

Book Reviews

Legal Problems of International Economic Relations—Cases, Materials, and Text

By John H. Jackson (Professor of Law, University of Michigan). Published June 1977 by West Publishing Co. in its American Casebook Series. 1097 pages plus 436-page Document Supplement.

Reviewed by JAMES C. TUTTLE

This unique law school casebook is a "must" resource material for the practitioner who engages in advising and representing clients with import, export, customs, business entry, and other related foreign trade law problems.

The first two chapters introduce the reader to a survey of public and private international transactional legal materials. The next three chapters of the book acquaint the reader with late developments and more classical concerns of national regulation of international commercial activity. The balance of the book (13 chapters) deals with public international, and national, law-policy questions and regulations of private and public entities and decisions in foreign trade law with respect to: international financial institutions, GATT, import restraints, MFN treatment, national treatment and NTBs, import injury adjustment and safeguards, unfair foreign competition, IMF, export controls, national and trade restriction, commodities, LDC trade preferences, and statist regime trade.

The book contains an excellent, detailed table of contents which very helpfully outlines subjects and major literary materials. The text carries research footnotes which take the reader to a myriad of international, national, and more localized laws, judicial decisions, and nonlegal materials which make up the fabric of international foreign trade legal practice in the private and public sectors. No such single-source collection of foreign trade materials exists elsewhere to this reviewer's knowledge.

What *World Trade and the Law of GATT* (also by Jackson, 1969, Bobbs-Merrill Publishing Co.) had done by way of treating GATT indepth and comprehensively for the first time, *Legal Problems of International Economic Relations* has done for the broader horizon of all types of trade relations. It concentrates on such areas as the 1974 USA Trade Act framework (and its predecessor-legislative, executive, and judicial treatment), related economic/government policy issues, and comparative foreign trade law and policy (especially the United States and Europe). At the same time, integration of GATT, UN, ICJ, IBRD, and IMF legal and policy developments appears throughout the book and, again, most helpfully in the detailed research notes which the practitioner will find especially useful in locating the black letter of the law as well as relevant leading economic and other nonlegal materials which would augment well a practitioner's "Brandeis-type" brief.

The excerpted materials selected and reprinted in the book give special reference to the legislative history of the United States Trade Act of 1974 and its precursors. Additionally, the 436-page Documents Supplement to the case-book contains full text reprintings of the: 1974 Trade Act, GATT, IMF Agreement, Treaty of Rome (EEC, 1957), Convention of Lome (ACP-EEC, 1975), USA-Canada Auto Products Agreement (1965), U.S. Auto Products Trade Act (1965), Antidumping Code (GATT, 1967), USA-USSR Trade Agreement (1972), USA-USSR Long-Term Agreement to Facilitate Economic, Industrial, and Technical Cooperation (1974), and UN Charter of Economic Rights and Duties of States (1975).

To sum up, no foreign trade law practitioner would wish to miss having this book readily available on his or her desk, next to *World Trade Law and the Law of GATT*, nor would any law student interested in the field of international trade law want to miss a wide reading of this leading law school case-book.

The Kremlin in Labor: A Study in National Security Policy

By Roy Godson (National Strategy Information Center, Inc. 1977).

Reviewed by MARTIN C. SEHAM

American managers, lawyers and consultants often experience a kind of cultural shock when they first confront the political problems of dealing with European trade unions.

From its inception, the American trade union movement has adopted essentially a bread-and-butter philosophy. Ideology has been at best a secondary consideration, subordinate to the basic quest for improved wages and working conditions. Those goals scarcely admit great dispute among working men, and this unity of purpose has also tended to limit divisiveness within the labor movement itself. Certainly within individual industries, union competition has been based either on the attraction of dominant personalities or on the claims of competing organizations to greater effectiveness in winning greater economic gains. Although the split between the AF of L and CIO in the depression years of the 1930s sometimes took on political overtones, the essential disagreement concerned the methods and scopes of the organizations.

Against this background, American managers have been startled by some European situations where they find not only a multiplicity of competing unions within a single plant but also very specific political affiliations by each of those unions. Disputes that might in the United States be confined to narrow economic problems of cost and efficiency can, in the European context, become highly charged political issues sometimes affecting the stability of national governments. Among the competing unions in Europe, as well as elsewhere in the world, are those identified with the Communist Party. American managers may not only have to deal with these "Eurocommunist" unions, but with the relaxation of trade and investment restrictions in such

Eastern European countries as Romania may find that they are dealing with communist unions which are admittedly organs of the State.

Mr. Godson's volume takes the next step backward in the organizational chain and examines the relationship of these various communist unions to the Soviet and international communist apparatus. Knowledge of those relationships is of critical importance if we are to comprehend the meaning of trade unionism as it is understood by the communist organizations and communist States themselves and if we are to be able to deal with and make effective responses to those organization. Mr. Godson examines in detail the organization of the Soviet trade union organizations and its frank admission that it exists as an instrument of Soviet domestic and foreign policy. In this book, there is, for instance, an organizational description of how the activities of the Soviet All Union Central Council of Trade Unions is coordinated with the activities of the KGB and Ministry of Foreign Affairs. However, Mr. Godson focuses particularly on the World Federation of Trade Unions which he characterizes as "the most important Soviet controlled international labor body." This organization was established in 1945 and during the immediate postwar years. Almost all major communist and noncommunist national unions (with the exception of the AF of L) joined the organization. However, as it becomes clear that the WFTU was Soviet controlled, the AF of L, together with most noncommunist Western organizations, withdrew in 1949 to create the International Confederation of Free Trade Unions. That organization together with the democratic Christian oriented World Federation of Labor and the WFTU comprise the three major international labor confederations.

Despite the defection of so many Western unions, the WFTU continues to claim to be the largest and, therefore, the most representative international labor federation. It claims over 160 million individual members but 50 percent of this total is from the Soviet union as well as additional members from other communist countries. The membership from non-communist countries is reported to amount to only 5 percent to 10 percent of the WFTU affiliation. Yet, this does not diminish the organization's attempt to represent itself as a spokesman for all international labor.

Mr. Godson's book describes in detail the activities of the WFTU which include "the coordination of international strikes." It is ironic that the WFTU does not, however, countenance strikes against the operations of Western multinationals in Eastern Europe and the Soviet Union because, according to that organization, the "act against the multinational companies is a question of class struggle *in the capitalist countries.*" The obvious conclusion is that if one is looking for labor peace, and freedom from the instability of strikes and work stoppages, the most certain solution is to set up shop in a communist country and have workers represented by communist unions.

One of the interesting illustrative examples Mr. Godson gives of the political utilization of the international communist trade union movement is its support of the Palestine Liberation Organization (PLO) labor movement. That organization has been financially subsidized by the WFTU and, reportedly, most of its officials and leaders have been trained in Eastern European labor schools. In this instance as well as others reported by Mr. Godson, the objective of the international communist trade union organizations is, in the short run, to occupy a place in the various trade union organizations which in turn can be used to affect the national policies of the host countries. The completely different orientation of American and communist labor organizations in part explains the frustration and anger that has frequently been expressed in American trade union circles over the inability to achieve any measure of true international cooperation. When the enormous gulf existing between the two types of labor organizations both in activities and goals is understood, one must sympathize with the feelings of frustration experienced by American trade unionists. However, after reading Mr. Godson's book, the inescapable conclusion is that United States' denunciation of communist trade unions will not curb their activities or cure the problems they pose. Certainly, the United States and its labor movement cannot afford to simply abandon the international field to organizations which bear the mantle of trade unions but are, in fact, the instruments of communist government policy.

If the decision is made to withdraw from participation in international organizations, such as the ILO, which admit into their body communist organizations, then self-interest demands that effective responsive action must be taken by the free trade union movement to counteract the influence communist activities in those organizations is certain to exert in the free world and on labor organizations in the Western world. What is clear is that the communist organizations will seize any tool available to them and use it as effectively as possible to serve their own goals. Before the alternative of rejection is accepted, however, the alternative of participation should be carefully examined. At this hour in international history there is no longer any legitimate basis for claiming injured innocence from communist deception. If there was any doubt about the fact that a "trade union" in the United States is a completely different thing from a "trade union" in the Soviet Union, then Mr. Godson dispels that notion. Before international structures such as the ILO are irrevocably damaged and abandoned by the United States, another, closer, look should be taken. That look should be one in which we see things as they are and not as we would like them to be. If we fully appreciate the nature of the other participants in these international organizations and the fact that they originate from and are controlled by political and economic systems different from ours, we may yet decide that the best course of action for the United States is to retain a place from which we can oversee and control the in-

ternational activities of the communist "trade union" organizations. This latter course is one which demands continuing vigilance and, undoubtedly, would breed endless frustration. However, the international trade union movement and the allegiances of workers throughout the world are a major objective in the continuing competition among the world's dominant political and economic philosophies. Whatever precise course the United States follows, it must never assume that the competition does not exist; and it must never believe that its own institutions will survive by withdrawing from that struggle.