they participated in the autonomous workers' federation. One would thus be impelled to ask whether the options Wright refers to would be different with changing political circumstances or the structure of political opportunities, and whether she might have underestimated the degree of discontent in China. Indeed, she ends the volume with a brief discussion of generational transformation and a nod to the possibility of change. In her own words, "these seemingly 'fixed, fast-frozen relations' may prove to be both transitory and fragile" (p. 179).

Even though some of the contributors in Li's volume conclude that those in China's middle class are not likely to become the leading agents for democratic change (p. 279), the overall tone of the volume is even more open-ended than Wright's. In his introduction, Li notes that public attitudes can shift with circumstances, and thus the current middle-class inclination toward stability "should not be characterized as pro-CCP, anti-democratic, or even conservative" (p. 21). Drawing on the studies of lawyers, college students, and upper–level professionals, Li points to a growing critical stance toward government policies and performance (pp. 72–79). Should the political circumstances change, many members of the middle class are not likely to be allies of the current regime. Even today, members of the middle class stand out for their defense of property rights and struggle against environmental threats (especially in coastal cities such as Dalian and Xiamen). Thus, the relationship between the Chinese regime and social forces will continue to evolve.

**Coalition Politics and Economic Development.**
By Irfan Nooruddin. New York: Cambridge University Press, 2011. 266p. $90.00 cloth, $32.99 paper.
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— Ben Ansell, *University of Minnesota*

Economic development is not where you get to but how you get there, in Irfan Nooruddin's important new book. The core object of study for Nooruddin is the volatility of economic development, not the level of economic development that states have reached or their rapidity in attaining it—well-worn topics of great debate. As he notes (p. 59), while economic growth and economic volatility are closely connected, they are analytically separate topics. Volatility has largely been neglected, however, particularly by political scientists. The author argues that economic instability is typically a by-product of policy instability. The structure of political institutions, in particular the prevalence of coalition and minority governments in parliamentary systems, determines the stability of policymaking, and this, in turn, impacts investment decisions by private actors, both domestic and foreign. Where radical policy change is inhibited by partisan veto players, private investment is stable and economic development becomes less volatile. Economic instability is at root a political problem.

Nooruddin's argument is superficially rather counterintuitive: In short, discretion hurts. Political actors who can respond with flexibility to economic conditions do not produce economic stability; in fact, quite the reverse. It is only where actors are *not* free to choose, where they face constraints, especially those produced by the veto power of other political actors, that we find low levels of economic volatility. This book thus follows a long line of literature that stresses how "time inconsistency" problems facing political actors mean that only independent rule-following agencies can make "credible commitments" in economic policy. But the author's argument is not a simple replay of the "rules versus discretion" debate beloved of macroeconomists. He is suspicious of naive claims that independent agencies such as central banks will be independent, unbiased, or rule following (pp. 47–48). Instead, credibility can best be ensured by veto players *within* the government itself—either through divided government, which produces policy gridlock, or better, through coalition and/or minority government, which produces policy gradualism.

Nooruddin refers to this latter mechanism as credibility through "forced compromise" (p. 48): Where parties cannot enact policies without the agreement of other parties representing potentially very distinct constituencies, it becomes much harder to produce radical redirections in policy since such changes are likely to hurt at least some groups represented by coalition partners. However, unlike the case of divided government, where different parties control different political institutions, in coalition and minority government all the veto players will be held accountable for the performance of government. Thus, coalition and minority governments, though they appear superficially weak, in fact produce the most stable, effective government by spreading both veto power and accountability for policy across the representatives of multiple constituencies. This, then, is Madison with a twist: Not only checks and balances are needed but also joint responsibility for outcomes.

Why does policy volatility actually matter in terms of economic outcomes? Perhaps the strongest element of the book is Nooruddin's tenacity in spelling out and testing his theoretical mechanism. He appeals to the need for policy stability in terms of private investors making long-run investment decisions, arguing that these are key to stable economic growth. In his two statistical chapters the author provides convincing evidence that not only do coalition/minority governments (and to a lesser extent other veto-player institutions like divided government, central bank independence, federalism, and an independent judiciary) reduce the volatility of economic growth but they also reduce capital flight and underpin increased domestic savings. He comes to this conclusion by looking both at national-level aggregates and at the investment decisions of surveyed businesses across the developing world. The

combination of both sets of tests makes Nooruddin's purported mechanism that much more convincing, and enables him to distinguish his argument from a host of rival explanations. Similarly, his findings add insight to influential recent work explaining the impact of democracy on capital flows, such as that by Nathan Jensen (*Nation-States and the Multinational Corporation,* 2006), showing that it is not democracy per se that matters, but political institutions in general that permit credibility in making stable policy.

Following his quantitative chapters, Nooruddin devotes the final third of the book to country case studies, first a chapter-length study of India and then four brief cases of Italy, Spain, Brazil, and Botswana. In the study of India, he makes the claim that what might appear to be political weakness since 1978—coalition and minority governments replacing the earlier predominance of the Congress Party—was actually the precondition for India's economic takeoff. He complements this national story with a statistical analysis of business investment decisions across the Indian states, showing that businesses in states controlled by a coalition or minority government were more likely to employ staff members devoted to research and design—the paradigmatic form of long-term investment. For their part, the four short cases demonstrate the powerful effects of democratization and, to a lesser degree, coalition government on the volatility of economic growth in the developed and developing world.

The case of India and the four short cases do share the same weakness: Nooruddin is able to draw clear correlations between constrained government and stable economic outcomes, but is less forthcoming in providing more direct evidence of the motivations of policymakers and how politicians might have, unconstrained, demanded sharp policy changes but were unable to achieve them. Of course, demonstrating a negative—the absence of volatile policies—is demanding, and this counterfactual is tested in the quantitative data. Nonetheless, more description of the actual behavior of policymakers under different institutional constraints would have been rewarding.

There are some other omissions in the book that might catch the eye of enterprising scholars. One possibility that Nooruddin discusses but argues is empirically negligible (pp. 62–63) is that economic growth might be Schumpeterian in nature—volatility might encourage long-run development by "creatively destroying" inefficient companies. Similarly, financial investment might be more profitable in volatile markets than stable ones, particularly for short-term investors like hedge funds. He argues that such "hot capital" is damaging in comparison to long-run investment (p. 14); nonetheless, the choice for poorer developing countries may not be between short- and long-run investment but, rather, between the former and no foreign investment at all. Accordingly, economic stability might in fact hinder the attracting of capital since it implies stagnation and few high-risk/high-return investment options. More generally, the book glosses over the portfolio diversification needs of international investors.

Another extension of Nooruddin's book would be to examine the direct effects of cabinet partisanship on political and economic stability. For Nooruddin, coalition or minority governments lead to policy gradualism and, hence, stable economic outcomes. But are coalitions or minority governments systematically associated with left or right parties, and how do the economic policy preferences of these different parties affect policy stability? Indeed, left-wing party control is more common in proportional electoral systems. Thus, a counterclaim to Nooruddin could be that left-wing parties promote stable policy, as well as being more likely to form coalition or minority governments. Measuring partisanship in developing countries is, of course, challenging, but it would add political agency to a theory where institutions are somewhat of a structural straightjacket.

Overall, Nooruddin's analysis is convincing and provides a state-of–the-art account of the interplay between policy institutions and economic volatility. *Coalition Politics and Economic Development* is sure to inspire a great deal of debate in the burgeoning intersection of comparative and international political economy. Scholars of development will have to reckon with this simple but powerful argument.

**The Politics of Property Rights Institutions in Africa.**
By Ato Kwamena Onoma. New York: Cambridge University Press, 2009. 246p. $86.00.
doi:10.1017/S1537592712000266

— Christian Lund, *Roskilde University*

Ato Kwanema Onoma opens his book with this statement: "The politics of property rights are vital to understanding the wider political economies of postcolonial African countries. State- and local level political struggles are almost always played out in the land arena" (p. 6 ). The book makes a strong argument that the reverse is equally true: Understanding the political economy is vital if we are to explain the politics of property in Africa, and anywhere else for that matter. Onoma's main query concerns why some political leaders in Africa create and strengthen institutions, such as title registries and land tribunals that secure property rights to land, while others neglect these institutions or destroy those that already exist.

The author's key argument is that the political leaders' interests in land management depend on the nature of the benefits they derive from the land. In short, if benefits are derived from productive use (agriculture, forestry, mining, etc.), political leaders will have an interest in clear, transparent, practicable property rules and systems because such rules safeguard their private investments, and they will work to that end within the limits of their capacity. If,