

norm entrepreneurs? How does Japan's identity affect its willingness to conform to prevalent norms in the global society? Is there a distinctively Japanese way of socialization? To what extent do Western norms resonate with the traditional Japanese values? Does Japanese culture favor material interests or ideational elements?

There must be great opportunities for students of Japanese diplomacy to fine-tune or modify the existing constructivist hypotheses. This is because Tokyo's foreign policy can be considered an unexplored area in the constructivist literature, at least in relative terms. In this respect, this volume is a must-read item for students of Japanese diplomacy. It should be regarded as an important first step on their part to making significant theoretical contributions to the constructivist literature.

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Japan's Aggressive Legalism: Law and Foreign Trade Politics beyond the WTO

Saadia M. Pekkanen

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Japan has been trying hard, for at least 20 years, to shed its image as a 'reactive state'. Kent Calder assigned this label to Japanese foreign economic policy in the late 1980s after watching the nation struggle with international pressure to liberalize its market. Japan was not able to act proactively to liberalize on its own, and even when faced with complaints, it delayed action until the *gaiatsu* built up to the point where it was on the verge of facing sanctions. Then it would dutifully concede just enough to avoid punishment. When Calder assigned this label, Japan focused exclusively on defending its own trade policies and almost

never went on the offense. Worried that any effort to pursue its own complaints in the General Agreements on Trade and Tariffs (GATT) system would just add to the scrutiny Japan's own policies were facing, Japanese trade officials refrained from pursuing GATT trade remedy cases of their own.

Saadia Pekkanen's new book should help put to rest lingering impressions that Japan is still stuck in this era. She chronicles the nation's new 'aggressive legalism' in the World Trade Organization and 'beyond'. Rather than trying to hide from international censure as in the past, Japan is now pursuing a large number of cases in the WTO. It has been targeting the United States, in particular, for the excesses in its anti-dumping policies, and has challenged the Chinese as well. The 'beyond' in her title refers to Japan's decisions to pursue its interests even in US domestic courts, all of the way to the Supreme Court.

Pekkanen's book is most valuable for the stories it tells. She covers in exquisite detail Japan's efforts to force the United States to live within the limits on anti-dumping remedies in a series of WTO cases that ultimately forced the United States to abolish a 1916 law and give up a statute known as the Byrd Amendment. When a US firm attempted to win in American courts what the US government had lost in the WTO, Japan battled back by insisting that the US courts respect the nation's international treaty commitments. When the US courts rejected these Japanese arguments and forced the American subsidiary of the Japanese firm to pay treble damages, Japan moved toward passing a statute of its own, authorizing its own courts to claw back every penny from the Japanese subsidiary of the American firm that had brought the case in Iowa. 'Aggressive' legalism is clearly the appropriate label for this new Japanese approach.

Of course, Japanese trade officials have not been uniformly aggressive across all areas of foreign trade policy. When Japanese farm interests complained about how rapidly they were losing domestic market share to Chinese agricultural products, the Japanese pursued a more 'muted' (p. 40) approach, settling the disputes quietly rather than imposing formal WTO-consistent 'safeguards'. This story, which Pekkanen tells in her Chapter 3, is particularly interesting because it is the first opportunity we have to see how Japan is going to respond to economic competition from rapidly industrializing China. It does

not, so far, seem to be responding as ‘aggressively’ as it has responded to the United States.

The book’s objective is to explain this contemporary pattern of Japan’s foreign trade policy. Why has it been most aggressive with the United States, and much less so with China? Why has it been tougher on China in the area of intellectual property rights than it has in the area of farm products? The argument she offers is that Japan’s trade policy reflects the interests of the nation’s ‘trade-dominant industries – especially automobiles, steel, and electronics’ (p. 31). It does so because these industries are large and rich and therefore have political influence, but also because the Ministry of Economy Trade and Industry (METI) sees the pursuit of Japan’s legal interests in the WTO – something only a state agency can do – as a vital new mission that has helped to justify its existence in the post-industrial policy era. METI officials tired of playing their part in the ‘reactive state’ game in the 1980s and early 1990s, so when the WTO added new teeth to the GATT trade remedy system, they eagerly looked for ways to use this system aggressively.

The main weakness of Pekkanen’s argument is that she does not define ‘trade-dominant industry’ clearly enough or clarify the basis for her case selection sufficiently to hammer home this quite reasonable argument. Most of the work that is being published on Japan’s WTO policy is much more quantitative than this book, and many of these papers do a better job than Pekkanen at explaining how they selected cases and how they measured key variables. Christina Davis and Yuki Shirato, for example, run an analysis of every single *potential* WTO dispute (which they draw from METI’s annual publication on trade issues) to analyze which of these disputes ended up being pursued in the WTO.¹ Instead of trying to divide industry into just two categories of ‘trade-dominant’ and ‘non-dominant’ (which seems to be what Pekkanen is doing), Davis and Shirato look at the impact of a continuous variable, R&D as a share of firm expenditures, which they argue captures whether or not an industry is fast-changing. They find that the cases Japan is bringing disproportionately involve ‘low-velocity’ industries like steel, where the business environment is not changing very fast, instead of ‘higher velocity’ industries like electronics, where firms do not bother

¹Davis, C. and Shirato, Y. (2007) ‘Firms, governments, and WTO adjudication’, *World Politics*, 59(2), 274–313.

with the WTO because it takes so long to render and enforce verdicts that it is too late to benefit by the time it acts.

Pekkanen makes no attempt to identify whether Japan is pursuing a disproportionate share of cases in trade-dominant areas since she does not look at the pool of potential cases. She too finds that many of Japan's WTO cases involve steel, but it is hard to know whether to prefer her explanation over Davis and Shirato's since she looks at so few cases. Of course, packing so much into a single journal article, Davis and Shirato cannot equal Pekkanen in the depth of detail or color and texture that this book gives us on the major Japanese WTO cases. Read in combination, these qualitative and quantitative studies provide an excellent analysis of Japan's new aggressive trade diplomacy.

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China and the Global Political Economy

Shawn Breslin

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This book by a British scholar is a welcome addition to the study of contemporary China. There is no question that Professor Breslin knows the field pretty well. He describes concisely what the issues are in China now and those who are working on those issues both in China and elsewhere. Those readers, who are interested in China but 'who do not have a detailed knowledge of the Chinese case' (p. 7), will learn a lot by reading this book. The author escorts the readers, like an experienced tour guide, to the wild and uncharted terrain of China studies. China is huge and is full of rough tracks. To travel such a place, you need an