

tos de interés) parece adecuado ante la emergente confusión respecto al capital y la propiedad financiera de las empresas, y el mantra sobre el conocimiento; los seres humanos seguimos pasando muchas horas al día sumidos en contextos y lógicas organizativas donde construimos nuestra identidad y damos sentido a la vida.

La tercera cuestión es quizás la más complicada. Sus sugerencias normativas, más que idealistas, pueden entenderse como propias de una ciencia social progresista, dentro de una visión histórica del papel de la ciencia social (¿qué papel ha cumplido hasta ahora la ciencia social en los procesos históricos exitosos y fallidos de profecías que se autocumplen o de performatividad?). Superar dicotomías de suma cero entre malos y buenos, entre capital y trabajo, entre gran empresa y pyme, etc. y proponer nuevas vías y lenguajes de progreso y prosperidad, requiere vislumbrar posibilidades difíciles pero plausibles de suma positiva, a través de mecanismos adecuados a las personas y la sociedad del siglo XXI. Para poder sacar mayor provecho de este libro, se sugiere leerlo con unas lentes frescas y abiertas. Es un libro de recomendada lectura para todo aquel que se preocupe por los designios del siglo XXI.

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The Effect of Treaties on Foreign Direct Investment: Bilateral Investment Treaties, Double Taxation Treaties and Investment Flows
Karl P. Sauvant and Lisa E. Sachs
Oxford University Press, Oxford and New York, 2009

This book aims to analyse and resolve one central question: to what extent has the proliferation of legal instruments designed to reduce uncertainty in the international investment environment actually caused greater international investment over the last two decades? The vast increases in Foreign Direct Investment (FDI) flows from the 1990s have been accompanied by significant changes in the legal environment around which this international investment flows. Legal certainty is understood as being an increasingly valued asset particularly in the light of financial and economic volatility, as evidenced in recent crises in Latin America in the early twenty-first century and, from 2008, in most countries worldwide. One of the most important legal

instruments are the Bilateral Investment Treaties (BITs), which governments use to signal foreign investment will be protected via international law. Double Taxation Treaties (DTTs) are another key measure, which deal with how to allocate the revenues generated by international investment between the home and host countries. The overwhelming majority of BITs were implemented from 1990: 2,000 were signed between the early 1990s and 2006 and in total some 2,573 BITs are registered as active today. DTT implementation, on the other hand, commenced in the 1960s, and their growth has been steadier: there were over 2,651 in place by 2006. By 2008, some 177 countries had entered into one or more BITs and, although these were originally signed largely between developed and developing countries, they have also become increasingly common between developing-developing and developing-transition countries. DTTs, originally designed for developed countries, are increasingly signed by developing countries too. Regardless of the evidence of the proliferation in practice of these new agreements, Sauvants and Sachs want to uncover what evidence there is on causality between a heightened international investment legal environment and greater FDI flows. In order to do so, they assemble twenty four pieces of research from experts in the field, particularly, from the disciplines of law, economics, international business and international relations. The findings of these chapters provide the basis on

which the editors strive to answer the original question they set. These chapters, organised into four parts, make up the core of the book, plus the Introduction by Sauvants and Sachs.

Though not labelled as such, the Introduction is really an «executive summary» for the entire volume. Here, precise definitions of BITs and DTTs, data on their evolution and presence in the world economy, as well as data on trends in FDI flows and Multinational Corporations by geography and volume are provided. The book has no real concluding chapter, as the editors opt to summarise the findings in the Introduction. The twenty four chapters are divided into four sections. The first section contains four chapters dedicated to explaining the historical evolution of international investment agreements in general, and BITs and DTTs in particular. The second section comprises twelve chapters, each of which deploys various methodological tools to enquire as to the effect of BITs on FDI flows. The third section, which includes seven chapters, does the same, but for the case of DTTs. The final, shorter, section includes an analysis of the effects of investment treaties in the case of transition economies and a selected bibliography for further reading.

So, do BITs and DTTs promote greater FDI? The answer to a simple question, as so often in the social sciences, is highly complex and partially inconclusive. As regards BITs, the chapters by Salacuse & Sullivan, Buthe & Milner,

Neumayer & Spress, Grosse & Trevino and Gallagher & Birch broadly coincide that these agreements are associated with greater FDI. Rose-Ackerman's chapter also agrees, though she qualifies this with the observation that the marginal benefit for a country to sign more BITs decreases. However, not all the chapters point in the same direction: the chapters by UNCTAD, Hallward-Driemeier and Yackee conclude that BITs did not play a primary role in promoting FDI, whilst Asibett's and Swenson's chapters both qualify the importance ascribed to BITs on FDI. How can these diverging findings be explained? One reason is the different methodologies deployed, though this is not pursued further by the editors. They instead point to: 1) the lack of good quality data on bilateral FDI stock and flows; 2) the fact that some forms of FDI—such as resource and market-seeking investment—are less dependent than, say, efficiency-seeking investment (where several investment sites are possible) and it is not always possible to distinguish these various types of FDI; 3) difficulties disentangling causal effects of BITs from other regulatory characteristics; and 4) the impact of BITs on FDI may be much more significant for certain countries or regions than others, a fact not always captured by the studies. Finally, it is concluded how economic factors trump all other factors, including BITs, when explaining FDI flows. Less empirical work has been dedicated to analysing the effect of DTTs on FDI flows and most of the research

challenges described when analysing the impact of BITs on FDI also apply. Most empirical studies have concluded that DTTs implemented since the early 1980s have not had a demonstrable effect on investment flows. The chapters by Blonigen & Davies, Louie & Rousslang and Christians coincide. However, Millimet & Kumas point out that if lagged effects are considered, DTTs may be linked to greater FDI, and Neumayer argues DTTs are associated with greater FDI but only in particular middle-income countries.

Why then, have governments introduced thousands of international investment agreements? It is argued that: 1) the environment to attract FDI is increasingly competitive and governments fear consequences of *not* introducing them, so that they can boast a modern, up-to-date international legal framework; 2) agreements, particularly BITs, have been encouraged retrospectively, to protect investment already made; 3) these treaties are not deemed to damage FDI prospects, so are «harmless»; and finally, 4) governments can use BITs to include new fiscal and financial incentives, improved market access and so on. At the same time, the editors conclude that the proliferation of BITs, DTTs and other forms of bilateral treaties gradually move countries worldwide nearer to a coherent international investment regime.

The format of this book, though large, is practical and it serves well two particular sets of readers. First, for FDI scholars, whether from legal, international busi-

ness or other social science disciplines, the volume serves as a kind of comprehensive «reader» of some of the best and contemporary pieces of research on this highly specific topic, bringing together as it does some new, revised and recently published articles by experts. Second, the volume also serves the policy-oriented readership, which wants access to empirically-based, scholarly work on this topic from a practitioner perspective. These readers can find the main points in the Introduction and then follow references to the individual chapters to flesh out the argument. In sum, the volume constitutes an important contribution to the literature on the increasing relevance of policy for FDI decisions.

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