

collectibles—whether paintings by French Impressionists or classic wines by Lafite Rothschild.

The film reminds us that a Chinese proverb says, “Remember to dig the well before you are thirsty.” So, in addition to being important and growing Bordeaux consumers, Chinese entrepreneurs are now trying to become meaningful competitors, as they seriously invest in their own wine-making efforts, with wineries that may not produce the best wines but are built to resemble the great châteaux of Bordeaux.

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JAMES THORNTON: *American Wine Economics: An Exploration of the U.S. Wine Industry*. University of California Press, Berkeley, California, 2013, 368 pp., ISBN 978-0520276499, \$39.95 (cloth).

I read a good chunk of *American Wine Economics* while sipping a decidedly un-American *Spätburgunder* produced in the Ahr Valley of Germany. And, despite the title, much of the content is as applicable to wines produced there as it is to wines produced in Walla Walla, Washington, or Vineland, New Jersey.

The stated purpose of *American Wine Economics* is “to provide a unified and systematic treatment of the wine industry from an economic perspective” with the objectives of “giv[ing] a detailed description of the economic organization of the U.S. wine industry,” to “use economic principles to shed light on the behavior of wine producers and consumers,” and to “summarize findings and present insights from the growing body of studies related to the economics of the wine industry” (p. xiii).

To achieve a “unified and systematic treatment,” the first chapter of *American Wine Economics* provides a brief introductory microeconomics course with wine production and consumption used as illustrations. The standard theories of the firm and consumer are reviewed, but there is nothing here that is truly specific to wine, and anyone who has taken and passed an intro economics class can skip this chapter.

The subsequent chapters of the book discuss wine as a product and its characteristics and then take us from vine to consumption. While much of the material will be familiar to readers of this *Journal* and fellow travelers, it is largely concerned with the technology and business of producing wine, not necessarily with wine economics. Although much of the discussion is not specific to American wine, there is quite a bit of useful material here for the wine *naïf*.

There is more discussion that is specific to the U.S. wine market in Chapter 8 on wine distribution and regulation. While much of the chapter discusses, in general, why governments might want to regulate the market for alcoholic beverages, it also presents the specifics of the three-tier system of distribution in the United States and sketches some of the differences between states in how wine distribution is regulated. I felt, however, that the chapter could have covered the U.S. regulatory environment more completely. For example, as a reference for researchers, a table listing each state's regime on wine selling and wine "importing" (from other states) would have been very welcome in this chapter.

It is not until chapters 11 ("The Wine Consumer and Demand") and 12 ("The Wine Consumer, Quality, and Price") that the book turns to what I would think of as "wine economics." Here the book seems more focused and grounded in the literature, and it is perhaps no surprise that there is more tabular material here as well. Chapter 11 discusses the various determinants of wine demand (price, income, substitutes), presenting results from the literature. Chapter 12 presents results on the hedonic determinants of prices as well as environmental determinants (location, weather) of prices, again including discussion some of the main papers in the literature. These chapters are a good introduction to research on the determinants of wine prices, and the author, James Thornton, pays thorough attention to the work of his fellow members of the AAWE.

Chapters 12 and 13 discuss the globalization of the wine market and recap the basic economic approach and results.

It is sometimes hard to discern the intended audience for *American Wine Economics*. There is little technical material in the book, and the discussions of economic principles are clearly aimed at a general, but educated, audience. On the other hand, the little bit of technical material (e.g., two discussions of the meaning of *p*-values and several discussions of the meaning of elasticity) is likely to leave most popular audiences a little baffled. The dry "professorial" style of the writing might lead some readers to put the book down and reach for another glass of California Chardonnay and the latest issue of *Wine Spectator*. For the readers of this *Journal*, the lack, or very limited, discussion of topics like the effect of global warming or wine as investment will surely be seen as lacunae.

For a book that focuses on the "American Wine Industry," there is also a surprising lack of specifics. For example, why does figure 5 (p. 78) not show actual grape production? Or why does the chapter on grape growing not show the distribution of varieties produced in the United States? Why are the figures on annual U.S. wine sales (p. 211) not shown in a graph rather than a table? There are a host of similar questions that either the author or an attentive editor should have addressed to make the book more specific to the United States.

Overall, there are parts of *American Wine Economics* that will appeal to an educated wine drinker and parts that will appeal to readers of the *Journal of*

*Wine Economics*. Neither will find the emphasis to be especially American, however, and the book as a whole will leave both groups wanting more.

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HUGH JOHNSON and JANCIS ROBINSON: *The World Atlas of Wine*, 7th edition. Mitchell Beazley, London, 2013, 400 pp., ISBN 978-1-845-33689-9, \$55 (cloth).

This classic reference book has sold more than four million copies since Hugh Johnson first put it out in 1971, and it is now published in 13 languages. It tells us *where* winegrapes are grown and is a natural companion to the seminal Robinson/Harding/Vouillamoz 2012 book on *which* winegrape varieties are grown around the world (*Wine Grapes*, reviewed in the previous issue of *JWE*, Vol. 8(2), 2013), as well as to Robinson's *Oxford Companion to Wine* (the fourth edition of which will appear in 2014).

The *Atlas* has been revised every six or so years since it first appeared, with Jancis Robinson joining the project beginning in 2001. If you already have an earlier edition, should you indulge in this new one? For anyone who refers at least occasionally to it, the answer is almost certainly "yes." It is worth its modest price for the new set of spectacular photos alone, but, of course, its unique maps are the book's greatest strength.

So much has changed in the industry even since the sixth edition appeared in 2007. Key trends include the expansion of vineyards in new or reforming regions, the striving to raise the quality of wines by paying more attention in the vineyard and intervening less in the winery, and the beginning of a diversification away from well-known international winegrape varieties to less-familiar local ones.

Among the regions getting expanded treatment or new maps are Tasmania in Australia, the Okanagan Valley in Canada, Ningxia province in China, coastal Croatia, Ahr in Germany, Khaketi in Georgia, Peloponnese in Greece, Canterbury in New Zealand, Etna and northwest Spain, Swartland in South Africa and northern Virginia in the United States. To keep the volume to 400 pages, some other regions were dropped, including North Africa, where the wine industry has been in the doldrums for decades (in contrast to the first half of the twentieth century (see Meloni and Swinnen, 2014)).

These changes in coverage invite speculation as to which regions might change before the next edition of the *Atlas* appears. Might the Arab Spring lead to a resurgence in winegrape production in countries bordering the southern and