

## ECONOMICS AND POLICY ISSUES IN CLIMATE CHANGE

edited by William Nordhaus; *Resources for the Future*, Washington, D.C., 1998; 320 pp., \$45.00 cloth (ISBN 0-915707-95-0)

In the contentious public debates that have dominated political discussions about global climate change, the scholarly community has had at least one opportunity to speak with singular authority—through the Intergovernmental Panel on Climate Change (IPCC) set up by the United Nations and the World Meteorological Organization in 1988. The prominent U.S. social scientist William Nordhaus of Yale University, who had examined the economics of climate change longer than any of his peers, chose not to participate in the IPCC effort. Yet despite Nordhaus's lack of direct participation (or perhaps because of it), he has contributed significantly to what we can learn from IPCC.

The fundamental purpose of IPCC is to provide unbiased reviews and syntheses of knowledge of global climate change and related policies, originally from the perspective of the natural sciences and more recently from the viewpoint of economics and other social sciences. IPCC's *Second Assessment Report* included a report from its Working Group III on the "economic and social dimensions of climate change." In the summer of 1996, after Working Group III's report had been published, Professor Nordhaus convened a workshop in Snowmass, Colorado, under the auspices of the National Bureau of Economic Research/Yale Program on International Environmental Economics. The purpose of the workshop was to examine and critique IPCC's economic analysis. This edited volume of nine chapters is a product of that workshop.

The volume features eight essays by leading scholars plus a valuable overview by Nordhaus. The essays—and the briefer commentaries by workshop participants that follow them—are not of uniform quality, but some are important contributions to the climate change literature. For example, MIT Professor Richard Schmalensee's chapter on "Greenhouse Policy Architecture and Institutions" is the first to set out the importance of focusing on broad architectural questions before launching into the minutiae of policy design.

A decade after the establishment of IPCC, work has recently begun on the *Third Assessment Report*. As natural scientists, economists, and other social scientists from around the world begin once again to review and synthesize the best research on global climate change, they will take as a starting point the *Second Assessment Report*, which remains—in Nordhaus's own words—a "premier reference book on the subject." The economists among them will do well to keep nearby a copy of the Nordhaus volume as a handy and valuable companion piece.

Robert N. Stavins  
Harvard University  
Cambridge, Mass.