

IO

International Organization

Beth V. Yarbrough and Robert M. Yarbrough
The Liberalization of Trade

Deborah Welch Larson
The Austrian State Treaty

Paul Egon Rohrlich
Economic Culture and Foreign Policy

Margaret P. Karns
The U.S., the Contact Group, and Namibia

Ernest J. Wilson III
International Energy Markets

Ian Lustick
State-building on the West Bank

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Editor's Note

Stephen D. Krasner

Maturity has many consequences, one of which is the ability to gain a clearer perspective on how different institutional arrangements affect the evolution of intellectual, or at least academic, life. Foundations, research centers, departments, and journals promote and legitimate different kinds of work. In rare instances, they even define and create new disciplines.

International Organization has played a crucial role in developing a set of arguments and concepts that have been labeled "international political economy." A quick examination of this journal during its first two decades, from 1947 to the late 1960s, reveals how much it changed. International political economy did not exist as a recognized field until the 1970s. Prior to that, international relations scholars focused on questions of security and conflict. Economists generally ignored institutional arrangements.

In the seventies, *IO* began to address a set of issues that had been largely ignored by scholars since the 1930s. To say that a single theoretical perspective has shaped these analyses or that a form of normal science has developed would misrepresent the vigor and diversity of debate that continues to enlighten and befuddle us all. *IO* continues to be at the forefront of this research. Those of us associated with the journal are proud that outgoing *IO* editor Peter Katzenstein and our current book review editor, David Baldwin, won two of the major prizes awarded by the American Political Science Association last year. The honors are anecdotal, but not trivial, evidence of a vibrant research program.

The topical scope of *IO* has also expanded in recent years. In particular, the number of articles related to international security has increased. This issue, for example, features Deborah Larson's analysis of the Austrian State Treaty and Ian Lustick's discussion of some recent developments in the Middle East. I hope this trend will continue. The journal also welcomes the contributions of scholars from a variety of disciplines, including economics, as exemplified by this issue's lead article by Beth and Robert Yarbrough. *IO* will strive to stay at the juncture of comparative and international relations by publishing articles on the impact of domestic political economic structures on the international system, as well as articles examining the consequences of the international system for the nature of domestic politics.

I do want to alert potential contributors to one significant change. *IO* will be happy to consider publishing sets of two to five articles on the same topic as a symposium. Each set of articles will be reviewed by the same referees, applying the journal's usual criteria. Each article will be considered

independently; if some articles are rejected, publication of the others will not be jeopardized.

Editorial procedure related to special issues will not change. Scholars interested in organizing a special issue of *IO* should submit proposals. Decisions about special issues are usually made by the entire Editorial Board. Decisions about specific articles are made by a review committee established for each special issue.

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Abstracts

Cooperation in the liberalization of international trade: after hegemony, what?

by Beth V. Yarbrough and Robert M. Yarbrough

Given the potential of international trade to be mutually beneficial and the existence of transaction and adjustment costs, nations engage in a variety of forms of trade liberalization (e.g., unilateral, multilateral, minilateral). The extent of transaction-specific investment and the viability of hegemonic cooperation are determinants of the scope for opportunistic protectionism and, therefore, determinants of the form of successful liberalization. Trade-specific assets imply a vulnerability to opportunistic protectionism, imparting a Prisoner's Dilemma payoff structure to trade liberalization. The hypothesis of hegemonic stability implies that the presence of a hegemonic state is both necessary and sufficient for a liberal trading system; the hypothesis of hegemonic cooperation, on the other hand, implies that the presence of a hegemon is one possible way of breaking the Prisoner's Dilemma in the presence of substantial transaction-specific investment for trade. We use trade-specific assets and hegemonic cooperation to explain the historical variation in the forms of trade liberalization: unilateral by 19th-century Britain, multilateral by the postwar United States, and minilateral more recently.

Crisis prevention and the Austrian State Treaty

by Deborah Welch Larson

Neutralization, a classic diplomatic technique for crisis avoidance, resembles a Prisoner's Dilemma game; although the great powers benefit from removing a particular state from the realm of competition, there is a temptation to achieve higher payoffs by moving into the power vacuum and violating the state's neutrality. The Austrian State Treaty is the most successful neutralization agreement of the postwar period; it also contributed to global crisis prevention by making possible the first summit and detente of the cold war. What strategy for promoting cooperation in mixed-motive conflicts best explains the signing of the Austrian State Treaty? This article contrasts two important strategies: tit for tat and graduated reciprocity in tension reduction, or GRIT. Tit for tat is a behavior modification strategy; GRIT is a cognitive theory designed to alter the images of the target. GRIT provides the best explanation for the Austrian State Treaty because of three components of its strategy, not found in tit for

tat, which promote trust: communication, the costs/risks of concessions, and diversification of concessions over issue-area and geographic area.

Economic culture and foreign policy: the cognitive analysis of economic policy making

by Paul Egon Rohrlich

Research on economic foreign policy has generally taken one of two analytic approaches: realism or, more recently, behavioralism. A third approach using cognitive analysis is possible: extrapolating from political culture we can recognize economic culture as the social perceptions that structure economic policy. It is this confluence of cultural, historical, and circumstantial variables which creates the consensual knowledge of society and legitimates policy-making behaviors and mechanisms, and helps to specify the reactions to realpolitik motivations. Comparative analyses of Britain's turn to international economic liberalism through the adoption of the gold standard (the Bank Charter Act of 1844) and the repeal of the Corn Laws (1846) show that the application of cognitive insights yields a more complete interpretation of policy making.

Ad hoc multilateral diplomacy: the United States, the Contact Group, and Namibia

by Margaret P. Karns

In 1977 the United States joined with four other Western nations to create the Contact Group, a unique, ad hoc multilateral effort to negotiate an internationally acceptable plan for the independence of Namibia. The Group succeeded in creating and sustaining a negotiating process for five years where none had previously existed and in securing agreement on the basic elements of a settlement plan, though not its implementation. Extensive interviews with past and present U.S., UN, and other officials provide a basis for analyzing the Contact Group, the advantages and liabilities of such an ad hoc multilateral approach, and the circumstances under which such an approach is likely to be useful in the future.