build and reconstitute their worldviews are at the root of how each book tries to explain change. Each shows that ideas play an especially important role when uncertainty is high, and actors are consequently open to new ideas. Clarifying the ways in which new ideas spread and the role of entrepreneurs and organizations in pushing these ideas, as these authors stress, are the sine qua non of a successful social scientific account of institutional change. Yet showing that ideas beyond self-interest matter for ultimate outcomes also requires showing that alternative hypotheses based on self-interest cannot explain the outcomes observed. The payoff of research on this frontier can be high, as these books show. The continued challenge they pose for others doing similar work is to deploy sophisticated and creative ways that demonstrate how ideological mechanisms provide superior explanatory leverage to those scholars instinctively skeptical of them.


— Kerry A. Chase, Tufts University

The scope of this book is impressive. Eight chapters detail the history and institutional design of the World Trade Organization and its forebear, the General Agreement on Tariffs and Trade (GATT), analyze their successes and failures over nearly 60 years, and outline challenges that the regime must manage to remain politically viable. As the subtitle suggests, the authors examine the politics that have shaped and sustained the trade regime; legal issues, particularly in the settlement of trade disputes; and economics as an underlying factor in the regime’s evolution, along with the trade effects of its presence.

The book’s core arguments focus on two key problems that the WTO faces: first, challenges to its legitimacy from underrepresented countries and newly mobilized nonstate actors; and second, the threat from the continuing profusion of regional trading arrangements. The legitimacy issue is multifaceted, and successive chapters effectively analyze its different sides. The threat from regional trading arrangements is less complicated, and this part of the argument recedes into the background, apparently overshadowed by the trade regime’s larger problems.

Challenges to the legitimacy of the WTO have come from two corners: developing countries, whose influence in trade negotiations falls short of their numbers, and nonstate actors (now including environmental groups, organized labor, and antiglobalization activists, in addition to businesses), which lack institutional access at the multilateral level. Though the interests of developing countries and nonstate actors sometimes coincide—Oxfam has spotlighted the harmful effects of U.S. and European Community (EC) subsidies for farmers in developing countries; Médecins Sans Frontières has pushed for changes in intellectual property rules to make AIDS drugs more widely available to the poor—often their goals stand in opposition, as the book notes of environmental regulation, labor standards, and outsider participation in dispute settlement. Many institutional and policy choices, therefore, will dissatisfy a constituency whose support is essential to the WTO’s effectiveness.

For developing countries, the legitimacy issue is that the most powerful players, the United States and the European Community, remain the core of the trade regime. Although members are formally equal under the “one nation, one vote” principle and decision rules operate mostly by consensus, trade cooperation occurs “in the shadow of power politics” (p. 205). Specifically, negotiating procedures such as “Green Room” meetings and the ability of the leading countries to extract concessions through threats of market closure mean that the interests of the United States and EC dominate in practice. A notable example is the assent of developing countries to the Uruguay Round’s “single undertaking,” which occurred after the United States and the EC issued credible threats to punish those who would try to pick and choose among the agreements. This formula, which bound developing countries to observe new rules for intellectual property, services, and trade-related investment measures despite limited concessions on textiles and agriculture, produced an asymmetric distributive bargain—the terms of which are enforceable in the WTO dispute settlement system. Fortifying the trade regime’s authority with developing countries, the book implies, requires that the Doha Round revise this bargain to achieve greater mutual benefit.

For nonstate actors, the legitimacy issue is the “democratic deficit” at the WTO. Like its predecessor the GATT, the WTO is a member-driven organization; nonstate actor participation is limited to lobbying member states and filing amicus curiae briefs if invited by a dispute settlement panel. This exclusiveness worked well in the GATT, where negotiations traded off business interests to liberalize barriers at national borders. But in the WTO, where attention has shifted to “inside the border” regulatory rules, the spillover effects for labor, consumers, and the environment engage a larger number of actors and interests. If the trade regime cannot account for these new stakeholders, “they will likely remain in the streets, protesting against the system” (p. 16). However, readers seeking a more open and inclusive WTO will be disappointed: “[C]omplete democratization is infeasible” (pp. 182–83); added transparency is undesirable because imperfect information remains critical to forging difficult bargains that special interests might otherwise block; and while nonstate actors can play a useful role in dispute settlement, it is best not to cast too much light on how judicial decisions are sometimes packaged for political
The literature on globalization has come a long way. The first-generation scholarship debated the “decline of the nation-state” thesis. Globalization critics predicted widespread regulatory races to the bottom. They blamed technological innovations that allow firms to decouple various stages of the production processes for privileging capital over other societal actors. While the globalization optimists agree with the causal story of the critics, they welcomed the emergence of a “borderless world.” For them, capital mobility leads to good governance because it privileges economic efficiency over rent-seeking politics.

The second-generation globalization literature adopted a more expansive view by recognizing the interplay between economic globalization (that is, increased cross-border integration of factor, intermediate, and final product markets) and noneconomic globalization. Technological innovations that facilitate capital mobility also enable global diffusion of (Western) norms and the emergence of the global civil society whose transnational networks challenge transnational capital.

The third-generation scholarship examines the “democracy and equity deficits” in institutions and policies adopted to cope with globalization. While such deficits are likely to be pervasive in intergovernmental and private authority regimes, scholars suggest that the global civil society might accentuate these deficits as well.

As an important addition to the third-generation scholarship, Contesting Globalization argues for situating the globalization discourse in concrete locations. For Andre Drainville, global cities provide the appropriate terrain to investigate globalization politics for they constitute the sites of encounter among social forces. The foreword by Saskia Sassen, the leading proponent of the global cities perspective, is illuminating. She notes approvingly that “the global city is a site where global corporate capital and multitudes of disadvantaged can engage with each other, where place-based politics (e.g. gentrification struggles) becomes a form of global politics” (p. xiii).

The introduction and the first chapters are well written and lay out the book’s main argument. Drainville is critical of the second-generation literature for it masks the politics and struggles of the disadvantaged. However, he is equally critical of the sociological and the Marxist approaches for they focus on abstract subjects functioning in abstract spaces. As he rightly notes, “Holy ghosts of all sorts are haunting global politics: ‘global civil society’, ‘international public opinion’, ‘the people of the earth’” (p. 1). Emphasizing the importance of specific locations in structuring the political economy, he notes the role of Amsterdam during the Dutch hegemony, London during the Pax Britannica, New York during the Pax Americana. He goes on to suggest that in the age of Pax Planeta, “we will imagine the world economy as a city, to help us think critically about the making of the world order” (p. 7).

The second chapter, the most interesting part of the book, presents “three moments in urban history when the movement of urban social forces highlighted the very different modes of relation to cities at the core of the world economy” (p. 17). These moments are the dockworkers’ strike in London (1899), the defeat of the Tammany Hall political machine in New York (1894), and the protests in the city of Quebec against the Summits of America (2001). London and New York constituted the central nodes of the world economy and therefore became the central locations for political struggles. I found these cases very