

Security Council in the United States, the entity is intended to improve coordination between different bureaucratic actors and to concentrate power in Xi's hands. One key difference from the U.S. case is the distinctly domestic security orientation of the Chinese body, underscoring what Jo Inge Bekkevold and Robert Ross discern as an "increasingly inward-looking trend" among PRC leaders who perceive "the outside world as threatening" (p. 270).

To this end, Xi and his close-knit circle of trusted advisers and subordinates appear to be playing proactive "defense" at home and vigorous "offense" abroad. Domestically, they are "cleaning house"—to include targeting official corruption and, in the process, breaking up rival factions. Around China's immediate periphery, they are actively engaged in strengthening China's territorial claims, especially in the maritime realm, and particularly in the South China Sea. This includes efforts, noted by Linda Jakobson, to improve bureaucratic coordination by consolidating maritime law enforcement agencies. Further afield, PRC leaders are launching new initiatives or doubling down on existing efforts: one of the most high profile is the Belt and Road initiative, which is mentioned only in passing in this volume. Although it is officially a new program, it is best viewed as a rebranding of ongoing efforts to expand existing overseas infrastructure projects and construct new ones.

Whether Xi is the most powerful leader since Mao Zedong or Deng Xiaoping, it seems beyond dispute that he is China's most ambitious paramount leader in two decades. This edited volume serves as an excellent introduction to the first five years of Xi's leadership tenure and a useful primer for the next five years.

ANDREW SCOBELL
RAND Corporation

Taiwan's China Dilemma: Contested Identities and Multiple Interests in Taiwan's Cross-Strait Economic Policy by Syaru Shirley Lin. Stanford, CA, Stanford University Press, 2016. 304 pp. Paper, \$29.95.

Seventy percent of Taiwan's total investment now goes to China, which more than a million Taiwanese also call home. And more than 20 percent of Taiwan's trade is with China. At the same time, the island nation continues to experience China as the consummate existential threat. This book addresses this central paradox in East Asia. Much of the literature, influenced by Albert O. Hirschman's *National Power and the Structure of Foreign Trade* (1945), looks at cross-Strait economic relations as a case of China's geoeconomics. Instead, Syaru Shirley Lin creatively frames the issue as Taiwan's

China dilemma, investigating how Taiwan struggles to manage globalization without Sinification.

She views national identity “as the foundation of all the material and nonmaterial concerns that lead to formulation of policy” (p. 20). It is no easy task to pin down how contestation between Taiwanese and Chinese identity produces Taiwan’s cross-Strait economic policy. But Lin’s analytical eclecticism complements constructivism with rationalist theories as well as attention to domestic and international politics. She applies her analytical framework to four policy episodes spanning the past three decades, beginning with Lee Teng-hui’s restrictive “no haste” policy in 1996 and ending with Ma Ying-jeou’s push for the Economic Cooperation Framework Agreement (ECFA) in 2010.

In each episode, Lin shows how contestation between Taiwanese and Chinese identity prioritized different economic interests in growth, equity, and stability. More importantly, Lin offers a detailed account of the prevailing policy choice and debate among the four options ranging from extensive restriction to extensive liberalization. Her case studies on Taiwan’s petrochemical and semiconductor industry investment in China bring to light what is at stake in the policy debates.

Lin finds, compared with the intensely contested identity politics in the 1990s, that the Taiwanese have now settled on either Taiwanese identity or dual Chinese and Taiwanese identity. Chinese identity is disappearing among the younger generations. A study in 2013 showed that 90 percent of Taiwanese under age 34 identified themselves as Taiwanese (p. 164). And identity is no longer defined along the ethnic divide between mainlanders and indigenous Taiwanese. Rather, Taiwanese identity is based on democratic values and institutions and a shared “way of life.” On the question of Taiwan’s future national status, few now opt for reunification, and a strong majority support the status quo, whereby Taiwan maintains its *de facto* independence.

What emerges from the book is a nuanced picture of the impact of identity on economic policy. Policy preferences are not neatly aligned with the political party or one’s stand on reunification. In certain cases, independence advocates may support economic liberalization. The pro-independence Democratic Progressive Party Resident, Chen Sui-bian, started with a liberalization policy and then moved to a more restrictive investment policy toward China. As Taiwanese identity takes hold, the salience of identity in policy debate diminishes. According to Lin, identity was not a major factor in the three-week-long Sunflower movement against the ECFA and the service trade agreement in March and April 2014. For her, “the largest student-led protest in Taiwan’s history” (p. 199) was against the deleterious impact of globalization and the Kuomintang government’s lack of transparency in negotiating the agreements.

This highly original book disentangles much of the puzzle regarding Taiwan's cross-Strait economic policy. China's use of geoeconomic instruments for national reunification seems to have failed. Those worried about Taiwan's fate under China's economic embrace should be heartened by Taiwan's success in preserving and consolidating its identity. But if identity is a social construct open for evolution (p. 23), then Taiwanese identity now may be stable but is hardly settled.

YONG DENG
U.S. Naval Academy

Taxing the Rich: A History of Fiscal Fairness in the United States and Europe by Kenneth Scheve and David Stasavage. Princeton, NJ, Princeton University Press, 2016. 288 pp. \$29.95.

The rise of income inequality has increased scholarly focus on the politics of redistribution. This literature regularly examines how the distribution of government services and benefits assuages (or does not assuage) the growing income gap in Western societies. However, there has been much less focus on the taxation side of the redistribution equation, to the detriment of our understanding of the politics of income inequality. This sin of omission is especially important given that rising inequality is driven primarily by gains at the very top of the income distribution.

Kenneth Scheve and David Stasavage provide a compelling and timely analysis of the politics of who pays what, when, and how. This theoretically driven and empirically rich book is important for scholars of political economy, comparative politics, tax policy, income inequality, and public policy.

In the new Gilded Age, can we look to that past in order to understand the political forces that resulted in the rich paying "their fair share"? The authors use a diverse set of methodological tools to examine the tax policies of more than 20 countries for two centuries. Scheve and Stasavage examine various explanations for when and why governments have taxed the rich, with a focus on three conceptions of fairness.

The authors assess and dismiss major arguments for progressive taxation such as increased suffrage (mixed evidence) and rising income pretax inequality (no evidence). The authors find the most support for the compensatory theory: higher progressive taxes are justified to compensate for other government advantages enjoyed by the rich.

The largest increases in taxation coincided with the mass war mobilization efforts leading up to World War I and World War II. Scheve and Stasavage conclude from textual analysis of legislative bodies that governments acknowledged the trade-off of young, mainly poor men sacrificing for their country in