its influence attempts when these are well tailored to the external context. Although this is intuitively appealing, it is not very helpful analytically or in terms of policy applications. With hindsight, it is easy to say what does and does not fit the external context, but it is extremely difficult to anticipate other actors' reactions to EU proposals, especially when they do not reveal their preferences. I also take issue with one of the policy recommendations, although I find the others excellent: Schunz suggests that the EU should consider employing more coercive policy instruments, such as threats to impose border tax adjustments on countries which do not take any significant mitigation measures. Coercive tactics are high risk and literature on negotiations notes that they can make other actors more intransigent. One needs to be in a considerable position of power to employ such tactics credibly, and besides ethical issues, the EU's power in the climate regime has waned, as acknowledged by Schunz. Despite such minor criticism, this book is highly recommended, both to those interested in EU foreign policy and to those interested in environmental politics. Academics and practitioners alike will find this book valuable.

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Globalizing oil: firms and oil market governance in France, Japan, and the United States. By Llewelyn Hughes. Cambridge: Cambridge University Press. 2014. 272pp. £54.00. ISBN 978 1 10704 199 8. Available as e-book.

Llewelyn Hughes has earned a place for *Globalizing oil* on the eye-level shelves of any library of political economy or the oil industry. The book aims to explain the shift in the 'compacts' between the oil industry in the United States, Japan and France and their governments, where 'compact' refers to a stable balance of expectations and responsibilities, rather than to formal arrangements. Although the book goes back, in some detail, to the period before the Second World War, the focus is on the changes which have taken place since the late 1970s, after the governments of oil-exporting countries took control of production in their territories from western-based international oil companies which had previously enjoyed concessions there. As a result, a large part of global oil trade no longer took place between the exporting and importing branches of the integrated international companies, but between exporting companies owned by the national governments and the mainly privately owned refining and marketing companies in importing countries; this created the open and competitive commodity oil market which persists today. *Globalizing oil* describes how the governance of oil in the US, France and Japan adapted to these changes. Major findings of the analysis are that, although provoked by changes external to the group of industrialized countries, the 'compacts' in these countries have been heavily influenced by the legacy of the previous period and by the interests of the enterprises in these countries in adapting to the new situation.

By framing the analysis in this way, Hughes aims to test the concept of institutional change in terms of political economy and to remedy the scarcity of studies which place the evolution of oil governance in the context of broader trends. Though free market ideology was not the major driving force, the changes which took place in the governance of international trade in oil were compatible with it. The OECD countries were moving away from government control and management of enterprises in general—including oil enterprises in some countries—towards liberalized markets, free movement of investment and the general subordination of sectoral interest to broader economic growth targets.

There are three areas chosen to demonstrate different characteristics which, Hughes shows, can be attributed largely to the legacy of previous practices and to industry responses to new environments. In the US, with domestic oil resources, the industry had developed a dual structure of large companies with important international investments, and domestic producers mainly concerned with their position within the American market. US governance of the oil sector reflected shifting balances between these interests and those of consumers, and national security. Despite some consolidation, this has persisted and domestic production has been stimulated by recent developments. In many European countries, including France, there was a legacy of state-sponsored—and partly state-owned—oil companies. These enterprises were keen to develop their international activities as a source of growth and profit more attractive than the protected French market—and short-lived Algerian concessions. EU governments concentrated on securing oil supplies by EU and International Energy Agency cooperation in stockpiling—and in the UK by promoting North Sea development—rather than by promoting overseas investment. European domestic oil markets were de facto liberalized, while the European Commission concentrated on Europeanizing the gas and electricity markets. In Japan, by contrast, a legacy of government support for a number of competing local refining and distribution companies was replicated after the change. These companies have not been vertically integrated like those in France, and government attempts to promote overseas upstream investments by Japanese companies, without any upstream management or assets, were largely unsuccessful.

Globalizing oil is a diligently researched book which describes, in terms of political economy, the evolution of oil governance in three important countries against a background of changing global oil markets. The author makes good use of the analytic tool of a 'compact' and describes in detail the circumstances which lead to the compact being changed and the factors which shape the new compacts in these countries. But one needs to look elsewhere for a discussion—in terms of 'compacts'—between oil-exporting countries and foreign international oil companies on the one hand, and governments of oil-importing countries on the other. In many cases, before 1970, these compacts rested on a colonial or quasi-colonial relationship between particular pairs or groups of countries. The withdrawal of European influence, especially from the Middle East and Indonesia, was a backdrop to the nationalization of foreign oil assets, the breakup of vertically integrated companies and new relations between foreign investors and 'host' oil-exporting countries. There may be an effective new compact—the commodity markets—for international trade in oil, but this is not the case for the governance of foreign investment, as is shown by the failure of the Energy Charter Treaty to establish new compacts between the international companies and most of the oil exporters, particularly Russia.

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International partnership in Russia. By James Henderson and Alastair Ferguson. London: Palgrave Macmillan. 2014. 336pp. £68.55. ISBN 978 1 13735 226 2. Available as e-book.

Putin's energy agenda. By Stefan Hedlund. Boulder, CO: Lynne Rienner. 2014. 265pp. £48.95. ISBN 978 1 62637 069 2.

The Ukraine crisis has put economic ties between Russia and the West under unprecedented scrutiny and strain. The crucial energy dimension is no exception. These two books offer a timely opportunity to consider the experience of western companies and their role in Russian energy development.

James Henderson and Alastair Ferguson's study of international oil companies (IOCs) offers an ideal blend of academic rigour, empirical research and deep practical experience. It should be read by anyone wishing to understand not only Russian energy, but Russia.

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