

options necessary to end, mitigate, or adapt to threats to their human, environmental, and social rights; have the capacity and freedom to exercise these options; and actively participate in pursuing these options” (p. 18). The introductory chapter does a wonderful job of framing the issue. In this chapter, the editors offer their perspective on human security and discuss how environmental concerns may be linked to both violent conflict and a more comprehensive definition of security.

The rest of the book is divided into three parts. Part II looks at how environmental changes may contribute to insecurity. Chapter 2 by Mike Brklacich, May Chazan, and Hans-Georg Bohle provides a nuanced overview of how natural disasters interact with socially determined vulnerabilities to produce human insecurity. The following chapters in Part II examine such themes as global public health, urbanization, and the challenges faced by slum dwellers, as well as the differential risks faced by New Orleans residents during Hurricane Katrina. In all, these chapters stress that human insecurity is not only a function of environmental changes, as profound as they may be, but also the resilience and adaptive capacity of societies.

Part III focuses on the potential for violent conflict. While stressing that environmental factors alone are not sufficient to produce conflict, Jon Barnett and W. Neil Adger (Chapter 6) review the literature on civil war and propose ways in which environmental changes may lead to contractions in people’s livelihoods, in turn facilitating insurgency and political violence. The following chapter, by Richard A. Matthew and Bishnu Raj Upreti, provides an empirical case study, relating environmental stress to patterns of conflict in Nepal. Though offering inconclusive evidence, these chapters provide a starting point for future research on the environment and violent conflict.

Part IV then turns to solutions. Its seven chapters provide a broad range of policy options and frameworks for managing environmental crises and promoting human security and sustainable development. Chapter 8 focuses on ethical perspectives and looks at issues of equity and justice in coping with environmental change. Subsequent chapters look at policy options for reducing environmental threats as well as social vulnerabilities (Chapter 9); take a closer look at population pressures and environmental degradation (Chapter 10); provide an overview of the role of women in promoting security and development (Chapter 11); assess the relationship between human security and prosperity (Chapter 12); examine the role of democratic institutions in promoting sustainable development (Chapter 13); and look at efforts in Latin America to preserve transboundary resources (Chapter 14). These chapters do not necessarily offer a unified view of environmental management and human security, but do suggest several possibilities for future analysis.

The strength of these books lies in their ambitious scope and their broad view of environmental problems and human security. Yet at the most general level, the concept of human security can be overly vague if it is not grounded in concrete indicators. Both books do err on the side of taking an expansive view of security, which is fine as a theoretical exercise, but it does not suggest solid metrics for empirical research. Indeed, readers who are well versed in the literature and who are looking for rigorous empirical analyses will be disappointed by these works. They do break some new ground, but it is more useful to think of them as introductions to the field of environmental security, rather than as examples of cutting-edge research. Nonetheless, they do add depth and nuance to a field that often generates more heat than light. These works are a useful corrective to research that takes a narrow view of security and focuses on traditional threats; significant changes in the natural environment could be just as catastrophic as conventional war. At the same time, these books avoid environmental determinism or the view that natural phenomena lead directly to violence, displacement, disease, and human misery. Instead, they take human agency, resilience, and adaptive capacity seriously and point to useful ways to face the challenges to come.

#### **Economic Thought and U.S. Climate Change Policy.**

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The Foreword of this edited volume of essays on U.S. climate change policy states (p. x): “In this book eleven contributors from the fields of law, public policy, and philosophy offer unabashedly critical analysis of neoliberal ideas in climate change policy, and they suggest more appropriate ways to design policy for the years ahead.” But the aim of the book is even more provocative; it can best be summed up by the first sentence in the conclusion on page 297: “This book *shows* how neoliberalism led to the United States’ failure to adequately address climate change” (emphasis mine).

While the book shows many things, it does not show *this*, however. And if serious attention to the range of neoliberal thinking on the climate change issue were offered, it would be clear that its bold claim constitutes a gross overstatement. It is all too common in the environmental movement and in some academic circles to misguidedly blame classical or neoliberal economics, and neoliberalism more generally, for a host of the country’s (world’s) environmental ills, or the failures to respond to them, and *Economic Thought and U.S. Climate Change Policy* continues in this unfortunate tradition.

Before continuing, let me state unequivocally that there are elements of economic thought and economic analysis

(as well as individual economists) that have played an unconstructive role in the debate over climate change. In addition, there are lines of argument in this book that are compelling, offering reasoned critiques of particular aspects of economic theory as it applies to climate change policy. The book is strongest when it veers away from erroneously attributing climate policy failure to neoliberal ideas and provides both reasoned critiques of economics and a focus on the equity issues involved in climate change. (It is true that economists as a whole have focused too heavily on the efficiency aspects of climate policy.)

Chapter 5, “The Abandonment of Justice,” examines the distributional aspects of climate change and the moral dimensions they pose, and also notes the unequal distribution of power that has allowed corporations to stymie progress toward a cleaner energy future by sowing skepticism about climate change to both lawmakers and the general public. The call for a greater discussion of justice in addressing climate change is welcome, even if the critique that neoliberal economists completely ignore justice is exaggerated (many traditional economists from the U.S. Environmental Protection Agency to the World Bank have considered the divergent impacts of climate change on developing and developed countries and the implications for a just climate policy).

Chapter 12, “Toward Sustainable Technology,” by editor David M. Driesen, makes the important point that emissions-trading schemes are unlikely to provide sufficient incentives for the level of technological innovation that is needed to address climate change, and offers alternative approaches. But classical economics has a lot to offer here, too: The economics of innovation is ripe with policy prescriptions including funding basic scientific research and development applicable to a wide host of industries or using economic prizes to spur new technological development.

Not only is the book’s main premise erroneous, but the chapters are also uneven in quality; almost all are written by noneconomists, some of whom clearly are not well versed in economic thinking, and are therefore odd choices for a volume dedicated to economic critiques. Some chapters present alternative rationales for addressing climate change (as opposed to a cost–benefit framework), such as Chapter 8, “Embracing a Cautionary Approach to Climate Change,” which suggests applying the precautionary principle. But in this essay, the author fails to acknowledge the central role of economic analysis once a course of action is decided on—that is, how to actually achieve climate mitigation goals.

In addition, notable economists such as Martin Weitzman (cited by economist Frank Ackerman in Chapter 3, “Cost–Benefit Analysis of Climate Change: Where It Goes Wrong”) have made a strong case that the decision to act on climate change *should not* be based on cost–benefit analysis but on risk assessment, which is essentially an

invocation of the precautionary approach. In fact, this view is increasingly being shared by other traditional economists, including Nobel Laureate Paul Krugman, who wrote an extensive piece addressing climate change in the *New York Times Magazine*.

What is most striking about the overarching claim of the book is how easy it is to debunk. The conditions for market failure—externalities, imperfect information, lack of property rights, imperfect competition, and inadequate contingencies (insurance markets)—are well understood by virtually all economists. Indeed, they are staples of basic microeconomic textbooks. Greenhouse gas emissions and the resulting atmospheric warming are a perfect example of market failure writ large, one that is recognized by virtually every economist in the world. I cannot think of a single credible economist who believes that government action is unnecessary for addressing climate change, and that markets alone are up to the task.

Chapter 4, “Anatomy of Industry Resistance to Climate Change,” gets closest to apportioning blame where it rightly belongs—among industry-led groups and extremist antigovernment ideologues that came to power in the 1980s—but even here the author misses key historical facts. It was the highly conservative Reagan administration that used cost–benefit analysis as the justification for the Montreal Protocol, which is arguably one of the most successful international environmental agreements. In addition, under George H. W. Bush, the highly successful sulfur dioxide cap-and-trade program was enacted to test the power of markets to address the problem of acid rain; this program has become the case study for governments around the world and inspired not only the European greenhouse gas Emissions Trading System (ETS) but also all U.S. climate change cap-and-trade bills.

The question I kept asking myself while reading the book was how most of the authors could be so mistaken in apportioning blame for the failure to act on climate change. It appears that they mistook the corporate-fueled, antiregulatory, antigovernment movement of the past decades for neoliberal economics. This mistake is made by many, and has allowed the enemies of regulation to hide behind a veil of credibility. The right-wing think tanks behind the efforts to oppose climate change legislation (e.g., the American Enterprise Institute, the Cato Institute, and the Heritage Foundation) are all funded by the fossil fuel industry (e.g., the Koch brothers) and rich ideologues who want to strangle all government involvement in the economy. They routinely make all sorts of simplistic claims about the “power of markets” and the “ills of government” that do not stand up to even modest scrutiny. But the community of serious academic economists is not on their side.

It is one thing for the traditional media to fall for this right-wing propaganda and fail to expose these market fundamentalists for the corporate ideologues that they are,

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  
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Despite the centrality of energy supplies to national security, economic growth, and foreign relations, Brenda Shaffer