public intellectual, not a researcher per se, and Thirayuth's is a translation of a piece he published in a Thai weekly. Obviously, the Thai contributions need to be increased.

Overall, however, this is a timely book on the "new" Thai politics which certainly contributes a great deal to a better understanding of the political changes in Thailand, which incidentally seem to be occurring at a rather rapid pace under the new government of Thaksin Shinawatra.

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***Whither Free Trade Agreements? Proliferation, Evaluation and Multilateralism*. Edited by Jiro Okamoto**. Chiba, Japan: Institute of Developing Economies (IDE), JETRO, 2003. 414pp.

Free trade agreements (FTAs) are too important to be left to the analyses of economists. This superb book is about the hows and whys of FTAs pursued by countries in the Americas and Asia, where the web of FTAs and regional free trade agreements (RTAs) can eventually lead to a single world free market system. The United States, "irritated" by the paralysis of the negotiations for multilateral trade liberalization by GATT/WTO, is said to have switched gear to a series of bilateral FTAs in the Americas as well as distant Asia, the Middle East, and Africa. A staunch promoter of multilateralism, Japan swiftly abandoned its established policy and followed suit. Singapore and Thailand, two of the most ardent supporters of regional free trade of ASEAN, also opted for a series of FTAs. However, Malaysia has stood firm in favour of ASEAN regionalism.

Neorealism turns trade into national or neomercantilist agendas, while the structures and benefits accruing from FTAs and RTAs are decidedly neoliberal. The first three chapters are fine renditions of the free trade theories from the Smith-Ricardian classical perspectives to the more refined Ohlin-Hecksher theorem on trade and international political economy models of FTAs. The reader learns about the fine distinctions among preferential trade agreement, FTA, RTA, customs union, common market and economic integration. The three waves of FTA movements are well explained: the European initiatives of the 1950s; the refined commitment of economic integration of Europe and

Latin America's failed union of import-substitution economies in the 1960s and 1970s; and finally, the third wave in the late 1990s, the "WTO plus" phase, going beyond the issues that GATT/WTO could not and would not cover — labour, environment, government procurement, intellectual property rights, migration, services, and cross-border investment.

The best chapters for this reviewer are the country case studies. Korea is briefly covered in the Japan chapter, still an appendage of the Asian Co-prosperity Sphere policy. Indonesia and China are left out, presumably because neither has been active in pursuing FTAs on their own. China was briefly treated in the Japan chapter, for its closing of an FTA deal with ASEAN sent a chill down the spine of Tokyo, jolting it into quick action. Soon after the APEC meeting in Bangkok in 2003, Prime Minister Junichiro Koizumi invited ASEAN heads of government to Tokyo for a chat to let the world know that Japan is not ready to abandon Southeast Asia to China's devices. Judging by Southeast Asian politicians' eagerness to rush to Japan, it is clear that China and Japan are in the long haul locked in battle to woo Southeast Asia. For Southeast Asia, what China and Japan offer is so diverse and if managed right, the relationship can be complementary. But the question is: can good economic diplomacy prevent all conflicts of security interests in Asia? Will China or Japan take a second place in the integrated East Asia? And can the "proliferation" of FTAs in Asia inadvertently lead to conflict?

The reasons for pursuing FTAs, bilateral and trilateral, for the United States (Chapter 5), Japan (Chapter 8), Singapore and New Zealand (Chapter 12), and Thailand (Chapter 9) are strikingly similar on the surface, but each has deeper internal political realities for going for FTAs. Japan is a reluctant and even accidental participant in FTAs and RTAs. Like the United States, Japan, New Zealand, and others have been strong supporters of multilateral (worldwide) trade liberalization, but the snail pace of progress under GATT/WTO, APEC, AFTA/ASEAN, CER-AFTA, Pacific-5, as well as the growing anti-globalization forces at home and abroad have forced them to reconsider their policies. As the second largest economy by GDP and third biggest trader in the world by value, Japan cannot afford to ignore the changing winds of global trade. It fears being locked out of the sprawling web of FTAs and RTAs that now span the globe. Its motivation to consider an FTA with Mexico is to establish a beach head or backdoor to NAFTA, the world's largest market, just in case North America resorts to protectionism to non-members of the club. FTA is an insurance policy for Japan, Singapore, Mexico, Thailand, and New Zealand, all seeing themselves as vulnerable in this unstable world.

Singapore and Thailand, to the disgust of Malaysia, sought bilateral FTAs. For the most advanced economy whose trade represents close to three times its GDP, Singapore needs linkages to large markets outside the region to survive and grow — the more, the better. Thailand is playing the old historical and well-worn game that warded off both Britain and France in the nineteenth century and that worked well in the Vietnam War — betting on all sides, leaving nothing out. When Kuala Lumpur backed off from its commitment to open the domestic market for auto parts by 2003 and Indonesia doubted if it could meet the liberalization timetable, Bangkok was ready to seek redress, outside and inside the region. It is now negotiating an FTA with Washington. Is this an economic decision, or a post-September 11 global security re-alignment that happens to link free trade and crossborder investment?

Mexico (Chapter 6) offers a fascinating study on how FTA, or in this case NAFTA, helped the Carlos Salinas de Gortari government to "lock in" the neoliberal reforms that it had put in place. It kept domestic opposition at bay and gave Salinas legitimacy to consolidate the reform. Between 1995 and 2003, Mexico emerged as the second largest trading partner of the United States, followed by Japan. There is little doubt that the end of the 71-year authoritarian rule by the Partido Institucional Revolucionario in 2000 was brought about by the changes instigated by NAFTA. Will FTAs and RTAs provoke similar changes in Southeast Asia?

Singapore and New Zealand (Chapter 12) offer yet another fascinating study on the viability of the FTAs for small economies. Economic gains are not the driver for this FTA. Singapore was New Zealand's 18th largest trader. New Zealand burned the bridge to the United States when it began to ban all nuclear warships from visiting the South Pacific country, thus preempting all chances of a bilateral FTA with Washington. A trilateral FTA with Australia and the U.S. was opposed by a recalcitrant Canberra, preferring its own bilateral FTA with the U.S. without the Kiwi state. A Pacific Five (P-5) was proposed to include Singapore, New Zealand, Australia, Chile, and the United States, but the sex scandal at the Clinton White House destroyed all possibilities by Congress to renew the fast-track authority. As a result, P-5 died ingloriously. Singapore and New Zealand consequently resolved to sign an FTA that cannot harm them — the treaty was concluded with *future* strategic and political considerations in mind. Their action could set in motion more FTAs throughout the region and the Pacific Basin. In theory, if all the countries in the world have FTAs with each other, it *may* have the same effect that multilateral liberalization could bring. By the way, the volume editor, Jiro Okamoto, argues that this is faulty logic. We have much to learn about FTAs, not just closed versus open, but also their political, security, and cultural ramifications.

Historical and cultural perspectives can shed better light on Malaysia's opposition to the "back door" FTAs pursued by Singapore and Thailand (and now by the Philippines and others) and Brazil's resistance to the Free Trade Area for the Americas promoted by Washington. What do the foreign ministries, Itamaraty of Brazil and Wisma Putra of Malaysia, have in common? It is their burning desire to avoid being overrun by the world's largest economy and market — the United States. Portuguese-speaking Brazil sees itself as the natural hegemon of Spanish-and-Amerindian-speaking Latin America. Along with Indonesia, Malaysia sees itself as the pacesetter for Southeast Asia, where the voice of the two Islamic societies can be heard. Indonesia at its zenith joined with Malaysia to dominate ASEAN and the two emerged as the interlocutors for Southeast Asia. Soeharto and Mahathir rarely allowed their sibling rivalry to get in the way. Jakarta's reluctance to deal with home-grown terrorist groups has imperilled Malaysia's security and dampened Kuala Lumpur's desire to remain Jakarta's faithful partner in economic diplomacy and ASEAN. And a mismanaged counter-terrorist policy can provoke the United States to act unilaterally. To further complicate the situation, the largest trading partner and investor for Brazil and Malaysia remains the United States; and in 2003, Singapore surpassed the United States as Malaysia's top trading partner, not Indonesia.

Malaysia sorely needs a regional superpower to counter the United States. AFTA *was* one option; ASEAN plus Three (EAEG by another name) is another; and ASEAN-EU (ASEM) is still another. ASEAN-China and ASEAN-Japan are also *reinforcing* props. By the time all these FTAs and RTAs come to function, Malaysia may find itself at odds with other ASEAN members. Will it abandon its cantankerous economic diplomacy and adopt a more accommodative one? Will an economic bloc serve Malaysia's interests better in Southeast Asia and in the world than an Islamic bloc? Singapore, Thailand, the Philippines, Brunei, and three Indochinese states will have moved on with variegated FTAs with extra-regional trading partners, big and small. After all, the intra-regional trade in value has never surpassed the 25 per cent mark for the past three decades and does not show any sign of a graphic upswing.

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