Standards and Global Trade: A Voice for Africa
edited by John S. Wilson and Victor O. Abiola
By Gabriela Kütting

Trade and the Environment: Theory and Evidence
by Brian Copeland and Scott Taylor
By Josh Ederington

Domestic Regulation and Service Trade Liberalization
edited by Aaditya Mattoo and Pierre Sauvé
By Markus Krajewski

Safeguard Measures in World Trade: The Legal Analysis
by Yong-Shik Lee
By Joanna Gomula

by Andrew G. Brown
By Robert Pahre

DOI: 10.1017/S1474745604211909

Standards and Global Trade: A Voice for Africa

This is a collection of data on the relationship between trading standards, export regulations and export success in the case of five Sub-Saharan countries – Kenya, Mozambique, Nigeria, South Africa and Uganda. It is a technical book and is not primarily concerned with academic arguments on trade and Africa but rather with statistics and pertinent data which are then analysed.

The book is composed of an introductory chapter summarising the findings of the five case studies and the five chapters dealing with the individual country studies. It provides an admirable collection of data that are well presented and not found so conveniently collated and presented elsewhere. For any researcher or policy maker interested in the impact of global trade standards on local African economies, this is an invaluable mine of information and a must-read.

All the chapters bear the imprint of their authors and do not follow a set format. Therefore the chapters are not all that suitable for comparative purposes, but each case study stands as an individual case. The chapter on Kenya was the best structured and presented, discussing the various (mostly agricultural) export sectors, the international regulations affecting these industries and addressing existing policy issues but also remedial action, signposting the most pertinent issues. It provided clear guidelines on what sectors are most affected, what type of investment is needed to ensure that Kenya does not lose out because of its lack of knowledge or lack of preparation in relation to international trade standards and how more compatibility between Kenyan production standards and international standards can be achieved. Although the other case studies are focused on the same issues, the Kenyan case was presented most clearly. Despite all case studies being located in Sub-Saharan Africa, the challenges faced by the five states are not the same. South Africa’s economy is qualitatively different from the other four states. Kenya is the most ‘established’ agricultural
exporter. Mozambique is affected by its recent political problems and natural catastrophies. Nigeria should be much more established as an exporter but is not and Uganda has seen big improvements.

There are a huge variety of standards to deal with from phyto-sanitary standards to certification issues to do with organic produce. Some of these are standards set by international institutions, others by non-governmental certification bodies. A major part of the problem is to ensure access to knowledge about these standards to farmers and producers as well as the financial burden of ensuring compliance. This is a particular problem for small and medium-sized enterprises and farmers, both of which form the backbone of the African economies. As these problems can only be discussed in the most general terms but manifest themselves in very particular ways for the various products and situations to be found in the case studies, the detailed information that can be found in this book’s case studies is particularly invaluable.

Another part of the trade standard problem is quality assurance – a major problem for Sub-Saharan countries is the occurrence of pests in produce but also standard-related product bans such as seen with fish. In summary, there are four important areas for capacity building that the authors of the five studies suggest. These are the issue of institutional constraints and the need for capacity building in this field. This is particularly pertinent at a time when neoliberal policies have led to the dispensation of the traditional commodity marketing boards. Second, the capacity to undertake pest risk analysis needs to be strengthened, given the overarching importance of commodity exports and the increase in product standards in this field. The third challenge is that of transport and logistics and the absence of an infrastructure on the scale needed for participating in a globalising economy in the early twenty-first century. Last, there is a need for technical assistance and public–private partnerships.

The specificity of particular standards for particular industries and the variety of detail involved in the various regions and various commodities, which form the subject of this book, make it difficult to have a short discussion of its content. This is both the strength but also the weakness of this volume. Its emphasis on detail is an invaluable resource for any researcher interested in the issue of trade and development. However, the book cannot provide any general discussion on global trade and Africa because of this attention to detail. So, this book is concerned with specific policy situations rather than a general discussion of the problems facing African states in a world moving towards institutionalised global trade. It is a volume most suited for policy makers, policy studies researchers but would be a good secondary source for globalisation or international relations scholars interested in the impact of global trade standards on developing countries.

Gabriela Kütting, Department of Political Science and Center for Global Change and Governance, Rutgers University

DOI: 10.1017/S1474745604221905

Trade and the Environment: Theory and Evidence
by Brian Copeland and Scott Taylor
Princeton University Press, 2003

As someone who was in Seattle right after the disastrous 1999 WTO meetings, I can attest to the destruction that results when the question, ‘Is free trade good for the
environment? ’ is answered in the negative. Thus, I am pleased to report that this book will not cause anyone to throw a bus bench through the window of your local Starbucks. Researchers in the field had eagerly anticipated this monograph, since Professors Copeland and Taylor are the preeminent economists working in the nexus between trade and the environment, and it does not disappoint in this respect, either. In this well-written book, Copeland and Taylor establish a general theoretical framework to investigate the impact of international trade on environmental outcomes. They then use this framework to provide a preliminary answer to the question of whether trade is beneficial for the environment (not to spoil the ending, but the short answer is ‘yes’).

The body of the book starts in the second chapter where Copeland and Taylor set up a simple two-sector general equilibrium model of trade and pollution. To those not familiar with the literature, what might be surprising about their approach is their modeling of pollution as an input into the production of goods. This approach has the advantage of allowing the model to be easily analyzed using standard tools, and (as they take great care to show in the first section) is equivalent to simply treating pollution as a by-product of production. This model is then extended throughout the remaining chapters to illustrate the interaction between trade and the environment.

One of the overriding goals of the book is to establish a general theoretical framework unifying much of the disparate literature on trade and environmental issues, and Chapter 3 is a good illustration of the benefits of their approach. In this chapter, they take a specific literature (that of the Kuznets Curve – that pollution emissions are first increasing and then decreasing in income) that is fairly fragmented. They then use their model of Chapter 2 to illustrate the (numerous) alternative explanations that have been offered for this proposition. In the process, they provide the clearest and most unified treatment of the Kuznets curve literature that I have seen.

Chapters 4–6 continue this approach by using the theoretical framework of Chapter 2 to investigate other issues in the trade and environment literature. In Chapter 4 they investigate how an exogenous increase in trade integration can affect environmental quality in a small open economy. In Chapters 5 and 6, they investigate the pollution haven hypothesis (i.e., the idea that the production of ‘dirty’ goods will concentrate in jurisdictions with the most lax environmental regulations, potentially shifting environmental damage overseas and increasing the total amount of pollution). Throughout these chapters, the benefit of using a clear theoretical framework is apparent. For example, in Chapter 6 they show how the introduction of differences in factor endowments across countries can reverse the pollution haven hypothesis in that trade liberalization could result in dirty-good production shifting to jurisdictions with more stringent environmental regulations. While this possibility becomes obvious upon reading the chapter (intuitively, since dirty goods are typically capital-intensive, trade could result in production shifting to capital-abundant countries, even if they have more stringent regulations), it is rarely addressed in the pollution-haven literature, precisely because that literature typically lacks a clear theoretical background.

Finally, in Chapter 7, Copeland and Taylor empirically implement their model to estimate the effects of trade on environmental outcomes (an exercise similar to that of their seminal 2001 American Economic Review paper co-written with Werner Antweiler). This chapter shows not only how the environmental impacts of increased
trade can be measured, but also how this impact can be decomposed into scale effects (trade may affect the amount of economic activity and hence pollution levels), composition effects (trade may affect the distribution of economic activity across jurisdictions and hence pollution levels) and technique effects (trade may affect the pollution intensity of production processes). A secondary goal of this book is to stir research interest in the topic of the environmental impacts of trade. In this regard, given the importance of the topic, the clarity of the exposition and the self-evident correctness of their approach, Chapter 7 will probably emerge as the most popular chapter in the book. Indeed, I would not be surprised to see the emergence of many empirical papers in the ‘Copeland–Taylor style’ in the next several years.

Although the book contains some new contributions, researchers already familiar with the work of Copeland and Taylor will not find many surprises in this book. The true value of the book is for researchers new to the field. Given the clarity and thoroughness of the exposition, as well as the importance of the approach, this book may well prove indispensable for researchers not familiar with the literature. Indeed, although the authors state that this book is intended to be a research monograph and not a textbook, what they have produced is an excellent textbook that is perfect for graduate-level classes in either international or environmental economics. As Copeland and Taylor make clear, there is a good deal of scope for additional research on the topic of trade and environment, and this book provides a great starting point for such research.

JOSH EDERINGTON, Department of Economics, University of Miami

DOI: 10.1017/S1474745604231901

Domestic Regulation and Service Trade Liberalization
edited by Aaditya Mattoo and Pierre Sauvé
World Bank and Oxford University Press, 2003, 236 pp

The implications of multilateral trade rules for domestic regulation, and the potential conflict between these sets of norms, are widely acknowledged nowadays. Considerable research and WTO case law have highlighted the relationship between national regulation and trade liberalization with respect to trade in goods. However, the importance of this subject for trade in services is only recently realized, even though regulatory issues concerning services are especially sensitive and often highly contested. It is not surprising that recent public discourses about GATS and national policies in many WTO member countries, which are often fuelled by civil society groups, focus precisely on the impact of GATS on the national regulatory space. One key aspect of this impact is Article VI GATS, which contains procedural disciplines for domestic regulations and a mandate to negotiate substantive disciplines. This provision is therefore at the centre of the book on GATS and national regulation edited by Aaditya Mattoo and Pierre Sauvé.

The volume contains ten chapters on different horizontal and sector-specific issues, framed by introductory and concluding remarks of the two editors. The chapters are
written by lawyers and economists from academia, international organizations and private business and are based on papers presented at an expert meeting organized by the OECD Trade Directorate in 2002. The contributions are mostly policy-oriented and may hence be of particular interest to trade negotiators, national regulators and other policy makers. However, because of their width and depth, the contributions should be intriguing for anyone interested in the interplay between national regulation and the multilateral trading system.

Article VI GATS addresses predominantly non-discriminatory regulatory barriers to trade in services. As Mattoo and Sauvé explain (p. 3): ‘Coupled with Article XVI on market access and Article XVII on national treatment, Article VI can indeed be seen as the third complementary dimension of a three-pronged approach to effective access to services markets ... Article VI aims to discipline more opaque forms of protection imbedded in domestic regulatory conduct.’

Article VI:4 GATS calls upon the WTO’s Council on Trade in Services to develop disciplines on domestic regulations to ensure that such regulations are based on objective criteria, no more burdensome than necessary to ensure the quality of the service and, in the case of licensing procedures, not in themselves a restriction on the supply of the service. This mandate raises a number of important questions concerning the scope and application of such disciplines, the role of international standards and recognition in this context and the key element of such disciplines, the necessity test. An underlying general question is how to ensure that such disciplines do not unduly restrict national regulatory autonomy. So far WTO members have only agreed on sectoral disciplines for accountancy services based on the mandate of Article VI:4 GATS and general disciplines are still discussed in Geneva. The contributions in the volume edited by Mattoo and Sauvé should therefore stimulate and enlighten these discussions.

In the first chapter on horizontal issues, Keiya Iida and Julia Nielson address transparency obligations. They discuss options for improving existing GATS rules on transparency. The authors are mindful of the increased administrative burden of enhanced transparency rules and suggest that any new obligations should be applied in a flexible manner and provide for special and differential treatment for developing countries. However, they do not discuss the implications of these ideas in terms of power politics, such as the increased influence of large multinational companies on rule making in smaller countries through prior consultation and comment obligations.

Joel Trachtman considers the potential for international standards in the context of GATS with a focus on financial services where international soft-law standardization is already quite advanced through the work of the Basel Committee, the International Organization of Securities Commissions and the International Association of Insurance Supervisors. According to Trachtman there is a lack of co-ordination between the work of these standard-setting bodies and the WTO. Trachtman therefore suggests that the standards agreed upon by these bodies could be integrated into the GATS framework in a similar way as the standards of the Codex Alimentarius Commission are integrated into the SPS Agreement. This, however, raises at least two problems from a legitimacy perspective: First, membership of the WTO and of standard-setting bodies in financial services is not identical and, as the author concedes, some standard-setting bodies, like the Basel Committee, are not even open to all WTO members. Second, most
standards agreed upon by these bodies are non-binding suggestions often formulated by experts, rather than by accountable policy-makers. Incorporating such soft-law standards into the WTO regime would turn them into hard law, enforceable through the dispute settlement mechanism, even though the drafters of such norms never intended the norms to be binding.

David Leebron provides a highly instructive comparative analysis of potential GATS disciplines on domestic regulation and US constitutional law, especially the dormant Commerce Clause and the Privileges and Immunities Clause. His contribution highlights among others the difficulties associated with necessity tests and any accounts of weighing and balancing different interests in this context. National regulations are often an expression of a carefully balanced political compromise, which cannot easily be assessed by courts on the basis of the trade-restrictiveness of the measure. A quote by Justice Scalia of the US Supreme Court may serve as a warning call to those who consider necessity tests in international trade law as an adequate solution to the potential conflict between trade liberalization and national regulation. Scalia remarked that balancing of interests by courts is ‘more like judging whether a particular line is longer than a particular rock is heavy’ (p. 47). Put into the WTO context, it is questionable whether the Appellate Body should be called upon to weigh and balance different interests when determining whether a particular domestic regulation is no more trade-restrictive than necessary.

In the last of the horizontal chapters, Joel Trachtman draws lessons from existing WTO rules on domestic regulation by comparing GATT, TBT, SPS and GATS rules on non-discrimination, proportionality/necessity, international standards and recognition. Much can be learned from this comprehensive overview, such as the difficulties of defining ‘likeness’ and ‘non-discrimination’ in the GATS context (pp. 62–63) and, again, the problems associated with the necessity test in Article VI GATS in light of existing GATT and WTO jurisprudence on necessity tests in other agreements (pp. 67–69). Trachtman’s conclusion that GATS appears more ‘laissez-regler’ (p. 77) than other WTO agreements can only be supported because actual disciplines on domestic regulation are not yet agreed upon and because WTO members can choose whether and to what extent they want to commit a sector to the market access and national treatment obligation. However, once disciplines on domestic regulation are in place and the scope of specific commitments is gradually increased through successive rounds of trade negotiations, this perception of GATS will undoubtedly change. Aware of the potential impact GATS may have on national regulatory autonomy, Trachtman suggests increasing the scope of Article XIV GATS which justifies national regulations which would otherwise violate GATS disciplines.

The subsequent chapters on various services sectors illustrate many of the issues touched upon in the horizontal chapters. For example, Richard Janda calls for a linkage mechanism between the standards set by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) concerning transportation services. The sectoral studies also discuss the effects of liberalization and regulatory reforms which took place in particular sectors, such as financial or energy services, and how they relate to GATS obligations (chapters by Stijn Claessens and Peter C. Evans respectively). Some contributions also consider the usefulness of a reference paper on regulatory standards in a particular sector, modelled after the
Reference Paper on telecommunications services (e.g. David Luff for the health sector). After all, the telecommunications sector is of particular interest in the context of GATS and national regulation, because the framework on telecommunications contains positive obligations about regulatory standards built on the experience with telecommunications liberalization in some industrialized countries (chapter by Daniel Roseman). Because of their potential role as templates for future general disciplines, the accountancy disciplines deserve close attention. The comprehensive treatment of regulatory reform and trade liberalization in the accountancy sector in the chapter by Claude Trolliet and John Hegarty provides useful insights in this matter.

Despite the different approaches and methodologies applied by the various authors, all seem to agree that GATS disciplines leave enough scope for national regulatory flexibility and that in most cases more stringent disciplines on national regulation would be beneficial from the perspective of trade liberalization. This observation leads to the only, albeit important, shortcoming of this book. None of the contributions adopts an approach which is essentially critical of the impact of trade liberalization on national regulatory autonomy. While this may not be surprising in light of the institutional context of the volume, it is nevertheless regrettable, because it omits important insights into the reasons and rationales for domestic regulation. Despite this shortcoming, the book is a much needed and valuable contribution to the debate on a subject of increasing importance for the future of the world trading system.

MARKUS KRAJEWSKI, University of Potsdam and King’s College London

DOI: 10.1017/S1474745604241908

Safeguard Measures in World Trade: The Legal Analysis
by Yong-Shik Lee

Safeguard measures are an important instrument in world trade, used increasingly by both developed and developing countries. For example, only in the period of 29 October 2002 to 15 October 2003, the WTO Committee on Safeguards was notified of the imposition of 20 definitive safeguard measures by 13 countries.¹ Not surprisingly, there have been a significant number of disputes involving safeguards initiated within the framework of the WTO, involving the general safeguard clause of Article XIX of the 1994 General Agreement on Tariffs and Trade (GATT, 1994) and the Agreement on Safeguards, as well as other multilateral agreements such as the Agreement on Agriculture and the Agreement on Textiles and Clothing.

For the above reasons, the topic of Yong-Shik Lee’s book is attractive and the reader looks forward to exploring the promised ‘comprehensive coverage on safeguards to date with a legal analysis of the important issues in the interpretation and application

¹ Report (2003) of the Committee on Safeguards to the Council for Trade in Goods, G/L/651, 24 October 2003. See also Appendix 1 (‘Statistics on Safeguard Measures’) to the book under review. It may have been more useful for the reader if Table A1 and Table A2, reflecting data published in two consecutive reports of the Committee on Safeguards, had been compiled into one Table for the period 1995–2001.
of the current rules on safeguards’ (p. xiv). The author explains that the focus of the book is on ‘general safeguard measures’ under Article XIX (p. 4), but three related topics are discussed in separate chapters: proposals to include safeguard provisions in the General Agreement on Trade in Services, other emergency import restrictions, and safeguard regulations in the law of the United States and the European Union. Unfortunately, the reader is left with the impression that the extension of the subject matter has been at the expense of a more profound analysis of general safeguard measures and related WTO jurisprudence. It is also regrettable that the additional topics have been approached with little comparative analysis in relation to the main theme of the book.

Another general drawback of the book is that the author has largely ignored the WTO law and jurisprudence relating to ‘unfair trade’ counterparts to safeguards, that is, anti-dumping and anti-subsidy measures. Some concepts applicable to these measures, and many provisions in the respective agreements, bear considerable similarities to those of the Agreement on Safeguards. For example, when reviewing an anti-dumping dispute between Japan and the United States, the Appellate Body agreed with the panel that, with respect to the non-attribution of injury, adopted panel and Appellate Body reports relating to the Agreement on Safeguards can ‘provide guidance’ in interpreting the Anti-Dumping Agreement. In a later report the Appellate Body confirmed that ‘this reasoning applies both ways’ and sought guidance in an anti-dumping report in order to interpret a provision in the Agreement on Safeguards. However, there is no discussion of these developments.

The book is divided into three parts: ‘Development of International Rules on Safeguards’, ‘Rules on Safeguards’ and ‘Legal Issues in Application of Safeguards’. The rigid separation of the discussion of rules and jurisprudence is not the best approach, because the reader is confronted with a rather ‘dry’ presentation of rules in the early chapters and learns about their development and application in practice only later. This structure necessarily leads to repetitions (for example, with respect to the problem of the relationship between Article XIX and the Agreement on Safeguards, which is discussed in several places).

In the first chapter the author discusses the economic and political rationales for safeguard measures. The basic rationale is to allow the domestic industry time for redistribution of resources in changing economic circumstances, although protective measures may have an opposite effect of being a deterrent to structural changes. Another economic rationale is that safeguard measures allow an industry to improve its competitiveness. The author notes that, while there are ‘clearly identifiable political

2 Which gives rise to many controversial issues. See, for example, the debate in this World Trade Review between Alan O. Sykes, The Safeguards Mess: A Critique of WTO Jurisprudence’ (November 2003), and K. Jones, ‘The Safeguards Mess Revisited: The Fundamental Problem’ (March 2004).

3 ‘Although the text of the Agreement on Safeguards on causation is by no means identical to that of the Anti-Dumping Agreement, there are considerable similarities between the two Agreements as regards the non-attribution language.’ United States – Anti-dumping Measures on Certain Hot-Rolled Steel Products from Japan (WT/DS184), Appellate Body report and panel report, as modified by the Appellate Body, adopted on 23 August 2001, para. 230.

interests’ in the application of safeguard measures, their economic justification is often more controversial. In this respect, the Agreement on Safeguards, with its detailed provisions relating to the application of safeguard measures, reduces the possibility of abuse for political motives. The second chapter introduces the provisions of Article XIX, which was the major basis for the application of safeguards under GATT 1947. Part I concludes with a short chapter on negotiations of the new safeguards regime. Unfortunately, the presentation here is detached from the ultimate outcome in the Agreement on Safeguards, so the reader must resort to its text in Appendix 3 or Chapter 4 (WTO Agreement on Safeguards) in order to compare the results with the proposals. Considering the brevity of Chapter 3 (8 pages), it would have been a structural improvement to incorporate it in either Chapter 2 or Chapter 4. This would have avoided chronological inconsistencies (for example, Chapter 2 raises the question of applicability of Article XIX in light of WTO jurisprudence, revisited in Chapters 4 and 9) and repetitions (a separate section in Chapter 3 is devoted to ‘gray-area measures’, but the author returns to the problem in Chapter 4, when discussing the prohibition on voluntary export restraints and orderly marketing arrangements).

Part II (Rules on Safeguards) includes a presentation of both WTO and domestic regulations of safeguard measures. The Agreement on Safeguards is a relatively brief document, consisting of only 14 articles that deal with substantive and procedural issues. The author recommends that Chapter 4, which deals with the Agreement, be read with Part III and admits that ‘some discussions in this chapter are repeated there in the context’ (p. 39). As a result, a reader unacquainted with the issues may find it difficult to distinguish pure rules from what the results of their interpretation by panels and the Appellate Body (the discussion on ‘like or directly competitive products’ provides just one example). Chapter 4 concludes with a three-paragraph section entitled ‘Is SA working?’, a question that would have been better addressed in light of WTO jurisprudence dealt with in Part III of the book. Here, Lee concludes that the Agreement on Safeguards has ‘brought an enhanced clarity and objectivity to the system’, one of its most important achievements being the ‘successful prohibition of gray-area measures’, but admits that there are remaining ambiguities in the interpretation of its provisions that necessitate modifications (pp. 56–57). The remaining chapters in Part II cover the ‘non-general’ safeguard issues mentioned above.

Part III is the book’s most stimulating. It presents WTO jurisprudence on a variety of issues: conditions for application of safeguards, determination of safeguard measures, procedural requirements, and compensation and retaliation. This part contains most of the author’s analysis and critical proposals. It begins with a discussion on the legal relationship between Article XIX and Agreement on Safeguards. Despite the Appellate Body rulings confirming that Article XIX and the controversial clause on ‘unforeseen developments’ remain fully binding, the relationship between the provisions of this Article and those of the Agreement on Safeguards remain unclear. In particular, the distinction between a ‘condition’ in Article 2.1 and a ‘circumstance, which must be demonstrated as a matter of fact’ (as the Appellate Body has qualified the clause) is problematic. Lee asserts that this amounts to the adding of a legal requirement and lists the possible consequences for countries wishing to apply safeguard measures (pp. 103–107). The author also deals in more detail with the problems of burden of proof, standard of review and ‘gray-area measures’ (the latter section contains
interesting information on the Protocol on the Accession of the People’s Republic of China to the WTO). It is regrettable that the author does not reach out to other WTO provisions and jurisprudence, when discussing the burden of proof and standard of review. For example, one would expect at least some reference to Article 17.6 of the Anti-Dumping Agreement in the context of review of national authorities’ determinations by panels.⁵

When reviewing the general conditions for application of safeguards, Lee considers the possibility of applying safeguard measures to products below a certain price and argues that Article 2 of the Agreement on Safeguards does not permit such a selective application. With respect to excluding members of free trade areas and customs unions from the application of safeguards, Lee asserts that ‘it is difficult to conceive that the measures of the customs union applied on behalf of a member State, should erect, although temporarily, trade barriers among the member States which have been removed permanently under the authorization of Article XXIV’ (p. 122). Among other unresolved problems is that of the distinction between injury and threat of injury in safeguard investigations. In US–Line Pipe the Appellate Body reversed the panel’s ruling that the national authorities were required to make a discreet decision between the two. Lee rightly criticizes allowing national authorities to apply a safeguard measure without a definite determination of the state of its own domestic industry. In the author’s opinion, ‘making an indiscreet decision about the condition of domestic industry between serious injury and its threat indicates, arguably, an absence of reasoned conclusions as to the state of the domestic industry – the state of the domestic industry is not conclusive’ (pp. 131–132).

Among the author’s proposals of changes to WTO rules is that of removing quantitative restrictions from the range of permissible safeguards. Lee believes that it is unfair to subject producers to more restrictive measures than those applicable in case of unfair trade practices, such as dumping or subsidies. He also recommends that a refund be provided for definitive safeguard measures if they are found to be inconsistent with the Agreement on Safeguards or not based on an absolute increase in imports. A related problem is that of trade compensation for the adverse effects of safeguard measures on their trade. According to Article 8.2 of the Agreement on Safeguards, if no agreement is reached, affected exporting members have the right to suspend the application of substantially equivalent concessions or other obligations under GATT 1994, with respect to a country applying a safeguard measure. The author points out problems relating to the determination of appropriate compensation and suggests that a ‘payment of monetary sum’ should be considered (p. 157). However, considering the controversies surrounding the retroactive application of WTO remedies and the prevailing approach to pecuniary compensation it is unlikely that the author’s suggestions will find support in the near future.

The last chapter in Part III discusses the US steel safeguards case, leading to a section of general conclusions. The author notes, among others, the growing importance of safeguards in world trade and recommends a restrained application of safeguards, as a measure of last resort. A valuable contribution to the book is Appendix 4, which

---

⁵ For a detailed and thoughtful analysis of the problem of standard of review see M. Oesch, Standards of Review in WTO Dispute Resolution, Oxford: Oxford University Press 2003.
contains concrete proposals of modifications to the provisions of the Agreement on Safeguards and a draft text on emergency safeguard measures relating to GATS.

The book suffers from some linguistic and editing deficiencies. For example, the author repeatedly refers to the ‘settlement’ of the Agreement on Safeguards (probably meaning conclusion or entry into force of the Agreement), and the terms ‘Agreement on Safeguards’, ‘Safeguards Agreement’, ‘SA’ are used interchangeably. For these reasons and because of the structural problems outlined above, only those already acquainted with the subject will find it easy to follow the text. Nonetheless, Lee’s book is a pioneering attempt to give a comprehensive account of the rules on safeguard measures and associated WTO jurisprudence. It will be of interest to all those involved in the regulation and application of trade remedies.

JOANNA GOMULA, Lauterpacht Research Centre for International Law
University of Cambridge

DOI: 10.1017/S1474745604251904

Reluctant Partners: A History of Multilateral Trade Cooperation
1850–2000
by Andrew G. Brown

As its subtitle suggests, this book provides a history of multilateral trade cooperation from 1850 to the present. The book is accessibly written, and would be very useful for undergraduates in several disciplines.

This book fills a void in that it covers the entire period of trade cooperation from 1850 to the present, and it discusses issues important to both the industrialized countries and the developing countries. In contrast, some other recent books cover only part of this period. Others cover the entire period from the standpoint of a single country, thereby neglecting global forces. Brown’s historical focus is also welcome, since the largest share of current work covers recent events to the exclusion of the past.

It is good to see a book that draws easily from contributions of several disciplines, especially economics, history, and political science. Brown also gives significant attention to legal principles in the trade regime, though he does not provide the kind of detailed analysis of either principles or case law that would recommend the book to classes on international trade law.

Brown synthesizes the substantive insights of these fields without being drawn into disciplinary or paradigmatic debates. This makes the book especially useful for students learning about the trade regime for the first time, for he emphasizes substance over theoretical concerns.

Brown’s presentation of the material from these disciplines is always balanced, and one could say that he is even-handed to a fault. He rarely tries to evaluate the relative weight of different factors, and almost never argues that a given argument in the literature is wrong. This kind of narrative means that Brown does not contribute to the debates that animate research in any of the disciplines. For example, political scientists
have been very interested in assessing the relative importance of international hegemony and domestic politics for international trade policy. Brown makes use of both literatures but does not provide either an assessment of this debate or a synthesis of the two approaches. Instead, his narrative includes the claims of both literatures without comment.

Brown’s account easily falls into the mainstream of each discipline from which he draws. Approaches critical of these mainstreams, such as Marxism, constructivism, or critical theory, are left out.

Given this grounding in mainstream theory, familiar causes play central roles in the narrative. For example, Brown discusses international leadership by the United States after 1945, and in a more limited way, the United Kingdom before 1914. He gives substantial attention to economic ideas and to the process by which social learning has accompanied the construction of international norms, such as non discrimination and national treatment.

While including these other factors, Brown’s account tends to emphasize the ways in which the international monetary system shapes trade policy. Just as the nineteenth-century gold standard facilitated trade cooperation, the weaknesses of the interwar monetary system severely constrained trade policy. Our models of economics make clear the connection between trade and monetary policy, but both political scientists and some economic historians have preferred to focus on one issue area or another. Brown provides a welcome corrective.

Whereas monetary systems provide long stretches of continuity in the trade regime, world wars provide major breaks in Brown’s history. Brown does not make much of this explicitly, but clearly this fact suggests something about the political foundation of international regimes. Some work by political scientists makes these links more explicit. While Brown knows this literature, he has chosen not to make these system-creating and system-destroying forces more salient. As a result, he sees continuity where others might fear discontinuity and a breakdown of the trade regime in response to unforeseeable political events.

As do other accounts, Brown sees the processes of international cooperation and institution building as limited by the political power of domestic interest groups. Like others, Brown tends not to analyze systematically how export-oriented domestic groups might serve as a force for trade cooperation. Phrased differently, he sees domestic politics as a brake and not as an accelerator, and he always views elites as sitting in the driver’s seat.

Though attempting an admirable interdisciplinary breadth, the book is incompletely sourced in each discipline. The gaps were more obvious in my home discipline of political science. For example, Brown does not draw from the surprisingly large literature on the repeal of the Corn Laws in mid-century Britain, nor does he use the literature in political science on the 1920s and 1930s or the many studies of the Reciprocal Trade Agreements Act. Revisionist histories of the postwar period, even those that emphasize the trade and monetary issues central to Brown’s account, also do not appear to have shaped his analysis. Each of these literatures, or all of them together, would have given Brown a more solid grounding in the domestic political and ideological debates that underlie the trade regime.

Overall, Brown has provided an admirable overview of the trade regime over 150 years. The breadth of this book will make it useful across several disciplines. Though
specialists will already be familiar with the material and will not find theoretical contributions here, *Reluctant Partners* will serve our students very well as an introduction to the issues that animate us.

Robert Pahre, *Department of Political Science, University of Illinois, Champaign-Urbana*