

## Preface to the revised edition (2003)

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After nine years and the start of a new century, the time seems right for a second edition of this book, first published in 1994. From my own point of view, I would like this revision to be seen as superceding or replacing the previous volume. This is not because of any radical change in the basic argument, which remains the same, but simply because I think that the exposition has been improved in this version, and also I have been able to develop some of the original ideas much further than the point I had reached earlier.

Five of the 10 chapters, Chapters 1, 2, 3, 6 and 10, correspond fairly closely to their counterparts in the first edition, although with appropriate emendation and updating. The original Chapters 7, 8 and 9 can also be recognized in the present work, although the order is changed. The 'alternative monetary model' is now the first of these, rather than the last (Chapter 7 rather than Chapter 9), with the chapters on the international economy and the costs of inflation pushed back correspondingly. Chapter 7 is also the place where the model has been most developed from the earlier discussion. One chapter, Chapter 5 of the first edition, has been eliminated entirely, although much of the material from that chapter, which dealt with 'the power of the central bank', has been retained in the appropriate places elsewhere in the book. The old Chapter 4, on the 'real bills doctrine' (etc.) has now become Chapter 5, and there is a new Chapter 4, which is really just an exposition of textbook-type material in macroeconomics. Although I approach this material in a sceptical manner, I felt that it should be set out in more detail, rather than simply discussed verbally, as was done in the first edition.

In the acknowledgments section to the first edition (reproduced below) I thanked a number of individuals for help, not so much with the specifics of the book, but with the various topics that arise in monetary economics generally. To that list I would like to add the following names, with the same disclaimer, Geoff Ingham, Markus Marterbauer, Jeff Lau, Eric Kam, Geoff Harcourt, Otto Steiger, Louis-Phillipe Rochon, Tom Palley, Ric Holt, Per-Gunnar Berglund, Alain Parguez, Peter Howells, Hassan Bougrine, Steve Pressman, John Grieve-Smith, Chris Paraskevopoulos, Gilles Dostaler and Nick Falvo.

As I said before, the one debt I shall never be able adequately to repay is to Hana Smithin.