

Domestic Sources of International Trade Cooperation: Considering Interest-group Strategies and Non-Commercial Interests in the Agricultural Sector

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Abstract

Why do trade negotiations succeed and others fail? A recent successful agreement in a trade-related sector, the Convention on the Diversity of Cultural Expressions adopted at UNESCO in 2005, raises two questions about our traditional understanding. First, interest groups played an important role in the process that led to the adoption of the Convention, not only contributing to policy-making at the national level, but also managing to garner international support from interest groups in other countries. Second, the Convention legally recognizes the commercial and non-commercial nature of cultural goods, services and activities, therefore implicitly agreeing that they be submitted to a specific treatment. Could the absence of such factors contribute to the failure of trade talks in more traditional industrial sectors such as agriculture? This research is an effort to uncover the domestic sources of international economic cooperation. The theoretical model draws on international negotiation theory, by expanding Robert Putnam's two-level game model and his notion of win-sets, and on Rational choice theory and the concept of utility maximization. I mainly argue that overcoming domestic resistance to greater liberalization in sensitive trade areas such as agriculture may not be sufficient to arrive at an agreement but may very well be necessary. This study looks at the strategies used by domestic actors at the international level, and questions the role of non-commercial interests in the cost/benefit analysis of domestic actors during the Uruguay Round negotiations, which successfully led to the Agreement on Agriculture in 1994, and the Doha Round talks, which failed in 2008.

Introduction¹

Successful multilateral negotiations on trade liberalization have become perhaps one of the greatest challenges to international relations in recent decades. While some progress has been made (over 150 countries are Members of the WTO, the Uruguay Round succeeded in 1994), negotiations on furthering liberalization has led to the failure of the Doha Round. What factors can explain why some multilateral trade negotiations succeed in reaching agreement while others fail?

Hegemonic stability theorists argue that the presence of a hegemonic power facilitates international cooperation (Kindleberger, 1973), and neoliberal institutionalists emphasize the role of institutions and regimes as facilitators (Keohane, 1984). However, these traditional approaches are unable to explain why negotiations on the liberalization of the agricultural sector succeeded in 1994 but failed in 2008 for two reasons: 1. no significant changes within the international system can account for a change in the hegemonic power between 1994 and 2008; and 2. while the WTO did replace the GATT in 1994, bringing with it some modifications at the institutional level, the underlying liberal principles guiding free-trade talks, that of an overall increase in world-wide welfare and reduction in poverty, remained unchanged.

¹ This paper is the first draft of a research proposal to be submitted for evaluation in December 2009 as part of the Ph.D program at Laval University.

Many blame the stalemate in the agricultural negotiations for the failure of the Doha Round. For some, the explanation lies with the increase in the number of countries participating in the multilateral discussions and with the more substantial objectives in trade-barrier reductions (Das, 2008). For others, part of the difficulties can be associated with the increasing demands of developing countries (Martin and Anderson, 2006). Recent studies on the failure of multilateral trade negotiations generally focus either on endogenous explanatory factors, such as institutional mechanisms or number of participants, or exogenous ones pertaining to the actors' interests and preferences. International institutions may facilitate cooperation by alleviating problems of uncertainty between actors and by encouraging symmetrical information-sharing, but trade talks may still fail regardless of the institutional framework so long as the interests of the different parties remain irreconcilable (Oye, 1986). It seems therefore important to look at the interests and strategies of domestic actors as explanatory variables for the success or failure of multilateral trade cooperation. As Robert Putnam puts it:

A more adequate account of the domestic determinants of foreign policy and international relations must stress politics: parties, social classes, interest groups (both economic and non-economic), legislators, and even public opinions and elections, not simply executive officials and institutional arrangements (1988: 432).

Cooperation “depends on the presence of two elements: goal-directed behaviour that seeks to create mutual gains through policy adjustment.” (Milner, 1997: 8). According to the rationalist approach, this behaviour is the result of the cost/benefit calculations of actors who have the ability to choose among strategies to achieve their most preferred outcome in the satisfaction of their interests, or in other words, who adopt a “preference-maximizing behaviour” (Allison and Zelikow, 1999: 25). The key to understanding such behaviour lies in the interests, both economic and non-economic, actors include in their benefit matrix and on the strategies they adopt. Negotiations on the Multilateral Agreement on Investment (MAI) failed in 1998 in part because of “the growing questioning of the relationship between trade and investment liberalization and other values.” (Smythe, 2001: 160). Interest groups from different countries and diverse sectors of the economy fiercely opposed the MAI and succeeded in derailing the negotiations by mounting an important transnational campaign against it. Another recent case of trade-related negotiations, the adoption of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions in 2005, also reveals the importance of non-economic interests in the benefit matrices of interest groups (their objective was the recognition of the “distinctive nature of cultural activities, goods and services as vehicles of identity, values and meaning”²). What more, domestic groups representing cultural industries adopted a transnational strategy of mobilisation involving over 40 coalitions for cultural diversity on 5 continents working towards achieving their common objectives.

² *Article 1 – Objectives, point (g)* in the Text of The Convention on the Protection and Promotion of the Diversity of Cultural Expressions, United Nations Educational, Scientific and Cultural Organization (UNESCO, 2005).

Do non-commercial interests affect the cost/benefit analysis of agricultural groups and contribute to their benefit matrices? Would such non-commercial interests incite agricultural groups to forge transnational alliances and adopt international strategies of action? Does the WTO Agreement on Safeguards, or the special safeguard measures proposed specifically for agricultural products during the Doha Round negotiations, go far enough in recognizing the special treatment some wish for agricultural products? Would these measures satisfy the non-commercial interests of agricultural groups?

This study proposes that interests other than economic or commercial play an important role in the benefit matrices of domestic actors, and that common objectives based on such non-commercial interests are conducive to transnational strategies³. I mainly argue that overcoming domestic resistance to greater liberalization in the agricultural sector may not be sufficient to arrive at an agreement but may very well be necessary. At the moment, the domestic support for greater liberalization of agricultural industries may not be strong enough because the benefits of no agreement, that is, of maintaining the status quo, still outweigh the expected benefits of increased liberalization. The nature of the good or service produced may be perceived as comprising both a commercial and non-commercial value making it more sensitive to outright liberalization, and until these concerns are dealt with, support by domestic actors for increased liberalization may remain insufficient to reach a deal at the WTO. Furthermore, cross-national ties between interest groups with common objectives may contribute to reaching an equilibrium position from which to negotiate solutions to the agricultural failed talks.

The theoretical model draws on Rational choice theory by attempting to uncover the added value of non-commercial interests in the cost/benefit analysis of interest groups, and expands on Robert Putnam's two-level game model by adding a third level of interaction, one which involves interest groups at the cross-national level⁴. The empirical analysis will focus on the multilateral agricultural trade negotiations of the Uruguay Round which successfully led to the Agreement on Agriculture in 1994 (URAA), and the presently failed talks of the Doha Round. The following sections of this preliminary research proposal will detail the theoretical model to be developed, elaborate briefly on the methodology proposed, and end with a short discussion on certain anticipated problems.

³ The assumption here is not that when interests are common, there will necessarily be cooperation. Keohane guards against such an assumption: "Actors may fail to cooperate even when their interests are entirely identical." (1984: 65). My proposition is that regardless of how efficient and conducive to cooperation the institutional setting may be, overlapping objectives or "win sets" may be necessary, but not sufficient, to succeed in international trade negotiations.

⁴ Adding a third level to Putnam's framework has previously been proposed in the context of European Union negotiations, the third level corresponding to talks between national governments (Moyer, 1993; Patterson, 1997).

Theoretical model

The case of the Convention on the Diversity of Cultural Expressions was a success because the political, economic and social benefits for domestic actors in reaching an agreement (recognition of the rights of states to adopt cultural policies to protect their industries) outweighed the costs of not reaching an agreement (leaving the cultural industry wide open to WTO liberalization rules). The Convention legally recognizes the commercial and non-commercial nature of cultural goods and services, therefore implicitly agreeing that they be submitted to a specific treatment. Finally, groups were able to mount an important transnational mobilisation in favour of achieving an agreement on cultural diversity. Could these factors explain the success of agricultural negotiations in 1994 and their deadlock in the Doha Round?

The hypotheses are as follows: 1. domestic support for greater liberalization of agricultural industries must be strong enough, that is, the status quo must not be perceived as providing greater benefits than an alternative agreement; 2. for domestic support to be strong enough, non-commercial interests must be satisfied by safeguard measures or agreements deemed appropriate by domestic actors; and 3. interest group transnational mobilisation strategies contribute to creating a strong base of domestic support (or opposition) essential to the achievement (or failure) of agreements in multilateral trade negotiations. The main question this study attempts to answer is whether these conditions were present or absent during the agricultural negotiations both at the Uruguay and Doha rounds of multilateral trade talks.

For negotiations to succeed, the benefits of even a weak agreement need to be perceived as being more important than the costs of maintaining the status quo: if benefits seem higher with no agreement, talks will most likely fail, unless losses in one sector are offset by benefits in others. However, when non-commercial interests are involved, this logic of “linkages” may be inefficient in satisfying the interests of the sector at loss. One option available to appease domestic discontent or to increase domestic support toward further liberalization may rest in the institutional recognition of the non-commercial interests associated to the goods and services produced. Such a response may be shaped, for example, as an outside agreement that guarantees protection of certain fundamental high arching normative principles⁵. This strategy seemed to have worked for the cultural industry. Is it applicable to the agricultural sector?

When the status quo is less costly than a new agreement, reaching agreement will be difficult is not impossible. Hence, I propose that unless states take into consideration the non-material interests by putting in place institutional mechanisms to recognize the specific and distinctive nature of agricultural products as vehicles of values, meaning and identity, the costs of an alternative agreement will be too high for agricultural interest groups to accept. The outcome or dependent variable in the theoretical model refers to the

⁵ The idea to take agriculture out of multilateral trade talks is not new: “A more promising course might be to pursue farm policy reform outside of the GATT.” (Paarlberg, 1993: 52).

success or failure of multilateral negotiations on agriculture, and particularly, the success of the Uruguay Round of 1994 and the failure of the Doha agricultural talks in 2008. Two independent variables will be studied: 1. the value of non-commercial interests in the cost/benefit analysis of interest groups in choosing their most preferred outcome, and 2. the transnational links interest groups forge with other groups and the potential impact of such strategies on the outcome of negotiations. It is important to differentiate between interests, preferences and strategies. As Milner (1997) points out, interests represent the fundamental goals or objectives of the actor, which change only slightly but are quite diverse from one group of actors to the next. For example, interest groups seek to maximize income, while political actors in democratic societies aim to maximize their chances for re-election (Milner, 1997: 15). Preferences derive from interests and refer to the policy or strategy choices actors believe will allow them to best satisfy their interests. The actor's strategy, in turn, "is its attempt to come as close as possible to the outcome it most prefers." (Frieden, 1999: 41).

The rationalist approach assumes that actors are capable of rank-ordering the possible outcomes within a given environment, or in other words, within a specific "strategic setting" which involves "other actors and their expected behaviour, available information and power disparities." (Frieden, 1999: 45). Without pursuing a Strategic choice analysis *per se*, it will nonetheless be relevant to take into consideration the strategic setting of the trade talks. However, while one may not be able to ascribe outcomes only to preferences without careful attention to strategic settings or interactions (Frieden, 1999), one cannot assert that the strategic setting led to cooperation among states without looking if there might have been disagreement in the first place (Oye, 1986). Comparing the strategic settings alone without considering the interests and strategies of domestic actors may be insufficient to understand why some negotiations succeed in reaching agreement while others fail.

Non-commercial interests

There is increasingly little doubt as to the importance of interests in explaining international relations. Frieden writes:

Interests are central to the study of international politics. To understand relations among countries we must take into account their interests, just as to analyse national foreign policy making requires due attention to the interests of groups, bureaucracies, and other participants in national debates." (1999: 39).

Indeed, as one analyst notes in a study on the impact of domestic actors in the formulation of negotiation positions at the WTO: "The findings show that in both developed and developing countries, a broad array of governmental and non-governmental actors substantially shape trade policy-making." (Zahrnt, 2008: 393). One central question asked in this study is whether interest groups consider solely material interests in their cost/benefit analyses, or to use Milner's words, if they only seek to maximize income. In the case of the UNESCO Convention on Cultural Diversity, cultural

industries sought more than an income guarantee: they demanded an institutionalised recognition of the distinctive nature of the goods and services they produced, not only as commercial products but also as “vehicles of values, identity and meaning”. To be sure, questions regarding non-trade concerns (MacLaren, 2005) and non-economic objectives (Winters, 1990) are not new to agricultural negotiations. These concerns are generally defined as objectives other than economic efficiency goals. They range from stabilizing farm incomes and providing employment to rural areas, to preserving family farming and ensuring food supply security⁶. None, however, are associated with concepts such as values, meaning or identity. Moreover, for Winters, these “so-called non-economic objectives (SNOs) are, in fact, economic.” (1990: 238). He writes:

The critical dimension of each objective is economic, because its achievement requires the absorption of resources that could otherwise be used for other purposes and because the degree of achievement of each may be monitored, at least crudely, in money terms. (1990: 238).

There are, however, some governments who believe that agricultural products represent more than economics and who attempt to link food production with culture (MacLaren, 2005). The European Union and several other countries such as Japan, Korea and Norway, had adopted such a position in 2000 (WTO, 2000). These non-economic concerns are associated to what has been called the “multifunctional agenda, which is based largely on the notion that the agricultural sector produces not only food and fibre but also public goods and positive externalities, such as pleasant landscape, bio-diverse natural habitats, and viable rural communities.” (MacLaren, 2005: 233). One problem with the “multifunctionality” of the agricultural sector lies in the difficult task of properly defining what a non-trade concern is, or in economic jargon, what constitutes “commodity outputs” and “non-commodity outputs”. (MacLaren, 2005). Still another criticism towards the proponents of the multifunctional agenda relates to their tendency to focus on the positive non-economic externalities of agricultural products at the expense of negative ones (air and water pollution). This study proposes that another issue has been overlooked by the multifunctionality approach, that of non-commercial concerns related to values, meaning and identity associated with agricultural products and industries. It will be argued that the existing safeguard measures as stipulated in the WTO Agreement on Safeguards, as well as those proposed for the agricultural sector during the Doha Round negotiations, did not go far enough in recognizing the double nature of agricultural industries, as producing both commercial goods and non-commercial externalities, in part because they are strictly based on economic issues. Since non-trade concerns were a crucial aspect of the Doha Round negotiations, regarded as one of the issues requiring further negotiations in Article 20 of the 1994 URAA, analysing the importance that non-commercial interests may have in the benefit matrices of domestic interest groups becomes evident.

⁶ Winters considers 11 such non-economic objectives: “1. Satisfactory and equitable standard of living for farmers; 2. Income stabilisation; 3. Stabilise domestic agricultural prices; 4. Ease adjustment to exogenous shocks; 5. Maintain healthy rural communities; 6. Regional development; 7. Preservation and encouragement of family farming; 8. Environmental protection; 9. Safe, secure, stable and sufficient food supplies; 10. Fair prices for consumers; and 11. Agricultural efficiency and competitiveness.” (1990: 241).

The Rational Actor model proposed by Allison et Zelikow (1999) to analyse state behaviour will be applied to interest group cost/benefit calculations, and will consist on examining the objectives set out by groups, the perceived courses of action available to them within their strategic setting, and the evaluation they make of the consequences of the available strategies for the achievement of their most preferred outcome. Objectives will be defined both in terms of commercial and non-commercial goals. Do non-economic concerns associated with such concepts as values, meaning and identity impact the cost/benefit calculations of interest groups? Are higher costs associated with the alternative that does not satisfy non-commercial interests?

Transnational strategies

Robert Putnam's two-level game theory became a precursor to a research program focused on negotiation processes and the role of domestic politics in international relations. It stipulated that domestic politics, meaning the bargaining and negotiation that take place between different actors within the state, must be considered in any explanation of international relations⁷. According to Putnam,

[A]t the national level, domestic groups pursue their interests by pressuring the government to adopt favourable policies, and politicians seek power by constructing coalitions among those groups. At the international level, national governments seek to maximize their own ability to satisfy domestic pressures, while minimizing the adverse consequences of foreign developments (1988: 434).

While Putnam's theoretical propositions rested upon simplified assumptions about the actors' rational-thinking and information-gathering capabilities (Nikolaev, 2007) and failed to constitute a theory with testable hypotheses (Milner, 1997), it nevertheless offers a conceptual framework for analysing the link between domestic politics and international cooperation. "The two-level-game theory was created to solve the problem of disregard of the effect of domestic politics in the study of international negotiations." (Nikolaev 2007: 50).

The proposed analytical model is inspired by three elements of Putnam's conceptual framework. First, the two-level game pertaining to the interactions between negotiators at the international level (Level I), and those between domestic actors (Level II), will be expanded to include a third level of interaction between domestic interest groups at the international level (Level III). Second, while Putnam distinguishes between two separate negotiation phases, the international talks and the domestic ratification stage, a third "initial-positioning" negotiation phase is added. Finally, the concept of "win-sets" will

⁷ Putnam explains that for the Bonn accord of 1978, "international pressure was a necessary condition for these policy shifts. On the other hand, without domestic resonance, international forces would not have sufficed to produce the accord, no matter how balanced and intellectually persuasive the overall package." (1988: 430).

also be expanded to include domestic and foreign interest groups' preferences and strategies.

Level III interactions

Interest groups played an important role in the process that led to the adoption of the 2005 Convention on the Diversity of Cultural Expressions, not only contributing to policy-making at the national level, but also managing to garner international support from interest groups in other countries. This suggests that cross-national collaboration between interest groups may be an important factor in the success of multilateral trade-related talks. Some work has been done on transnational advocacy networks (Keck and Sikkink, 1998), which seeks to demonstrate the impact such transnational strategies may have on pressuring governments and international institutions to adopt positions in favour of the advocacy groups. In order to account for this aspect of international cooperation, transnational interactions between domestic interest groups within a particular trade-related sector, labelled Level III, will be added to Putnam's two-level framework, thereby creating a three-level game.

Negotiation phases

Putnam decomposes the negotiation process by distinguishing between two stages: 1. the Level I bargaining between negotiators at the international level leading up to an agreement; and 2. the Level II separate talks with domestic constituents on the ratification of the agreement reached at Level I (1988: 436). This process, furthermore, can be iterative. However, while Level II interactions are important in order to secure ratification of an agreement, domestic actors also play a crucial role in policy-making at the onset of the negotiations. To be sure, Putnam does specify that prior consultations at Level II may take place before the bargaining begins at Level I, and that the need for ratification at Level II will most likely affect the negotiation stance at Level I (1988: 436). Nevertheless, for purposes of simplification and parsimony, he chooses to leave these dimensions out of his analytical framework.

This study proposes to add this important pre-negotiation phase to the conceptual framework and to give it the central place it deserves. As Nikolaev (2007) rightly purports, the two-level game is a complex process: first, it involves interactions between the different domestic actors prior to international negotiations, which could be called the "position formation" phase. Interactions between domestic actors and their home negotiators is an ongoing process throughout the international negotiation phase as negotiators regularly check with domestic level actors the size of the win set, their negotiation flexibility and whether new propositions seem acceptable. It is fairly safe to say that while the ratification phase is important for international cooperation, if win-sets do not overlap throughout the negotiation, reaching an agreement at Level I may be tenuous. The fact that Putnam brings his Level II domestic players in the game specifically at the ratification phase of an agreement, shows a weakness in his model, for an agreement that seems improbable at the negotiation stage will most likely never make

it to ratification. The “initial positioning” phase of negotiations, which take place at the domestic level, will be labelled as Stage I, while Putnam’s Level I becomes Stage II in order to maintain a certain sequence within the negotiation process. In the proposed theoretical model, the negotiation process will look as follows:

1. Stage I: the “Initial positioning” phase formed by discussions and sometime tough bargaining between domestic actors (interest groups and decision-makers), none of which are unitary actors. It is assumed that a more or less unified, or rather, minimally satisfying initial position will emerge and be regarded as the starting position, called upon to be reshaped as negotiations evolve;
2. Stage II: the “International negotiation” phase where representatives from each country involved in the talks negotiate in favour of the initial national positioning. It is assumed that negotiators themselves do not have a hidden agenda but follow, with competence and honesty, the initial positioning agreed to by the domestic actors. However, this assumption does not pretend that negotiators do not participate themselves in the initial positioning stage;
3. Stage III: the final “Domestic ratification” phase, once a tentative agreement has been reached, after repeated probing with domestic constituents on the acceptability of the different sections of the agreement being negotiated. This stage may be the least flexible, as amendments called for necessarily entails a return to the negotiation table. The back-and-forth interaction between domestic and international actors is played out rather in Stages I and II and it is assumed that once a tentative agreement reaches Stage III, ratification should be secured, at least be perceived as such, although changes in the benefit matrices of domestic and international actors may occur at any moment.

It must be noted, however, that these different phases of negotiation are far from being static in nature. Rather, interactions between players within and between each stage should be considered dynamic and in constant evolution. This study will focus primarily on Stages I and II.

Level III win-sets

Putnam defines the Level II domestic actors’ “win-set” as “the set of all possible Level I agreements that would “win” – that is, gain the necessary majority among the constituents – when simply voted up or down.” (1988: 437). It comprises three separate determinants: 1. Level II preferences and coalitions (domestic political actors and interest groups); 2. Level II institutions; and 3. Level I negotiators’ strategies (Putnam, 1988: 442). The assumption is that the larger the win-sets at Level II, the more likely agreements are to be reached at Level I.

This study proposes to add a fourth determinant of win-sets, that of Level III preferences and coalitions, defined as the set of all possible agreements at Level I (international

negotiator level) that gains the most support from Level III (domestic interest groups at the international level). The size of Level III win-sets will depend on the recognition of non-commercial concerns pertaining to values, identity and meaning, as well as on the transnational links forged between interest groups. It will also take into consideration the interest groups' strategic settings, both at the domestic and international level (type of political regime, group access to decision-makers, structure of international negotiations).

Proposed methodology

While the theoretical model shares the basic assumptions of Rational choice theory, it will not be based on formal modeling. Rather, inspired by Milner's (1997) approach, ordinary language will be used to explain the assumptions. The empirical work will rely on some content analysis of the wording found in position papers, press releases, reports on meetings between groups and decision-makers, representations before congressional or parliamentary committees, as well as on secondary sources.

The study will focus on American and European agricultural interest groups for empirical and practical reasons: the United States and Europe have historically been influential antagonists in multilateral agricultural trade talks, and both represent democratic industrial advanced countries that deal with multiple groups within their respective agricultural sectors for which information is readily accessible⁸. The time-frame will cover the duration of the agricultural negotiations of the Uruguay Round (1986-1994) and of the Doha Round (2001-2008), as well as a two-year period prior to each negotiation round as part of the "initial positioning" stage.

Answering the following two sets of questions for each of the negotiation rounds under study will provide evidence to test the hypotheses:

1. What were the positions of the main agricultural interest groups in the United States and the European Union? Do groups make regular reference to non-commercial interests in terms of values, meaning and identity when stating their position? Were non-commercial interests included in their stated objectives and goals?
2. Were transnational links forged between agricultural groups? Is there mention of common objectives? If so, were these associated to non-commercial interests? If no transnational strategies were employed, are such links between agricultural groups feasible?

The strategic setting will also be assessed and will be measured according to two factors: 1. the domestic political environment (type of political regime, institutions, timing of elections, group access to decision-makers); and 2. the international structure of negotiations (group access to international institutions and number of countries involved).

⁸ Specific groups have yet to be chosen, but the sample may include groups such as the American Farm Bureau, National Farmers Organization, American Agriculture Movement, International Federation of Agricultural producers, UK National Farmers Union or *Biens publics à l'échelle mondiale*.

Measurements

Success in multilateral trade negotiations is associated with the signing or adoption of an agreement, while failure is related to the suspension of negotiations. Non-commercial interests have been defined as values, meaning and identity, three concepts difficult to measure. It will be necessary to clearly label which words or expressions are to be linked to each one of these concepts. Although the criteria for choosing the measures have yet to be detailed, words or expressions referring to economic activity such as rural development or stabilizing farmers' income will not be considered as non-economic interests. The transnational strategies of interest groups will consist of formal and informal ties forged between domestic (national) groups from different countries, and will be measured in terms of information-sharing activities, organisation of international conferences and meetings as well as membership in international coalitions or non-governmental organisations (e.g. the International Federation of Agricultural Producers represents 120 national organisations from 79 countries).

Conclusion

With this research project, I hope to achieve two objectives: 1. demonstrate the importance of domestic interest groups in multilateral trade negotiations, at both national and international levels; and 2. contribute to the ongoing research on the conditions surrounding the success and failure of international trade agreements, particularly with regards to agriculture. A first anticipated problem relates to whether it is feasible to apply a set of conditions that was successful in the area of culture to the agricultural sector, two industries that are quite different by the nature of their products, the level of government funding, as well as in the size and strength of their interest groups. Secondly, the case of the 2005 UNESCO Convention was a success in protecting an industry from free-trade by reaffirming the rights of States to subsidize their cultural industries, not in furthering liberalization like it is the case with agriculture. Moreover, the Convention was negotiated and adopted outside of the WTO. The case of the MAI may provide for a better suited comparison.

Other factors can also account for the divergent outcomes of agricultural trade talks. For example, the Doha Round has been labelled the "Development Round", and this may be detrimental to reaching an agreement. Developing countries are more organized, more numerous, and may be an effective obstacle. Furthermore, Doha inherited the unresolved "tough" issues of the Uruguay Round, such as increased market access and non-trade concerns (MacLaren, 2005). It must also be considered that the mandate of the last round of negotiations called for increasing liberalization in those sectors where it is most difficult for governments to adjust domestic economic policies. This begs the question: were the costs associated with not reaching an agreement lower in 2008 than in 1994? Have non-commercial interests become more important, in part, as a response to the increasing demands for trade liberalization in the agricultural sector since the signing of the URAA? Still other questions come to mind: To what extent is it possible to separate

clearly between economic and non-economic interests? Isn't there a risk that non-trade concerns as expressed in terms of values, meaning and identity, be used as a rhetorical strategy in order to secure economic objectives? What accounts for a sensitive trade sector? Are sensitive trade sectors those that intrinsically have both a commercial and non-commercial nature? This research project is an attempt to answer these questions as well as to demonstrate the importance interest groups may have on international trade negotiations.

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