

REVIEWS

Explaining WTO Negotiations by Domestic and International Factors

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Da Conceição-Heldt, Eugénia (2011) *Negotiating Trade Liberalization at the WTO—Domestic Politics and Bargaining Dynamics*, Basingstoke: Palgrave Macmillan, ISBN 978-0230273566, 275 pages.

The World Trade Organization (WTO) is frequently credited as the savior of our global economy—the bulwark that stems the tide of economic nationalism, keeping back a second “Great Depression.” Whether and to what extent that credit is deserved, it is no doubt a landmark achievement in the history of not only global economic governance but also intergovernmental negotiations. The continually expanding notion of what is “trade” has seen its jurisdiction expand considerably with huge social significance at all levels. Nothing else like it exists. And it is for this reason that the WTO—at the epicenter of global trade governance—attracts both heartfelt praise and criticism. It is also why since its formal inception on 1 January 1995, the body of academic literature studying the WTO has grown to constitute a respectably sized library in its own right. Eugénia da Conceição-Heldt’s *Negotiating Trade Liberalization at the WTO* is a welcome addition to that body of work, delving deeper into the engine of global economic governance—that is, the black box of international negotiations. The value of her contribution lies in synthesizing a comparative analysis (the U.S., the EU, Brazil, and Australia) with a two-level game model in which the domestic and international levels are seen to affect the outcome of those negotiations. Ongoing stalemate in the Doha Round of negotiations, long overdue for completion, underlines the importance of such understanding.

The book’s central thesis is that the negotiations at the heart of global trade governance cannot be understood without analyzing the combination of both domestic institutions within those member states and the time dimension of those negotiations. In her analysis, da Conceição-Heldt disaggregates domestic institutions into three key actors: the executive, the legislature, and interest groups, and asks to what extent their domestic-level interactions determine a member state’s behavior at the WTO. The time dimension refers to the degree of pressure placed on actors by negotiation deadlines and how this impacts member states’ behavior and, in particular, their willingness to make concessions that might favor agreement. Her comparative approach on the EU, the U.S., Brazil, and Argentina includes cross-temporal analysis of negotiating behavior across five WTO ministerial meetings—Seattle 1999 to Geneva 2006—focusing on the issue of agriculture. Overall, da Conceição-Heldt describes her method as a rational choice approach in that actors are treated as preference-maximizing with clearly expressed interests.

The most thorough part of the research is dedicated to the domestic level, which is entirely logical given the amount of relevant material necessary to examine the executive, legislature, and interest groups within such a disparate set of member states that includes the EU. Focusing on these three domestic institutional actors, her study proposes three hypotheses: 1) member states are less able to make concessions where the legislature and the executive share decision-making power and their preferences differ, 2) it is also harder to make conces-

sions if the member state includes, at the domestic level, a large number of institutional and partisan veto players, and 3) if a member state's executive follows the policy of specific domestic interest groups where those groups have strong links to the ruling party. With respect to the international level, da Conceição-Heldt makes three further hypotheses: 4) as member states get closer to a deadline there is pressure to take a softer approach to negotiations, including lowering demands and offering greater concessions, 5) time pressure is removed where a member state has a good alternative to any negotiated agreement, and 6) member states will take a harder approach where any agreement is expected to impact future negotiations.

Given the importance of these hypotheses to not just WTO-specialists but anyone interested in the workings of international organizations, including the impact of domestic politics, da Conceição-Heldt sensibly supports her detailed commentary with a concluding table (pp. 216–17) that neatly summarizes whether or not they are supported in the cases of each member state at each of the five WTO ministerials examined. First, regarding domestic institutions, the strongest finding was that in nearly all the cases examined, the hypothesis that interest groups with close links to the ruling party greatly impact the state's behavior in WTO negotiations was supported. The only exception to this was the EU due to its very particular decision-making structure in which key policy makers are not directly elected and where the influence of agricultural interest groups is often contained at the lower national level. It was also found that it is harder for member states to make concessions where decision-making power is divided between their executive and legislature. This was most marked in the case of the U.S. where Congress is well known to act as a significant restraint on the flexibility of the executive in WTO negotiations. One finding the book highlights concerns the EU in particular and shows how increased disagreement amongst EU member states leads to the commission gaining increasing autonomy in negotiating at the WTO that favors agricultural trade liberalization. Also of interest, da Conceição-Heldt's analysis did not support the hypothesis that a greater number of institutional and partisan veto players reduced the ability of member states to offer concessions in negotiations.

Regarding the international level, there was mixed evidence that time pressure had an impact on how hard a stance member states would take in negotiations. Much more salient was whether or not the four member states studied had an alternative to any negotiated agreement; those that did experience much less pressure to make concessions and accept high demands. Such a conclusion suggests that states wishing to better represent their interests should ensure their involvement within multiple negotiating situations simultaneously so there is always an alternative, while those seeking to support any given international negotiation should encourage member states to dedicate themselves exclusively to that particular forum. This would seem to confirm those who argue that the growing mass of regional and bilateral trade agreements threatens the WTO. Equally important but rather unsurprisingly, da Conceição-Heldt's research also confirms that member states take a tougher stance in negotiations that are expected to influence later bargaining interactions.

All of these findings contribute both to the study of the WTO and international organizations. The book is somewhat let down due to some of its assumptions, particularly regarding how it conceptualizes the domestic level. For example, da Conceição-Heldt writes on page 19: "(u)nlike security issues, changes in trade policy inevitably create winners and losers at the domestic level," with the assumption that these will advocate for their interests accordingly. The problem is that frequently actors are unaware of whether they are winners or losers—and it is no less true with security issues. Equally, many campaigners on trade issues have no direct material interest in trade politics, as in the cases of groups focused on issues to do with development, the environment, and democracy. Though a comparative approach makes it hard to do, a thicker qualitative analysis would have been welcomed here so as to better understand the domestic politics in each case. The book also inaccurately presents the WTO as tasked to promote trade liberalization. While this may be its informal role, formally speaking it is

tasked to promote the harmonization of international trade policies. The difference is significant given the frequent accusation that the WTO is ideologically driven. That said, overall this book is to be welcomed for both its cross-country and cross-temporal analysis of a significant aspect of global trade governance and will be of value to both WTO specialists and advanced research students.