In the environmental realm, questions of political economy emerge along three fundamental dimensions, which are closely interrelated but conceptually distinct: (1) the degrees of government activity; (2) the form of government activity; and (3) the level of government that has responsibility. The first three parts of the book deal respectively with these three fundamental dimensions of inquiry. The fourth part of the book examines the use of economic analysis in contemporary environmental policy.

‘In this stimulating compendium, Stavins has assembled many important papers dealing with both positive and normative themes in environmental regulation. The political economy overlay is more than a convenient organizational device, since environmental regulation is both an economic challenge and a target of political opportunity.’

– Kenneth Shepsle, Harvard University, US