

changing of government may also encourage protests at home. The book thus hypothesizes that authoritarian media will emphasize foreign governance failures and social decay but report less about elections and protests. Choosing what foreign news to cover is indeed a challenging question, and there is support for the authors' hypothesis in the cross-national data. To be sure, widespread protest and unrest are perhaps the best proof of foreign failures, so the tradeoff is delicate. There may be opportunities for further theorizing and analysis of this understudied topic.

Several later chapters of the book deal with the calendar or cycles of propaganda, another under-explored topic in the existing literature. The questions examined include when regimes are more likely to issue threats of repression via propaganda, spikes in propaganda during election seasons, and the use of propaganda vs. censorship around politically sensitive dates. Among the various interesting findings and observations, perhaps the most striking argument is that China uses propaganda about maintaining "social stability" in Xinjiang around the anniversaries of the Tiananmen Movement to deter future pro-democracy protest in Han-majority regions. While maintaining social stability is indeed a code word for social control—and even repression in many contexts—and the abovementioned argument is not implausible, more evidence might be needed to support this conclusion. This is partly because, as the authors point out, most (Han) Chinese citizens are unsympathetic to separatist movements in Xinjiang, so for them maintaining social stability in the region is something to be welcomed rather than feared. Empirically, only in half of the years since the 2009 Xinjiang ethnic conflicts was the rate of Xinjiang coverage in the *People's Daily* during the Tiananmen anniversary higher than on non-sensitive days (Figure 9.10). And in 2009, as the authors acknowledge, there was a spike in Xinjiang coverage during the Tiananmen anniversary, one month before the occurrence of the ethnic conflict that prompted the Chinese government's subsequent harsh anti-separatist policies. It appears that using narratives about Xinjiang to deter the majority Han Chinese population is not a consistent strategy, and there might be something else going on that contributes to some of the spikes.

The final substantive chapter of the book is on propaganda's effects on protest. Whereas previous studies on the topic are primarily survey experiments examining people's protest intentions, this chapter analyses cross-national observational data and shows that pro-regime propaganda is indeed negatively associated with the occurrences of protests at a nontrivial level. Testing propaganda's effects on real-world protests is a significant advance in the literature, even if the swiftness of the effect (the next day) might be a little surprising. Intriguingly, this chapter also argues that *Workers' Daily's* propaganda narratives on the anniversaries of ethnic separatist movements

in western China's Tibet and Xinjiang regions would reduce protests in China's eastern provinces. The identification strategy here is refreshing: Outside Tibet and Xinjiang, most Chinese citizens are not particularly aware of the ethnic conflict anniversaries; therefore, national media narratives targeting western minority regions can be plausibly regarded as an exogenous treatment in the eastern regions. The results, however, raise a question because the *Worker's Daily* is a legacy Maoist-era newspaper and not widely read in China nowadays, even though some industrial enterprises and government offices are required to subscribe to it. As a piece of telling evidence, the newspaper's Weibo microblogging account usually receives very few and often zero comments and reposts. In contrast, the *People's Daily's* Weibo posts routinely receive hundreds or thousands of comments and reposts. How can a low-impact newspaper's coverage achieve a significant effect on real-world protest behavior? Further research on this question might generate useful insights.

Overall, this is a rich book with impressive data and many astute observations. It contributes to the literature on propaganda both by validating previous findings about hard and soft propaganda using a global dataset, and by offering and testing a series of interesting hypotheses about several under-explored topics. While not every finding is conclusive, the book does raise important and intriguing questions that future research can follow up on. Scholars interested in how propaganda works as a hallmark of authoritarian rule will want to keep this book close at hand.

Brexit Britain: The Consequences of the Vote to Leave the European Union. By Paul Whiteley, Harold D. Clarke, Matthew Goodwin, and Marianne C. Stewart. Cambridge: Cambridge University Press, 2023. 280p. £14.99 cloth.
doi:10.1017/S1537592724001191

— Gylfi Zoega, *University of Iceland*
gz@hi.is

This interesting book documents the political turmoil that followed the referendum on EU membership in 2016, applies statistical techniques to decipher the changing voting pattern in the United Kingdom, and finally assesses the long-term economic and political effects of the referendum results.

A striking feature of the book is the contrast between the political turmoil described in the first part of the book and the finding that EU membership had no discernible effect on productivity or productivity growth over the 43 years of membership. Taking these and other results in the book at face value, the reader may conclude that the political class and society was struck by collective madness in the period of 2016–2020. Much ado about nothing.

While the description of the political bedlam that followed the referendum under the short-lived

governments of Theresa May and Boris Johnson is disconcerting, the book manages to delve beneath the mayhem into slow-moving underlying trends of great interest. There is the diminishing effect of social class, the Conservative party's loss of party loyalty after the 1997 elections, and the emergence of age as the great divide between remainers and leavers and voters of the two main parties. These trends may resemble those in other European countries and the United States although the authors do not make such a comparison. The young care more about education, housing, and the economy, and the old care about immigration, the National Health Service (NHS), and Brexit. Moreover, the authors find that voters choose a political party that they believe can achieve widely accepted goals, such as improved healthcare and a prospering economy.

In the empirical work on the determinants of election outcomes in the post-referendum period, the authors face the problem that many of the causal factors are interrelated—what econometricians call “multicollinear.” One example is the models used to study the 2019 General Election outcome. The authors find that *valence politics*—captured by views on which party does best in terms of the performance of the economy and the NHS, feelings about party leaders, and patrician attachment—has the highest explanatory power, followed by populism—captured by the Brexit vote, views on immigration, and anti-establishment attitudes as well as the feeling of being left behind. However, a voter who cares about the economy and the NHS may also find that limiting immigration and “taking back control” is a way to accomplish those goals, and he may trust the politician Boris Johnson best to accomplish what he deems to be a necessary break from the European Union. In a nutshell, it is difficult to disentangle these effects using statistical methods.

The authors distinguish age, time, and cohort effects and find interesting results. While older voters are more likely to favor Brexit and vote for the Conservatives, there are also interesting cohort patterns in election participation and voting patterns. Participation is highest for the cohorts that came of age during the Great Depression, WWII, and in the aftermath of the war and much lower for the Blair and austerity cohorts. The cohort effects on voting patterns are more notable for the Conservatives, which peter out with the Blair cohort after 1997, while only the WWII cohort is significantly more likely to vote Labour. Not being able to rely on cohorts to the same extent as before, the Conservatives, as well as Labour, have to convince voters at each election that they can attain widely agreed goals such as improving the economy and healthcare. For the Conservatives, the votes of the older generation contribute to them having an edge in elections. Otherwise, elections are becoming more difficult to predict over time and depend on economic factors such as the unemployment rate that signal the competence of the ruling political party.

Across regions, the authors find that the vote share of the two large parties depends less on social class than in the 1960s and much more on the share of the young (increasing the vote share of Labour) and the share of the old (increasing the vote share of the Conservatives), the percentage of people who are homeowners (raising the share of the Conservatives), and regional unemployment (increasing the share of Labour). Despite social class being less important, the data do show that the Conservative share is positively related to the Human Development Index, and Labour's share is negatively related.

The empirical study of the effect of Brexit yields the surprising result that the entry into what was then the European Community in 1973 had no effect on productivity growth, which is the only macroeconomic measure of economic performance used in the book. It is as if the economy is impervious to barriers to trade. This analysis leaves much to be desired. First, it is unclear if total factor productivity is defined in levels or growth rates. This makes a big difference in the statistical analysis since the level of productivity is a non-stationary variable and also cannot be explained by the regressors used in the estimated equations. Moreover, productivity growth is used as a measure of innovation, the premise being that productivity growth in the long run depends only on the rate of innovation. This interesting book's second edition would benefit from clarifying these concepts.

First, productivity growth does not require innovations taking place within the country. Productivity growth in most countries is caused by domestic firms adopting foreign technologies, for example, through direct foreign investment or by learning from foreign firms, the latter being instrumental to the post-war golden age of growth in Western Europe and Japan and China in the past three decades. This leads to the second point, which is that the regression analysis misses out an important explanatory variable, which is the productivity gap between these countries, on the one hand, and the United States, on the other hand. The larger the gap, the more the countries have to learn from the United States, and the more rapid is productivity growth. Productivity can also grow through increased trade and specialization, for example, in finance as happened in London in the 1980s. In contrast, it is unclear how many of the regressors could have affected productivity growth, such as the IMF Loan Crisis of 1976 and the Poll Tax Revolt in 1988.

The departure of the United Kingdom from the European Union has created trade barriers and those take time to affect productivity. This effect may work through reduced trade, increased costs of red tape in any case—which affects small export and importing firms the most—possibly lower foreign direct investment, and increased costs of maintaining production chains across borders. At the personal level, travel to Europe by British citizens

becomes more complex and also having second homes on the Continent. Education also suffers, with British universities losing around half of the pre-Brexit number of students from the Continent.

Being outside the European Union makes it more difficult for the United Kingdom to tackle external problems in collaboration with other European countries, such as stemming the flow of migrants from North Africa and the Middle East, facing the security threat in Eastern Europe, or agreeing on measures to slow the pace of global warming. The most significant loss is losing access to the European single market, a construction the United Kingdom contributed so much to.

The main contribution of *Brexit Britain* is to document the political fallout from the 2016 referendum vote and decipher the changing trends behind the voting results. The consequences of the departure will become more apparent with the passage of time.

Taming the Cycles of Finance? Central Banks and the Macro-Prudential Shift in Financial Regulation.

By Matthias Thiemann. Cambridge: Cambridge University Press, 2024. 300p. £95.00 cloth.
doi:10.1017/S1537592724001245

— Leah Rose Downey , St. John's College, Cambridge University
lrd40@cam.ac.uk

Matthias Thiemann's *Taming the Cycles of Finance? Central Banks and the Macro-Prudential Shift in Financial Regulation* is a book about central banks that isn't about central bank independence. Instead, Thiemann offers a detailed account of the macroprudential turn in financial regulation that emerged in the wake of the Great Financial Crisis (GFC). The core question that the book asks and answers is: Why have central banks adopted some macroprudential policy approaches and not others? Thiemann considers potential explanatory variation across policy type, time, and place. He distinguishes between policies that seek to bolster the resilience of the financial system and those which aim to "tame" financial cycles. He examines the regulatory reaction to the GFC as well as more recent shifts related to the pandemic. Finally, he does all this in the United States, the United Kingdom, and the Eurozone. To guide his inquiry Thiemann adopts Peter Hall's classic conceptual architecture for understanding policy change, which suggests new policies must be politically, administratively, and economically viable.

The result Thiemann (p. 249) arrives at is "best described as tragic." Central banks underwent significant changes in the wake of the GFC to better understand the fragilities of the financial system. However, these seismic epistemic developments were, by and large, not translated into policy action. The consequence is that contemporary central banks are able to backstop the financial system in

moments of crisis but are unable to act preemptively to regulate the system to prevent future crises. In short, central banks cannot "tame the cycles of finance," but only put a floor under them. As Thiemann (p. 21) puts it, "unable to change the structure, central banks nevertheless found it necessary to stabilize it."

The book is a treasure trove of information about a major shift in regulatory policy that is often mentioned in the scholarly literature on central banking but rarely examined in any depth. Thiemann's book is packed with detail, so much so that I have to admit that I found myself wondering at times if all of it was necessary. Of course, what might seem unnecessary to me, including much of the textual analysis and unintegrated graphical data, may feel crucial to others. The densely packed nature of the text means that there is much to find in the book, even beyond what the author emphasizes. For instance, one constantly present and yet untheorized theme in the text is the role of international financial policy-making bodies. Thiemann speaks of global policy and its binding nature on domestic institutions as if that is an obvious or well understood phenomenon, which it isn't, but presumably should be.

Detailing the processes through which the development of "macropru" took place is what makes the book such a contribution to the literature. The detail is also, I suspect, what might be alienating for those who aren't used to a scholarly terrain that uses acronyms like G-SIFI (Global Systemically Important Financial Institutions) and refers causally to things like over the counter derivatives, anti-cyclical haircuts, and re-hypothecation. Thiemann's book is not the place to go if you're looking to understand what macroprudential policy is. It's not until page 69 that he mentions the driving idea behind the establishment of macroprudential policy: seeking to detect and neutralize "deleterious macro-consequences derived from rational micro-action." Put simply: after the GFC policymakers realized that even if everyone within the financial system were acting rationally and according to the rules, the system itself might still be in jeopardy of collapse. Macroprudential policy was born to address that specific issue.

Most of the conceptual architecture of the book emerges from the text, rather than being explicitly articulated. This is perhaps most notable in the case of the distinction between macroprudential policies aimed at building up the resilience of the financial system and those dedicated to "taming the cycle." This distinction is never explicitly articulated or explained but is, nevertheless, the backbone of the argument. In short, there are two ways in which macroprudential policy can seek its aim of preventing the collapse of the financial system due to systemic risk. It could bolster the resilience of financial agents to weather ups and downs (build resilience), or it could attempt to dampen the volatility of the system overall (tame the cycle). The book seeks to find out why central banks more