

HELEN V. MILNER

Resisting Protectionism

*Global Industries and the Politics
of International Trade*

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TO MY MOM AND DAD

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PREFACE

THIS BOOK began as the result of a lengthy argument with one of my dissertation advisors about *American Business and Public Policy*, by Raymond Bauer, Ithiel de Sola Pool, and Lewis Dexter. Long a standard work in the field, it did not seem to me to capture the flavor of trade politics today, especially in its discussion of firms and their role in the process. The book was, however, one of the few I knew that actually looked at the question of how firms developed political preferences. I wondered whether firms' preferences were as ill-defined and as unrelated to self-interest as the book suggested they often were. Moreover, I questioned whether Congress, and the U.S. government in general, was as unconstrained in trade politics as these authors described.

My interest in firms' preferences also led me to ask whether antiprotectionist groups existed in the domestic political economy. Most previous studies of trade politics had focused on pressures for protection. Indeed, theoretical work on collective goods implied that antiprotectionist groups were unlikely to voice their preference, let alone oppose the protectionists. Bauer, Pool, and Dexter's work was to some extent the exception to this. Although they too concluded that protectionists were much more likely to act politically, they did find growing free trade sentiment among American businesses in the early 1950s. I wanted to determine whether antiprotectionist preferences were evident among firms and whether they were strong enough to motivate firms to fight protectionist influences. I found that firms may develop both protectionist and antiprotectionist preferences and act on both.

In addition, Bauer, Pool, and Dexter's argument about the autonomy of Congress from societal actors foreshadowed the current debate over the relative autonomy of the state and the question of state "structure." Bauer, Pool, and Dexter attributed the autonomy of Congress more to its overall structure and less to the particular policy-making process in trade issues. Their conclusion was similar to current arguments about the relative autonomy of "strong" states, but it contradicted various state-structure arguments which concluded that the U.S. government in fact lacked freedom from industry pressure, especially in the trade area. This contradiction perplexed me. Why does the state appear differentially constrained by domestic societal forces?

Though I have not directly answered that question here, it has motivated my thinking about the relationship between states and firms.

One way to explore this issue further was to compare two states whose relations with domestic societal groups supposedly differed. France was an obvious choice, because unlike the United States, it was seen by many as having a "strong" state. The U.S.-France comparison also served to test my arguments about firms' trade policy preferences. Did the same types of factors drive firms' preferences in the two countries? And could antiprotectionist preferences develop among French firms, which had historically tended to be ardent protectionists? The answers to these two questions reached below may surprise those who assume that the two countries are very different, especially in their governments' relationships with industry.

PORTIONS of the argument made here have appeared before. A condensed analysis of the comparison of American and French trade politics appeared in my article, "Resisting the Protectionist Temptation: Industry and the Making of Trade Policy in France and the U.S. in the 1970s," *International Organization* 41 (Autumn 1987). Elements of the comparison of the United States in the 1920s and the United States in the 1970s appear in another article, "Trading Places: Industries for Free Trade," *World Politics* 40 (April 1988).

I owe thanks to many people for their help in making this book possible. My parents supported all of my work, as well as me, for the longest of times. I can never thank them enough. I only wish I had finished earlier so that my father could have seen the book. Other than my family, the one to whom I owe the deepest debt is Robert O. Keohane. Not only did he initially spark my interest in international political economy and graduate work, but he also guided me through graduate school. In listening to complaints, reading endless versions of the dissertation and book, encouraging me, and sharing his own work and thoughts, he made the difference. My other Ph.D. advisors, Robert Putnam, Stephan Haggard, and Peter Hall, have also been most generous with their time and helpful in their comments. I also wish to thank David Baldwin, Peter Cowhey, Jeffrey Frieden, Peter Gourevitch, Joanne Gowa, Peter Katzenstein, Charles Lipson, Mary Musca, John Odell, John Ruggie, Duncan Snidal, Jack Snyder, and Ezra Suleiman, who read all or part of the book and offered helpful criticisms. I am also indebted to Sanford G. Thatcher and Elizabeth Gretz of Princeton University Press for their close scrutiny of the manuscript and wise editorial advice. The Brookings Institution, the At-

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