

Ebba Dohlman: *National Welfare and Economic Interdependence: The Case of Sweden's Foreign Trade Policy*. Clarendon Press: Oxford, 1989, 254 pp.

This book by Ebba Dohlman contains an interesting analysis of an important field of international relations, namely the issue of trade policy. By combining political science and economics, the book gives a broad treatment of the issues analysed.

Even if dealing primarily with Swedish trade policy in textiles, the analysis is of interest from a broader perspective, in particular for countries where a tension is felt between free trade and national security or neutrality.

After a brief introduction in the first chapter Dr Dohlman presents a background to her study. The relationship between commercial policy and state security is analysed, from both a historical and an ideological perspective. The arguments for protection since the Middle Ages up to the present time are presented. In particular, the assumed problem of combining a liberal trade regime with national security is related to various phases of political and economic thought. Dr Dohlman also discusses under which circumstances free trade economists have come to advocate trade policy interventions as a way of reaching what Professor Jagdish Bhagwati has called 'non-economic objectives', i.e. objectives departing from the Pareto optimum. Furthermore, the chapter contains an extensive description of the historical background and content of the present international trade regime, the General Agreement on Tariffs and Trade.

After this, the rest of the book is divided into two parts: part one (chapters 2 and 3) deals with the economic implications of neutrality and part two (chapters 4–6) analyses the textile trade and Swedish economic policy. Thus, the book becomes more and more specific, ending in a case study of Swedish trade policy in textiles.

In chapter 2 the concept and practice of neutrality is discussed, whereas chapter 3 analyses the implications of neutrality for Swedish trade and trade policy. One interesting point is the argument that the liberal trade system means a paradox for a neutral country like Sweden. On the one hand, neutrality requires a strong military defence, which in turn requires a strong economy, which in turn requires a liberal trade regime. On the other hand, international trade, dominated by trade between western countries, of which many are members of NATO, implies a problem in relation to neutrality. For a non-neutral country, i.e. the member countries of NATO, however, trade liberalization means no conflict with military security aspects.

One implication of this paradox is that the scope of Swedish economic defence policy was broadened considerably in 1979, now covering raw material and food supplies, industrial production, communication, labour relations, trade and foreign aid. Furthermore, the economic defence organization should not just prepare for a war situation, but should also be prepared to defend the Swedish economy in the event of other crises and conflicts. One consequence has been that imports of textiles, clothing and footwear from developing countries have been restricted on the basis of economic defence arguments.

In an interesting analysis (in chapter 3) of the implications of neutrality for Swedish trade relations, the current issue of Sweden's relationship with the EEC is given a historical treatment. In the same chapter, the relationship between Sweden's Third World policy and the Swedish trade policy is analysed.

In chapter 4, Dr Dohlman turns to the case of international trade in textiles. The history of trade policy for this specific group of commodities is presented and in chapters 5 and 6 the Swedish textile policy is subject to a close and critical analysis. Here it is interesting to read Dr Dohlman's very competent and interesting analysis

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of the tensions between, on the one hand, the Swedish solidarity with the less developed countries and, on the other hand, the restrictive trade policy towards these countries that resulted from economic defence considerations mentioned above. Even if Sweden has now decided to dismantle the restrictive trade policy in textiles from 1991, the analysis is of great interest as an example on the close relationship of security politics and economic policy formation.

The close relationship between politics and economics in real-life societies makes an important challenge for interdisciplinary studies. Dr Dohlman's book is one interesting example of this. The book is well-written and interesting, from a political science, as well as from an economic analysis point of view. Especially, the ambition to integrate politics and economics throughout the book is worth mentioning. To make such an integrated study is not an easy task. Dr Dohlman's practical experiences make her succeed in this difficult work and her book is definitely worth reading for students and researchers working in the field of international relations. The non-technical character of the book makes it good reading also for persons outside the academic world.

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David Arter: *Politics and Policy-Making in Finland*. Sussex: Wheatsheaf Books Ltd., 1987, 255 pp.

The Finnish political system, and Finnish politics in general, are relatively unknown around the world, apart from some general notions on foreign policy. This state of affairs has not been improved much by the Finns themselves who have been quite reluctant to write books on the subject in any other language than their own. Foreign scholars have been compelled to try to understand Finland through Jaakko Nousiainen's *The Finnish Political System* (1969), the latest book of its kind, written in English by a Finnish political scientist. Unfortunately, it does not offer much help in understanding contemporary Finnish society.

So we Finns should be grateful that there are foreigners who are sufficiently interested in our country to make it an object of study. One such creature is David Arter, a British political scientist, who has done his best in introducing Finland abroad. His book *Politics and Policy-Making in Finland* fills an important gap in many respects.

Of course, there are always problems in books of this type. A foreigner studying another country is liable to misunderstand many things due to a lack of background knowledge, an inability to understand the language completely, incomplete socialization into the country's culture, or theoretical/political preconceptions. On the other hand, comparative politics needs interpretations formed from different perspectives and a non-native may be able to see something that a native cannot.

However, at least Arter cannot be blamed for a lack of knowledge or hostile political views. If there is anything awry, it is that his analysis is based almost too extensively on interviews with Finnish 'informers', politicians' memoirs and current newspaper or magazine articles. There is more in the way of rumours and inside gossip in this book than one usually expects from a work in comparative politics. Sometimes the interpretations follow even too assiduously the logic of the Finnish