Leo Panitch and Martijn Konings (eds)
American Empire and the Political Economy of Global Finance
Palgrave Macmillan, Basingstoke, 2009, 334 pp., $65.

This book – in Palgrave Macmillan's *International Political Economy* series – focuses on the important role the US state played in expanding international financial markets.   This focus on 'imperial finance' emphasises considerations of imperialism and power that are ignored in much discussion of globalised financial markets (and, to some extent, in US-centric studies such the book by Sherman reviewed above).   It challenges the notion that neoliberalism and financialisation are market-driven, emphasising that states – particularly the US state – have been crucial in shaping the institutional processes of global finance.

First published in 2008, the book largely comprises papers presented at a seminar series at York University, Toronto in Canada. This more recent edition includes a new chapter on the political economy of the subprime crisis. It gives the book an up-to-date feel. It also underscores the book's central analytical theme – because the subprime crisis, which originated in the USA before spreading to the rest of the world, is evidently symptomatic of the policies of the US state that facilitated the growth and imperial reach of powerful financial institutions. As the authors say, 'it is difficult to make any sense of recent events without emphasising America's relationship to the rest of the world' (p. 253).

Ben Fine
Theories of Social Capital: Researchers Behaving Badly
Pluto Press, London, 2010, 271 pp., $69.95.

This is a devastating critique of the widely used notion of 'social capital'. Fine's previous major work on the subject, published in 2001 as *Social Capital versus Social Theory*, showed the incoherent nature of the concept and the flawed character of the social analysis that has used it. Yet the proponents of 'social capital' have seemingly carried on regardless. The one notable exception is the World Bank: from using the concept extensively, the Bank's publications suddenly dropped it about six years ago. Fine explains this primarily in terms of internal conflicts within that institution between economists and non-economists.

Within academia, and social research more generally, the notion of 'social capital' continues to have widespread use as a means of considering the interdependence of social and economic arrangements, and as a means of acknowledging that the strength of social networks matters in relation to economic performance. Cynically, it may also be noted that reference to 'social capital' also plays a key role in formulating large-scale research projects to attract research grants.

But what is really meant and what is being measured by 'social capital'? Fine asks rhetorically, what is capital when it is *not* social? From a Marxian perspective, capital always entails a social relationship – between its owners and the workforce they employ. It is this capital-labour relationship that is the key political economic dynamic of capitalism. In neo-liberal politics and neoclassical economic theory, on the other hand, it is easy to see why the more long-standing notion of '*human* capital' became acceptable – as a means of conceptualising market incomes as returns to individual investments in personal education and skills. Between these poles, 'social capital' inhabits an ill-defined territory in which there are attempts to link economic and social analysis, sometimes with a mildly reformist inclination. Fine chides researchers for 'acting badly' in this territory and calls for more analytical rigour. Right at the outset he succinctly sets out twelve clear reasons for rejecting the concept of 'social capital' (*pp.2-6*) and these are elaborated throughout the book in a sustained polemic.

No postgraduate student writing a thesis that uses the concept of 'social capital' can afford to ignore this critique. For the rest of us, well, 'bowling alone' remains an option as long as we don't try to make a general social theory out of it…