

like Abuza's to the next level of detail and sophistication. The war on terror in Southeast Asia can only benefit from such a long overdue strategic partnership.

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***Globalisation, Domestic Politics and Regionalism: The ASEAN Free Trade Area.*** By Helen E.S. Nesadurai. London and New York: Routledge, 2003. 226 pp.

Published as a doctoral dissertation completed in 2001, this book is not only unique in its conceptual insights as noted in the Preface, but timely as a well-researched and authoritative contribution to the literature on ASEAN in general, and the ASEAN Free Trade Area (AFTA) in particular. Conceptually, the book plugs the gap between extant literature on ASEAN and AFTA written mainly by economists and somewhat atheoretical as noted by the author (p. 5). It is also conceptually innovative in the book's explicit consideration of domestic-owned capital as a key analytical variable in explaining the globalization-regionalism relationship in the context of ASEAN regionalism (Preface, p. viii).

The aim of the book posed as research questions clarifies the reasons for AFTA's birth and origins, why AFTA is discriminatory to foreign investors relative to ASEAN national investors, and assesses the complicated political economy of the implementation process (pp. 3–5). The book has accomplished its primary purpose to provide a coherent account of AFTA between 1991 and 2001 under the international political economy and globalization–regionalism framework.

Organized in six chapters with a Conclusion, the book starts with a succinct survey of approaches to regionalism, from neoclassical to political economy, even drawing on comparative regionalism as in the North American Free Trade Agreement and European Union. Chapter 1 on the theoretical relationship between globalization and economic regionalism is clear about the primacy of globalization, but provides the liberal political economy approach of open regionalism realistically modified by the legitimacy of domestic politics in terms of domestic

capital and foreign direct investment (FDI). AFTA struggles with the reality of FDI as crucial for industrialization, globalization and general progress as open economies and the tension generated by domestic politics, distribution and domestic-owned capital. The book essentially is another validation that in a two-level game between international politics and domestic politics, the élite domestic governance level always wins.

Chapter 2 narrates the unfolding of the AFTA project between 1991–2000, more a mother of all ASEAN projects as in the ASEAN Framework Agreement on Services, ASEAN Industrial Cooperation, ASEAN Investment Area, etc. Data in this (eg. Table 2.12 on status of unprocessed agricultural products, p. 70) and the next Chapter 3 on foreign capital (Table 3.1 on flows of FDI, p. 81) are somewhat outdated. But that may be a function of the study as a doctoral thesis and its timing, or a reflection of the ASEAN Secretariat's database.

Chapter 4 holds the key in terms of domestic capital and developmental regionalism, explaining the shift from an enthusiastic AFTA project to a more resistant model amplified in Chapter 5 on renegotiating AFTA commitments. The underlying economic and political economy differences and hence FDI regimes in various ASEAN countries are well presented except for the usual concentration on the older ASEAN five members than the new Indochinese members. While this is not uncommon in the literature, and so noted by the author (p. 23), one would have hoped for newer additions to ASEAN/AFTA literature to plug this lacunae.

With Singapore as the “odd man” out in both domestic-owned capital and FDI policies and issues, the author's view on why Singapore could neither show by example nor influence the rest of the ASEAN countries in AFTA would have been an insightful contribution. Almost as a “bystander” to the intricate issues and complexities in liberalization of unprocessed agricultural products and automobiles (Chapter 5, pp. 138–50), Singapore, nonetheless suffers from the fall-out of a stalled AFTA. The politics of AFTA's implementation in Chapter 6 are well presented. Again Singapore's divergence makes it conspicuous by capital ownership through its pro-FDI and government-linked corporations, and by the absence of domestic politics. There is a missed opportunity for the author to take this line of thought further to explain the fast and furious pace of bilateral trade agreements initiated by Singapore (touched on in Chapter 6). But this again may be a function of a doctoral thesis turned into a published book.

The Conclusion updates AFTA in the context of the globalization-regionalism relationship, ASEAN-China and other bilateral free trade

areas. The author concludes on a cautiously optimistic note about AFTA, noting that the easier phase of liberalization in manufactured goods is over, and one might add, so too for the international political economy of the multilateral process and the World Trade Organisation — all of which impact back on AFTA. For the lengthy excellent portrayal of AFTA from the start, the Conclusion on the future of ASEAN economic regionalism (pp. 179–80) may be in short shrift. The book could provide policy-makers and politicians much food for thought and rumination if they care or need the conceptual struts to strengthen their policy decisions.

While appreciating this book is a doctoral dissertation turned into a publication — and the author may not have the time or reason to take it beyond — a few thoughts come to mind after its perusal. If a research agenda can be appended to a well documented, informative and analytical book, it could stimulate other researchers and analysts in a few areas. First, a useful sequel to this book might be to cover the newer ASEAN members and their views, even some external perspectives as to what foreign investors, for instance, what might one want to see of AFTA. Second, beyond trade liberalization, would AFTA consider some monetary arrangement as suggested by other ASEAN watchers and specialists or why not, or have other arrangements including ASEAN Plus Three currency swap arrangements already taken care of such issues?

In other words, would AFTA go into deep integration as into new conceptual dimensions covering labour and capital movements and economic union as in the European Union, and even non-trade issues as in competition policy, intellectual property rights, labour standards, and environmental issues? The ASEAN Economic Community may mimic the European Union's single market, but the politics and political economy associated with immigration and labour movement would make the single market idea questionable. The usual suspect in a two-level game, that domestic politics prevails, is again proven. Unfair as the comment may be as no book is ever definitive and finally written especially with regard to ASEAN/AFTA, a postscript chapter to list, if not discuss and analyse, some of these new developments and issues would give the book this extra role to induce further work.

Some small editorial lapses which should not blemish the content and rigour of the book could be easily rectified, like the misspelling of Goh Chok Tong, not Thong.

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