market. Success in marketing begins with an excellent product.

The author is quick to note that a "product" doesn't have to be a physical item, but could also be a message or service. Nevertheless, many of his examples lean toward more tangible products. Business economists, especially those in nonprofits or business-to-business entities, will have to extrapolate to benefit their work. Oftentimes, the focus seems to be on an individual entrepreneur, or perhaps a CEO, which again means more work for some readers than others.

There are few barriers to competition among ideas, the product in which most business economists trade. Yet, as Hyatt points out, there is a tremendous demand for products that help others cut through the noise. You can find a large and receptive audience if you can provide a clear explanation of something many find difficult to understand; set out a simple, step-by-step process to accomplish a complex task; or even produce a list of esoteric, but useful, resources. Sounds a lot like part of the job of many business economists, doesn't it?

Part two also spends a fair amount of time on basic concepts that some readers will already know, such as creating an elevator pitch, having a professional-sounding e-mail address, and so on. Other readers may find these concepts not entirely appropriate for their current job, but may find them more appropriate for their next job. If you find yourself doubting this, ask whether the most visible business economists you know of seem to have followed Hyatt's advice. Then go get that professional headshot he recommends for your blog.

Part three is where the author really starts giving solid, helpful advice on how to build a platform. Hyatt gives *tons* of details, including specific products that he personally uses and step-by-step directions on how to start a blog and sign up for Twitter. Unfortunately for those with no or limited budget for social media, the recommended products are often fee-based ones. Hyatt appears to walk the talk, which seems to be working for him—for instance, he recommends making blog posts and other content easily readable by using bullets, numbered lists, short sentences, jargon-free vocabulary, and so forth. It is obvious throughout the book that he follows this advice himself. He often has very good advice for newcomers to social media and explains how he learned many of these best practices through trial and error. Readers can learn from his mistakes and get right to the good stuff. It will also encourage those learning new technologies through trial and error themselves.

On the down side, Hyatt focuses a great deal on blogging, with less attention to other social media, viewing those mostly as a means to send people back to the blog. He also provides extensive step-by step advice on the use of Twitter, but he offers just one brief chapter about Facebook and only mentions YouTube, Google+, and LinkedIn in passing. The book does not make mention of any newer, fast-growing platforms like Pinterest, Instagram, Foursquare, and others or, even more importantly, of any social media basics that are transferrable from service to service.

At whatever level you are at in the social media "game," you will no doubt want to read *Platform* with pen in hand or laptop at the ready to take notes! Throughout, the book has step-by-step specific information and creative ideas that can be gleaned for everyone. Our institute has already made five substantive changes in our social media procedures based on this book. *Platform*. Get it. Use it. Now.

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First Principles: Five Keys to Restoring America's Prosperity

By John B. Taylor. 2012. New York, NY: W.W. Norton & Company. Pp. 240. $24.95 hardcover.

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Several economists have recently published books proposing various cures for our economic malaise. Paul Krugman, for example, proposes a significant increase in federal government deficit spending. Glen Hubbard and Peter Navarro in "Seeds of Destruction" proposed specific fixes for Bush and Obama policies that they believe have retarded economic growth. In this book, John B. Taylor proposes a more systemic approach to formulating and executing policies, concentrating on specific concerns such as fiscal and monetary policy.

Taylor demonstrates that periods of American economic prosperity have been fostered by policy that is focused on long-term goals and devoid of "Keynesian activism" that has characterized periods of subpar economic growth. Examples of the latter are the era of the Great Depression, the Nixon-Ford-Carter years of the 1970s, and the current Bush-Obama era. The former is exemplified by the Reagan-Clinton era, when policy was more focused on long-term goals and discretionary interventions were minimal.

The modern stage for Keynesian intervention was set by the first Economic Report of the President for the Kennedy administration, arguing the case for significant discretionary intervention in the economy. The report argued that short-run countercyclical actions, such as changes in tax rates and government expenditures as well as discretionary monetary policy, were needed to compensate for the inadequacy of automatic stabilizers. Wage and price "guideposts" should also be used to control inflation as monetary and fiscal policy stimulated the economy. The Nixon and Carter years saw vigorous pursuit of activist policies in the form of wage and price controls, gasoline rationing, and expansive monetary policy that ultimately produced double-digit unemployment, interest rates, and inflation—the economic conditions inherited by President Reagan. Reagan's economic advisers recommended a shift in policy focus from short-term discretionary actions to long-term tax and budget reform. At the outset of the Reagan administration, the Federal Reserve, under Chairman Paul Volker, began focusing single-mindedly on controlling inflation in the economy by raising the Federal Funds Rate in large increments, eventually to 20 percent in June 1981, despite the consequent increase in unemployment. Gaining control over inflation and concentration on long-term economic goals produced a two-decade span of strong economic performance until activist economic policies during the Bush administration produced the housing bubble and financial crises of the 2000 decade.

Taylor outlines specific proposals for encouraging policy approaches that will foster economic prosperity and discourage activist approaches that have been shown to be counterproductive. Taylor is a long time advocate of rules for monetary policy, having promulgated the "Taylor Rule" in 1992 for setting interest rates to achieve price stability. Because pursuing multiple goals sometimes causes monetary authorities to work at cross-purposes, Taylor would dispense with all goals except price stability. In lieu of legislating a rule, he would reinstate the reporting requirement of the Federal Reserve Act that was repealed in 2000, which required the Chairman to establish and report on a rule for setting the interest rate. If the Federal Reserve deviated from the rule, the Chairman would have to report on the reasons why as well as answer questions in public hearings. The proposal would limit but not eliminate discretionary action or interfere with the Federal Reserve's operations, but it would stimulate healthy debate about shifts in its policy.

Of utmost concern to Taylor is that America's economic prosperity is in imminent danger from exploding debt, growing at unprecedented rates in the absence of a clear policy framework preventing politicians from spending without providing means of paying for it. The Budget Control Act of 2011, with its caps on spending and automatic cuts to compensate for exceeding the caps, offers an approach to gradually reducing spending as a proportion of GDP to sustainable, progrowth levels.

Related problems are entitlement liabilities that are threatening economic prosperity. Growth in Social Security, Medicare, and Medicaid outlays will consume an intractable share of the federal budget if not brought under control. A number of proposals have been made to reform Medicare; Taylor favors Representative Paul Ryan's proposal to convert Medicare to a premium support program. It would incentivize beneficiaries to be more cost conscious and encourage competition among insurers and providers, rather than preserve the perverse incentives of the present system and employ rationing mechanisms as proposed, for example, by the Obama administration. The rate of Social Security growth can be slowed by indexing the growth in initial benefits by consumer prices instead of wages. Finally, Medicaid needs to be turned over to the states with the federal role limited to block grants. An example of how successful devolution to the states can be is the welfare reform under Clinton, which transformed Aid to Families with Dependent Children to state-run programs with only broad federal guidelines.

An annoying feature of Taylor's argument is his attempt to draw parallels between limited government economic activism and the five principles of "economic freedom" that are the keys to restoring economic prosperity alleged in the book's title. These are a predictable policy framework; the rule of law; strong incentives; reliance on markets; and a limited role for government. Hayek and Friedman notwithstanding, the arguments against Keynesian type attempts to boost the economy are mostly empirical demonstrations of their ineffectiveness and harm. The theme of economic freedom established in the first chapter of the book is virtually abandoned in the subsequent chapters (except for gratuitous mentions here and there). The first principles argument is abstract and a distraction from the evidence-based arguments in the book. In this reviewer's opinion, the scope of economic freedom compromised by our government is far broader than what is discussed in the book, making this an incomplete discussion of how the principles can be applied in our economy. Nevertheless, business economists will find this to be an interesting, valuable and well-written review of Keynesian policy.

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