

## 2012: The Year in Books

Reason writers pick the best books of the year

Jesse Walker - December 18, 2012

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When we asked *Reason's* staffers and columnists to pick the most enjoyable and/or significant books of 2012, we got all kinds of responses—fiction and nonfiction, physical tomes and ebooks, bestsellers and obscurities, brand-new releases and reissues of classics. Here's what we picked:

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### **Ira Stoll, columnist**

John Allison is known as the new president of the Cato Institute, a funder of capitalism programs on college campuses, and the longtime CEO of the banking firm BB&T. He's also the author of the book *The Financial Crisis and the Free Market Cure*.

Allison's combination of free-market perspective and firsthand experience as a bank executive make him a valuable guide to understanding what happened in 2008. "The panic atmosphere during the recent financial crisis was totally the result of massive mishandling of the financial system by government policy makers in the Bush administration," he writes. "When the head of the Federal Reserve, the Treasury, and the president announced that Western civilization would end unless Congress approved a \$700 billion bailout, people panicked."

Allison's prescriptions for policy cures include eliminating the Federal Reserve, cutting defense spending by at least 25 percent, and eliminating the minimum wage, or at least reducing it back to its prerecession level of \$5.15 per hour. He also suggests replacing government deposit insurance with a private system. As for the big picture, Allison writes that the "fundamental cause" of the financial crisis is the philosophy taught in American liberal arts colleges. "The long term key to success is to recapture the elite universities from the Left," he writes.

I'm not endorsing all of Allison's analysis or conclusions. But he's succeeded at something that isn't easy: writing a new must-read book on the financial convulsions and their aftermath.