

practices. Of central concern to Ross is the detachment of American and British leaders and diplomats from the concerns and experiences of the rest of the world. This detachment is the product of multiple and reinforcing tendencies. First, it is the product of detached elites who make snap judgments about particular events or crises filtered through the lenses of particular worldviews in Washington or London. The result is that complex events are reduced to simple caricatures. These caricatures are then spread around the globe by an army of diplomats who often know little or nothing about the events they are representing. For example, in the early 1990s, American and British leaders quickly concluded that the conflict in the Balkans was not vital to their respective interests. Ross recounts that because his government was unwilling to intervene, British diplomats around the world presented “the murderous killings as inevitable and unpreventable.” He writes: “I did not understand the Balkans. But this did not prevent me or anyone else in the embassy from repeating the analysis. . . . I believed those lines-to-take. . . . I did not stop believing them until I actually went to Bosnia many years later” (p. 31).

Similarly, in 2002, President George W. Bush and Prime Minister Tony Blair quickly determined the need to remove Saddam Hussein from power. Ross concludes that the two men, their advisors, and much of their respective diplomatic corps reduced their choices to a simplified dichotomy: war or another terrorist attack: “When contrasted with the complexity and uncertainty of the alternatives, war may have seemed simpler. In the strange way that governments are swept along by events without properly stopping to think, war came to be seen as the only viable course” (p. 78).

The detachment is also reinforced by structural and procedural problems within diplomatic institutions that reduce large amounts of information into simple narratives. Ross argues that what may be really “essential” is often missed. In part, this is because information collection is often distorted. For example, despite extensive training, diplomats often have limited language skills, historical knowledge, and cultural understandings of the countries to which they are posted. All of these combine to influence biases in information collection and reporting.

To illustrate this point, Ross tells of his own experiences after September 11, 2001. He writes that his personal ambition to be at the center of things led him to become the political councilor at the British embassy in Kabul. He acknowledged that his experience with Afghanistan was “scant.” He was largely dependent on English-speaking Afghans to collect information or occasionally on the embassy’s sole interpreter. Nonetheless, he was able to discern that the official narrative of British policy about the successes of the post-Taliban transition to democracy was at odds with reality. Much of the activity in the run-up to the *Loya Jirga* in 2002 consisted of backroom bargain-

ing, side payments, bribes, and intimidation taking place among tribal leaders posturing for government positions and resources. In the end, Ross says, he tried to tell London that he “didn’t really know what was going on . . . but I was paid to produce a product and produce it I did” (p. 41). The policy was to support democratization under the *Loya Jirga* process. Because that was the policy, all reports were “directed to this end” (p. 43).

A second factor responsible for the detachment of American and British leaders is the antidemocratic nature of global diplomatic institutions. American and British diplomats operate within a structure that gives them enormous power. Even well-intentioned diplomats exploit these advantages and often dismiss the considerations of smaller countries and UN staff. For example, Ross recounts that during the debates on Iraqi sanctions in the late 1990s, the focus among British and American diplomats was more about “fixing blame” than it was about finding ways to ameliorate the suffering of the Iraqi people. He later concludes that his representations of the facts were wrong, but that he and his colleagues were “confident” in their “wrongness.” He writes: “There were many others telling us we were wrong, but we ignored them. . . . They were suspect, politicized, motivated by sentiment or politics, whereas our motives rested on the elevated plan of diplomacy. . . . [W]e had ‘our’ security, the region’s security, even the world’s security at heart” (p. 69).

His experiences led Ross to be highly critical of the current state of diplomacy. He concludes with an extensive list of suggestions for opening up American and British decision makers and diplomats to new and diverse ideas from a wider range of people around the globe. If these are global problems, he maintains, they will require ideas and solutions coming from places far from Washington, London, or New York.

Independent Diplomat does not break any new theoretical ground. Scholars of diplomacy will be familiar with most of its themes regarding the limits of diplomacy. Nonetheless, it develops these themes through astute and intriguing reflections on personal experience that make it an interesting and informative read for students, scholars, and policymakers.

Firm Interests: How Governments Shape Business Lobbying on Global Trade. By Cornelia Woll. Ithaca, N.Y.:

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— Rawi Abdelal, *Harvard Business School*

This is a truly excellent book, which should take the field of international political economy in promising directions. *Firm Interests* deserves a wide audience of political scientists, policymakers, economists, and scholars of management, public policy, and business–government relations. As a field, international political economy has, with

a simple theoretical tool kit, produced some useful findings about the influence of firms' material realities on policy outcomes. Alas, the microfoundations of those findings have remained elusive, in part because even our best studies have tended toward stylization. At the risk of doing some violence to the now-rich literature on commercial policymaking, the norm has been to derive the preferences of firms on the basis of an economy's factor endowments or, alternatively, factors specific to import-competing industries. Some scholars, such as Michael Hiscox, have combined these material alternatives productively.

Yet there is so much more to the world and, in particular, so much of the world that continues to elude those baseline expectations derived from materialist theories. We can indeed make scientific progress by deducing preferences of organizations, including firms, from material structures. Alas, as scholars, we continue to be confounded by actual policy outcomes and, more interestingly, actual firms' preferences. Despite many similarities in the material realities faced by firms, "business lobbying," Cornelia Woll observes, "differs fundamentally across sectors and countries" (p. xiii).

Woll's book is a wonderful contribution, which will help us to make better sense of how firms' managers decide what is best and, as well, how firms attempt to influence policies in their favor. "Firms," Woll writes, "do not always know what they want from trade negotiations" (p. xi). For many of the most important questions in international political economy, our existing materialist theories are simply not good enough because they do not explain enough of the world. We can and should do better.

Woll has done better—much better—than existing scholarship by, first of all, doing something quite straightforward, if time intensive: She has engaged in impressive field research to find out what firms wanted and why. She has combined prodigious secondary research with primary interviews of many of the firms that participated in some of the most important trade debates of the past 20 years regarding service trade liberalization.

Instead of inevitability, Woll has found contingency. She uncovers the pervasive influences of regulatory and political arrangements, the identities of the firms, and managers' beliefs, as well as the institutional opportunities those managers discovered when they tried to influence policies. Surprisingly, she has found that, in general, firms supported service liberalization in both the United States and Europe. In particular, two chapters provide ample evidence to confirm her approach. The chapter on telecommunication services includes illuminating interviews that Woll conducted with lobbyists in Washington, DC, officials from the World Trade Organization secretariat in Geneva, executives from France Télécom in Paris, officials of the European Commission in Brussels, and representatives of the U.S. government. She has admirably included the reflections, some in real time and others retrospec-

tively, of the very people who produced the commercial and regulatory outcomes about which others have only hypothesized from afar.

Woll's account is also theoretically sophisticated. In place of materialist theories that have advanced the field only so far, she develops a constructivist theory of firms' preferences and lobbying efforts. Building on the work of Jens Beckert and Mark Blyth, Woll emphasizes the pervasive "Knightian uncertainty" that firms face about how changes in trade policies will likely affect their profitability and survival. She employs the concept of Knightian uncertainty from economic sociology in a standard way: Rather than looking at a situation as defined by risk, in which agents can assign probabilities to outcomes, many firms' managers understand the world they inhabit as often defined by uncertainty of the sort described by the economist Frank Knight, whereby agents lack the information necessary to assign probabilities to possible outcomes. Business lobbying on trade policy evidently combines uncertainty about both the desirability of various strategies and the likely effects of emergent regulatory regimes. Following Beckert and Blyth, Woll argues that firms, like other agents, "rely on social devices to reduce uncertainty, such as traditions, networks, institutions, and the use of power" (p. 12).

In Woll's framework, firms' managers first define the identities of their firms; then, facing uncertainty, they adopt a strategy based on hypothesized means to reach desired ends. That strategy must, in turn, be tailored to the institutional environment faced by the firm. The analytical structure produces an intuitively plausible decision tree: All firms seek to survive, aiming at enhanced profitability or mere stability; to seek those goals, they may aim for the status quo, protection, or expansion; finally, those specific policies might be domestic regulation, subsidies, tariffs, patent law, or reciprocal liberalization.

I have only two modest complaints about a book that would otherwise be difficult to improve. First, it is somewhat austere. Chapter 2, "Business Interests in Political Economy," includes dozens of insightful arguments to which many more pages could have been devoted. An excellent table on page 34 outlining how interests, preferences, and strategies of politicians, nation-states, and firms interrelate could, with elaboration, almost be a theory chapter on its own. The author's analysis of how variations in interests, preferences, and strategies connect to firms' identities, causal and normative beliefs, and the strategic environment is also fascinating, but only a few pages (pp. 35–38) are devoted to its explication. As a reader, I was eager to learn much more about her thoughts on these issues. Further development of Woll's agenda will, therefore, have to wait for her next book and the work of other scholars who build on the edifices she has begun to construct.

Second, it might be argued that having endogenized the preferences of firms, Woll has opened a managerial

Pandora's box. After several decades in which scholars have been routinely exhorted to trade proper nouns for variables, her analysis emphasizes the specificity with which firms experienced economic and political change. Firms, like states, are also abstractions, however. Firms are organizations, legal entities, populated by individual decision makers. Future work in the research agenda she develops should, by her own acknowledgment, look within those firms as well.

These are minor criticisms of an outstanding book. Overall, *Firm Interests* should be widely read, admired, and embraced as a model of the next generation of constructivist international political economy scholarship. Woll's book shows how important are both field research and sophisticated, novel theorizing to the progression of our knowledge about how firms and governments relate to one another.