

Changing Authorities and New Accountability in the World Trade Organization: Addressing a Research Gap

Manfred Elsig

*World Trade Institute Berne
Graduate Institute of International Studies Geneva
manfred.elsig@wti.org*

**Paper prepared for presentation at the Conference
“Pathways to Legitimacy – The Future of Global and Regional Governance”
Warwick University, 17-19 September 2007**

Preliminary draft, comments welcome

Abstract

The global economy is undergoing significant changes. Many (re-)emerging economies (especially in South East Asia) have seen spectacular growth rates over the past few years, new markets have been created and global production chains have diversified and expanded. I argue in this paper that new powerful actors represent a challenge for global regulatory politics. In particular related to international organisations, the international relations literature has not paid sufficient attention to the role and impact of emerging developing countries (changing authorities) and how the system accommodates these new powerful voices. The paper suggests a more systematic analysis in addressing implications for intergovernmental organizations (here the WTO) resulting from emerging powers inspired by an exit-voice-loyalty perspective (Hirschman 1970). The second part of the paper takes up the emerging discourse(s) on accountability in relation to the new titans in the global economy.

1. Introduction

The global economy is changing rapidly. Many (re-)emerging economies (especially in south-east Asia) have achieved spectacular growth rates over recent years, new markets have been created and global production chains have diversified and expanded (Economist 2006). The “New Titans” already account for more than half of total world GDP (measured at purchasing-power parity) and hold 70% of the world’s foreign-exchange reserves. Drivers of change in the world economy range from the “death of distance” (Cairncross 1997) to a predominantly liberal world economic order. While emerging markets call for more “voice” in shaping regulatory politics, the raging discourse on globalization and the observed effects of economic integration on our daily lives have increased the awareness among citizens of an interdependent world. One of the consequences has been a drive by civil society actors and politicians in liberal democracies to intensify calls to assess the global economic system from the perspectives developed in discourses on democracy and legitimacy.

A key underlying assumption of the paper holds that new powerful actors and shifting regulatory issues (behind-the-border) represent a twin-challenge for global regulatory politics. Much ink has been used to analyse the new intrusiveness of World Trade Organization (WTO) law, the challenges of positive integration and the pursuit of a “deep trade agenda” (Young and Peterson 2006), however, less attention has been paid as to how new voices impact the existing regulatory structures. I argue that in particular related to international organisations (IOs), the international relations literature has not paid sufficient attention to the role and impact of emerging developing countries (changing authorities) and how the system accommodates these new powerful voices. Thus, the paper suggests a more systematic analysis in addressing implications for intergovernmental organizations (here the WTO) resulting from emerging powers inspired by an exit-voice-loyalty perspective (Hirschman 1970). In addition, the paper addresses the effects of changing authorities on the emerging discourse(s) on accountability.

The paper is structured as follows. First, the paper looks at emerging powers in the world economy and how this potentially translates into influence in the WTO based on the market access logic of international trade negotiations. Second, a gap in the current literature as to how emerging powers affect existing institutions is detected and a new research avenue based on Hirschman’s voice-exit-loyalty perspective (Hirschman 1970) is proposed. Third, it discusses how emerging economies potentially affect the GATT/WTO system using empirical illustrations. Finally, the paper addresses a second research programme on

accountability in world politics and sketches the contour of a research agenda in light of emerging powers and authorities.

2. New emerging powers! New authorities?

Who are the new actors and what potentially explains their influence within international organisations?¹ Voting power is an important proxy for understanding members' influence in a number of global intergovernmental institutions. The most prominent examples are the International Monetary Fund and World Bank where voting rights (and coalitions) reflect power (e.g. Woods and Lombardi 2006).² In the GATT/WTO system every contracting member has one vote, however, decision-making is characterised by a consensual approach. While voting is possible, examples of taking recourse to voting are hard to find. If formal decision-making rules are not important, then what explains influence or "power"? Thus, in the context of WTO decision-making, attention turns by default to informal settings across concentric circles of decision-making (Elsig 2006, Wolfe 2005). The inner circle in trade negotiations has expanded from the G2 (US and EU) to settings with 4 (e.g. G4) and more players in the recent negotiations.³ At the various big tables sit the important powers (EU and US) plus other industrialised and emerging economies (usually representing coalitions of like-minded members) depending on the issues at stake.

From a rationalist liberal perspective, important factors for explaining influence in WTO negotiations are a) market access and b) salience.⁴ Market access is often described as the key currency in trade negotiations based on the logic of reciprocity. Access depends on the size of the market (and the purchasing power of potential customers within the territory) and the degree of market entry barriers. In other words, if trading partners are eager to sell products in your market and you can offer increased access through the lowering of trade barriers, your negotiation position is strong. Salience refers to the "need" to come to an agreement or the importance attached to a successful outcome of negotiations. The argument

¹ For the rising powers, the term BRICSAM (Brazil, Russia, India, China, South Africa, ASEAN and Mexico) has recently made the round. In this paper, I focus on ten key emerging powers within the WTO system (measured with GDP at exchange rates as of 2005). These include Argentina, Brazil, China, India, Indonesia, Korea, Mexico, South Africa, Thailand, and Turkey. Russia is not member of the WTO and not included. Korea, Mexico, Turkey are also members of the OECD, the club of industrialised and developed countries.

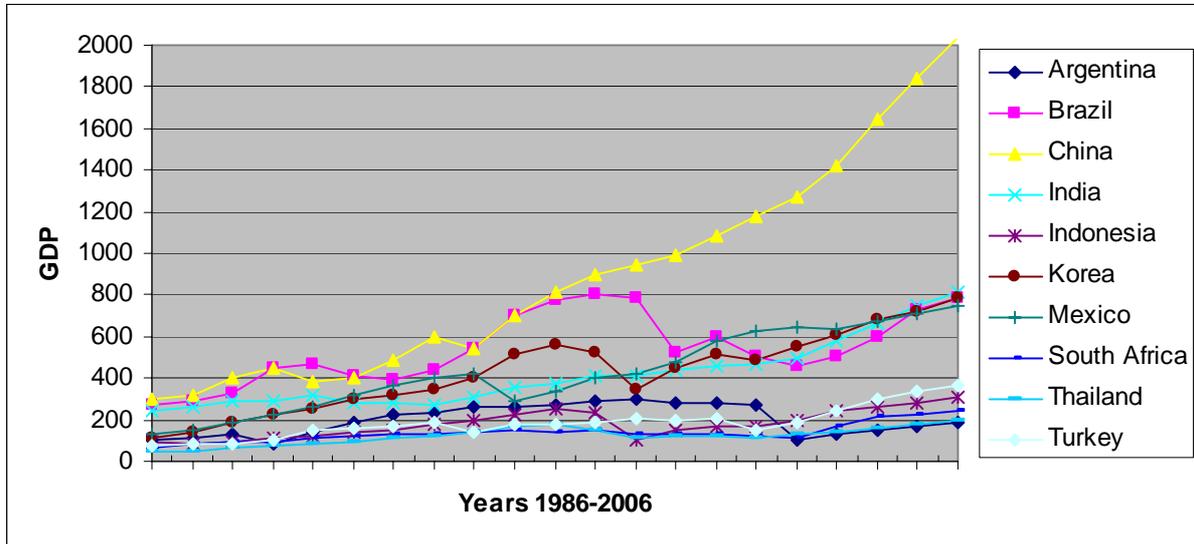
² Not to forget the veto power of the US to block important decisions within IMF and WB.

³ The G4 negotiations included the US, EU, India and Brazil.

⁴ Realists point to the "go-alone-power" (Gruber 2001) or the ability of the G2 to apply power politics at the end round of negotiations (Steinberg 2002).

runs that the longer you can hold out and the more alternatives to a negotiated agreement you possess, the stronger your overall position is.⁵

Figure 1: GDP Over Time (1986-2006)⁶



Source: IMF World Economic Outlook, GDP current prices, in US\$ billions

In relation to the market access logic, change of power is reflected in change of economic indicators. Figure 1 shows increasing importance in terms of market access measured as change of GDP at current prices over time for ten emerging WTO members.⁷ The greater the GDP, the more demand for imported products is generated. The figure suggests three patterns over the last 20 years. China is the frontrunner. GDP growth in absolute and relative terms has been impressive. A second group of members with currently an annual GDP ranging between 743 and 814 US\$ billion consists of India, Brazil, Korea and Mexico. A third group with an annual GDP between 187 and 367 US\$ billions includes Turkey, Indonesia, South Africa, Thailand and Argentina.

The market access “potentials” matter especially in cases when imports are hit by considerable barriers to entry in form of tariff or non-tariff barriers (NTBs). While NTBs have come more prominently to the forefront for impeding access to industrialised countries’ markets (as tariffs have declined), tariffs levied at the borders in developing countries still are

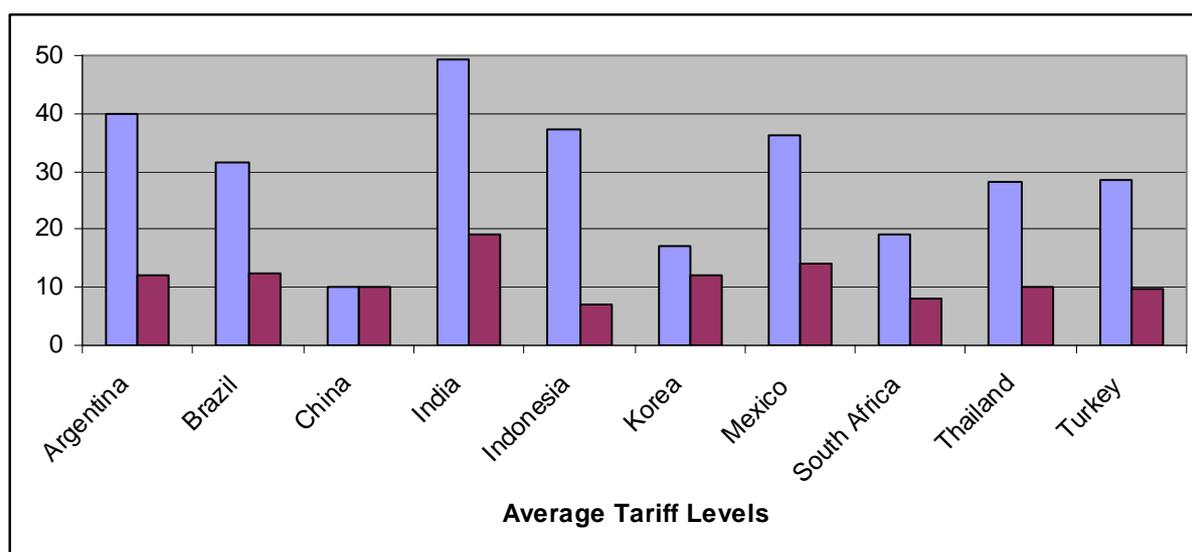
⁵ On various forms of power, including realist, liberal, constructivist and process-oriented, see Elsig (2006).

⁶ Whereas relative figures including US and EU GDP growth would indicate less support to the changing power hypothesis, in relation to other developing countries, clearly these ten members stand out. The data suggests that a number of countries should have a prominent role to play within the existing system due to their sheer size of markets.

⁷ GDP is measured here at current exchange rates and not at purchasing power parity. Market Access is more accurately reflected in the actual purchasing power for imported goods (assuming that price differentiation is marginal).

considerably important and contribute to financing state activities (not least because it's a relatively efficient way to collect taxes). Figure 2 shows current tariff data profiles for above WTO members.⁸ These tariffs play an important role in the agricultural negotiations and the so-called market access negotiations in non-agricultural goods (NAMA). The higher the tariffs (combined with purchasing power from an emerging market), the more negotiation leverage is expected.

Figure 2: Average Tariff Levels (Bound and Applied) in 2006



Source: World Trade Organization, www.wto.org

If we take the average between applied and bound tariffs, we can differentiate four groups here.⁹ Leading in average tariffs is India. A second group of countries with an average between 19 and 26 % includes Argentina, Mexico, Indonesia, Brazil, Thailand and Turkey. A third group levying tariffs between 13-15% includes Korea and South Africa. China has bound and applied rates set at an average of 9.95%.

Finally, in order to capture salience, we need to look in more detail at the potential of export markets, the existence of discrimination vis-à-vis other competitors and actual growth rates to capture the need to come to an agreement. In addition, the concept of *best alternative to a negotiated agreement* (BATNA) could guide us in examining the power of parties in WTO negotiations. An increasing factor for defining BATNA in trade negotiations has been

⁸ This is a very crude proxy, as one would have to consider tariff structures in detail, including tariff escalation, tariff peaks, preferential access, etc. Applied rates are those currently in use, bound rates are those negotiated by the parties. In theory, parties could increase tariffs unilaterally up to the bound rates.

⁹ The average of bound and applied could be a proxy for negotiation space. I assume that countries will not move up to the ceiling of bound rates, but the higher the difference between applied and bound rate (usually called the “water”), the more room to manoeuvre for negotiators.

the use of other regulatory venues, particularly bilateral and regional preferential agreements. Whereas all big players increasingly engage in these types of activities, variance can be observed influenced by geographical locations, historical experience and various races for regional hegemony.

3. Increasing voice and institutional accommodation

I have argued that we should observe, based on a rational/liberal reading of power in trade negotiations, increased attention paid to above members. This section briefly takes up the question as to how increasing voice should be visible and how institutions accommodate demand leading to authority change. In addition, I explore to what degree Hirschman's conjectures on the relationship between exit, voice and loyalty could be taken up to explain change in the functioning and design of IOs.

The paper draws attention to the linkage between two separate debates that model the IO as the dependent or independent variable, respectively. The first debate relates to institutional design and institutional change over time (*IO as dependent variable*) (Abbott and Snidal 2004, Koremenos et al. 2001, Rosendorff 2005). The second debates speaks to the newly discovered interest in the functioning of international organizations (Barnett and Finnemore 2004, Johnston 2001, Pevehouse 2002, Simmons and Martin 2001, Zangl 2005). In such a reading, IOs are exhibiting autonomous influence on the constituting actors (*IO as independent variable*). Combining above perspectives, it could be asked to what degree outside-in effects counterbalance potential influence of rising powers in relation to change in formal and informal practices within international organisation? Or, whether some kind of policy diffusion linked to IOs represents a buffer for change (Simmons and Elkins 2004)? This paper suggests that importing and adapting Hirschman's actor-centric analytical framework on *exit-voice-loyalty* (Hirschman 1970) could help bridge above debates of institutional change.

Hirschman's work has been rarely applied in the study of international organizations. While its general nature and lack of clarity and determinism explain some hesitance for application, it could nevertheless guide us in understanding the role of emerging powers vis-à-vis international organisations.¹⁰ In a nutshell, three elements of Hirschman's framework stand out: voice, exit and loyalty. Hirschman's assumes that actors not satisfied with the

¹⁰ What makes the application of Hirschman's work difficult in international relations is the unequal power distribution among its participants.

quality of certain products delivered by a firm, organization or state have two options: rising voice or exit. He assumes this to be prevalent in times of “decline”. Exit depends largely on the likelihood of similar products (alternative to a product or an organisation), the loyalty vis-à-vis products and the costs and effects of voicing concerns. Voice and exit are complementary elements. Signalling discontent, proposing change or threatening exit are different strategies applied. The exit option in various organizations (e.g. state, family) is very difficult to choose as these organizations represent quasi monopolies and the costs of exit might be high. Loyalty for its part usually “holds exit at bay and activates voice (Hirschman 1970:78).” If you are loyal to an institution it takes more for you to opt for the exit option.

The applications of Hirschman’s framework within various disciplines in economics, social sciences and psychology have extended some of the original elements (see Dowding et al. 2000). Empirical studies have indicated that the relations between voice and exit function differently in the economic and the political markets. In particular, voice is a constitutive phenomenon in politics and is characterized by collective action issues. Exit itself can feature different forms (e.g. exit, partial exit or neglect). In international politics, it is not unusual that great powers exit a certain institution or negotiations and pressure from the outside. Partial exit or neglect describes a situation where the party is still officially member of an organization but does not engage in or at times blocs decision-making. In terms of the most criticized concept “loyalty” (see Barry 1974), research has shown that loyalty goes beyond additional costs of exit and touches on “social capital” based largely on the identification with a certain product, group or institution. Thus, it combines a sort of “brand loyalty” with “group loyalty” (Dowding et al. 2000). In the following, we will briefly look at an institution “in crisis” and speculate how voice, exit and loyalty come into the picture and could help us in framing the pressures related to emerging economies.

4. Emerging markets and the WTO: Voice, Exit and Loyalty

Rules and principles in international organisations usually do not change over night. The modification of formal rules usually plays out in intergovernmental negotiations inspired by so-called “constitutional moments”. In the history of the GATT/WTO system, such a “constitutional moment” was visible at the end of the Uruguay Round negotiations where it was decided to create a formal international organisation. The key change of institutional rules came about in settling trade disputes by modifying the adoption procedures of court reports. This so-called principle of “reversed consensus”, transformed the dispute settlement

system from a diplomacy/negotiation-driven forum to one moving towards the rule of law, underpinned by the creation of a standing independent judicial body and leading to increased “bindingness” or obligations to comply with rulings.¹¹ Other rules and principles have incrementally altered without major constitutional changes, such as consensus decision-making. The consensus principle – as a result of the one country one vote system – has been even strengthened over the years despite a growing membership that transformed the GATT club to a multilateral organization and despite the possibility to take actions based on majority voting in a number of areas. Other constitutive informal principles in the WTO/GATT system include the rule of reciprocity in negotiations (with the exception of least developed countries),¹² and the “member-driven” nature of the regime. The latter describes a system with a rather weak agent (Secretariat) controlled by the powerful community of principals (members). Empirical evidence suggests that members’ control of Secretariat activities in some areas has even increased in recent years (Elsig 2007b).

In order to understand the impact of emerging economies on institutions, there is need to trace their actions and influence in changing or defending formal and informal rules (e.g. reversed consensus in dispute settlement, consensus in negotiations, reciprocity, member-dominated organisation). As changing formal rules usually require high majority threshold to overcome, more attention will need to be placed on informal rules. Thus, it could be asked what explains the strategies of emerging economies, e.g. engaging actively within the system, attempting to change the system, disengaging with the system? Are these strategies driven by internal factors or systemic factors, what explains potential variance across cases? Below, I illustrate developments in an exit-voice-loyalty perspective focusing on the five largest economies from developing countries: Brazil, India, Mexico, China and Korea (BIMCK).

Voice=Politics

Voice is an important element in any non-autocratic political system. Voice within the WTO system has various facets ranging from active engagement to punctual use of negotiation power or strategic “silence” and blockage. Interests can usually be differentiated as to their offensive (market-opening) or defensive (protective) nature. Discontent has been largely

¹¹ Reversed consensus refers to the need to find consensus among the parties in order to reject the rulings of the judicial arm. Parties can no longer ignore rulings. They face sanctions by the winning party, if they do not change the policies that have been found incompatible with WTO law. This decentralised type of sanctioning increases de facto compliance with rulings.

¹² While LDCs are not asked to give concessions in the current negotiations, other developing countries are expected (with various degrees) to engage in reciprocal negotiations.

directed at questions of actual commitments (concessions and policy obligations) and has been less visible in relation to institutional rules related to decision-making.¹³ Partial exit is an important instrument used by the key actors that goes hand in hand with voice. As suggested above, voice depends – in a system where power is present – on market shares, trade barriers and salience.

Voice is most clearly observed, when it is actively applied. From the five leading economies (BIMCK), the most active within the system have been Brazil, Mexico and India. This is reflected in their active role in negotiations for a number of years now, leading coalitions of like-minded and also demonstrating substantial expertise and technical skills in negotiations. Currently, Brazil leads the so-called G20 coalition, the most influential coalition among developing countries.¹⁴ India is active in G20 and G33, but largely reflects defensive interests related to agriculture.¹⁵ India has been pictured as the nation that usually just says no. Some scholars identify factors of political culture as pivotal reinforcing “a peculiarly chauvinistic world-view that supports distributive strategies (Narlikar 2006:61).” Mexico joined GATT rather late in 1986. While it didn’t play an important role in the Uruguay Round negotiations, Mexico’s structural adjustments and regional agreements in the early 1990s made joining the WTO look “inexpensive”. In recent years, Mexico has shown leadership by assisting to broker the TRIPS and Public Health declaration and inviting parties to the 5th Ministerial Conference that took place in Cancun, Mexico in 2003.¹⁶ It is actively engaged in a number of areas (e.g. anti-dumping). Korea has been less active within the GATT/WTO system. It participates in G10, a group of countries defending sensible products in agriculture and pushing for the concept of non-trade concerns in agriculture.¹⁷ In addition, it participates in the friends of anti-dumping group. China has only recently joined the organisation and has been rather reluctant to engage in negotiations. The dominating explanation for this position is the “new kid on the bloc” thesis that China first wants to learn the mechanisms of the system and in addition, does not engage in additional concession-trading for the time being, as the burdensome accession negotiations still loom in the background.

¹³ A Brazilian senior official observed that questions of institutional reform usually re-emerge when negotiations are stalled and are pushed to the background when negotiations pick up again (Interview, 20 July 2006, Geneva).

¹⁴ It involves Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, South Africa, Thailand, Tanzania, Uruguay, Venezuela, and Zimbabwe.

¹⁵ For an overview of groupings and coalitions relevant for agricultural negotiations, see Wolfe 2006.

¹⁶ Mexico and China are not members of the so-called NAMA 11 group of developing countries that lobby against developed countries’ calls to improve market access for non-agricultural goods. NAMA 11 includes among others Argentina, Brazil, India, Indonesia, and South Africa.

¹⁷ Switzerland, Japan, Norway and Korea lead the G10 coalition.

During the Cancun Conference, the G20 joined by other developing country coalitions resisted forcefully any attempts by the G2 (US, EU) to settle on a compromise in agricultural negotiations and rejected attempts by the EU to launch negotiations on three of four Singapore Issues.¹⁸ In recent years, India and Brazil have been involved in high-level negotiations among the leading 4 or 5 negotiators (in G4 and in FIPs).¹⁹ Korea and Mexico have been absent in the small circle meetings over how to break the deadlock (including FIPs and FIPs plus meetings), but they are more active in the second and third concentric circles, such as “green room” type of meetings re-uniting the 25-30 key trading nations. China has been “invited” to the table of G4, in particular by the incoming USTR Susan Schwab, but has so far declined to participate.²⁰

Table 1: Number of National Officials in the WTO Secretariat²¹

Nationality	Number	Nationality	Number
<i>France</i>	178	<i>Colombia</i>	7
<i>UK</i>	77	<i>Peru</i>	7
<i>Spain</i>	46	Mexico	6
<i>Switzerland</i>	35	<i>Uruguay</i>	6
<i>US</i>	29	<i>Netherlands</i>	6
<i>Canada</i>	25	China	5
<i>Germany</i>	17	<i>Chile</i>	5
<i>Italy</i>	13	<i>Japan</i>	3
India	13	Turkey	3
<i>Ireland</i>	12	Thailand	2
<i>Philippines</i>	9	Korea	2
<i>Australia</i>	9	South Africa	1
Brazil	8	Indonesia	0
Argentina	7		

Source: World Trade Organization, www.wto.org

The number of nationals working within the system is another proxy for “activeness” and “expertise” in multilateral trade policy. Table 1 provides an overview. While officials are expected not to represent national interests, the figure suggests a lack of representation of the emerging markets. South Africa, Korea, Thailand and Turkey have only few nationals (Indonesia is not represented). China has gone up from 0 to 5 in recent years due to accession. India and the Latin American Countries have a longer tradition to be represented in the

¹⁸ These include Competition, Public Procurement and Investment. Trade Facilitation was taken up.

¹⁹ FIPs (Five Interested Parties) met a number of times starting in 2004 to discuss mainly agriculture. FIPs included the G4 and Australia. FIPs plus included FIPs and Argentina, Canada, China, Japan, New Zealand, and Switzerland.

²⁰ USTR Schwab during her visit to China (*Inside US Trade*, 1 September 2006).

²¹ A caveat is in order. These statistics also include personnel working in the general services, administration, human resources, IT and security-related section, especially impacting on the Swiss and French representation.

Secretariat reflected in higher staff numbers. Nevertheless, economic power does not explain well the nationality patterns within the WTO Secretariat. European countries are overrepresented.

The GATT/WTO has two key functions, serving as a venue for negotiations (in view of further liberalising) and providing a platform to settle disputes. Active use of the WTO can be illustrated by involvement in the dispute settlement system (DSS). Table 2 presents an overview on the use of the DSS as complainant. The data above suggests that there is a causal relationship between economic power and the use of the DSS to settle disputes (Horn et al. 1999). With the potential trading volume increase the chances that exports are hit by WTO inconsistent treatment. At the same time powerful actors are less constrained than smaller developing countries to use the DSS (Guzman and Simmons 2005). With the exception of South Africa, all emerging economies have been actively targeting other trading partners by launching legal proceedings. China, having joined the organization recently, has shown restraint to target other trading partners.²² However, China has exhibited great interests by joining in all cases as third parties. This is a sign of showing systemic interest, but also provides China with an opportunity to learn the art of WTO litigation.

Table 2: Active Use of WTO DSS (from 1995-mid 2007)

Ranking	Country	Complainant
<i>1</i>	<i>US</i>	<i>88</i>
<i>2</i>	<i>EU</i>	<i>76</i>
<i>3</i>	<i>Canada</i>	<i>28</i>
4	Brazil	23
5	India	17
5	Mexico	17
7	Argentina	14
8	Korea	13
<i>9</i>	<i>Japan</i>	<i>12</i>
9	Thailand	12
<i>11</i>	<i>Chile</i>	<i>10</i>
<i>12</i>	<i>Australia</i>	<i>7</i>
22	Indonesia	3
27	Turkey	2
30	China	1
41	South Africa	0

Source: World Trade Organization, www.wto.org

²² As complaints against China are increasing, this could affect also China's use of the legal system.

Exit - Partial Exit - Neglect

Exit has not been a real option in the history of the WTO/GATT system for lack of alternatives on the multilateral level. While the efforts in the 1960s with the creation of the United Nations Conference on Trade and Development (UNCTAD) has been a direct attempt to launch an alternative platform in light of a new economic world order, UNCTAD did not develop into a true competitor for negotiating the world economy and addressing trade disputes. The recent Venezuelan call for withdrawal has been part of populist politics intended to capture public attention in the fight against an alleged US-dominated trading system.

However, partial exit or neglect is a real phenomenon that can be observed and that has intensified in recent years. Neglect can be described as not paying sufficient attention to the WTO and re-allocating resources to negotiate trade agreements elsewhere. Partial exit is visible in attempts to jump on the bandwagon of new regionalism. This type of partial exit from the WTO has captured scholarly interest (e.g. Mansfield and Reinhardt 2003). Hirschman argues that “beyond a point exit has a destructive rather than salutary effect (1970: 36)”. In other words, as actors get used to regionalism (and as long as these regulatory venues produce satisfactory results), the interest to support the old institution diminishes and threatens its existence. This negligence helps empower other voices that stick to the old organization. Put differently, if champions of the organization exit or show disinterest, other actors can fill the existing gap. Whether this is in the long-term interest of the institution remains questionable.²³

How do emerging markets embrace and drive regionalism? How do they make an active contribution to the development of alternative regulatory arrangements or engage in bandwagoning (e.g. as regionalization-makers or regionalization-takers)? The five key powers seem to be only partial drivers of the development or rather passive (e.g. Brazil). Korea has negotiated with the US, EU, EFTA, Chile and Singapore, however its influence in Asian regionalism has been rather modest and has been reflected by rapprochement with the Association of South-East Asian Nations (ASEAN). India and China (together with Japan) cautiously attempt to gain momentum in providing economic and political leadership in the region via regional initiatives, but have been rather less active in building bilateral trade

²³ Hirschman uses the example of public vs. private schools. Once critical parents leave the public school system, their voice for change diminishes, leading to less pressure to change public schools and creating an ever deteriorating system.

agreements.²⁴ ASEAN becomes more and more the key trade negotiation platform where India, China and Korea (and Japan) can meet as bilateral FTAs between these countries seem politically difficult (see ASEAN plus 1, ASEAN plus 3 and ASEAN plus 6 models). Mexico has opened its markets vis-à-vis the US (NAFTA) already in the early 1990s and has concluded similar trade agreement with the EU and Japan in the late 1990s. These economies represent Mexico's key export markets. In addition, Mexico has signed a number of bilateral PTAs with Central American states and Chile. Finally, Brazil has invested some time building a regional economic and political entity in South America (Mercosur), contributing to a multipolar trade world. It has been rather slow in jumping the bandwagon of bilateral agreements. Its negotiations within the Mercosur context with the EU to agree on an inter-regional agreement have been slow since the start.

The nexus voice-exit has been used particularly by the G2 recently. Others have been less eager to push regionalism and rely more on impressive growth rates (e.g. China, Brazil, and India). However, as all key players have created strong BATNAs, this has contributed to a dead-lock in the WTO negotiations (Elsig 2006). Brazil, India and China expect concessions to be offered predominantly by the highly industrialised countries, while Brazil urges the further opening of protected agricultural markets in the north.

Loyalty – Strategic Action vs. Persuasion

Loyalty has many facets. In the past, a supporting factor for creating loyalty has been the practice of long-term assignments of WTO ambassadors to head the missions in Geneva. This has helped foster a club-like environment in which the members have come to learn and appreciate the benefits of a multilateral rules-based system. It was dominated by technical experts focusing on tariff cutting in an environment characterised by little mass politicization. More recently, fluctuations and mobility among ambassadors has increased and the club has been opened to a larger community of stakeholders affecting the strength of “group loyalty”. “Brand loyalty” has to do more with the satisfaction of the participating actors. Has WTO performance been judged positive by contracting members? Whereas evidence on the aggregate benefits of GATT/WTO membership in terms of trade flows is mixed (Rose 2004, Tomz et al. 2007), there are winners and losers across and within nations as a result of the “grand bargain” of the Uruguay Round negotiations (Ostry 2002).

²⁴ Bilateral FTAs have been rare, e.g. India has concluded a PTA with Singapore and China with Chile.

Little research has been conducted on the question of loyalty. To what degree could loyalty to an organisation present a buffer to partial exit? While the US openly signalled at the WTO Ministerial Conference in Cancun in 2003 that it would use alternative platforms to regulate trade as the WTO didn't deliver, the EU under Commissioner of Trade Pascal Lamy implemented a moratorium on launching new negotiations on preferential trade that lasted from 1999 to 2006 (Elsig 2007c, European Commission 2006). In the case of the EU, a variety of rational arguments have been presented to account for "loyalty" to the WTO, including exporting its own model, strategic interests by the Commission vis-à-vis Member States, lowering transaction costs, etc. However, constructivist research has not taken up the question of how the experiences with the system and the belief and persuasion of multilateralism have affected political choice to favour multilateralism over other approaches. In case of the BIMCK, a research gap exists on this question.²⁵ What explains variance in loyalty to the WTO across emerging economies? Whereas for some countries, the WTO assists in constraining the power of economic hegemons and as a buffer against increasing protectionism from home, others see the multilateral arena as the most efficient way to trade liberalisation concessions, while others use it.²⁶

In sum, above actor-centred framework could help frame comparative research on the role of emerging countries. In addition, the question of how the system accommodates new voices needs to be addressed. Research should focus on how institutions (e.g. various levels of WTO governance) channel new powerful voices' interests. The degree of accommodation and channelling will in turn influence the relationship among exit, voice and loyalty within the politics of emerging actors vis-à-vis international organizations.

5. The new "accountability"

A second debate that has received increased attention recently in academic and political discourse in the OECD world relates to accountability of international organisations. Similar to the discourse on legitimacy, there is increasing conceptual work on how to make institutions more accountable and how accountability can be measured across cases (e.g. Kovach et al. 2003). In this section of the paper, I want to draw attention to potential effects of emerging powers and changing authorities in light of various accountability mechanisms.

²⁵ Recent work on developing countries increasingly starts to address domestic policy-making, see Hurrell and Narlikar (2006) on India and Brazil.

²⁶ In addition, it can be asked whether the "brand" of the new Round ("Development Round") created too high expectations among the developing countries, eventually producing backlash if the system can not deliver.

First, I review key accountability concepts prominent in the literature; second, I relate the various notions to the WTO as an organization and emerging actors and finally, I call for further research to close the identified gaps.

Accountability: an elusive concept?

Accountability is a contestable concept. The notion has largely developed through evolving practice within Anglo-Saxon political systems. The non-existence of an adequate translation of the term into many languages, however, explains the various understandings. Accountability means different things to different societies and political systems, usually blending elements of control, responsibility, and responsiveness (Bovens 2007:105). Various concepts, models and mechanisms of accountability can be found in the recent literature on international organisations.²⁷ In an influential contribution to the debate, Grant and Keohane (2005) differentiate between a *participation* model and a *delegation* model (based on different conceptions of legitimacy). They favour the delegation model over the participation model, as they consider the participation model somewhat utopian in international politics due to the lack of clearly defined global demos (see also Dahl 1999). Asserting a lack of checks and balances in international politics, they opt for a view that “at a minimum, institutions of governance should limit and constrain the potential abuse of power (Grant and Keohane 2005:30).” Based on the delegation model, they sketch mechanisms to hold those who govern accountable.

Another way to approach accountability is to differentiate between a *narrow* and a *broad* reading of accountability. In a narrow reading accountability means “a relationship between an actor and a forum, in which the actor has an obligation to explain and or justify his or her conduct, the forum can pose questions and pass judgment, and the actor may face consequences (Bovens 2007:107).”²⁸ Inspired by governance structures within the EU system, Bovens sees three perspectives at play here: a democratic, constitutional and a cybernetic perspective. *Democratic* refers to the political logic developed in liberal democracies to check public authorities and political decision-makers. *Constitutional* refers to the prevention of abuse of power (including corruption) and the existence of countervailing

²⁷ These terms have mushroomed, e.g. internal, external, collective, mutual, individual, horizontal, diagonal, vertical, hierarchical, supervisory, participatory, representative, fiscal, legal, political, administrative, social, market, peer, public reputational accountabilities (Bovens 2007, Grant and Keohane 2005).

²⁸ Grant and Keohane work with a similar narrow definition: “accountability implies that some actors have the right to hold other actors to a set of standards, to judge whether they have fulfilled their responsibilities in light of these standards, and to impose sanctions if they determine that these responsibilities have not been met (2005:29).”

powers (Bovens 2007: 115).²⁹ Finally, *cybernetic* refers to the ability via control mechanisms to contribute to the prevention of power abuse and other failures and to enhance learning capacities of those that are held accountable. In the broad version of accountability, the term includes additional elements of good governance (see Held 2004).³⁰ This is exemplified by the EU Commission's use of the notion of accountability as "a synonym for 'clarity', 'transparency', and 'responsibility', but it is also equated with much broader concepts such as 'involvement', 'deliberation' and 'participation' (Bovens 2007:105)." This reading resembles the participation model sketched by Grant and Keohane by bringing in elements of input legitimacy (Elsig 2007a, Scharpf 1999) including right and due process (Franck 1988).

Finally, in the IO literature, the differentiation between *internal* and *external* accountability has been prominently applied.³¹ Internal accountability reflects the relationship between those that delegate power in international organisations (member state governments) and those that carry out the policies. Internal accountability focuses on mechanisms to control the actions of the mandate-takers by creating institutional control and sanctioning mechanisms. Various sub-models exist from *hierarchical* to *supervisory* accountability using a variety of mechanisms including tools such as reporting, re-mandating, re-electing, budget control, etc.³² External accountability refers to the possibility of those affected by IO policies to voice concerns and find ways to influence subsequent policy-making.³³ It is not unusual that in practice these two models create tensions. Not only are accountability mechanisms related to internal accountability more common and politically more widely accepted by many member governments, but also interests of those directly affected by policy decisions in IOs and their government officials' positions might diverge. In addition, depending on the logic applied (internal vs. external, narrow vs. broad, participation vs. delegation) different

²⁹ Grant and Keohane's reading is similar to this liberal tradition to prevent corruption and abuse of state power as a sort of constitutional perspective found in American Federalist writings (Bovens 2007:114).

³⁰ The International Law Association Committee on Accountability of IOs included rules that reflect good governance as part of the accountability principle, presenting a middle position between the narrow and the broad version of accountability. According to the ILA Committee, good governance includes "transparency in decision-making and the implementation of the ensuing institutional and operational decisions, a large degree of democracy in the decision-making process, access to information open to all potentially concerned and/or affected by the decisions (...) (ILA 2004:172)."

³¹ These two perspectives overlap with the models of participation and delegation and the narrow and broad reading of accountability.

³² Hierarchical speaks to the internal administrative relationship between leaders of an organization and subordinates. Supervisory speaks to the states controlling the organisation and its executive head (Grant and Keohane 2005:36).

³³ The Global Accountability Report (Kovach et al. 2003) focuses on 4 elements of internal accountability (member control, appointment procedures of senior staff, compliance mechanisms, type of evaluations) and 4 elements of external accountability (stakeholder consultation, complaints mechanisms, CSR, access to information). Later work has put more emphasis on measuring participation (participation, transparency, evaluation, complaints and redress)

accountability gaps are detected and thus different remedies and policy recommendation flow from the analysis to reform IOs.

There is an evolving consensus that notwithstanding the underlying model, two issues are pivotal from an accountability perspective: transparency and sanctioning (Held and König-Archibugi 2004). In order to control, there needs to be sufficient transparency. In other words, information about the conduct of “agents” is a key component when designing accountability mechanisms. In addition, sanctions represent important incentives in agent-principal relationships. They are constitutive elements that help ex post control and sanction misconduct and send signals to actors that actions under their responsibility are being scrutinized.

The WTO and Accountability

Recent debates on global governance within the WTO reflect above various understandings of accountability. Thus, discourse is characterized by different concerns of legitimate political systems rooted in national and personal convictions as to optimal design of a polity (Moravcsik 2004, Elsig 2007a). In the past few years, there has been growing consensus to improve internal accountability. Special emphasis has been placed at increasing transparency within the organisation and creating more open and inclusive processes to reach decisions.³⁴ While decisions are still pre-cooked and negotiations in small and informal settings are common, the current Director-General (DG) has attempted to increase information exchange among parties. This can be illustrated by the DGs regularly held briefings with heads of delegations to report on negotiations within small groups. The DG is often invited to attend small group meetings (e.g. G4) and is expected to “represent” the wider interests of the organization and its members. The Secretariat for its part has improved transparency to meet some concerns of external accountability (e.g. organising a yearly NGO public forum, regular briefings with NGOs, advocating transparency via the WTO webpage).³⁵ The Secretariat usually plays an important role in information gathering and distribution, yet its actions are critically observed by many member states and limits to overt activism are periodically set. The Appellate Body (AB) for its part is a key actor (institutionally separated from the

³⁴ For a critical note on transparency, see Smythe and Smith 2006.

³⁵ This could be described as a first step towards increasing *social* accountability, where public agencies themselves create mechanisms for more direct control from non-governmental organisations, pushing for independent external evaluations of certain policies and creating direct links and additional interfaces with interested citizen (Bovens 2007).

Secretariat) in adjudicating disputes among parties. Yet, the WTO as an organization is much more than the Secretariat (and the AB). The member states play an important role particularly during negotiations and dispute settlement.

In addition, accountability profiles (and gaps) need to be distinguished as to the tasks to be carried out within an international organisation (see table 3). Mechanisms to control the agent might differ in relation to negotiations or dispute settlement. In the negotiations mostly ad-hoc delegation to the Secretariat is visible to compile information, to assist the chairmen, to draft proposals, etc. Thus, constraining a weak actor is not a key concern from an accountability standpoint. The main power (and thus potential abuse of power) lies within member states and especially the largest trading nations. Abuse of power can have long-term effects, where negotiating partners in a tit-for-tat logic will remember to have been pushed to accept certain agreements by powerful actors, showing less interest to embark in new negotiations later. This is a sort of ex post decentralised sanctioning mechanism that can potentially lead to lock-in situations that are hard to overcome as some parties' positions in the current negotiations demonstrate. In addition, transparency is a "strategic instrument" used by those involved in negotiations. Increasing transparency (and thus internal and external accountability) can have negative consequences for reaching agreements. When the closed-door environment is made more permeable, chief negotiators likely engage in defensive posturing due to increased audience costs. In addition, distributive strategies gain more importance in relation to integrative strategies (Goldstein and Martin 2000, Odell 2000, Stasavage 2004).

Table 3: Accountability and Core Functions

Accountability model	Negotiations	Dispute Settlement	Implementation and TPRM	Technical Assistance
Internal				
External				
Delegation				
Participation				

In the area of dispute settlement, member states are the pivotal actors as they decide to launch proceedings against each other. While the Secretariat has substantial influence in the first stage of the process advising panellists and de facto writing the reports, the second stage of the legal process involving the Appellate Body (and its Secretariat) follows the logic of third-party adjudication.³⁶ The latter relationship (member states – Appellate Body) is more aptly captured with the trustee model, whereas the relationship between member states and the Secretariat follows an agent-principal model (Elsig 2007b). This leads to different accountability concerns as to the first and second stage of litigation. Based on a trustee-model, where autonomy is important, there are still sufficient sanctioning mechanisms at disposal, if “real” power abuse or other misconduct is observed.³⁷ The so-called nuclear option consists in applying the veto for re-election to serve a second term. But judges are controlled beyond formal mechanisms. Building legal doctrines, upholding professional reputation among peers, and the wish to have rulings accepted and implemented reflect judges’ personal utility functions and represent informal control mechanisms.³⁸ In order to increase external accountability, small steps – related to information and transparency – have been taken. In the long lasting hormone cases, the litigant parties (US and EU) have recently decided to open judicial deliberations (hearings) to the public. It remains to be seen, whether this experiment is replicable when other parties are involved. In terms of the role of sanctions, scholarly debate focuses on the optimal design of compliance mechanisms to grant flexibility while controlling obvious misuse (Rosendorff 2005). Practical debates within the system centre on disputes in which members do not comply with rulings and decentralised sanctioning does not work. Less attention has been paid to members’ policies that go against the spirit of WTO laws and that potentially represent a specific form of abuse of power. While transparency on members policies increases (due to media, pressure groups, TPRM), it is still difficult to credibly sanction the powerful parties if they do not want to comply with rulings or in case parties’ policies go against the spirit of the GATT/WTO system.

In the area of implementation and related areas, the Secretariat’s role is to provide information about members’ policies contributing to the smooth running of the regime

³⁶ Some legal experts propose codes of conduct for WTO staffers and panellists. WTO staffers are involved in various Secretariat activities, blending different activities and leading to concerns of hierarchical accountability. The choice of panellists and rules and procedures guiding their work is not very transparent either, intensifying calls to increase information as part of improving internal accountability (Renouf 2005).

³⁷ It’s difficult to sanction the Appellate Body by rejecting its reports due to the rule of negative consensus and need for a substantial majority to re-interpret WTO law as demonstrated in the so-called Amicus Curiae Brief discussions (Mavroidis 2001).

³⁸ If Appellate Body members decide on a specific case, they also need to address the balance between internal accountability (e.g. narrow reading of the negotiation history leading to rules) and external accountability (e.g. extended interpretation of WTO law abandoning a self-contained regime view) (Pauwelyn 2003).

(Thompson and Snidal 2005). Regarding the trade policy review mechanism (TPRM), the Secretariat enjoys substantial discretion to assess how national trade policy-making affects WTO/GATT members and to evaluate the degree to which a member lives up to its obligations and thus implements the treaties. Some evidence suggests that the Secretariat was able to incrementally increase its influence within the process over time.³⁹ In the first years of introducing these country assessments after the Uruguay Round, the Secretariat report was presented alongside a country-drafted report as a means to control and contrast the Secretariat's own assessment. Over time, the country-drafted co-reports have shrunk to mere policy declarations accompanying the official Secretariat report. The Secretariat report remains the real basis for discussion in a special meeting chaired by an ambassador, where members' officials engage in a Q&A session. The TPRM has become a flagship of the Secretariat, by way of which it contributes to an increase of overall internal and external accountability. It's an important instrument to provide information on the conduct of single members and thus contribute to holding member states accountable based on commitments that have been agreed among them (addressing a type of *mutual* accountability).

Finally, in the area of technical assistance and training, the members control the Secretariat's work by means of *ex ante* micro-managing the budget (including at times earmarking aid packages). Recently, the members have also engaged in assessing the work of the Secretariat *ex post*. A consortium of NGOs received a mandate by a Steering Committee of WTO members appointed by the WTO Committee on Trade and Development to evaluate trade-related technical assistance provided by the Secretariat.⁴⁰ Such efforts help increase internal and external accountability, working towards increasing *social* accountability.⁴¹

Above illustrations suggest that the Secretariat does score relatively well in light of most concerns for accountability gaps (especially in the narrow reading). More concern in relation to transparency (domestic policy-making) and the abuse of power relates to the member states within the IO. Thus the question is not only whom an agent is accountable, but who is accountable?⁴² In the IO literature, the focus has been largely on civil servants (e.g. Barnett and Finnemore 2004). This logic applies particularly to IOs where agents have

³⁹ Interview with senior WTO official (29 January 2007, Geneva).

⁴⁰ In November 2005 the WTO commissioned Consumer Unity & Trust Society (CUTS), India; Facultad Latinoamericana de Ciencias Sociales (FLASCO- Latin American School of Social Sciences), Argentina; and North-South Institute (NSI), Canada to conduct a strategic review of WTO-provided Trade-Related Technical Assistance (TRTA) activities.

⁴¹ This is still far from the creation of an IMF type of Independent Evaluation Office (IEO) or the World Bank's Inspection Panel. These are designed with the aim to increase external accountability. The WTO Director-General occasionally commissions experts to review the functioning of the system (e.g. Sutherland et al. 2004).

⁴² Keohane succinctly observes that accountability is a power relationship and "establishing accountability relationships necessarily implies conflict (2006:79)."

sufficient power. Yet, in relation to member-driven organizations, such as the WTO, there is an inherent danger to overemphasize the role of bureaucrats and neglect the influence of member states' representations, the so-called proximate principals (Elsig 2007b). If there are accountability deficits, these "are more likely the result of choices by the most influential national governments than a symptom of the dysfunctions of international bureaucracies (Kahler 2004:141)." Reform suggestions related to accountability therefore should concentrate predominantly on the role of members. A number of proposals have been floated, including the call for increased participation of national parliaments and non-governmental actors at the WTO and national levels. The creation of additional deliberate platforms for NGOs and increased involvement of elected parliamentarians are seen as helping control governmental actions within the system. Not least, the interfaces could assist challenging the dominating position of trade and foreign ministries in the conduct of global trade politics, by empowering other trade-related concerns. In addition, in order to increase the efficiency of sanction mechanisms, ideas have been put forward to create within the Secretariat a special prosecutor position to help parties that are too weak to initiate a panel proceeding against a strong economic power.⁴³ Other ideas have been largely absent, such as creating a so-called special ombudsman, a common auxiliary form of *administrative* accountability to control agencies in national polities and within the EU system, or in the case of the WTO to limit the abuse of power of some actors within the system (Bovens 2007:110).⁴⁴

Emerging Powers and Accountability?

In practice, changes within IOs have been visible for some time, especially related to sharing of information, working towards optimizing hierarchical accountability and creating more interface with non-state actors and parliaments. Yet, the debate is still very much dominated by differing conceptions of legitimate governance models (Elsig 2007a). Building on the first part of this paper, it can be asked how emerging actors' ideas and interests impact normative debates regarding accountability? How do new powers influence the perceived trend towards increasing transparency, greater involvement of societal actors, and keeping the powerful in check? The existing empirical evidence is still limited and supports a reading that developing country are reluctant to enhance transparency, are sceptical of NGOs increased participation and are defending the model of executive multilateralism. Lessons from other GEMs suggest even a tightening of internal control of the executive activities (Kahler 2004). Thus,

⁴³ This would go far beyond the creation of the Advisory Centre on WTO Law (ACWL), <http://www.acwl.ch>.

⁴⁴ This is also known as *horizontal* accountability.

additional research is needed to explore the potential gate-keeping activities at the national level (Kahler 2004) and how this translates to the international level.

While the impact of the new titans on governance issues within the WTO is too early to judge, the paper offers a number of observations. On a geopolitical level, the growing importance of emerging countries leads to an even greater multipolar trade world, replacing the US as regime creator, the old QUAD as GATT-manager, and more recently the transatlantic G2 as the driving force behind the design of the WTO. We witness today a system where various country groups co-exist and depending on issues at stake form ad-hoc coalitions and strategic alliances. This increases the number of actors (also veto players) and makes further liberalizing within the existing system of decision-making burdensome; yet, it creates additional barriers for abusing the power by a single country. Generally, questions of internal accountability (and the delegation model) have received more support across a wide range of members in recent years. However, depending on the new shape and expected change of authorities within the WTO system, we might see emerging countries less inclined to push on a number of issues in particular related to external and participatory accountability. The positions on issues, such as parliamentary and societal participation, control of state actors, transparency, increased power to the Secretariat to sanction various forms of rule-breaking are very much shaped by accountability models within the domestic context. Tables 4 and 5 present two proxies for capturing the pressure to change the IO to create additional accountability mechanisms.

Table 4: Measuring National Accountability of Nations (Freedom House)

Country	Average	Country	Average
<i>US</i>	<i>1</i>	Brazil	2
<i>EU Countries</i>	<i>1</i>	Mexico	2
<i>Canada</i>	<i>1</i>	Argentina	2
<i>Australia</i>	<i>1</i>	India	2.5
<i>Japan</i>	<i>1.5</i>	Indonesia	2.5
Korea	1.5	Thailand	3
South Africa	1.5	Turkey	3
		China	6.5

Source: Freedom House, average political rights and civil liberties

Table 4 shows the average of political and civil liberties in emerging markets singled out in this paper. The assumption runs that the higher the average on the Freedom House index, the less pressure (or more opposition) to changing accountability mechanisms.

Table 5 lists participation of NGOs (civil society and business) in the last two Ministerials. The greater number of participants (business representatives and civil society actors) from a country hints to a more vibrant deliberative, pluralistic political system in terms of national trade policy formulation and thus also openness to creating societal interfaces. A number of emerging countries exhibit an increasing interest on part of non-governmental actors and a relatively high ranking in the Freedom House Index (i.e. low index). However, others still lack behind compared with highly industrialised liberal democracies. Thus, these figures caution a too optimistic stance in changing the accountability profile within the WTO.

Table 5: Strength of NGOs: Participation of NGOs at WTO Ministerial Conferences

Country	Hong Kong	Cancun	Average
<i>US</i>	176	235	201
<i>Canada</i>	75	84	80
<i>France</i>	48	55	52
<i>Japan</i>	44	42	43
<i>UK</i>	37	45	41
India	24	34	29
<i>Germany</i>	26	29	28
<i>Australia</i>	26	15	21
Brazil	10	18	14
South Africa	12	8	10
Korea	11	6	9
Thailand	8	10	9
Mexico	5	(33)**	-
China	5*	1*	3
Turkey	3	0	2
Argentina	1	1	1
Indonesia	1	0	1
Total participation	812	960	

Source: World Trade Organization, www.wto.org, *without Hong Kong, **organised in Mexico

Three avenues for future research stand out. First, the accountability debate should address the question of the degree of “import” on accountability measures within systems (outside-in effects (Pevehouse 2002)) and the way new actors influence accountability debates over time based on their conceptions and interests. There is import of certain rules and administrative processes (fair and due process, legal remedies, etc.) via the international level. Thus, this processes need to be analysed in a dynamic framework with domestic politics that at the same time impact on IO design issues. Therefore, research will need to focus on the national level of policy-making. Second, on the international level, the role of coalitions among developing countries and coalitions across the north-south divide need to be analysed in term of learning

from peers and adapting and importing concepts; as well as the growing actors of an epistemic community to foster a more balanced and fair world trading system. Third, one research avenue could be opened to address additional accountability mechanisms, such as public reputational and market control tools that will impact these countries' stance on the evolving debates. A large number of customers increasingly values ethical and non-monetary concerns related to products and their origins.

References

- Abbott K. and D. Snidal 2004. "Pathways to International Cooperation," in Benvenisti E. and Hirsch M. (eds.), *The Impact of International Law on International Cooperation*, Cambridge: Cambridge University Press.
- Barnett M. and M. Finnemore 2004. *Rules for the World: International Organizations in Global Politics*. Ithaca: Cornell University Press.
- Barry B. 1974. "Review Article: 'Exit, Voice and Loyalty,'" *British Journal of Political Science* 4:79-107.
- Bovens M. 2007. "New Forms of Accountability and EU-Governance," *Comparative European Politics* 5(1):104-20.
- Cairncross F. 1997. *The Death of Distance: How the Communications Revolution Will Change Our Lives*. Boston: Harvard University Press.
- Dahl R. 1999. "Can International Organizations Be Democratic? A Skeptic's View," in Shapiro I. and Hacker-Cordon C. (eds.), *Democracy's Edges*, Cambridge: Cambridge University Press
- Dowding K., P. John, T. Mergoupis, M. Van Vugt 2000. "Exit, Voice and Loyalty: Analytic and Empirical Developments," *European Journal of Political Research* 37(4):469-95.
- Economist 2006. "The Power of the Emerging World". September 16th, special report.
- Elsig M. 2006. "Different Facets of Power in Decision-Making in the WTO," Paper delivered at the 2006 Annual Meeting of the American Political Science Association, Philadelphia.
- Elsig M. 2007a. "The World Trade Organization's Legitimacy Crisis: What Does the Beast Look Like?" *Journal of World Trade* 41(1):75-98.
- Elsig M. 2007b. "The World Trade Organization's Bureaucrats: Runaway Agents or Masters' Servants?" Paper prepared for delivery at ISA, Chicago, 28 February 2007.
- Elsig M. 2007c. "The EU's Choice of Regulatory Venues for Trade Negotiations: A Tale of Agency Power?" *Journal of Common Market Studies* 45(4).
- European Commission (2006) "Global Europe: Competing in the World," Commission Staff Working Paper COM(2006)567 final.
- Franck T. 1988. "Legitimacy in the International System," *The American Journal of International Law* 82(4): 705-59.
- Goldstein J. and L. Martin 2000. "Legalization, Trade Liberalization, and Domestic Politics: A Cautionary Note," *International Organization* 54(3):603-32.
- Grant R. and R. Keohane 2005. "Accountability and Abuses of Power in World Politics," *American Political Science Review* 99(1):29-43.

- Gruber L. 2001. "Power Politics and the Free Trade Bandwagon," *Comparative Political Studies* 34(7):703-41.
- Guzman A. and B. Simmons 2005. "Power Plays and Capacity Constraints: The Selection of Defendants in World Trade Organization Disputes," *Journal of Legal Studies* 34(2):557-98.
- Held D. 2004. "Democratic Accountability and Political Effectiveness from a Cosmopolitan Perspective," *Government and Opposition* 39(2):364-90.
- Held D. and M. König-Archibugi 2004. "Introduction," *Government and Opposition* 39(2):125-31.
- Hirschman A. 1970. *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*. Cambridge, MA: Harvard University Press.
- Horn H., P. Mavroidis and H. Nordström 1999. "Is the Use of the WTO Dispute Settlement System Biased?" *Discussion Paper* No 2340, London: Centre for Economic Policy Research.
- Hurrell A. and A. Narlikar 2006. "New Politics of Confrontation? Brazil and India in Multilateral Trade Negotiations," *Global Society* 20(4):415-33.
- ILA 2004. *Report by the International Law Association Committee on Accountability*. Final Report of the 71st Conference Berlin.
- Johnston A. 2001. "Treating International Institutions as Social Environments," *International Studies Quarterly* 45(4):487-515.
- Kahler M. 2004. "Defining Accountability Up: the Global Economic Multilaterals," *Government and Opposition* 39(2):132-58.
- Keohane R. 2006. "Accountability in World Politics," *Scandinavian Political Studies* 29(2):75-87.
- Koremenos B. et al. 2001. "The Rational Design of International Institutions," *International Organization* 55(4):761-99.
- Kovach H., C. Neligan, S. Burall 2003. *The Global Accountability Report 1*. One World Trust.
- Mansfield E. and E. Reinhardt 2003. "Multilateral Determinants of Regionalism: The Effects of GATT/WTO on the Formation of Preferential Trading Arrangements," *International Organization* 57(4):829-62
- Mavroidis Petros 2001. "Amicus Curiae Briefs Before the WTO: Much Ado About Nothing," *Harvard Jean Monnet Working Paper* 02/01.
- Moravcsik A. 2004. "Is there a 'Democratic Deficit' in World Politics?" *Government and Opposition* 39(2):336-63.
- Narlikar A. 2006. "Peculiar Chauvinism or Strategic Calculation? Explaining the Negotiating Strategy of a Rising India," *International Affairs* 82(1):59-76.
- Odell J. 2000. *Negotiating the World Economy*. Ithaca: Cornell University Press.
- Ostry S. 2002. "The Uruguay Round North-South Grand Bargain: Implications for Future Negotiations," in Kennedy D. and Southwick J. (eds.), *The Political Economy of International Trade Law; Essays in Honor of Robert E. Hudec*, Cambridge: Cambridge University Press.
- Pauwelyn J. 2003. *Conflict of Norms in Public International Law*. Cambridge: Cambridge University Press.
- Pevehouse J. 2002. "Democracy from the Outside-in? International Organizations and Democratization," *International Organization* 56(3):515-49.
- Renouf Y. 2005. "Challenges in Applying Codes of Ethics in A Small Professional Community: The Example of the WTO Rules of Conduct For the Understanding on Rules and Procedures Governing the Settlement of Disputes", in de Cooker C. (ed.), *Accountability, Investigation and Due Process in International Organizations*, Leiden: Martinus Nijhoff Publishers.

- Rose Andrew 2004. "Do We Really Know That the WTO Increases Trade?" *The American Economic Review* 94(1):98-114.
- Rosendorff P. 2005. "Stability and Rigidity: Politics and Design of the WTO's Dispute Settlement Procedure," *American Political Science Review* 99(3):389-400.
- Scharpf F. 1999. *Governing in Europe. Effective and Democratic?* Oxford: Oxford University Press.
- Simmons B. and L. Martin 2001. "International Organizations and Institutions," in Carlsnaes W., Risse T. and Simmons B. (eds.), *Handbook of International Relations*, Sage 2001.
- Simmons B. and Z. Elkins 2004. "The Globalization of Liberalization: Policy Diffusion in the International Political Economy," *American Political Science Review* 98(1):171-89.
- Smythe E. and P. Smith 2006. "Legitimacy, Transparency, and Information Technology: The World Trade Organization in an Era of Contentious Trade Politics," *Global Governance* 12(1):31-53.
- Stasavage D. 2004. "Open-Door or Closed-Door? Transparency in Domestic and International Bargaining," *International Organization* 58(4):667-703.
- Steinberg R. 2002. "In the Shadow of Law or Power? Consensus based bargaining in the GATT/WTO," *International Organization* 56(2):339-74.
- Sutherland P. et al. 2004. *The Future of the WTO: Addressing Institutional Challenges in the New Millennium. Report of the Consultative Board to the Director-General Supachai Panitchpakdi.* Geneva: WTO.
- Thompson A. and D. Snidal 2005. "Guarding the Equilibrium: Regime Management and the WTO", Paper presented at APSA, Washington DC.
- Tomz M, J. Goldstein and D. Rivers 2007. "Membership Has Its Privileges: The Impact of the GATT on International Trade," *American Economic Review*, forthcoming
- Wolfe R. 2005 "Decision-Making and Transparency in the 'Medieval' WTO: Does the Sutherland Report have the Right Prescription?" *Journal of International Economic Law* 8(3):631-645
- Wolfe R. 2006. "New Groups in the WTO Agricultural Trade Negotiations: Power, Learning and Institutional Design," CATPRN Commissioned Paper CP 2006-2.
- Woods N. and D. Lombardi 2006. "Uneven Patterns of Governance: How Developing Countries are Represented in the IMF," *Review of International Political Economy* 13(3):480-515.
- Young A. and J. Peterson 2006. "The EU and the New Trade Politics", *Journal of European Public Policy* 13(6):795-814.
- Zangl B. 2005. "Is There an Emerging International Rule of Law?" *European Review* 13(1):73-91.
- Zürn M. 2004. "Global Governance and Legitimacy Problems," *Government and Opposition* 39(2):260-87.