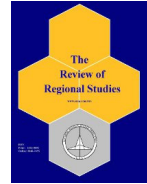




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BOOK REVIEWS

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William A. Fischel. 2015. *Zoning Rules! The Economics of Land Use Regulation*. Lincoln Institute of Land Policy: Cambridge, MA, USA. ISBN: 9781558442887, 432 pp., \$30.00 (paperback).

Reviewed by *Santiago Pinto*, Federal Reserve Bank of Richmond

Land-use regulations arise endogenously in cities. They are a demand-driven, bottom-up institution promoted mostly by homeowners (but also by land developers). Overall, land-use regulations do not present fundamental issues, to the extent that they are kept within the range of “good housekeeping” rules. A rational use of land could be achieved through reasonable agreements and appropriate compensations between the parties involved. Regulations are not bad per se; they become a problem when they are excessive. Evidence shows that excessive land-use regulations, commonly labeled “growth controls,” have been proliferating across U.S. cities, and the change has been more pronounced since the 1970s. In this book, Fischel provides a comprehensive discussion of these ideas. The book reviews the history of land-use regulations in the U.S., describes the most salient factors underlying historical and recent trends, and offers explanations, founded on basic economic principles, that rationalize the emergence and evolution of zoning regulations. The author carefully analyzes the literature and includes a thorough description of several examples and cases. At the end, the book proposes a number of remedies aimed at moderating the incentives to implement excessive land-use regulations.

Chapter 2 reviews the history of zoning regulations in the U.S. It should be immediately underscored that characterizing land-use regulations is an extremely challenging task. Regulations encountered in real life have multiple dimensions and vary greatly across geographical areas. Still, the chapter does a great job of explaining how they work and how they have changed over time. In explaining recent trends, the chapter claims that the decision-making process concerning zoning regulations has shifted from one that used to primarily entail the participation of local economic agents (with occasional interventions by federal and state courts), to another one largely influenced by outside economic agents, including state and federal government agencies, and regional and national organizations.

The author emphasizes throughout the book, but most importantly in Chapter 3, the key role of local knowledge in driving intelligent land-use decisions. Along this line of reasoning, Fischel defends the role played by zoning boards and his defense is authoritative since he has personal experience serving on a zoning board. The chapter also evaluates how the decisions of the judicial system concerning zoning regulations has affected the use of land. Perhaps one of the main departures from the earlier edition of his book is that Fischel now places less weight on the role of courts in promoting and assuring a rational use of land.

In Chapter 4, Fischel develops the idea that land-use regulations should not be evaluated in isolation, but jointly with other objectives of local policies. In fact, zoning may complement other local policy instruments. For instance, local property taxes, in combination with zoning rules, become close to a user fee for local goods and services, reducing the deadweight loss of property taxes. By effectively controlling fiscal free riders, zoning makes the provision of local services more efficient. Furthermore, zoning helps homeowners capitalize the benefits of local goods in the community and, in general, any positive demand shock in housing prices.

As mentioned earlier, the book makes a strong case for a demand-driven explanation of zoning. The role of the supply-side (mostly city planners) is, according to Fischel, much more limited. The explanations and the historical U.S. evidence supporting this view are presented in Chapter 5. Initially, zoning was mostly about “good housekeeping” and maintaining some organization within and across communities. However, controls have, in many instances, gone too far. Zoning rules proliferated mostly in the suburbs of U.S. cities, and started to generate a wide range of negative effects, such as preventing the economically desirable mixing of socioeconomic groups within communities and the development of beneficial projects.

The chapter describes several factors that have contributed to explaining the proliferation of excessive regulations. The first set of factors focuses on the incentives of homeowners to protect the value of their homes against undesirable future developments in the area. As homeownership increased, and the role of housing as an investment gained more strength (home values became a significant portion of households’ wealth), homeowners became more vigilant of neighborhood conditions and intensified regulations.

Other factors point to the fact that certain events taking place at the regional and national level may have increased the political influence of groups that tend to oppose land development. First, environmentalism, mostly a national phenomenon, provided the unifying ideological justification for more restrictive measures. Environmental legislation of the 1970s empowered private citizens to bring litigation against their own local governments. Courts became more pro-environment as well. Second, at the same time, there was an increase in the number of state and national agencies that became more involved with local issues. Their decisions sometimes overlapped and even contradicted the decisions made by local authorities. Finally, Fischel suggests that the civil rights movement had a subtle impact on suburban land regulation. Since courts had clearly ruled against any form of selective discrimination in the suburbs, homeowners shifted towards more exclusionary regulation, generally known as growth controls, that essentially restricted all types of development. These regulations were apparently more “neutral.”

Chapters 6 and 7 introduce the analytical framework used to examine the implications of zoning. The underlying economic principles are based on the Coase Theorem. The main message of the chapter is that regardless of the allocation of property rights, different parties (developers, homeowners, landowners, etc.), may reach beneficial agreements through a compensation scheme

that reflects the impact of the development. The negotiations among those involved may avoid extreme outcomes (full development of land or no development at all) and lead to intermediate and more efficient uses of land.

Chapter 8 addresses the consequences of zoning within and across cities. The chapter relies on the tools offered by the basic urban equilibrium model to explain the effects of zoning on the internal structure of cities. For example, zoning regulations in the suburbs (specifically, “downzoning”) will effectively reduce structural density (capital structures per acre of land) in that area. At the same time, they will also make the city more spread out (generating sprawl and excess commuting), cause the development of higher structural density in the central city, and/or induce people to relocate to other regions. The chapter also addresses some of the implications of land-use regulations for the entire economy. One of the effects of zoning is that it prevents a desirable relocation of workers from lower to higher productivity geographical areas. The resulting suboptimal spatial allocation of resources will, in turn, negatively affect the nation’s economic potential.

After offering different explanations about the emergence and proliferation of excessive zoning regulations, the book describes a number of remedies in Chapter 9. It follows from the book that one of the determinants of “excessive regulation” is “excessive homeownership” (quotations added). So some of the proposals, such as a housing tax reform that would limit federal income tax subsidies to homeownership by taxing imputed rent or limiting mortgage interest deductions, are aimed at addressing this situation. Another alternative to alleviate the problem of excessive controls is to isolate, as much as possible, local decisions from decisions made by higher levels of governments or external interest groups.

In a democracy, the use of land in the economy is determined by a complex interplay between the political and judicial systems. Different types of land-use regulations arise as a result of this process. Fischel, however, in the present version of the book, no longer assigns courts a leading role in assuring economically rational outcomes. In part, the shift in his view is attributed to the fact that federal and state courts have made decisions not entirely founded on local knowledge. Court rulings that are disengaged from the economic reality of the community would tend to interfere with the achievement of reasonable outcomes.

At the end, the political system will be responsible for determining how land is allocated across alternative uses, and this is inevitable when decisions are made in a democratic context. However, Fischel suggests that one of the factors that has contributed to the emergence of growth controls is precisely the democratization of the process of adopting and altering land-use regulations.

The political process could potentially lead to reasonable outcomes, but it would be necessary to restore political balance in the local decision-making process for this to happen. Some of the remedies suggested in Chapter 9, such as housing market reform, point in that direction. The idea is that the current institutional arrangement induces excessive homeownership, which in turn leads to excessive regulations. By taxing imputed rents or by limiting mortgage interest deductions, homeownership would decline. This aspect of housing market reform is clearly different to the one generally found in the literature. For Fischel, the objective of reducing excessive homeownership is deemed necessary because homeowners are essentially overrepresented in the local political system, so decisions concerning land-use regulations would be biased in their favor, to the detriment of other economic agents.

The situation observed in the U.S. after the 1970s, which allowed outside groups to become more influential in the local decision-making process, has similar implications in terms of land-use regulations. For instance, if a minority of local residents can effectively stop almost every development in their communities with the support of outside organizations, or if state and national governments intervene indiscriminately in local issues, then there is no guarantee that land would be assigned to its best use. All of these factors ultimately increase the transaction costs of reaching an agreement between the involved parties.

Another consideration regarding the ability of the political system to deliver reasonable outcomes is that the demand for zoning also arises from developers. If this is the case, then the theory based on the choices made by a “median voter” would be somewhat weakened because the influence of other types of interest groups may distort the outcomes. Alternative theories that explicitly include such influence could become very helpful at explaining some of the observed outcomes.

Finally, zoning is subject to the same usual criticisms as other regulations. First, when economic agents intend to enter a given industry, market, or geographical area they demand no regulations and free entry. Once they are in, their incentives change and they become activists for strict regulations that reduce or prevent entry. Second, it has been stated earlier that the problem is not about land-use regulation, but about “excessive” land-use regulation. However, in many instances, those apparently innocuous regulations set up the foundations for more severe future controls. Third, regulations are asymmetric in nature: they are easy to implement, but difficult to undo. In fact, to be credible, people should perceive that regulations cannot be overturned easily.

Overall, *Zoning Rules!* revises and updates the material presented in his previous book, *The Economics of Zoning Laws*, published in 1985. Even though the author subtly departs from some of his previous views (most importantly his view about the role of the judicial system in assuring a rational use of land), the core idea, that zoning regulations are an endogenous, demand-driven phenomena, remains intact. The book is an excellent resource for students with interest in urban economics and urban planning at both the undergraduate and graduate levels. For undergraduate students, the book reviews and provides examples and applications of the economic principles behind the basic urban equilibrium model. For graduate students, the book offers a wide range of ideas that could be studied and developed further.

Cameron G. Thies and Timothy M. Peterson. 2015. *Intra-Industry Trade: Cooperation and Conflict in the Global Political Economy*. Stanford University Press: Stanford, CA, USA. ISBN: 9780804791335, 208 pp., \$55.00 (paperback).

Reviewed by *Douglas Mugabe*, West Virginia University

Cameron Thies and Timothy Peterson endeavor to ascertain the importance of trade composition on international political relationships. They develop a new theory that explains the relations between intra-industry trade and the global political environment. They argue that a “higher proportion of intra-industry trade will change the decision-making of groups within society as well as governments” (p. 147). Thies and Peterson satisfactorily cover international trade history, going back to World War I, to inform the reader of the historical changes in trade composition. They then argue that a larger proportion of bilateral trade of similar commodities (intra-industry trade) is associated with higher levels of cooperation and lower levels of conflict between states based on data from the United Nations COMTRADE database that spans 1962 to

2010. A key contribution of the book is the recommendation of a new theory that suggests a clear, causal relationship between trade and international cooperation. Although economists have developed models and theories that explain the composition of trade, there has been little or no research on the impact of such composition on global politics.

After a full consideration of previous work in this area of study, the authors acknowledge that intra-industry trade is different from inter-industry trade, especially when examining impacts on domestic production, collective action, and protectionism. Their work extends the dyad analysis connecting interdependence and conflict to institutional outcomes and WTO (World Trade Organization) dispute initiation. The main differentiating factor of their work is in clearly distinguishing intra- and inter-industry trade with an emphasis on composition rather than trade in general. Intra-industry trade is defined as a two-way exchange of similar commodities, decomposed into horizontal and vertical elements, with vertical being more similar to inter-industry trade. Throughout the two parts of the book, four critical contributions are made to the fields of international trade and global politics as explained in the following sections.

First, “intra-industry trade is associated with a higher likelihood of PTA (Preferential Trade Agreement) formation and there is some evidence that this relationship becomes stronger as there are more third-party PTAs in existence” (p. 55). These findings suggest that the composition of trade (proportions of intra- and inter-industry trade) influences the chance to cooperate (enter in PTA). An implication of this is that third parties may increase trade barriers to protect their industry in response to the formation of PTAs. The resulting terms of trade competition can initiate formation of rival PTAs. The research design for this work uses PTA data from 1962 to 2000 with the dyad chosen as the unit of analysis because each pair of countries must agree to bilateral liberalization. Thies and Peterson use dependent variables obtained from Mansfield et al (2007) that capture PTA formation and the variables are coded into four different versions to test the robustness of their arguments. Probit models are estimated to uncover the specific determinants of PTA formation. The primary independent variable of interest is the bilateral intra-industry index, which ranges from zero, indicating no intra-industry trade in the dyad, to one, indicating all dyadic trade flows occur within the industries.

Second, “a higher proportion of intra-industry trade in a dyad is associated with a reduced probability that a state in a dyad initiates a WTO trade dispute” (p. 84). This result suggests that returns to firms and governments in a dyad relationship are different if there is a higher proportion of either intra- or inter-industry trade. The authors use a Heckman Probit model with two unique explanatory variables: a lagged measure of WTO membership and a measure of UN voting similarity.

Third, they fail to reject their two stated hypotheses: “a higher proportion of intra-industry trade between states is associated with more similar foreign policy preferences” (p. 131) and “a higher proportion of intra-industry trade is associated with a higher probability of alliance formation and prevalence” (p. 132). These results have implications for studies combining trade and conflict. A Probit model is specified with fatal militarized interstate dispute onset as the dependent variable with most of the explanatory variables lagged by one year to control for simultaneity bias. Besides intra-industry trade, other control variables include peace years, trade levels, liberalization among dyadic states, and military capabilities.

The final critical contribution is that “a greater proportion of intra-industry trade is pacifying regardless of the extent of dyadic trade and liberalization, and also that development is

aggravating or at least not pacifying in the absence of intra-industry trade but becomes pacifying as intra-industry trade increases as a proportion of total dyadic trade” (p. 111). The authors examine three dependent variables that capture political affinity: UN voting similarity, alliance prevalence, and alliance formation. Initially, they use the Error Correction Model (ECM) to address the relationship between intra-industry trade and voting similarity. Simultaneous equations are used to isolate the effect of intra-industry trade on alliance prevalence and formation. The primary control variable is the intra-industry trade index and other control variables include a measure on regime type and GDP per capita in the dyad.

Overall, the new findings concerning the composition of trade are worth reading, particularly to economists and political scientists, as these results create a new basis for future studies in this area. The authors manage to supply an in-depth analysis of how intra-industry trade and global political economy initiate a reconsideration of the relationship between trade and global politics. However, an extended analysis that includes empirical modeling of developed and developing countries separately might be interesting to see if the same relationships hold. There might also be a need to explore the impact of dyadic relationships on support in militarized state disputes or support against rebel groups.

References

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Peter H. Lindert and Jeffrey G. Williamson. 2016. *Unequal Gains: American Growth and Inequality since 1700*. Princeton University Press: Princeton, NJ, USA and Woodstock, Oxfordshire, UK. ISBN: 9780691170497, 398 pp., \$35.00 (hardcover).

Reviewed by *William Levernier*, Georgia Southern University

Unequal Gains is an exceptionally well-written and painstakingly researched book that explores two interwoven topics that have become increasingly relevant in 21st century America: changes in per capita income and changes in income inequality. The focus of the book is on income and income inequality rather than on wealth and the distribution of wealth. The issues of income and income inequality both received widespread attention during the recent and divisive 2016 U.S. Presidential election and undoubtedly played a major role in determining the outcome of the election. Rather than just exploring trends in earnings and income inequality over the last forty years or so, as is often done by researchers studying these issues, Lindert and Williamson take a much longer view by exploring the changes that have occurred since the mid-to-late 17th century. This long-term view makes the book much more interesting and reveals substantially more about America than would be the case if only the current increase in income inequality, the one that began around 1970, was explored. Perhaps the greatest benefit of their long-term approach is that it provides the reader with information he can utilize to compare and contrast the earnings and inequality changes that are currently taking place in the U.S. with those that occurred in the past.

In addition to presenting and discussing income and inequality in the U.S. at different points in its history, comparisons to Britain and other Western European nations are made throughout the book. While it would have been easy for the authors to justify focusing solely on the U.S., including other nations makes the book more enjoyable to read and provides a broader perspective of what’s happened in America over its 300-plus year history. The multi-nation

approach indicates to the reader how the economic well-being of Americans has compared to the well-being of citizens of other Western nations at different points in time and indicates whether Americans are, on average, relatively better-off or relatively worse-off during different time periods. Additionally, it indicates to the reader how income growth and inequality in the U.S. has historically compared to that in other nations. These cross-country comparisons are very relevant in today's political environment. Much of the current domestic political discourse tends to imply that stagnant real incomes and increasing income inequality are problems that are unique to America and fails to consider whether the American situation is similar to or different from the situation in other Western nations.

Unequal Gains is the most recent publication in "The Princeton Economic History of the Western World" series, which currently consists of thirty-one books. The body of the book is composed of ten chapters, with each of the middle eight chapters discussing a different time period in America's economic history. The first chapter is a general introduction that lays the groundwork for the rest of the book, and the last chapter is a discussion of where America might be headed in terms of its future economic growth and income inequality. The book also includes several appendices that describe how the authors estimated incomes in selected years up until 1870. Brief explanations of how these estimates were arrived at are provided in the body of the relevant chapters, but readers who desire an in-depth explanation can refer to the appropriate appendix for additional explanation. Throughout the book, the authors weave in prior studies that have been conducted on the particular time periods that are explored in this book. In some cases their estimates of incomes or income are similar to those of prior studies, and in some cases they differ. In those cases where the estimates differ, they offer potential explanations as to why they differ.

A commonly held belief, at least among the general public and probably even among economists and other social scientists whose specialty is something other than economic history, is that the sharp rise in income inequality is a recent phenomenon that has no historical precedent. In fact, Lindert and Williamson demonstrate that the trend throughout much of America's history has been one of increasing inequality. Although there have been a couple of prolonged periods where incomes became more equally distributed, there have been many periods where incomes become less equally distributed. For example, the authors note that the rise in inequality in the eighty or so years prior to the Civil War was as extreme as the rise that has occurred since 1970.

While each chapter makes an important contribution to the book and describes the earnings situation faced by America during different periods of its history, my favorite chapters are Chapter 7, "Contending Forces: American Incomes across the Late Nineteenth Century," Chapter 8, "The Greatest Leveling of all Time," and Chapter 9, "Rising Inequality Once More, since the 1970s." Collectively, these three chapters describe the American earnings experience from shortly after the Civil War until today. Chapter 7 covers the period beginning in the aftermath of the Civil War and extends approximately until the beginning of World War I, Chapter 8 covers the period from World War I until 1970, and Chapter 9 covers the period from the 1970s until today.

Chapter 7 describes a period of increasing income inequality, an increase that was as great as the increase the U.S. is currently undergoing. The authors posit several reasons, some of which occurred in Western Europe, for the increase. The factors that were also relevant to Europe were: 1) the nation became more urbanized during the period; 2) the nation experienced a second industrial revolution, which was accompanied by a rising earnings premium for skilled-labor; and 3) the share of total income accounted for by property income, which was fairly unequally distributed, increased. The authors also posit a couple of reasons that were unique to America: 1)

the large inflow of low-skill European immigrants into urban areas depressed the earnings of low-skill occupations; and 2) racism against African-Americans, due to Jim Crow laws, tended to depress the wages of African-Americans. The argument pertaining to immigrants taking jobs of natives and depressing their wages is one that is often heard today and was a major theme in the 2016 Presidential election.

An important issue that is discussed by the authors as a potential contributor to the increase in inequality during this period pertains to the earnings gap between African-Americans and Whites in the U.S. South. They attribute the earnings gap partly to racial differences in school quality, which they measure using three different metrics: spending per student, teachers per hundred pupils, and days of school per year (Table 7-6, p. 188-189). For each of the three metrics, the measure in 1890 is compared to that in 1910. The Black-White ratio of per pupil spending on instruction decreased in each state; the Black-White ratio of teachers per hundred pupils decreased in nearly every state; and the Black-White difference in days of school per academic year increased in every state, with Black pupils attending school far fewer days per year than White pupils. Given these discrepancies, it is expected that the relative accumulation of human capital by African-Americans would be decreasing during the period from the late 19th century to early 20th century.

Chapter 8 discusses the 1910s to 1970, a period in which “every industrialized country went through a pronounced decline in the share of income captured by those at the top” (p. 194). Lindert and Williamson appropriately title this chapter “The Great Leveling” and note that a similar drop had not been experienced before nor has it been experienced since. They further note that “inequality plummeted and average incomes rose at a remarkable rate” (p. 194) and offer several reasons why this likely occurred and suggest that if we can repeat these causes we could experience another leveling. The likely causes are: 1) external shocks, such as war, macroeconomic shocks, and redistribution policies (i.e., government shocks); 2) a slowing of the growth of the labor supply; 3) growth of labor-force skills, due to historically large increases in educational attainment; 4) a slowing of technological change, which relatively favored unskilled workers; 5) high trade barriers during the first part of the period limited imports, especially in labor-intensive industries, aiding American workers employed in these industries; and 6) a decline in the relative incomes earned in the financial sector, due partially to government regulations imposed on the sector.

In Chapter 9, which discusses the increasing inequality the U.S. and other Western nations are currently undergoing, the authors argue that the reasons listed in Chapter 8 are now moving in the opposite direction. Government policies, for example have tended to become right-leaning, providing less of an income “safety net” for the disadvantaged, and educational attainment in the U.S. relative to other nations began falling in the 1980s or 1990s. Additionally, international competition faced by American producers increased after 1970, slowing the wage growth of their workers, and beginning in the late 1970s there began a period of financial deregulation, bringing huge earnings to those employed in the sector.

Unequal Gains is a book that I highly recommend to anyone who is interested in the issues of income growth and income inequality. The authors present the topics in a highly informative manner and do so in a historical fashion that compares the American experience to that of other nations. They offer extraordinary insight as to where the U.S. has been, where it is now, and where it might be headed in terms of its earnings growth and its income inequality. They present some likely causes of increasing inequality, like we are currently experiencing, and some likely causes of income leveling, like we experienced during the period from 1910 to 1970 or so. If we can learn

from the past and from what is currently happening, then we can perhaps take action to begin reducing income inequality while still promoting income growth.

Friedrich Schneider, Andrea Kollmann, and Johannes Reichl. 2015. *Political Economy and Instruments of Environmental Politics*. The MIT Press: Cambridge, MA, USA and London, England, UK. ISBN: 9780262029277, 285 pp., \$37.00 (hardcover).

Reviewed by *Michael E. Reed*, West Virginia University

One of the topics that is the subject of a wide variety of research and analysis in the economics community is global climate change. A wide variety of journals, articles, and books have been written covering multiple interdisciplinary topics in this area. In addition, various organizations have developed conferences and broader organizations to sponsor, collect, and publish information on global climate change. One of these organizations is CESifo, an international research network organized jointly by the Center for Economic Studies at Ludwig-Maximilians-Universität, Munich and the Ifo Institute for Economic Research. A distinguishing characteristic of CESifo is that the group is European-focused in their research. This book presents selected results from a July 2013 conference in Venice, Italy with the same name as the book title.

Following an introductory chapter, the contents are organized into three sections: Motivation, Empirical, and Theoretical Aspects. Motivation includes Chapters 2 and 3 and covers background issues from a political economy perspective. Empirical includes Chapters 4 through 7 and addresses specific aspects of environmental policy and instrument choice. The Theoretical Aspects section includes Chapters 8 through 12 that develop theoretical frameworks to address different parts of decision-making regarding environmental regulation. The contents of the specific chapters are summarized below.

Chapter 1 by the book editors is an introductory chapter that puts the individual chapters into context using the three broad topics listed above. Chapter 2 by Frank J. Convery uses examples from recent history to understand the strategic factors that allow the adoption of a national carbon policy. Denny Ellerman continues the political economy theme in Chapter 3 with an analysis of the implementation of carbon policy from the point of view of the elected official.

The first empirical specific discussion is in Chapter 4 by Andrea Kollmann and Johannes Reichl. This work looks at the correlation between “trust in government” and the willingness to implement and accept carbon policy. Chapter 5 by Cees van Beers and Jon Strand focuses on the political and economic determinants of gasoline and diesel policy across European countries from 1991 to 2010. The empirical theme continues with Chapter 6 by Francesco Nicolli and Francesco Vona, who study hypotheses of correlation between energy policy and macro indicators of government. The last empirical work is Chapter 7 by Peter Egger and Sergey Nigai which looks at the relationship between the number of Green Party members of a country’s Parliament and the level of environmental taxation.

The theory section begins in Chapter 8 by Antony Millner with a long form essay discussing major factors involved in political choice including: 1) influencing future governments, 2) heterogeneous beliefs, 3) learning through policy experimentation, and 4) how the interaction between the first three lead to policy distortion. Sonja Köke and Andreas Lange introduce a game theory framework to model implementation of environmental agreements involving multiple levels of decision makers in Chapter 9. The next work by Philipp Hieronymi and David Schüller develops a theoretical framework around the possible future interactions of country level emission

trading schemes in Chapter 10. In Chapter 11, Dominic Hauck develops a model based on the interaction between project investors and rational activism where information on the cost/benefit/harm of a project is developed by the rational activists over time. Chapter 12 is by Maria Elisa Belfiori, who provides a theoretical discussion of optimal taxation of carbon emissions through the dual problems of externalities and intergenerational time periods

While the overall theme of political economy in the context of global climate change policy is maintained, the specific topics are presented as individual works and are not tied to the strategic context. The book would benefit from a closing chapter that synthesizes the individual research better within the overall theme. The individual analyses are well constructed and logically executed and presented. The book serves as a snapshot of the thinking and research areas in the broad area of political economics and global climate change. Going forward, the interdisciplinary approach involved in political economy and implementation are ripe for further research due to the rapid change that has occurred since the 2013 conference. For example, the Brexit vote has changed the political calculus in Europe.

In summary, the book is a valuable contribution to the field and offers researchers from multiple disciplines a source of quality material that can be used to further develop the important topic of political economy in the context of carbon policy.