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BERNA GRIST, Irish Planning Law, Dublin: Institute of Public Administration, 1999, 12.70.

This slim volume (93 pages) is a very lucidly written overview of the planning system in Ireland, directed at the non-specialist. It is of particular value for those who wish to understand the evolution of the planning system as we experience it today, and those who wish to know how to operate it today. It is interesting to observe how the policy system has evolved over time in response to various inadequacies. From an economics point of view, this can be interpreted as follows: the planning system allows various rent seekers to maximise their position at the expense of the public interest. This rent capture gradually becomes obvious to the public and those responsible for the design and operation of the system, and these opportunities are curtailed; the rent seekers search out new opportunities. Examples include:

- Membership of the national appeals board (An Bord Pleanála) – formerly appointed entirely at the discretion and choice of the Minister, now selected by the Minister from panels of names provided by various vocational and conservation groups.
- "Section 4" council resolutions, whereby Councillors can direct a manager to take a development decision – formerly voted through by Councillors not representing the area in which the proposed development would take place, now three-quarters of the Councillors from the area to which the section 4 is to apply must support the direction to the manager.
- Claims for compensation where development is not permitted. Formerly, even where development on lands zoned agricultural was denied permission, very substantial compensation claims were sustained by the courts; now the conditions under which it is payable are much more restrictive.
- Listing of buildings for conservation – formerly at the discretion of the local authority, now a mandatory requirement.

It is also striking how little economic considerations, broadly defined, feature in

the legislation. No mention of costs and benefits and their distribution, evaluation of alternatives, externalities, the “polluter pays” principle, cost minimisation, cost recovery, optimisation. Local authorities are obliged to produce a development plan, but are not required to cost it, never mind estimate benefits or evaluate options.

Also, economists have to a large extent ignored the planning system in both teaching and research. This book is a reminder and a reproach about how deficient both the system itself and the economics profession is in contributing to a systematic analysis of design and performance in this crucially important domain.

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KEVIN O'ROURKE and JEFFREY G. WILLIAMSON, 1999, *Globalization and History: The Evolution of a Nineteenth Century Atlantic Economy*, Cambridge, MA: MIT Press, 343pp. + xii, IR£ 42.99, 54.59.

Scholars create a lot of confusion when they invent a new term for something and then conflate the novelty of the term with newness in the thing it represents. Globalization is such a term. Scholars have been scrambling around analysing it as if it were a new social phenomenon. But is it just a new word? This highly acclaimed book has the admirable intent of placing globalization in a historical context. The authors are rightly sceptical of recent ahistorical accounts that treat it as a “new” phenomenon that has engendered “more” and “freer” international trade and capital flows than ever before. O'Rourke and Williamson contend that something akin to “globalization” happened before, in broad outline if not in its specifics. They support this contention by examining the Atlantic economy between 1830 and 1945. At the risk of oversimplifying, they try to show that trade is the dominant force that determines the relative wealth of nations and that the freer the trade, the more equal the distribution of wealth among countries.

The book examines two historical periods in some detail. The authors use primarily general equilibrium models to estimate the effects of “globalization” on convergence of national income levels and, especially, factor prices: urban unskilled wages and land rents. Globalization for these purposes is defined as the free movement of commodities, finance, and people. The econometric models and many of the data are explained in detail in earlier articles by the authors, so readers must take quite a lot on faith unless they are willing to do some digging.

The first period to be examined is the “globalization” of 1830-1914 (particularly 1870-1914), when commodity markets became relatively free mainly because of improvements in transport technologies. The discussion of the role of transport on commodity price convergence is quite interesting. The book convincingly argues that the “first” globalization differed from the current one because the rising import penetration of markets was transport- instead of policy-driven. Cheap transport enabled cheaper commodities to penetrate new markets and policy makers did not respond by increasing tariffs to offset the effect. Commodity prices converged.

People also moved. The book argues that they moved because of relative wages. Migrants left Europe for North America seeking a better life. Even when wages then rose at home, they continued moving because of demographic effects (the share of