In the concluding chapter of the book, Nancy Birdsall summarizes many of these arguments and, constructively, suggests "fixes" for each of the problems identified. This excellent essay can be read as a manifesto or reform agenda, around which much useful discussion could be organized.

Several pieces take on the intellectual and organizational culture of the official aid organizations. Kurt Hoffman argues they should learn from the for-profit sector and acquire "business DNA" (p. 494). Dennis Whittle and Mari Kuraishi say that foreign aid is organized along the lines of central planning, which is known to have failed. This is consistent with Easterly's introductory piece in which he makes the case for a bottom-up, decentralized, experimental model of intervention, populated by "searchers." He draws a contrast with what he sees as the dominant model today—top-down, rigid, and unaccountable, populated by "planners." The argument will be familiar to readers of previous work by Easterly (2006).

Given the book's emphasis on experimentation, learning, and diversity of approach, this reviewer was disappointed by its own homogeneity of location. The majority of contributors (and this reviewer, for that matter) is based on the east coast of the United States. If foreign aid is to be more effective, surely we need the insights of recipients of this aid. For instance, several authors cite the case of Tanzania as an example of donor fragmentation. A Tanzanian official (say) could likely provide a useful discussion. Similarly, on the issue of evaluation it would be useful to hear from an NGO about the reasons for its skepticism—to what extent is it driven by doubts about methodology, competence, or motives of evaluators?

In attacking foreign aid effectiveness (in his introductory essay) in a style he describes as "frankly polemical," Easterly is perhaps overly polemical. Alleviating poverty has always been difficult, even in rich countries like the United States, where pockets of poverty persist and debate between "searchers" and "planners" continues. Indeed Easterly's appeal for "searchers" is reminiscent of President George H. W. Bush's call for a "thousand points of light." It even appears that authoritarian and heavy-handed regimes have sometimes succeeded in improving health and education outcomes (e.g., the socialist countries). The roles of searcher/planner, state/market, top-down/bottom-up seem more complex than Easterly allows.

One also wonders to what extent the failures of foreign aid have been due to the strategic objectives of donors, especially during to the Cold War. For instance, if General Mobutu of (then) Zaire misused aid money, this was likely expected and tolerated by donors for geo-political reasons—it would be unfair to blame the "planner" mentality of aid bureaucrats. Security considerations have again come to the fore after September 11, 2001. How this is affecting allocation and use of aid? Are strategic and humanitarian considerations complementary or in conflict? Easterly has a sophisticated discussion of this issue elsewhere (2008), so its neglect in this volume is somewhat puzzling.

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G Financial Economics

The Heretics of Finance: Conversations with Leading Practitioners of Technical Analysis. By Andrew W. Lo and Jasmina Hasanhodzic. New York: Bloomberg Press, 2009. Pp. xxiii, 262. $29.95. ISBN 978–1–57660–316–1.
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Technical analysis is not held in high regard among financial economists. Burton G. Malkiel, for example, ridicules technical analysts throughout his best-selling investment book, *A Random Walk Down Wall Street*. His thesis is that past movements in stock prices cannot be used reliably to foretell future movements and that "the technicians do not help produce yachts for the customers, but they do help generate the trading that provides yachts for the brokers" (Malkiel 2007, p. 145). Against this background, the suggestion by the authors of this book, Andrew W. Lo and Jasmina Hasanhodzic, is surprising. They propose that the gap between financial economists and technical analysts may mostly be linguistic. The authors hope that their book will help to bridge this gap, thereby "[catalyzing] the interactions between academics and technicians to the benefit of both communities" (p. xvii).

One of the authors, Lo from the MIT, has extensively studied the random-walk theory and the usefulness of technical analysis in predicting asset prices. He often walks away from these investigations with the conclusion that technical analysis may add some value to the investment process. Most financial economists, however, remain unconvinced on both empirical and theoretical grounds. The common argument reads something like this: first, a price pattern is often not strong enough to cover the transaction costs that you would incur by trading on it and, second, even if the price pattern has existed in the past, it is surely to disappear in future, in particular if many investors begin to trade on it. However, to be fair, most financial economists today hold views that are very different from those held in the 1960s and 1970s. For example, even Malkiel had to moderate his technical-analysis arguments in the 1990s to address the emerging body of research that found significant support for technicians' key claim that asset prices exhibit momentum.

The goal of the book is admirable and some of the interviews suggest that Lo and Hasanhodzic may be on to something. The manner in which some of the interviewed technicians describe their tools is not too much unlike the discussions carried by behavioral (financial) economists. Both groups appear to share the view that investors sometimes move in "herds" and, by doing so, they can have influence on asset prices. The technicians hope that their charts will let them uncover where the herd is heading, how strong it is, and when it might be about to turn around. The most informative interview segments are the ones in which the technicians describe why they believe their tools work. A common suggestion is that the chart patterns pick up on the interaction between investor psychology and the supply and demand for assets. Unfortunately, most technicians stay away from this why-this-works territory and instead display willingness to accept any method—yes, even astrology—based on whether or not the pattern seems to work.

Except for a brief introduction by the authors, the entire book follows a question-and-answer format. Although some of the answers are both interesting and surprising, some of the technicians' lengthy responses are both repetitive and unfocused and do little to bridge the gap between technicians and academics. A specific problem with the interviews is that the book assumes that a reader steps in with considerable familiarity with technical methods. For example, the book supposes that techniques such as "Bollinger bands" and "Gann theory" are part of the reader's tool set. By doing so, the book misses the opportunity to educate its nontechnician readers about what it is that these interviewees do. The authors should have added some editorial comments at least on those occasions when an interviewee steps far outside the realm of what could be expected of an academic reader: "I use a model of the market called the wave principle, which is a robust hierarchical fractal comprising quasi-geometric forms" (p. 78).

Given the amount of work that the authors themselves have done on technical analysis, it would have been invaluable to hear their personal commentary on these interviews. The subtitle of the book, *Conversations with Leading Practitioners of Technical Analysis*, is, however, misleading. Most of the questions are identical across the interviews. Only rarely does the interviewer follow a technician's response with a follow-up question. Picking up this book, I looked forward to free-flowing conversations between these technicians and, in particular, Lo, because Lo's own work is so deeply relevant to technical analysis. (Lo's other book on financial markets, *The Econometrics of Financial Markets*, is still today the definitive introduction to empirical microstructure models and asset pricing.) Alas, this book mostly gives a voice to the interviewed technicians. It does not, for example, confront and challenge the technicians with academic arguments against technical analysis.

One problem that comes with the interview format is that the technicians' voices are not, at least in writing, unique enough. The first part of the book introduces the technicians by transcribing short, self-contained interviews with each of them. However, the second part of the book is organized around separate topics such as "Luck, Astrology, and Other Unsanctioned Signs," and pools together the technicians' responses to these questions. Although I can understand why this is done, only few voices were so memorable that I could connect their responses to the thinking that they have displayed in other parts of the book. It becomes a challenge to keep the names and ideas of all thirteen technicians straight. However, although these technicians' voices are sometimes muddled, their unbridled passion for the markets offers a wealth of interesting quotes. For example, consider the following description that Robert Prechter offers of the emotions of trading: "The market itself is naked emotion on rampage. When your job is to assess degrees of insanity, how can you remain unemotional? This job is not like building cars. It's like trying to outwit a pack of murderous inmates in an insane asylum" (pp. 205–06).

The book describes its subjects as the thirteen of today's top technicians but, beyond this statement, the authors make no mention of the criteria of success that they applied. While some cross-references in the interviews suggest that many of these technicians hold each other in high regard, the book contains no tangible numbers about their successes. Because the main academic concern with technical analysis is that a chart-based strategy cannot beat a buy-and-hold strategy, I sorely missed such performance numbers, no matter how limited and selective the sample is.

The interviewed technicians, more often than not, disagree in their views. For example, while one technician (Shaw) recommends that an aspiring technician would pursue formal economics education (p. 216), another (Prechter) cautions that "[e]conomics has to be unlearned, so avoid that" (p. 215). Similarly, while some technicians list moving averages as their favorite indicators, others assert that these are the least useful indicators. Most of these technicians, however, share the view that some unquantifiable intuition and feeling about the markets is of crucial importance. "Every once in a while we would come across an example where everything looked good, and I would say, 'Yes, but I sold it today.' Students would ask me why, and I couldn't totally explain it. Something just didn't look right to me" (p. 187).

Many financial economists will probably be interested in reading about these technicians' perceptions about themselves. Their feelings range from deep disappointment for the lack of respect to noting that behavioral finance is claiming their territory: "after condemning us for all these years, they're now basically copying what we do, renaming it, and trying to take credit for it" (p. 124). Equally interesting, for a similar voyeuristic reason, are these technicians' occasional displays of self-awareness. One interviewee faults technicians for saying a lot about nothing: "Another issue I have with technicians is that they don't really recommend. They tell you that things like rails are developing an interesting pattern . . . What does that mean?" (p. 121). In an occasion, Robert Prechter even comes across sounding like Malkiel: "But let's be fair: Technical analysts can be excruciatingly embarrassing to their own profession" (p. 125). However, by the end of the book, I had come to share Lo and Hasanhodzic's assertion that each of the interviewed technicians is very sensible, intelligent, and self-aware about their work. None of them, for example, claims that technical analysis is a miracle tool that one can just switch on to become a millionaire.

In conclusion, the book does not quite deliver on the promise of bridging the gap between technicians and financial economists. A technician probably finds the book interesting because it offers insights on how these top technicians think and how they approach the subject. For them, however, the book offers little discussion on the issues that academics have with technical analysis. Financial economists, on the other hand, will probably not significantly alter their beliefs about technical analysis based on these interviews, no matter what prior beliefs they hold about the subject of market efficiency. Because so much is left unsaid about the methods that these technicians use, and why the technicians believe their methods work, the gap between the two camps remains largely unchanged. My view about the book may, however, be negatively biased because I felt that the book missed a historic opportunity. I had expected for greater things to happen when a practicing technician and a classically trained financial economist are trapped together in the same room.

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I Health, Education, and Welfare

Global Lessons from the AIDS Pandemic: Economic, Financial, Legal and Political Implications. By Bradly J. Condon and Tapen Sinha. Berlin and Heidelberg: Springer, 2008. Pp. xxvi, 364. $159.00. ISBN 978–3–540–78391–6. *JEL 2009–0134*

In the book *Global Lessons from the AIDS Pandemic*, Bradly Condon and Tapen Sinha provide an overview of the global AIDS epidemic. Despite an existing vast body of literature on HIV/AIDS across fields and within economics, this book is a contribution to the field in that it presents a number of important topics that have received less attention but nevertheless are important. One of the main strengths of the book is the authors' discussions related to incentives of global actors and effects of policies related to HIV/AIDS treatment and prevention. This emphasis is in contrast to much of the literature on HIV/AIDS within economics that has focused mainly on the determinants and consequences of the spread of HIV/AIDS within macro- and microeconomic frameworks.

This book is an enormous endeavor and is comprehensive in scope. The authors begin in chapters 1 and 2 by providing the reader with the background of the origins and nature of HIV/AIDS as well as outlining recent strategies in both developed and developing countries to fight the spread of the disease. Chapter 3 discusses insurance, mortality, and treatment costs as well as some of the challenges of measurement and estimation of HIV/AIDS prevalence. Since measurement is such an important concern for HIV/AIDS research and policy, it was interesting to consider measurement in the context of insurance, rather than as an issue on its own. That said, there has been relatively little written on insurance and HIV/AIDS and I found the discussion to be interesting.

Chapter 4 discusses the economics of HIV/AIDS and is likely to be the most familiar to economists who research HIV/AIDS. The chapter presents an overview of the relationship between AIDS and human capital accumulation, fertility, and economic growth. Related to the discussion of the economic implications of the spread of the disease is a section on the cost-effectiveness of scaling up prevention and treatment programs. There was relatively little discussion of microeconomic models of behavior related to HIV/AIDS, rather an in-depth case study on Uganda and a brief outline of epidemiological models from the Rakai project in Uganda. As a development economist studying HIV/AIDS, this chapter lacked much of the recent literature written by economists studying HIV. Specifically, there was no mention of what works and does not for HIV prevention, worker productivity and HIV, and specific models of behavior related to prevention, testing, and adherence to ARVs. This is not necessarily a weakness of the book or of this chapter specifically, rather an indication that the book's main focus is on political economy and issues related to incentives of global actors rather than on microeconomic models and behavior related to HIV/AIDS.

The second half of the book (chapters 5 through 8) discusses patents, financing of HIV/AIDS programs and research, and the roles of multilateral, private sector, and global organizations (e.g., the World Bank, IMF, Global Fund, and World Health Organization). These chapters were useful to read in order to gain a global perspective on the broader picture of HIV/AIDS financing and policies, however, I was surprised that there were no references to recent literature on the economics of HIV/AIDS vaccine development that make similar points (see, for example, Kremer and Snyder 2006). The last chapter discusses the future of the HIV/AIDS epidemic and global fight against the disease linking both prevention and treatment with human rights.

This book should appeal to a wide audience. It should be informative to those wanting an overview of the fight against HIV/AIDS within a global political economy framework. The book could also make an excellent undergraduate or masters textbook on the political economy of