

Drennan, Matthew P. *Income inequality: why it matters and why most economists didn't notice*. Yale, 2015. 155p bibl index afp ISBN 9780300209587, \$40.00; ISBN 9780300216349 ebook, contact publisher for price.

The last three years have been a banner period for serious, thoughtful, and—of course—controversial books on the subject of income and wealth inequality. Into this morass now jumps social scientist Matthew Drennen (visiting faculty, UCLA; emer., Cornell). Drennan's slice of the topic is product differentiation, and his contribution to big-picture discussions is the role inequality played, primarily in the housing sector, during the so-called Great Recession. In this brief volume (replete with ample figures and tables, and solid endnotes), the author first surveys the overall inequality landscape—historical trends and possible causes—and then moves directly into what he considers the heart of the matter: families' taking on excessive debt by dipping into their unexpected equity gains as a result of the run-up in housing prices and then riding the crushing wave downward when the housing market collapsed. Complementing this discussion is a chapter on what economists label “consumption function”—a subject largely unrelated to the rest of the story. Bottom line: a so-so book that is not engaging enough for lay audiences and for the most part not sufficiently meaty for scholarly ones. Summing Up: Optional. Upper-division undergraduates; graduate students; professionals.