Effective management of the oil sector is a product of economies, access to oil is crucial for economic growth. In this book, Llewelyn Hughes argues that for advanced France, Japan, and the United States policy.

The individual chapters aim to bring all aspects of the politics of immigration together under one roof, but perhaps the decision to bring in regionalism, bilateralism, and multilateralism stretches the narrative a little bit. The book’s strongest chapters are the ones on citizenship and migrant integration. Hampshire sacrifices neither breadth nor depth in exposing how multidimensional and complex both concepts are. The caveat against quick public policy fixes is a particularly sobering point: “[T]he frustration of governments, integration is not something that can be facilitated, or for that matter hindered, by pulling a few clearly labeled policy levers” (p. 154).

In sum, The Politics of Immigration is a compact book that seeks to make sense of the contradictions and paradoxes of a policy area high on the agenda of all liberal democracies, but it is more than an unstructured collection of everything that matters. Hampshire proposes the use of four facets of liberal democracy as a rough compass to help navigate the politics of immigration in different policy areas, during different times, and in different countries. In fact, the subtitle Contradictions of the Liberal State best captures the book’s main contribution to the literature, but the publisher has somehow decided to leave this helpful and memorable subtitle off the cover. The title is descriptively accurate in general terms, but unfortunately a little uninspiring and forgettable. The book itself, however, is an important and memorable contribution to scholarly thinking on the contradictions of liberal immigration policy.


— John R. Heilbrunn, The Colorado School of Mines

In this book, Llewelyn Hughes argues that for advanced economies, access to oil is crucial for economic growth. Effective management of the oil sector is a product of bargains that he calls “industrial compacts” reached between oil companies and governments. Therefore, it follows that bargains between business and political organizations are crucial elements of economic growth. Globalizing Oil is about the origins of these bargains that govern the oil sector in France, Japan, and the United States.

Seven chapters outline how oil influences policymaking and economic governance in the three countries. The first three chapters explore “the puzzle of oil,” “the Physiocratic fallacy,” and the rationale behind management of the oil sector. Having posed a theoretical structure, Hughes examines how governments in France, Japan, and the United States, respectively, manage the oil sector. The author contributes a compelling study that compares important cases and is noteworthy for its extensive use of Japanese language sources.

The book’s unit of analysis is the firm and governments. Hughes uses evidence from interviews, selected readings in the secondary literature, and corporate reports. He presents a comparative study to describe how the world wars, the 1974 oil crisis, and price declines in the 1980s shaped corporate lobbying strategies and energy politics in the three countries. He proposes first that competition and relative resource abundance determine the characteristics of firms (p. 204). Second, the sequencing of policies decides the directions of economic change (p. 205). Finally, legal structures shape business organization and competitive strategies in different ways in these countries (p. 206).

An understanding of competitive strategies requires an assessment of the “industrial compacts” between business and state that regulate prices, lower trade barriers, and set goals of domestic production and refining (pp. 206–7). Hughes presents industrial compacts as bargains oil companies negotiated with governments that “played an important role in shaping firm characteristics” (p. 200). They “regulated market share and shaped the organizational structure and incentives of firms operating in the sector” (p. 149). Industrial compacts were the oil companies’ responses to exogenous events and the demands their executives placed on policymakers (p. 198). As such, they enabled oil companies to define strategies and adjust to market swings.

Globalizing Oil selectively uses historical evidence to demonstrate the origins of industrial compacts and competition in the oil sector. Oil companies accepted policies that aligned with what Hughes calls “liberalization” or “a standard set of policies,” including a competitive private market based on unrestricted trade and “hard budget constraints on firms” (p. 10). These choices are the opposite of a monopolistic market in which firms control entry, production, and distribution (p. 10). The book posits that an orientation toward liberalization shapes business–state relations and industrial compacts in France, Japan, and the United States.
Hughes analyzes energy policy in each case. In France, mechanized warfare during World War I demonstrated that access to oil was a national security issue (p. 46). In 1924, the French government established the Compagnie française de pétrole (CFP) to explore and produce desperately needed oil (p. 73). The French government owned a significant percentage of its few oil companies, all the while advocating liberal policies to protect its access to oil (p. 70). However, French state participation ended after Elf Aquitaine merged with Total, which was privatized during the early twenty-first century (p. 82). To a striking degree, interests of the French state converged with those of its oil company.

Japan resembles France in its lack of oil reserves and the close relations between its oil companies and the state. Like France, the Japanese state that Hughes depicts was proactive in the oil sector. The prewar industrial compact prompted Japan’s oil companies to adopt a business model of vertical integration that emphasized control of reserves, refining, and distribution of petroleum products (p. 113). In the early twentieth century, Japan’s Ministry of Commerce and Industry granted a monopoly in Korea and Manchuria to the Imperial Oil Development Corporation (p. 119). The prewar state granted its oil companies protections that allowed its “horizontally and vertically fragmented industry” to form cartels (p. 115). Despite its cartels, before World War II Japan needed to import oil to satisfy domestic demand (p. 116).

After World War II, the postwar industrial compact in Japan fostered a competitive energy sector (p. 122). The competition motivated mergers in Japan’s fragmented oil industry, demonstrating the government’s intent to create a corporate leader (p. 124). However, policies were ambiguous, which undermined the state’s efforts to create a vertically integrated Japanese oil company (p. 126). Curiously, the discussion in the book fails to note how Japanese oil companies replicated the horizontally integrated Sogo shosha business model. Hence, the postwar Japanese government’s efforts to establish vertically integrated companies went against the prevailing business model. This horizontal business model converged with Japan’s determination to protect the liberalization of trade (p. 144).

The U.S. oil industry contrasts sharply with that of France and Japan. First, the United States possesses substantial oil reserves and a large, complex industry. Second, the U.S. domestic market was large enough to attract small regional firms that demanded protections from international competition. Third, international events like the 1974 oil crisis pushed U.S. international oil companies (IOCs) to ensure supply. When prices and profits dropped during the 1980s, U.S. oil companies responded according to size. Whereas smaller firms reduced exploration and cut jobs, IOCs expanded domestic and international exploration, opposed protection, and fought restrictions on supply (p. 151). A merger movement followed, leading to concentration among U.S. majors (pp. 174–75).

The U.S. oil sector was far more complex than the other two cases in critical aspects, such as corporate strategies (p. 149). Whereas in the United States IOCs reacted to price volatility in the 1980s by mergers that reduced competition, in France, falling corporate profits pushed Total to expand its explorations and refining operations (p. 198). Japan “partially liberalized” its oil sector (p. 113) but remained dependent on imports, and its “weak and poorly diversified firms” remained small (p. 199). Each response reflected state–business relations embedded in industrial compacts.

Globalizing Oil is a fascinating discussion of business–state relations in postindustrial countries. However, it is a frustrating book that is at times superficial in its treatment of these three cases. First, the author fails to discuss how variable access to oil affected the industrial compacts in each country. Although France possesses meager oil reserves, in 1957 Elf Aquitaine discovered hydrocarbons in colonial Algeria and Gabon. Japan had no such colonies. The United States, by contrast, has significant oil reserves. Second, Hughes ignores agency. The people who decided corporate strategies or deliberated over policies fail to enter the analysis. In the late nineteenth century, John D. Rockefeller established Standard Oil as a vertically integrated, multidivisional corporation. His actions informed the business model that oil companies have replicated ever since. Finally, the author briefly mentions national oil companies (NOCS) (p. 26), but ignores twenty-first-century developments that have an impact on industrial compacts. One prominent development, briefly mentioned (p. 207), would be the proliferation of NOCs from Asia that are fundamentally changing international competition.

Besides these really minor quibbles, Globalizing Oil is an important addition to the literature on state–business responses to exogenous shocks and policy shifts. Its discussion of industrial compacts through which oil companies respond to change and try to influence energy policy, and its attention to business goals of liberalization, represent timely additions to the international political economy literature.


— Alice J. Kang, University of Nebraska–Lincoln

Why does it matter how many women serve on state and federal courts in the United States, high courts in the United Kingdom, or the European Court of Justice? In Gender and Justice, Sally Kenney provides