



Interdependence in the Post-Multilateral Era: Trends in US-European Trade Relations.

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quotations from a large variety of authorities to bring the different theories to the attention and within the understanding of readers. Part one gives us an overview of the realities of trade in the international economy. It provides an historical perspective on current problems. Part two discusses various general theoretical approaches to the explanation of trade flows, such as that attributed to Heckscher-Ohlin. Part three returns to the muddy waters of reality, and discusses what Mr Johns calls the structural transformation of the international trading system. The book is well organized and, given its subject matter, surprisingly readable.

EDMUND DELL

Interdependence in the post-multilateral era: trends in US-European trade relations. By Stephen Woolcock, Jeffrey Hart and Hans van der Ven. Lanham, Md.: University Press of America for Harvard University. 1985. 138pp. £19.50; ISBN 0 8191 4881 4. Pb.: £7.75; ISBN 0 8191 4882 2.

THIS IS a collective work by the first three Spaak Fellows of the Center for International Affairs at Harvard University. The subject of the book is the evolution of the multilateral trading system, with the main emphasis on US-European relations. Three sectoral studies on steel, automobiles and telecommunications constitute the core of the book and also provide the basis for some general conclusions about the solidity of the multilateral order.

The three authors stress the decline of multilateralism, which is mainly attributed to the growing divergence of government policies, the weakness of international rules, the rapid increase in interdependence and the breakdown of national or regional oligopolies. They are also correct in reminding us that multilateralism, as regards non-tariff barriers, has always been largely a myth. The growing internationalization of production, together with important political and security ties between the two sides of the Atlantic, are seen as important constraints on protectionist tendencies and as having a dampening effect on trade friction.

This is a very useful book for all those interested in the international trading system and in alliance politics. On the eve of a new GATT round, it could have a sobering effect on wild optimists and professional free-traders, while also acting as an alarm to officials prone to tinkering on the margin. The analysis is clear and the main argument explicit and well documented in the three case studies.

I think it is only fair to point also to some weaknesses. If the emphasis is on bilateral US-European relations and the divergence of trade and industrial policies, then I am not entirely convinced that cars fit well with the two more obvious cases of steel and telematics. They are not so much a bilateral US-European problem, and the relevant chapter does not pay a great deal of attention to divergent policies. It does, however, illustrate well the point that internationalization of production, itself heavily influenced by government policies, is likely to reduce trade conflict.

I would have hoped for a more substantial chapter on the international trading system and the problems arising in terms of managing interdependence. Instead, the concluding section is extremely short, and the model of the world economic system presented there is rather superficial. This brings me to what I consider to be the major weakness of the book, namely that trade and industrial issues are being discussed with hardly any reference to the changing macroeconomic context. Should exchange rates and monetary policies not deserve greater attention, especially when one deals mainly with the experience of the 1980s? It is true that many others have fallen into the same trap, but this is not always an adequate excuse. However, the general conclusion remains valid: a book worth reading.

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Trade talks: America better listen! By C. Michael Aho and Jonathan David Aronson. New York: Council on Foreign Relations. 1985. 177pp. Index. \$15.00; ISBN 0 87609 009 9. Pb.: \$8.95; ISBN 0 87609 010 2.

TO SUM UP Aho and Aronson as writing a book of considerable relevance but one unlikely to last might be a little unjust. None the less, the focus of their interest is very much the US perceptions of the trade talks of the late 1980s—in spite of the disclaimer on p. 11 that 'The reader may