During the early 1970's the profession was enriched by the contributions of the 'new classical' or 'rational expectations' school. Its members believe that people (called 'actors' or 'agents') use all available information; that markets clear; that monetary or fiscal policy, if predictable, is ineffective; that Keynesian economics is basically and utterly wrong; that unemployment is voluntary. All this is proved by mathematical methods. Certified members of the school are Robert Lucas, Thomas Sargent, Robert Townsend, Neil Wallace, Robert Barro and many others. According to some (e.g. Lucas) the school has taken over the whole profession and only a few elderly folks are weakly resisting the new views.

It was an excellent idea of Arjo Klamer (originally from Amsterdam, now teaching in the U.S.A.) to interview a number of these young, bright and rather self-assured fellows (e.g. Lucas, Sargent and Townsend) and their critics. Three of the opponents are indeed of an older generation: Tobin, Modigliani and Solow. Two are comparatively young neo-Keynesians: Alan Blinder and John Taylor. One is a monetarist: Karl Brunner. Two are labelled 'nonconventional': David Gordon (Marxist) and Leonard Rapping. The latter is a remarkable case, because he collaborated with Lucas to lay the groundwork for the rational expectations approach but jettisoned classical economics under the influence of the Vietnam war; he is now a post-Keynesian.

The eleven conversations follow a similar pattern. Klamer invites his subjects to give their view on the working of the economy, on the relevance of models, on assumptions and methods; but he starts with rather personal questions: why did you choose economics? Do you enjoy it? Which teachers are important to you? Are you politically engaged? How do you get on with X, Y and Z (members of the opposite school)? Do you talk to them? Do conflicts of personalities intervene in the discourse? These questions unavoidably lead to a certain amount of gossip and frank comments on other people's Weltanschauung. Disagreement comes to the fore.

Because economists disagree they will disagree on the qualities of Klamer's enterprise as well. I think the book is absorbing and illuminating, but I have met at least one respectable colleague who said, in rather strong language, that it is worthless. The true stuff is in the conference papers, not in the gossip. This is contrary to Mark Blaug's opinion quoted on the dust jacket: 'if this book does not fascinate you, economics is not the subject for you.' And I agree with Klamer, who writes in his postscript (An Interpretation of the Conversations): 'economists use more arguments to sway their