

**THE VISCOSITY OF GLOBAL GOVERNANCE:
WHEN IS FORUM-SHOPPING EXPENSIVE?**

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ABSTRACT

In recent years there has been a proliferation of international institutions, as well as renewed attention to the role that forum-shopping, nested and overlapping institutions, and regime complexes play in shaping the patterns of global governance. This paper argues that at present, institutional proliferation has a paradoxical effect on global governance. Proliferation shifts global governance structures from rule-based outcomes to power-based outcomes – because proliferation enhances the ability of the great powers to engage in forum-shopping. This leads to another question – under what conditions will great power governments be constrained from forum-shopping? Most of these factors suggested in the international regimes literature do not pose either a consistent or persistent constraint to forum-shopping. After examining one example of where forum-shopping was temporarily constrained – the 2001 Doha Declaration on intellectual property rights and public health – this paper suggests that issue linkage and organizational reputation can increase the viscosity of global governance in the short run. The barriers to forum-shopping are not constant over time, however; in the long run, there is little viscosity in global governance structures.

In recent years there has been a proliferation of international institutions, as well as renewed attention to the role that forum-shopping, nested and overlapping institutions, and regime complexes play in shaping the patterns of global governance.¹ This increased attention has not necessarily improved our theoretical understanding of the phenomenon, however. The increasing thickness of the global institutional environment clearly suggests a change in the fabric of world politics. Just as clearly, great powers have demonstrated a willingness to substitute different decision-making fora in order to advance their interests in world politics. IR theorists have tried to move beyond demonstrating the mere existence of this strategy to explaining when it is likely to occur. What are the necessary and sufficient conditions that would lead a great power to substitute governance structure within a regime complex?

To get at this question, this paper makes two arguments about the effect of institutional thickening on global governance outcomes. First, institutional proliferation has a paradoxical effect on global governance. As global governance structures morph from international regimes to regime complexes, legal and organizational proliferation shifts world politics from rule-based outcomes to power-based outcomes – because proliferation enhances the ability of states to engage in forum-shopping. Small states as well as the great powers can avail themselves of this strategy. There are a variety of reasons, however, why this tactic favors the strong over the weak to a greater degree than if forum-shopping did not occur at all.

The second part of the paper considers the constraints on this strategy – under what conditions will great power governments be constrained from forum-shopping? In

fluid mechanics, viscosity is the resistance a material has to change in its form. High levels of viscosity imply a material that is slow to change. In global governance, high levels of viscosity would mean lots of internal frictions within a single regime complex, making it costly to shift fora. It is worth contemplating whether some regime complexes suffer from higher rates of viscosity than others – and also whether some regime complexes grow more or less viscous over time. When are the costs associated with switching fora too prohibitive?

Recent literature on international organizations, including the Rational Design school, propose a number of factors that could explain the relative viscosity of global governance structures.² These include membership, scope, centralization, legalization, legitimacy, and reputation. The paper suggests that most of these factors do not pose either a consistent or persistent constraint to forum-shopping. After examining one example of where forum-shopping was temporarily constrained – the 2001 Doha Declaration on intellectual property rights and public health – this paper suggests that issue linkage and organizational reputation can increase the viscosity of global governance *in the short run*. The barriers to forum-shopping are not constant over time, however; in the long run, there is little viscosity in global governance structures.

The rest of this paper is divided into five sections. The next section discusses why the proliferation and legalization of global governance structures can undercut rather than reinforce institutionalist theories of world politics. The following section draws on recent literature to evaluate the collection of factors that could increase the viscosity of global governance. The fourth section examines the Doha Declaration to determine what

¹ Raustiala and Victor 2004; Aggarwal 2005; Alter and Meunier 2006.

² Koremnos, Lipson and Snidal 2003.

factors prevented short-term forum-shopping on intellectual property rights. The fifth section summarizes and concludes.

The tangled web of global governance

To understand how increasing institutional proliferation can affect global governance outcomes, it is worth reflecting why international institutions are considered to be important in the first place. In the debate that took place between realists and institutionalists a generation ago, the latter group of theorists articulated in great detail how international regimes and institutions mattered in world politics. The institutionalist logic is persuasive in a world with coherent and cohesive international regimes. In an environment of institutional proliferation, however, many of the proffered reasons for *why* institutions matter begin to lose their explanatory power.

The primary goal of neoliberal institutionalism was to demonstrate that even in an anarchic world populated by states with unequal amounts of power, structured cooperation was still possible.³ According to this approach, international institutions are a key mechanism through which cooperation becomes possible. A key causal process through which institutions facilitate cooperation is by developing arrangements that act as “focal points” for states in the international system.⁴ Much as the new institutionalist literature in American politics focused on the role that institutions played in facilitating a

³ Keohane 1984; Oye 1986; Baldwin 1993; Keohane and Martin 1995; Hasenclever, Mayer and Rittberger 1996; Martin and Simmons 1998. Though often conflated, the institutionalist paradigm is distinct from liberal theories of international politics. On this distinction, see Moravcsik 1997.

⁴ Schelling 1960.

“structure induced equilibrium” within domestic politics, neoliberal institutionalists made a similar argument about international regimes and world politics.⁵ By creating a common set of rules or norms for all participants, institutions help to intrinsically define cooperation, while highlighting instances when states defect from the agreed-upon rules.

The importance of institutions as focal points for actors in world politics is a recurring theme within the institutionalist literature. Indeed, this concept is embedded with Stephen Krasner’s commonly accepted definition for international regimes:

“implicit or explicit principles, norms, rules and decision-making procedures around which actors’ expectations converge in a given area of international relations.”⁶ More than a decade later, Robert Keohane and Lisa Martin reaffirmed that, “in complex situations involving many states, international institutions can step in to provide ‘constructed focal points’ that make particular cooperative outcomes prominent.”⁷

By creating focal points and reducing the transaction costs of rule creation, institutions can shift arenas of international relations from *power-based outcomes* to *rule-based outcomes*. In the former, disputes are resolved without any articulated or agreed-upon set of decision-making criteria. The result is a Hobbesian order commonly associated with the realist paradigm.⁸ Such a system does not automatically imply that force or coercion will be used by stronger states to secure their interests, the shadow of such coercion is ever-present in the calculations of weaker actors.⁹

⁵ On structure-induced equilibrium, see Shepsle and Weingast 1981. For a critique, see Dion 1992. See Milner 1997, and Martin and Simmons 1998, for conscious discussions of translating this concept to the anarchic realm of world politics.

⁶ Krasner 1983, p. 2. See also North 1991, p. 97

⁷ Keohane and Martin 1995, p. 45.

⁸ Waltz 1979; Mearsheimer 1994/95, 2001.

⁹ Carr 1939 [1964]; Drezner 2003.

Most institutionalists would agree that power also plays a role in rule-based outcomes as well.¹⁰ However, they would also posit that the creation of a well-defined international regime imposes constraints on the behavior of actors that are not present in a strictly Hobbesian system. Institutions act as binding mechanisms that permit displays of credible commitment. In pledging to abide by clearly-defined rules, great powers make it easier for others to detect noncooperative behavior. These states will incur reputation costs if they choose to defect. If the regime is codified, then they impose additional legal obligations to comply that augment the reputation costs of defection.¹¹

Institutionalists – and even some realists – further argue that once international regimes are created, they will persist even after the original distributions of power and interest have shifted.¹² Because the initial creation of institutions can be costly, Hasenclever *et al* point out, “the expected utility of maintaining the present, suboptimal (albeit still beneficial) regime is greater than the utility of letting it die, returning to unfettered self-help behavior, and then trying to build a more satisfactory regime.”¹³ Realist scholars have acknowledged that international regimes will persist despite changes in the underlying distribution of power.¹⁴ For smaller and weaker actors, institutions provide an imperfect shield against the vicissitudes of a purely Hobbesian order.¹⁵

It does not take a great deal of effort to find examples in both security and IPE of hegemonic compliance with international regimes even when such a move goes against

¹⁰ Indeed, Oran Young made this point in one of the first articles about international regimes. See Young (1980), p. 338.

¹¹ Abbott and Snidal 2001; Goldstein and Martin 2000.

¹² Ikenberry 2000.

¹³ Hasenclever, Mayer and Rittberger 1996, p. 187.

¹⁴ Krasner 1983, pp. 357-361.

¹⁵ Reus-Smit 2004.

their short-term interests. Despite its reputation for unilateralism, the Bush administration complied with a WTO dispute settlement body's ruling that its imposition of steel tariffs in 2002 contravened world trade law. The administration removed the tariffs in late 2003 despite the political hit President Bush would incur in his re-election campaign.¹⁶ As Judith Goldstein and Lisa Martin point out, "the use of legal rule interpretation [in the WTO] has made it increasingly difficult for governments to get around obligations by invoking escape clauses and safeguards."¹⁷

In the security realm, Richard Holbrooke recounted one key motivation for President Clinton to intervene in Bosnia in 1995 – a NATO obligation under OpPlan 40-104 to commit U.S. troops to evacuate British and French peacekeepers. As Holbrooke recounts:¹⁸

[OpPlan 40-104] had already been formally approved by the NATO Council as a planning document, thus significantly reducing Washington's options....

The President would still have to make the final decision to deploy U.S. troops, but his options had been drastically narrowed. If, in the event of a U.N. withdrawal, he did not deploy American troops, the United States would be flouting, in its first test, the very NATO process it had created. The resulting recriminations could mean the end of NATO as an effective military alliance, as the British and French had already said to us privately.

For the first generation of institutionalist literature, the key problem was how to surmount the transaction costs necessary to agree upon the rules of the game in a world where there were no institutional focal points.¹⁹ The proliferation of international law

¹⁶ On the domestic politics of the steel tariffs, see Susskind 2004.

¹⁷ Goldstein and Martin 2000, p. 619.

¹⁸ Holbrooke 1998, p. 66-67.

¹⁹ For a review, see Lipson 2004, 1-4.

and international organizations reduces the importance of this question, however.²⁰ Table 1 demonstrates the proliferation of global governance structures in recent years. There has been a steady increase in the number of conventional IGOs, autonomous conferences, and multilateral treaties. In a world thick with institutions, the problem is no longer surmounting the transaction costs of policy coordination, but selecting among a welter of possible governance arrangements.²¹ As Duncan Snidal and Joseph Jupille point out: “Institutional choice is now more than just a starting point for analysts and becomes the dependent variable to be explained in the context of alternative options.”²²

The current generation of institutionalist work recognizes the existence of multiple and overlapping institutional orders.²³ For many issues and/or regions, more than one international organization can claim competency. Kal Raustiala and David Victor label this phenomenon as regime complexes: “an array of partially overlapping and nonhierarchical institutions governing a particular issue-area. Regime complexes are marked by the existence of several legal agreements that are created and maintained in distinct fora with participation of different sets of actors.”²⁴

Many scholars and practitioners have welcomed the proliferation of international institutions; indeed, they issue calls for ever-increasing institutional thickness. In the final report of the Princeton Project on National Security, John Ikenberry and Anne-Marie Slaughter concluded:

[H]arnessing cooperation in the 21st century will require many new kinds of institutions, many of them network-based, to provide speed, flexibility, and context-based decision making tailored to specific problems. This

²⁰ For an empirical account of this growth see Shanks, Jacobson, and Kaplan 1996.

²¹ Krasner 1991; Drezner 2007a.

²² Jupille and Snidal 2005, p. 2.

²³ Aggarwal 1998, 2005; Helfer 1999, 2004; Raustiala and Victor 2004; Jupille and Snidal 2005; Alter and Meunier 2006.

²⁴ Raustiala and Victor, 2004, p. 279.

combination of institutions, and the habits and practices of cooperation that they would generate – even amid ample day-to-day tensions and diplomatic conflict – would represent the infrastructure of an overall international order that provides the stability and governance capacity necessary to address global problems.²⁵

The literature on regime complexes and the progressive legalization of world politics examines the extent to which these legal overlaps constitute a new source of specific politics and what strategies governments pursue to maneuver in such an institutional environment. One cleavage in the debate is the extent to which nested and overlapping institutions are intentional creations or not. Some scholars suggest that the bounded rationality of international actors explains the existence of such structures. Organizational overlap is created when institutions are created in an evolutionary manner, suggesting that such instances are not planned in advance.²⁶ Even those who stress the non-rational aspects of global governance, however, agree that some actors engage in explicit efforts to foster strategic inconsistencies within a single regime complex.²⁷ Most scholars, furthermore, argue that a rational design underlies both institutional creation and institutional choice. Situations of uncertainty and complexity can be coped with through manipulations of the duration of regimes, the creation of new regimes, or the activation of escape clauses.²⁸

As regimes grow into regime complexes, there are at least four reasons to believe that the institutionalist logic for how regimes generate rule-based orders will fade. First, the proliferation of regime complexes and decision-making fora leads to a concomitant increase in the number of possible focal points around which rules and expectations can

²⁵ Ikenberry and Slaughter 2006, p. 27. See also Slaughter 1997, 2004.

²⁶ Jupille and Snidal 2005; Snidal and Viola 2006.

²⁷ Raustiala and Victor 2004, p. 298.

converge. The problem, of course, is that by definition focal points should be rare. If the number of constructed focal points increases, then actors in world politics face a larger menu of possible rule sets to negotiate. Logically, actors will seek out the fora where they would expect the most favorable outcome.²⁹

All actors will pursue this strategy, but institutional thickness endows great powers with an advantage. Because powerful states possess greater capabilities for institutional creation and sanctioning, regime complexes endow them with additional agenda-setting and enforcement powers relative to a single regime.³⁰ For example, Emilie Hafner-Burton looks at the performance of different components of the human rights regime complex.³¹ She finds statistical evidence that human rights provisions contained within American and European preferential trade agreements have a more significant effect on human rights performance than the effect of United Nations human rights treaties. In this situation, the ability of the United States and European Union to shift fora away from the United Nations and into trade deals allowed these governments to push for their preferred human rights standards.

Second, regime complexes make it more difficult to determine when an actor has actually defected from a pre-existing regime. Within a single international regime, the focal point should be clear enough for participating actors to recognize when a state is deviating from the agreed-upon rules. If there are multiple, conflicting regimes that govern a particular issue area, then actors will argue that they are complying with the regime that favors their interests the most, even if they are defecting from other regimes.

²⁸ Koremenos 2005; Rosendorff and Milner 2001.

²⁹ Raustiala and Victor 1994, p. 280; Drezner 1997, chapter three.

³⁰ Krasner 1991.

³¹ Hafner-Burton 2005.

Consider, for example, the ongoing trade dispute between the United States and European Union over genetically modified organisms in food.³² The US insists that the issue falls under the WTO's purview – because the WTO has embraced rules that require the EU to demonstrate scientific proof that GMOs are unsafe. The EU insists that the issue falls under the 2001 Cartagena Protocol on Biosafety -- because that protocol embraces the precautionary principle of regulation. The result is a legal stalemate, with the biosafety protocol's precautionary principle flatly contradicting the trade regime's norm of scientific proof of harm. Legal and development experts agreed that it will be difficult to reconcile the WTO and Cartagena regimes.³³

Third, the legalization of world politics can paradoxically reduce the sense of legal obligation that improves actor compliance with international regimes. As Raustiala and Victor point out, “the international legal system has no formal hierarchy of treaty rules. nor does it possess well-established mechanisms or principles for resolving the most difficult conflicts across the various elemental regimes.”³⁴ Because of legal equivalence, states can evade international laws and treaties that conflict with their current interests by seeking out regimes with different laws.

Legally, such an approach creates a stalemate. States, international governmental organizations, and courts will face complexity in trying to implement policies that lie at the “joints” of regime complexes.³⁵ Politically, however, this situation privileges more powerful actors at the expense of weaker ones. When states can bring conflicting legal precedents to a negotiation, the actor with greater enforcement capabilities will have the

³² Drezner 2007a, chapter six.

³³ Thomas *et al* 2000; Millstone and van Zwanenberg 2003.

³⁴ Raustiala and Victor 2004, p. 300. The Vienna Convention on the Law of Treaties provides a limited set of norms regarding the hierarchy of law, but observed adherence to these norms remains unclear.

bargaining advantage. The reason the US and EU benefit so much from the World Trade Organization is not just that they can sanction countries that violate WTO rules – but that other countries have limited sanctioning power in dealing with their legal infractions.

Finally, and related to the last point, institutional proliferation increases the complexity of legal and technical rules. In such a complex institutional environment, more powerful actors have the upper hand. Negotiating the myriad global governance structures and treaties requires considerable amounts of legal training and technical expertise related to the issue area at hand. Although these transaction costs might seem trivial to great powers with large bureaucracies, they can be imposing for smaller states.³⁶ This is particularly true when dealing with regime complexes that contain potentially inconsistent elements. Navigating competing global governance structures requires a great deal of specialized human capital, a relatively scarce resource in much of the developing world.

Figure 1 displays the relationship posited here between institutional thickness and the prevalence of rule-based outcomes. In moving from a purely Hobbesian order to one with a single, well-defined international regime, there is a marked shift away from power-based outcomes to rule-based outcomes. However, as institutional thickness increases, the prevalence of power-based outcomes increases. Contrary to the expectations of global governance scholars and practitioners, after a certain point the proliferation of nested and overlapping regimes and the legalization of world politics actually contributes to more power-based outcomes.

³⁵ Aggarwal 2005; Alter and Meunier 2006.

³⁶ Stiglitz 2002, p. 227; Jordan and Majnoni 2002; Reinhardt 2003; Drezner 2007a, chapter five.

A world of institutional proliferation turns the realist-institutionalist debate on its head. If it is possible for the major powers to shift policy from one fora to another, an institutionally thick world begins to resemble the neorealist depiction of anarchy. A hegemon like the United States has the luxury of selecting the fora that maximizes decision-making legitimacy while ensuring the preferred outcome. For example, in the wake of the financial crises of the nineties, the G-7 countries shifted decision-making from the friendly confines of the IMF to the even friendlier confines of the Financial Stability Forum.³⁷ If there are only minimal costs to forum-shopping, and if different IGOs promulgate legally equivalent outputs, then institutional thickness, combined with low levels of viscosity, actually increases the likelihood of neorealist policy outcomes.

Policymakers and policy analysts in the United States have become increasingly aware of the ability to exploit institutional proliferation to advance American interests. Richard Haass, Director of Policy Planning in the State Department from 2001 to 2003, articulated the Bush administration's approach to global governance as "a la carte multilateralism." According to this doctrine, the United States would choose to adhere to some but not all international agreements, to ensuring that favored multilateral arrangements would expand rather than constrain U.S. options.³⁸ Francis Fukuyama explicitly endorsed a forum-shopping strategy in promoting the idea of "multi-multilateralism".³⁹

An appropriate agenda for American foreign policy will be to promote a world populated by a large number of overlapping and sometimes competitive international institutions, what can be labeled multi-

³⁷ Drezner 2007a, chapter five.

³⁸ Thom Shanker, "White House Says the U.S. Is Not a Loner, Just Choosy," *New York Times*, July 31, 2001, p. A1; Richard Haass, "Multilateralism for a Global Era," remarks to Carnegie Endowment for International Peace/Center on International Cooperation Conference, Washington, DC, November 14. Available at <http://www.state.gov/s/p/rem/6134.htm> (accessed October 19, 2006).

³⁹ Fukuyama 2006, p. 158, 168.

multilateralism. In this world the United Nations will not disappear, but it would become one of several organizations that fostered legitimate and effective international action.

.... a multiplicity of geographically and functionally overlapping institutions will permit the United States and other powers to “forum shop” for an appropriate instrument to facilitate international cooperation.”

This leads to the next question: what factors increase the costs of forum-shopping? What makes regime complexes viscous?

Candidate constraints to forum-shopping

Recent work on international organizations – including the Rational Design project and legalization efforts in the pages of *International Organization* – suggest a welter of independent variables to explain the variation in coordination solutions: membership, scope, centralization, legalization, and legitimacy.

While these variables are important, the shift in focus from forum-creation to forum-shifting renders many of these factors less important. The variables of concern in the study of regime creation seem less salient in looking at institutional choice. Any examination of the cohesion of international choice must recognize that at some point in the past, the relevant actors were able to agree on a set of strategies such that cooperation was the equilibrium outcome.⁴⁰ This means that the costs of monitoring and enforcement could not have been too great. As James Fearon observes: “[T]here is a potentially

⁴⁰ See Keohane 1984, p.?? for a verbal description of cooperation, and Bendor and Swistak 1997, pp. 297-298 for a more technical description.

important *selection effect* behind cases of international negotiations aimed at cooperation. We should observe serious attempts at international cooperation in cases where the monitoring and enforcement dilemmas are probably resolvable (author's italics)."⁴¹

This selection effect implies that some factors affecting the origins of international cooperation are not as relevant for explaining the persistence of international regimes. For example, cooperation theorists place a great deal of emphasis on the ability of international regimes to centralize the provision of information.⁴² While it cannot be questioned that imperfect information about actions can lead to the breakdown of cooperation, it would be odd to claim that states invest in negotiations to reach an agreement without considering how to monitor it.⁴³ It would be hard to believe that information provision would provide a barrier to forum-shopping.

Legal complexity and ambiguity could potentially explain why governments are blocked from forum-shopping, regardless of the issue area. Karen Alter and Sophie Meunier argue, for example, that because the relationship between EU law and WTO law was ambiguous, resolution of the banana dispute was more difficult than in a world of costless forum-shopping.⁴⁴

The problem with this argument is that the degree of legal complexity inherent in nested and overlapping institutions is often overestimated. For example, both Vinod Aggarwal and Alter & Meunier posit that because international law remains non-

⁴¹ Fearon 1998, p. 279.

⁴² Axelrod and Keohane 1985; Koremenos, Lipson and Snidal 2001; Mitchell 1998; Dai 2002.

⁴³ Downs, Rocke and Barsoom 1996.

⁴⁴ Alter and Meunier, 2006, p. 377.

hierarchical, An inductive analysis of global regulatory disputes, however, suggests the presence of hierarchy in legal regimes on at least three dimensions.⁴⁵

First, there is a distinction between “hard law” and “soft law” elements of any regime complex.⁴⁶ Part of this comes from the legal status of different governance structures. For example, the anti-money laundering regime consists of multiple governance bodies with different degrees of legal standing. The primary international standard – the Financial Action Task Force forty recommendations on money laundering – has achieved widespread compliance. FATF itself is not a treaty-based organization, however, nor is it an emanation of one.⁴⁷ Neither is the Financial Stability Forum, the body that recommended the promulgation of the FATF standard. The low level of legalization of both the FSF and FATF was not a hindrance to forum-shifting away from the international financial institutions – indeed, if anything, their membership structure and relative informality were an attractor for the United States and the European Union. In the end, the great powers were able to have the FSF’s recommendations implemented and monitored by the IMF. John Eatwell concluded, “the IMF is using a treaty-sanctioned surveillance function to examine adherence to codes and principles that are not themselves developed by accountable treaty bodies.”⁴⁸

The hard law/soft law distinction is useful in discerning between which parts of a functional regime complex are used for rule creation and which parts are used for monitoring and enforcement. However, legalization in and of itself is not a barrier for

⁴⁵ Drezner 2007a.

⁴⁶ Snidal and Abbott 2000.

⁴⁷ FATF originated from the 1989 G-7 summit.

⁴⁸ Eatwell 2000, p. 10.

shifting rule creation to another forum – indeed, hard legalization might promote the proliferation of rule creation in order to dilute the impact of some hard law regimes.

Membership can also be thought of as a barrier to forum-shopping, through its effects on collective legitimacy. An IGO has high legitimacy if it can enhance the normative desire to comply with the promulgated rules and regulations. Norms derive their power in part from the number of actors that formally accept them.⁴⁹ The greater the number of actors that accept a rule or regulation, the greater the social pressure on recalcitrant actors to change their position.⁵⁰ As an IGO's membership increases, its perceived "democratic" mandate concomitantly increases – thereby enhancing its legitimating power. On this dimension, the more powerful compliance-inducing IGOs are those with the widest membership – such as the United Nations organizations.⁵¹ Aspiring forum-shoppers must factor in the costs of lost legitimacy if they try to shift governance responsibilities away from legitimate institutions.

The problem with this logic is that it ignores the existence of alternative sources of collective legitimacy. Membership affects process legitimacy, under the assumption that an IGO with more participants confers greater authority. Beyond membership, however, IGOs can derive process legitimacy from other factors, such as technical expertise, a track record of prior success, or simply the aggregate power of member governments. In some cases, the democratic character of the member states in question affects legitimacy.⁵² For example, the U.S. decision to launch its 1999 bombing campaign against Serbia via NATO rather than the United Nations generated little cost in

⁴⁹ Finnemore and Sikkink 1998. As will be seen, this is not to imply that membership size is the *only* source of legitimacy in world politics.

⁵⁰ Johnston 2003.

terms of forum-shopping. This was for two reasons. First, in terms of military power, expertise, and past success, NATO had greater legitimacy than the United Nations, despite the latter IGO's advantage in membership. Second, Serbia's reputation as a transgressive actor during the Balkan Wars gave NATO a greater moral legitimacy.⁵³

Theoretical factors that affect the design and effectiveness of regime complexes do not significantly affect their viscosity. Indeed, in looking at a range of empirical cases from the global political economy, there appear to be few barriers to forum-shifting when the great powers want to change the content or enforcement of the rules.⁵⁴ There are exceptions, however. The next section looks in greater detail at one example of high viscosity to see what lessons, if any, can be generalized from it. Although there are obvious methodological perils that come with inductive analysis,⁵⁵ this question is new enough to warrant such an approach.

The case of the Doha Declaration

To consider the key factors that would create viscosity in global governance, this section considers a case in which the great powers declined to shift fora – even though it

⁵¹ Steffek 2003. It is certainly debatable whether the one-country, one vote principle used in most IGOs is truly democratic – however, the question here is whether the *perception* of democracy is present.

⁵² Pevehouse 2002.

⁵³ NATO's success in halting Serbian actions in Kosovo highlights another point – regardless of process legitimacy, there is also the legitimacy of outcomes. If great powers deviate from established international regimes, but succeed in achieving their stated goals, that success can *ex post* legitimate their actions. For example, despite the UN Security Council's refusal to authorize Operation Iraqi Freedom, Security Council Resolution 1483, passed in May 2003, conferred legitimacy by recognizing Great Britain and the United States as the "Authority" in Iraq. See <http://www.casi.org.uk/info/undocs/scres/2003/res1483.pdf> (accessed November 2006).

⁵⁴ Drezner 2007a.

⁵⁵ Achen and Snidal 1989.

was in their interests to do so. In November 2001, at the Doha Ministerial meeting of the World Trade Organization (WTO), member governments responded to concerns that the trade-related intellectual property rights regime (TRIPS) was too stringent in the protection of patented pharmaceuticals. Members signed off on the “Declaration on the TRIPS Agreement and Public Health” or Doha declaration. This declaration stated that:

[T]he TRIPS Agreement does not and should not prevent members from taking measures to protect public health. Accordingly, while reiterating our commitment to the TRIPS Agreement, we affirm that the Agreement can and should be interpreted and implemented in a manner supportive of WTO members' right to protect public health and, in particular, to promote access to medicines for all.⁵⁶

In August 2003, an additional WTO agreement was reached to clarify remaining ambiguities from the Doha declaration.⁵⁷ In December 2005 these agreements were codified through a permanent amendment to the TRIPS accord.⁵⁸ These events were the culmination of a sustained campaign by global civil society designed to scale back intellectual property restrictions on the production and distribution of generic drugs to the developing world.

⁵⁶ “Declaration on the TRIPS Agreement and Public Health,” http://www.wto.org/english/thewto_e/minist_e/min01_e/mindecl_trips_e.htm.

⁵⁷ “Implementation of paragraph 6 of the Doha Declaration on the TRIPS Agreement and public health”. 30 August 2003. Accessed at http://www.wto.org/english/tratop_e/trips_e/implem_para6_e.htm, 11 August 2005.

⁵⁸ “Amendment of the TRIPS Agreement,” 6 December 2005. Accessed at http://www.wto.org/english/news_e/news05_e/trips_decision_e.doc, December 2005.

Neither the United States nor the European Union wanted the Doha Declaration. The American negotiating position was that the original TRIPS accord *already* contained public health exceptions for epidemics and the like.⁵⁹ Furthermore, the U.S. wanted any exception to be limited to poor countries with weak state institutions that suffer from epidemics – but that the carve-out should not go any further. Whereas the final declaration actually said that the TRIPS accord, “does not and should not prevent members from taking measures to protect public health,” the U.S. preferred narrower language, asserting a right “to take measures necessary to address these public health crises, in particular to secure affordable access to medicines.”⁶⁰ The European Commission’s position on the TRIPS accord was similar.⁶¹ Global civil society advocates and developing countries, in contrast, wanted as broad a “public health” exception to TRIPS as possible, covering any and all forms of illness – and got what they wanted in the Doha Declaration.

The distribution of preferences on this issue is a classic example of club standards.⁶² If the transaction costs of forum-shopping were minimal, one would predict the great powers to create institutions guaranteeing that their regulatory preferences were locked in. In the past and present both the United States and the European Union have run into roadblocks at universal-membership IGOs. At these junctures in the past, great powers have evinced the willingness and the ability to either act unilaterally or shift fora

⁵⁹ Office of the USTR, “TRIPs and Health Emergencies,” 10 November 2001. Accessed at http://www.ustr.gov/Document_Library/Press_Releases/2001/November/TRIPs_Health_Emergencies.html, 10 August 2005. See, in particular, articles 7, 8, 30, and 31 of the original TRIPS agreement.

⁶⁰ Elizabeth Olson, “Drug Issue Casts a Shadow on Trade Talks,” *New York Times*, 2 November 2001.

⁶¹ European Commission, “Agreement on Intellectual Property Rights Relating to Trade and Pharmaceutical Patents,” accessed at <http://europa.eu.int/scadplus/leg/en/lvb/l21168.htm>, 11 August 2005.

⁶² Drezner 2007a, chapter three.

to friendlier IGOs.⁶³ This would have been especially true of the Bush administration in late 2001, given their position towards the utility of multilateral diplomacy. The important counterfactual question worth asking is why the great powers agreed to the Doha Declaration when there were alternative strategies outside the WTO process.

The answer is that the costs of forum-shopping were uniquely prohibitive for the great powers at the time of the Doha ministerial. In the aftermath of the September 11th attacks, the United States was determined to launch a trade round at Doha for two reasons. First, the United States wanted to counter impressions that the terrorist attacks would weaken the process of economic globalization and/or undercut U.S. leadership.⁶⁴ Second, the great powers wanted a successful trade round in order to reinvigorate a global economy slumping from the aftereffects of the terrorist attacks and the concomitant slowdown in global trade.⁶⁵

U.S. and European leaders were quite conscious of the link between a successful round and the terrorist attacks. Nine days after the attacks, Federal Reserve Chairman Alan Greenspan testified before the Senate that, “A successful [trade] round would not only significantly enhance world economic growth but also answer terrorism with a firm reaffirmation of our commitment to open and free societies.”⁶⁶ U.S. Trade Representative Robert Zoellick echoed these remarks in a *Washington Post* op-ed the very same day, stating, “We need to infuse our global leadership with a new sense of purpose and lasting resolve.... the Bush administration has an opportunity to shape

⁶³ Krasner 1985, 1991.

⁶⁴ Panagariya 2002, p. 1226.

⁶⁵ Sandra Cordon, “Slowdown Adds Pressure at WTO,” *Ottawa Citizen*, 1 November 2001; Frances Williams, “Growth in Trade Unlikely to Top 2%,” *Financial Times*, 26 October 2001.

⁶⁶ Alan Greenspan, “The condition of the financial markets,” testimony before the Senate Committee on Banking, Housing, and Urban Affairs, 20 September 2001. Accessed at <http://www.federalreserve.gov/boarddocs/testimony/2001/20010920/default.htm>, January 2006.

history by raising the flag of American economic leadership. The terrorists deliberately chose the World Trade towers as their target. While their blow toppled the towers, it cannot and will not shake the foundation of world trade and freedom.”⁶⁷ As the ministerial started in Doha, the British Trade and Industry Secretary warned that the “war on terrorism could be lost here.”⁶⁸ Media coverage of the run-up to Doha also stressed the importance of a successful ministerial meeting to buttress perceptions of U.S. leadership.⁶⁹

The failure to launch a trade round at Seattle three years earlier also increased the stakes at Doha for the ability of the WTO regime to advance trade liberalization. As Zoellick pointed out in October 2001, “the WTO stumbled badly in its first effort, in Seattle in 1999, to launch a round of global trade liberalization. It has not been keeping up with the challenges of a changing world economy. The meeting in Doha needs to get the WTO back on track.”⁷⁰ Even prior to the September 11th attacks, WTO Director-General Mike Moore stressed the importance of a successful ministerial meeting at Doha given what transpired at Seattle: “failure to reach consensus on a forward work programme that would advance the objectives of the multilateral trading system,

⁶⁷ Robert Zoellick, “Countering Terror with Trade,” *Washington Post*, 20 September 2001. In November 2001, Zoellick reiterated this point: “Just as the Cold War reflected a contest of values, so will this campaign against terrorism. Just as America’s Cold War strategy recognized the interconnection of security and economics, so must its strategy against terrorism.” Quoted in Denis Staunton, “Terrorist Threat Overshadows Key Trade Meeting,” *Irish Times*, 9 November 2001. See also “American Trade Leadership: What is at Stake,” speech at the Institute for International Economics, Washington, DC, 24 September 2001. Accessed at http://www.ustr.gov/assets/Document_Library/USTR_Speeches/2001/asset_upload_file522_4267.pdf, January 2006.

⁶⁸ Quoted in Oliver Morgan and Gaby Hinsliff, “War on Terrorism Could be Lost Here,” *The Observer*, 4 November 2001. See also Guy de Jonquières, “Dealing in Doha,” *Financial Times*, 6 November 2001.

⁶⁹ Joseph Kahn, “A Trade Agenda Tempts Murphy’s Law,” *New York Times*, 9 November 2001; Siti Hajjar Sulaiman, “Call for Full Turnout at WTO Meeting,” *Business Times Malaysia*, 25 September 2001. Staunton, “Terrorist Threat Overshadows Key Trade Meeting.”

⁷⁰ Zoellick, “The WTO and New Global Trade Negotiations: What’s at Stake,” speech at the Council on Foreign Relations, Washington, DC, 30 October 2001. Accessed at

particularly in the light of the earlier failure at Seattle, would lead many to question the value of the WTO as a forum for negotiation. It would certainly condemn us to a long period of irrelevance.”⁷¹ Following the Doha meeting, Zoellick declared, “We have removed the stain of Seattle.”⁷² Contemporaneous media accounts confirm the shadow that Seattle cast over American and European trade negotiators in the run-up to Doha.⁷³

Finally, the ability of the great powers to shift fora on intellectual property from WIPO to the WTO in the Uruguay round made it that much more difficult to try and shift governance structures less than a decade later. Ironically, the efforts to create enforceable “hard law” on IPR in the first place also raised the costs on future forum-shifting.⁷⁴ Because the Americans and Europeans had invested so much in the WTO, any legal weakening of the TRIPS regime would be costly to them for other aspects of WTO enforcement, such as the dispute settlement mechanism. One European Commission trade negotiator observed after Doha that, “in the absence of any Declaration on public health, *de facto* non-compliance by several developing countries was a real risk.”⁷⁵

The uniquely binding venue and timing of Doha prevented the United States from substituting across governance structures. The multiplicity of linked trade issues also benefited the developing country position. Because so many issues were being negotiated for inclusion in the Doha development agenda at the same time – textiles, agricultural subsidies, investment, procurement, the environment, etc. – the developing

http://www.ustr.gov/assets/Document_Library/USTR_Speeches/2001/asset_upload_file821_4260.pdf, January 2006.

⁷¹ Statement by the Director-General to the Informal General Council, 30 July 2001. Accessed at http://www.wto.org/english/thewto_e/minist_e/min01_e/min01_dg_statement_gcmeeting30july01_e.htm, January 2006.

⁷² Quote to Agence-France Presse found at http://www.wto.org/trade_resources/quotes/new_round/new_round.htm, accessed January 2006.

⁷³ See references in fn. 74.

⁷⁴ On this point, see Abbott and Snidal 2000.

countries were able to link issues to ensure concessions on TRIPS. Because the U.S. was committed to securing an agreement at Doha to launch a new trade round, USTR officials decided early on that making concessions on IPR early on would increase the odds of success.⁷⁶ As Haochen Sun observes, “[WTO] members came to understand that no broad negotiating mandates such as investment and competition would emerge from the conference in the absence of a meaningful result on medicines.”⁷⁷

It should be noted that as the constraints faced by the great powers at Doha have lessened, the regulation of IPR has shifted back towards the great powers’ preferred set of outcomes. One policy response was to push for stronger IPR protections than TRIPS – referred colloquially as “TRIPS-plus” – outside of the WTO framework.⁷⁸ The proliferation of bilateral free trade agreements (FTAs) in recent years has given the great powers an opportunity to use their market power to ratchet up IPR standards in the developing world. The European Commission and the European Free Trade Area have both inserted TRIPS-plus IPR provisions into their free trade agreements with developing countries.⁷⁹ EU agreements with Tunisia and Morocco, for example, include provisions requiring IPR protection and enforcement “in line with the highest international standards.” The United States has been equally persistent in this practice. Table 1 demonstrates the TRIPS-plus IPR provisions in U.S. trade agreements that have been

⁷⁵ Van Eeckhaute 2002, p. 22.

⁷⁶ According to one interview with a former USTR official, Zoellick explicitly made this calculation in signing off on the Doha declaration. This has also been the post-Doha pattern on TRIPs and public health. Breakthroughs in negotiations over TRIPS preceded both the Cancun and Hong Kong ministerials in 2003 and 2005 respectively.

⁷⁷ Sun 2004, p. 136. See also Guy De Jonquieres, “All night haggling in Doha leads to agreement,” *Financial Times*, 15 November 2001.

⁷⁸ Drahos 2001.

⁷⁹ *Ibid.*, p. 13; see also European Commission, “EU Strategy to Enforce Intellectual Property Rights in Third Countries,” MEMO/04/255, 10 November 2004. For information on EFTA trade pacts, see Julien Bernhard, “Deprive Doha of All Substance,” August 2004, at http://www.evb.ch/cm_data/Deprive_Doha.pdf (accessed 12 August 2005).

ratified since 2000. The U.S. has also used the carrot of bilateral investment treaties in order to secure bilateral intellectual property agreements that can include TRIPS-plus agreements.⁸⁰ Over time, the viscosity of global governance on intellectual property rights has lessened.

The determinants of institutional viscosity

The Doha Declaration offers three tentative lessons about the sources of viscosity in global governance structures. The first is that the scope of an international governmental organization can provide a constraint against forum-shifting, provided that there is a tight linkage between the issue at hand and other issues under the organization's purview. The American and European positions on a public health exception to the TRIPS accord remained relatively stable and consistent while deliberations took place within the TRIPS Council. It was only when developing countries made it clear that there would be no Doha round without concessions on this issue that there was a shift in the U.S. negotiating position.

An interesting empirical question is the frequency of tightly linked bargaining issues within a single international governmental organization. Even within the WTO, this sort of linkage only existed within the context of a bargaining round. Between the end of the Uruguay round and the beginning of Doha, however, the WTO membership repeatedly thwarted efforts by some governments to add new issues to the WTO agendas. Beyond the drug patent issue, questions about labor standards and environmental protection were shunted to other IGOs at the Singapore and Seattle Ministerial

⁸⁰ Drahos 2001, p. 6.

Conferences.⁸¹ Despite these rejections, however, there was no effort to link these issues to compliance with the WTO dispute settlement system. Linkage took place only within the context of a bargaining round.

The second lesson from the Doha Declaration is the way in which concerns about reputation led to increased viscosity. For the United States in particular, there were concerns about the future of the WTO after the failed Ministerial in Seattle, as well as the need to display hegemonic leadership in the wake of the September 11th attacks. By refraining from shifting fora away from the WTO, the United States reinforced the reputation of the WTO as the focal point for the trade regime complex. This restraint also acted as a correction against the impression that the United States government would withdraw from international regimes that did not conform to its preferences.

Given the Bush administration's penchant for forum-shifting, "a la carte multilateralism," and outright unilateralism, it is worth asking why the United States chose to bolster the WTO's reputation at that particular moment. One answer is that for the hegemonic power, any particular international organization within a regime complex only serves as a means to an end.⁸² The 2002 National Security Strategy explicitly stated: "In all cases, international obligations are to be taken seriously. They are not to be undertaken symbolically to rally support for an ideal without furthering its attainment." This administration has been consistent on this point – when multilateral rules are broken, be they IMF lending agreements or UN Security Council resolutions, the U.S. will use the necessary means to enforce the norms underlying those multilateral institutions – including forum-shifting. The United States has treated multilateral institutions that fail

⁸¹ O'Brien, Goetz, Scholte and Williams 2000; Drezner 2007a, chapter three.

⁸² Drezner 2007b.

to enforce their own norms – like the UN – as less useful parts of a regime complex.

Those institutions that are seen as effective – like the WTO – are given greater deference by the Bush administration.

This implies that regime complexes will become more fluid and less viscous when components of the complex develop reputations for dysfunction. A dysfunctional IGO generates policy outcomes that are either persistently at odds with great power interests or are so inchoate that they cannot be implemented or enforced. In numerous issue areas the Bush administration has switched tracks from what it perceived to be a dysfunctional regime to a club regime inhabited by like-minded states.⁸³ On nonproliferation, for example, the Bush administration has shown little interest in the recent review of the Non-Proliferation Treaty – because in the administration’s eyes, the NPT is a failed regime. Instead, officials have shifted nonproliferation responsibilities away from the NPT/IAEA regime and towards the G-8, the Nuclear Suppliers Group, and the Proliferation Security Initiative.⁸⁴ The PSI in particular played a crucial supporting role in convincing Libya to renounce its nuclear aspirations.⁸⁵ On global warming, the U.S. withdrew from the Kyoto protocol, objecting to the unfair distribution of costs and the lack of enforcement measures.⁸⁶ In July 2005 the United States launched the Asian Pacific Partnership for Clean Development and Climate with Australia, China, India, Japan, and South Korea. Press reports intimated that its creators believed the arrangement to be an improvement over Kyoto.⁸⁷ On trade matters, however, the

⁸³ For more on this phenomenon, see Drezner 2007a.

⁸⁴ David Sanger, “Months of Talks Fails to Bolster Nuclear Treaty,” *New York Times*, 28 May 2005, p. A1.

⁸⁵ Robin Wright, “Ship incident may have swayed Libya,” *Washington Post*, 1 January 2004, p. A18.

⁸⁶ John Heilprin, “Bush Advisers Say Withdrawal from Climate Treaty Aids Economy,” *Boston Globe*, 12 July 2002.

⁸⁷ Quoted in Richard Lloyd Parry, “We Will Find A Cleaner Way, say World’s Big Polluters,” *London Times*, 29 July 2005.

administration has complied with WTO rulings against the United States – including, most prominently, the attempt to use the escape clause to raise steel tariffs in 2002.

There is one final lesson to draw from the TRIPS case – even in the medium run, there is lots of fluidity and very little viscosity in global governance. Despite the ability to link issues within the context of a WTO bargaining round, and despite the desire to bolster the WTO's reputation, major trading states were perfectly willing to shift fora away from the TRIPS Council and towards bilateral preferential trade agreements as a way to strengthen IPR standards. These moves did not obviate either the TRIPS accord or the Doha Declaration. They did, however, demonstrate that the major powers were willing to work outside WTO strictures to alter the content of the IPR regime complex, despite risks to the WTO's. In the long run, an institutionally thick world bears more than a passing resemblance to the neorealist conception of anarchy.

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TABLE 1
GROWTH IN GLOBAL GOVERNANCE STRUCTURES

Type of international regime	1981	1993	2003
International bodies	863	945	993
Subsidiaries or emanations of international bodies	590	1100	1467
Autonomous international conferences	34	91	133
Multilateral treaties	1419	1812	2323
TOTAL	2906	3948	4916

Source: Union of International Organizations, data accessed at <http://www.uia.org/statistics/organizations/ytb299.php>.

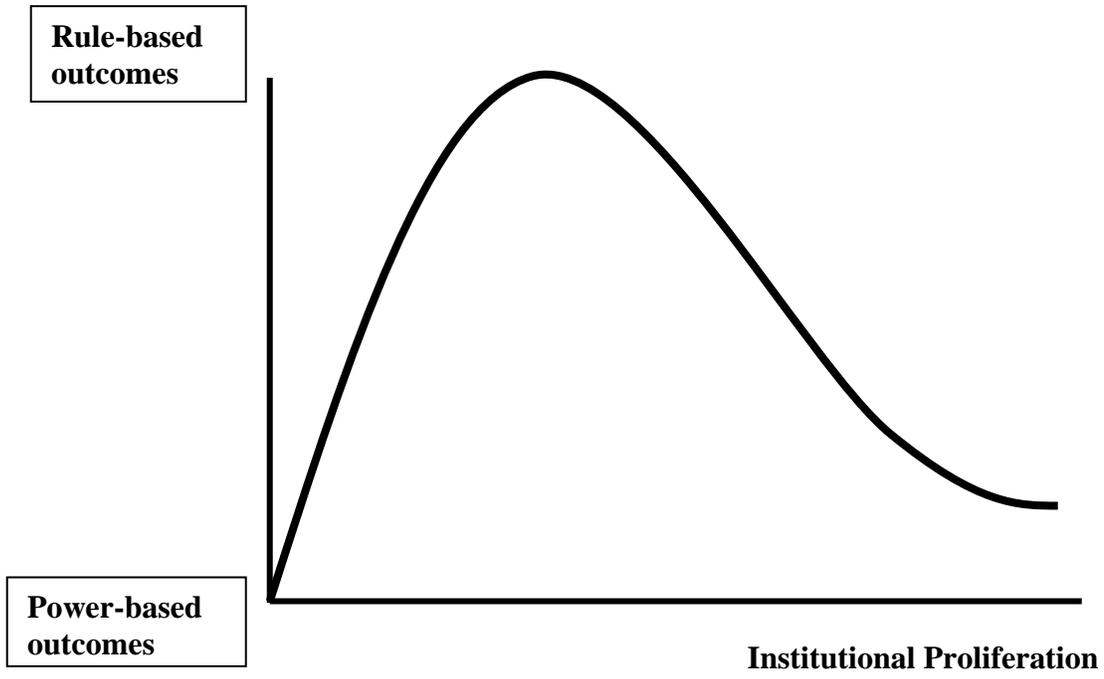
TABLE 2

IPR PROVISIONS IN AMERICAN FTAs, 2000-2005⁸⁸

FTA	Mandatory patent extensions	Protection of test data	Marketing restrictions	Limits on parallel imports or compulsory licensing
Jordan		X		X
Singapore	X	X	X	X
Chile	X	X	X	
Australia		X	X	X
Morocco	X	X	X	X
CAFTA	X	X	X	

⁸⁸ Sources: Committee on Government Reform minority staff, U.S. House of Representatives, *Trade Agreements and Access to Medications Under the Bush Administration*, Washington, DC, June 2005; Consumer Project on Technology, "Health Care, Regional Trade Agreements, and Intellectual Property," accessed at <http://www.cptech.org/ip/health/trade/>, 11 August 2005.

FIGURE 1
INSTITUTIONAL PROLIFERATION AND WORLD ORDER



GAME STRUCTURE

There is an issue X wherein all states must set their policies x_i where for all countries i , $0 < x < 1$. Each state's utility is function of maximizing its own value for x while ensuring that the global production of x approaches its ideal point. There is a pre-existing regime in which all states agree to set $x_i = x^*$.

States can choose to set their value of $x > x^*$, but there is a probability ρ of being caught, at which point there is a sanctions penalty of ϕ .

The hegemon begins the game by first choosing whether to follow regime R , create a new regime R' that sets $x_i = x^{**}$, or create regime R'' that sets the penalty for noncompliance at ϕ' . Let's further assume that the mere act of going along with regime R in the first place bolsters its credibility.