but it is extremely disconcerting for academics to fall for the same trick. To confuse neoliberal and traditional economics with the right-wing crusade against government is an egregious error. It is especially troubling because the basic tenets of neoliberal economics are a natural ally in the fight against global warming. Not only have neoliberal economists wrestled with a host of policy options for addressing climate change for decades, producing a critical foundation of theoretical and practical knowledge upon which almost all current and future policy is and will be based, but they are also strongly in favor of removing the subsidies to fossil fuel industries—subsidies that contradict the basic tenets of competitive markets. Distorting energy markets through direct government payments to oil, coal, and gas companies produces wildly inefficient outcomes, and neoliberal economists from the University of Chicago all the way to the University of California-Berkeley are uniformly opposed to them.

The Republican congressmen and senators who unanimously opposed moving forward with climate legislation in the 111th Congress did not base their opposition on a serious interpretation of neoliberal economics; they were simply doing the bidding of the corporate sponsors that dominate the Republican Party. (And remember, in the House, where a simple majority is all that is needed, the Waxman-Markey Bill did pass; and there were 51 votes for a cap-and-trade bill in the Senate, but not the required 60). Not only was Republican obstructionism aimed at denying Barack Obama a victory, but climate denialism is now also rampant among the right-wing base that dominates the party (the majority of self-identified Republicans do not think that global warming is human induced and oppose all governments efforts to combat climate change). Put simply, to construe Republican kowtowing to special interests and the elevation of the anti-science extremism of the GOP rank and file as somehow a product of neoliberal economic philosophy is absurd.

It is useful to consider a thought experiment in which 100 (matching the number in the Senate) of the top economists in the country are gathered together to devise U.S. climate change policy. I am confident that there would be near unanimity (way more than the 60% threshold needed to avoid a filibuster) for a climate policy that would be close to the environmental community's ideal: It would likely be based on a gradually escalating greenhouse gas tax and include rebates to consumers, investments in alternative energy, and technology transfers to the developing world.

How do I know this? Because this is what classical/neoliberal economists have been saying for years. Gregory Mankiw, former head of the Council of Economic Advisors under George W. Bush, has been a big proponent of what he calls the "Pigou Club Manifesto," which calls for higher taxes on environmentally destructive activity. In 2006 he wrote an op-ed for the *Wall Street Journal* calling for much higher gas taxes, and he has been a consistent supporter of a significant and escalating carbon tax. Robert Stavins has been a fierce advocate of carbon pricing through either a cap-and-trade bill or a carbon tax, writing academic papers, newspaper columns, and items for popular blogs. William Nordhaus has long been a proponent of carbon taxes, and he has a new paper showing how they represent one of the best ways to mitigate greenhouse gas taxes and also raise the necessary revenue to address the U.S. budget deficit. (One of the reasons economists generally favor carbon taxes is because they shift taxation onto "bad" activities, allowing for the government to reduce taxes on productive labor income.) Michael Hanemann and Lawrence Goulder have been leading efforts in California to promote the state's extremely visionary and significant climate change legislation AB32, which when enacted in 2012 will be the world's toughest greenhouse gas reduction policy. Peter Berck has modeled the employment impacts of AB32 and shown that it will actually lead to a net increase in jobs because of all the energy efficiency improvements that will be made once the law comes into effect.

The actual record of scholarship, commentary, and advocacy displayed by the country's top (neoliberal/classical) economists demonstrates that they have been at the forefront of serious efforts to mitigate greenhouse gases at both the state and national levels. In California they secured a tremendous victory; with AB32 now cleared to go into effect, California will soon boast the most comprehensive climate change policy in the world.

If the book had been titled something akin to "Essays on the Political Economy of Climate Change Policy" and veered away from ascribing blame to neoliberal economics for the failure of climate change policy, it would stand as a nice addition to the literature. But by obscuring the real reasons that climate change policy has failed and not fully exploring the policy options most economists support, *Economic Thought and U.S. Climate Change Policy* ultimately does a disservice to the discourse of environmentalism that it purports to advance. Neoliberal or classical economics does not provide all of the answers to climate change, but it has contributed infinitely more than this book states.

Crude Democracy: Natural Resource Wealth and Political Regimes. By Thad Dunning. Cambridge: Cambridge University Press, 2008. 327p. $29.99.

Oil, Dollars, Debt, and Crises: The Global Curse of Black Gold. By Mahmoud A. El-Gamal and Amy Myers Jaffe. Cambridge: Cambridge University Press, 2010. 217p. $26.99.

Energy Politics. By Brenda Shaffer. Philadelphia: University of Pennsylvania Press, 2009. 187p. $29.95

doi:10.1017/S153759271000352X

— Scott Pegg, *Indiana University-Purdue University Indianapolis*

Despite the centrality of energy supplies to national security, economic growth, and foreign relations, Brenda Shaffer laments in her book *Energy Politics* that leading political science journals seldom publish articles on energy, few survey courses in international relations devote much attention to the politics of energy, and only a handful of research and degree programs exist at major universities that focus on the nontechnological aspects of energy (p. 164). Yet she notes that "[d]uring periods of tight energy market conditions, there has generally been an increase in scholarly publications dealing with energy" (p. 18). The three books under review here all represent different aspects of that increased scholarly focus on oil, gas, and other nonfuel minerals following the recent boom in commodity prices.

Energy Politics has the broadest focus of the three. Shaffer's goal is to "provide a comprehensive look at the interaction between energy and politics in the international system, focusing on the dynamics of oil and natural gas" (p. 18). The author generally succeeds in doing so. Her introductory chapter is a great overview of basic energy dynamics that is ideal for those new to the subject matter or wanting to bring themselves up to speed quickly. The book is evenly divided among six thematic chapters and six country or region case studies. A consistent strength of Shaffer's work is that it pays attention to both energy producers and consumers and the links between them. Given the comparative emphasis in much of the "resource curse" literature on oil producers, her focus on the growing importance of natural gas and the role of transit states is especially welcome.

At its most general level, this book maintains that the "state of the world energy market affects broader international relations and vice versa" (p. 28). As a global commodity, oil creates interdependencies in the international system. Each country's demand affects the price that all pay for oil. Similarly, political instability or supply disruptions in any major producer affect consumers around the world. For Shaffer, energy is thus inextricably part and parcel of a state's foreign policy. In her words, "States are no more likely to refrain from using energy to promote their policy goals than to ignore economic or military means of doing so" (p. 1).

Shaffer advances a number of interesting and provocative arguments. She is quite skeptical of oil's alleged role in inter- and intrastate conflicts, but is equally doubtful about the prospects for "peace pipelines" that will improve relations between previously hostile neighbors (Chapter 4). She is also skeptical that the United States and China will become strategic competitors in a new scramble for energy resources, and she identifies many shared interests between them as major energy importers (pp. 85–90). Shaffer emphasizes that supply disruptions to oil and gas are few and far between (pp. 33–40) and notes that the United States has denied market access to producers far more often than producers have attempted to deny supplies to the United States (p. 138). She also sees the future prospects for a viable natural gas cartel as being quite remote (pp. 153–54). Her book benefits from a generally rational, calm, and nonalarmist presentation throughout. Reflecting the author's long-standing research interests, it is particularly strong on the Caspian region and former Soviet countries. Outside of a few pages on the Chad-Cameroon pipeline project, though, the book entirely neglects the important Gulf of Guinea region stretching from Ghana to Angola.

Oil, Dollars, Debt, and Crises advances the more specific thesis that oil and financial crises are conjoined together in a "super cycle" that "is endogenous and self-perpetuating" (p. 1). In this regard, Mahmoud El-Gamal and Amy Myers Jaffe maintain that "energy policy, the regulation of financial markets and institutions, and international relations as they pertain to Middle East geopolitics are so closely intertwined that it makes little sense to contemplate any of the three without contemplating the other two simultaneously" (p. 191). In their view, we have already seen two such super cycles from 1973 to 1980 and 2001 to 2008, and the authors predict that we will likely see a third such cycle in the future due to the combination of continued dependence on hydrocarbon fuels, persistent and growing political instability in the Middle East, and increasingly integrated global financial markets that amplify the dynamics of the other cycles (Chapter 7). To navigate through this complex world of intertwined phenomena, El-Gamal and Jaffe entertainingly note that "understanding dynamics of the current oil-price bubble, and the corresponding financial dynamics of the U.S. dollar, requires understanding how a hedge fund manager may sustain an oil bubble through beliefs about continued Chinese growth" (p. 111).

As with Shaffer's book, the focus here is on oil and natural gas, with significant attention appropriately devoted to the latter commodity. Regionally, the almost exclusive focus on the Middle East compliments Shaffer's focus on the Caspian Sea but replicates her neglect of sub-Saharan Africa. In contrast to many volumes that just focus on the supply and demand dynamics of the oil price cycle, the single greatest strength of El-Gamal and Jaffe's book is its delineation of the multifaceted links between the oil price cycle and the increasing globalization of finance in the post–gold standard dollar-denominated era of the past four decades.

There are, however, two fundamental problems with *Oil, Dollars, Debt, and Crises*. First, while the authors are rightly skeptical of "peak oil" arguments and "this time is different" logic (pp. 111–15 and 145–47), they uncritically accept the existence of the resource curse as if this was a proven fact and not a matter of intense scholarly debate. In sharp contrast to the authors' contention that there is a "globalized curse of black gold" (p. 75), almost every dimension of the various resource curse arguments put forward in recent years has been seriously challenged or at least increasingly qualified by subsequent scholarship. One struggles in vain to find a single reference to such economists as Christa Brunnschweiler and Erwin Bulte, Graham Davis and John Tilton, or Jean-Philippe Stijns, who have launched strong empirically based critiques against the whole idea of a resource curse, or to political scientists like Ben Smith and Thad Dunning (discussed in the following), who have elaborated highly nuanced arguments that also call into question the existence of any kind of globalized resource curse.

Second, this is in places a deeply pessimistic and almost alarmist book. At times it reads like a *Foreign Affairs* or *Foreign Policy* article highlighting lots of dangerous scenarios that may come into play at some point in the future. Many of their scenarios are credible or probable, and worthy of high-level policy attention. Yet the authors highlight any number of potential future scenarios for energy supply disruptions, even though "no such prolonged cutoff of oil has actually ensued" (p. 160). Similarly, while the political instability, security, and terrorism scenarios outlined in great detail signify that geopolitical risks "are approaching cataclysmic proportions in the current era of globalization" (p. 174), the authors never consider the possibility that there could be a lasting Israeli-Palestinian settlement or that the reform movement in Iran could ultimately succeed. The idea that "the resource curse of the Middle East has been globalized" (p. 52) will strike many observers of the coming oil booms in Brazil and Ghana as ludicrous.

El-Gamal and Jaffe's pessimism is especially noteworthy given that they readily identify a number of simple and obvious solutions, such as ending fuel subsidies in the developing world and increasing gasoline taxes in the United States, that would do much to lower oil consumption. The authors also advocate a number of innovative proposals, including minor changes that would close financial market loopholes (p. 184) and countercyclical investments in oil and gas production by sovereign wealth funds (pp. 186–87) that would help moderate the next super cycle they fear.

Such critiques bring us nicely to Dunning's *Crude Democracy*. The "crude democracy" of the title is the counterintuitive idea that democracy can be "fostered, supported, or sustained by oil wealth" (p. 1). More specifically, Dunning's central thesis is that "natural resource wealth can have both authoritarian and democratic effects: resources have a *conditional* impact on the political regime" (p. 107). In his argument, "resource rents can promote authoritarianism or democracy, but they do so through different mechanisms" (p. 4).

One of these mechanisms—the fact that the control of lucrative resource rents increases elite incentives to either launch coups against an existing democracy or resist pressures to democratize an existing repressive regime—has been extensively highlighted in previous empirical work by such scholars as Michael Ross and Nathan Jensen and Leonard Wantchekon. As this ground has been well covered, Dunning devotes most of his attention to the elucidation of a second mechanism through which natural resource wealth can both reduce the costs of democratization to elites and minimize their incentives to launch coups against an existing democracy. This indirect mechanism is that the existence of easily appropriated resource rents typically leads to less taxation in other areas of the economy. Thus, a resource boom can "mitigate the *redistribution* of private income through taxation and thereby increase the attractiveness (or reduce the disutility) of democracy" (p. 11).

It is important to note that Dunning's work does not directly challenge or overturn previous empirical findings linking oil or mineral wealth to authoritarian regimes (pp. 108–9, 141–42). Instead, the author argues that both of these mechanisms, one promoting authoritarianism and the other promoting democracy, are at work simultaneously in countries that are richly endowed with natural resources (in contrast to the preceding two books, Dunning goes beyond oil and gas and considers additional forms of mineral wealth, such as copper and kimberlite diamonds, that also generate significant rent streams).

There are essentially two factors or variables that explain which of these mechanisms will prevail. First, what ultimately matters for Dunning is not resource wealth or abundance but, rather, the level of resource dependency (pp. 19–21, 86–87). Countries that are heavily dependent on natural resource exports and those where there is not much of a viable economy outside of resource extraction are likely to have much stronger incentives for authoritarianism because control of the resource rents is the only game in town. Conversely, high levels of private-income inequality strengthen the democratic effects of resource wealth because elites have more to fear from current or future redistributive taxes and, hence, will greatly value the tax-reducing properties of resource wealth (pp. 21–22, 124–25). Putting these two factors together, Dunning concludes that "the democratic effect tends to obtain under two conditions: when the private (non-resource) economy is more inegalitarian, and thus elites . . . are most concerned with redistributive pressures; and when the economy is less resource-dependent (i.e., when rents comprise a smaller part of overall economic product)" (p. 101). Such conditions are more likely to be found in Latin America than in the Persian Gulf or sub-Saharan Africa, but they can potentially obtain anywhere.

In two important ways, *Crude Democracy* is reminiscent of Ben Smith's outstanding book *Hard Times in the Lands of Plenty: Oil Politics in Iran and Indonesia* (reviewed in *Perspectives on Politics* 6 [September 2008]: 631–33). First, like Smith's work, this book is a methodological tour de force that employs a variety of quantitative and qualitative methods to great effect. In Dunning's case, the

https://doi.org/10.1017/S153759271000352X Published online by Cambridge University Press

argument is built, supported, and justified through formal modeling, cross-national quantitative evidence, a primary case study based on fieldwork in Venezuela, and secondary case studies based on fieldwork in Chile, Bolivia, Ecuador, and Botswana. An additional methodological strength is that Dunning is cautious with the claims advanced throughout the book, is sensitive to potential problems with his data, acknowledges certain developments that his framework does not elucidate well, and highlights cases that might challenge his theory or provide interesting future tests of it.

Second, again like Smith's work, this book is an enormous leap beyond previous work either promoting or rejecting resource curse arguments on the basis of large-n empirical studies. Dunning moves us far beyond "yes, there is a resource curse" or "no, there is not a resource curse" arguments and instead delves deeply into the far more interesting territory of the diverse and varied results that different countries have achieved in trying to manage their natural resource endowments. Dunning is certainly correct that "there is substantially more variation to be explained than previous analyses have suggested" (p. 279), and he resoundingly succeeds in his attempt to develop "a general theory that helps to explain variation in outcomes across resource-rich states" (p. 291). One can only hope that other scholars and policymakers are paying close attention.

Global Commons, Domestic Decisions: The Comparative Politics of Climate Change. Edited by Kathryn Harrison and Lisa McIntosh Sundstrom. Cambridge, MA: MIT Press, 2010. 312p. $50.00 cloth, $25.00 paper.
doi:10.1017/S1537592710003531

— Steven R. Brechin, *Syracuse University*

It may be an understatement to say that global climate change is the collective action problem of our era. If not addressed effectively relatively soon, this mounting concern will likely dramatically affect every nation on earth—politically, economically, and environmentally. Hence, it is quite appropriate for scholars to focus attention on what factors seem to influence global cooperation and domestic action needed to tackle this critical issue.

This is a welcome volume as there is a small but growing list of comparative work exploring global climate change policy. The editors attempt to uncover the essential international and domestic components that affected the ratification decision of six countries and the European Union of the Kyoto Protocol, the international treaty on climate change. The volume also explores which factors influenced domestic abatement policies. It is the interaction between the two—the international system and domestic politics—that interest the editors and their contributors. The countries selected for this comparative study beyond the EU include the United States, Russia, Japan, Canada, Australia, and China in that volume order. These countries lead per capita greenhouse gas emissions, but with differing relationships to Kyoto and domestic politics. Abatement costs varied dramatically among these countries. Some ratifiers, like China and Russia, were not required to reduce emissions, while the United States had the highest costs and did not ratify. Still, the editors find curious why some like the EU, Japan, Canada, and Australia ratified the treaty in spite of high mitigation costs. By exploring the particular politics surrounding the Kyoto Protocol found in the case studies, the editors suggest that insights gleaned might shape understandings useful in hammering out future agreements. The volume is timely in that the international community is still searching for a proper set of incentives needed to forge a replacement for the Kyoto Protocol that will expire in 2012.

International relations scholars Kathryn Harrison and Lisa McIntosh Sundstrom want this volume to go beyond basic viewpoints of international relations, to explore the "black box" of domestic politics. As they state—by focusing on the domestic politics—they want to "reverse the lens of previous scholarship" (p. 2). To explore two distinct outcomes—a state's decision on Kyoto ratification and level of commitment for domestic-based climate change abatement policies—the editors construct a four-factor framework to guide their investigation. These factors—"policymakers' self interest," "ideas," "institutions," and "international influences"—were broken down into more specific elements. For "policy makers' self interest," the editors focus on two key elements: electoral incentives, and compliance costs and their resulting pressure on government. These two factors became the editors' two central hypotheses. The first argues that the higher public support for addressing climate change, the more likely ratification. The second links higher domestic compliance costs to fulfilling treaty obligations with greater domestic opposition to ratification. Both hypotheses are supported generally by the cases but with twists and turns. The second factor, "ideas," also has two elements: scientific knowledge and normative principles. Here, the editors and their authors parcel out whether or not domestic politics generally accept the climate change science or challenge it. Australia and especially the United States provide key examples of significant challenge to the science and its effects on both ratification and domestic politics. The second "ideas" element focuses on normative principles. In particular, are leaders or the public interested in being seen as international players, believers in multilateralism, etc.? Japan's ratification was clearly shaped by hosting the Kyoto meetings, while one Canadian prime minister believed in multilateralism. With the third factor, "institutions," the editors present three distinct elements. For the democracies among the cases, the type of representation, whether proportional, or winner-take-all majoritarian systems, seems to make a