

Arthur, W. Brian.

Complexity and the economy.

Oxford, 2014. 211p bibl index afp ISBN 9780199334292, \$35.00.

In 1999, Arthur's significant paper in *Science* introduced the notion of complexity and the economy, the title of the book by this distinguished author being reviewed here. In the decade and a half since he first promoted the concept, Arthur has been exploring the evolutionary complexity of the economy by using innovative and unusual theoretical technologies, finessing his earlier visions, and suggesting new ways of conceptualizing the foundations of economic theory. The essays in this volume are all a result of this felicitous exploration, and only a few very minor points disrupt the author's new approach. Arthur's vision invokes, and is informed by, the notion of bounded rationality; it is, therefore, somewhat strange that the founding father of this concept, Herbert Simon, is nowhere mentioned in the essays of this volume. Finally, and most unimportantly, it is perhaps this reviewer's peccadillo that he observes the following pattern in Arthur's essays: wherever difficult or deep mathematics is used, the essays are coauthored. These minor cavils notwithstanding, the book is a rich source of ideas, all structured within thoroughly innovative frameworks and presented with the clarity of a masterful prose writer.