
Preface

This Handbook seeks to cover the range of exciting and interesting work on money and finance that is taking place within heterodox economics. There are many themes and facets of alternative monetary and financial economics. The contributions below will also show that there is not always agreement among heterodox economists. There are, though, two major themes, which run through many of the chapters. The first comes directly from the nature of money: money is credit money created through the financial system in the process of loan creation. Money is endogenous and not exogenous money (represented by the usual textbook assumption of 'helicopter money'). The book opens with a chapter on the origins and nature of money, and the theme of endogenous money comes through the detailed analyses of money in a number of contributions, but especially in the survey of empirical work on endogenous money and in a chapter on the nature of monetary policy when money is endogenous.

The second theme focuses on the financial system, and the perception that this system is generally subject to volatility, instability and crisis. This theme recurs in a number of chapters, but more concretely in the chapters on deregulation of the financial system and on financial liberalization.

We do not attempt to summarize the 29 contributions in this volume, but offer them as a broad-ranging coverage of alternative monetary economics. We thank the authors for their enthusiastic response to the invitation to contribute to this volume. We also wish to thank the publisher of the series, Edward Elgar, for suggesting it in the first place, and his staff for the enormous and efficient work they have provided in the production of this Handbook.

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