy, Development, Domestic Politics*, Carol Lancaster, a former deputy administrator of the US Agency for International Development (USAID), raises two questions: what do governments seek to achieve in providing aid; and why do they choose those particular goals over others?

This book traces the evolution of foreign aid from its inception as a diplomatic *realpolitik*