Multilateralism with small and large numbers

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Multilateralism, international governance of the "many," was defined by the United States after 1945 in terms of certain principles, particularly opposition to bilateral and discriminatory arrangements that were believed to enhance the leverage of the powerful over the weak and to increase international conflict.¹ Postwar multilateralism also expressed an impulse to universality (John Ruggie’s “generalized organizing principles”)² that implied relatively low barriers to participation in these arrangements. A ticket of admission was always required, whether acceding to the General Agreement on Tariffs and Trade (GATT) or joining the International Monetary Fund (IMF) and the World Bank. Nevertheless, the price of that ticket was not set so high that less powerful or less wealthy states could not hope to participate.

Closely linked to multilateralism’s aspiration to universality and welcoming of large numbers of participants was a strong leveling impulse. Open admission and nondiscrimination implied that participation did not require the patronage of a great power. Multilateralism was thus associated with another principle that became entrenched as decolonization proceeded after 1945: the sovereign equality of states. Smaller, weaker states were believed to be disadvantaged by bilateralism; nondiscrimination awarded them advantages that had been denied them in the world of the 1930s. In their formal institutional designs at least, most postwar multilateral institutions incorporated a larger role in decision making for states that were not great powers and could not aspire to be.

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International institutions embodying these multilateral principles and modes of governance stimulated two critiques. The first, offered by realists, argues that multilateralism will fail because great powers wish to exploit their advantages and pursue their national interests in bilateral bargaining, immune from the scrutiny of other states. The leveling impulse of multilateralism simply does not fit the hierarchical power configuration of the international system. Should they agree to engage in collaborative ventures, great powers will not choose to do so in institutions that risk domination by the many.

The second critique, offered by neoliberals, addresses the universalist impulse of multilateralism, its preference for global rather than regional or other more limited organizations. The memberships of most global multilateral organizations, less than fifty immediately after World War II, had grown to one hundred or more by 1990. Neoliberal skepticism about multilateralism emphasizes the obstacles to cooperation in groups with large memberships. Any advantages of multilateralism pale when compared with the apparent inefficiencies of such a cumbersome system of rule creation and governance. The formal, conventional agreements on which most multilateral institutions are founded also heighten obstacles to cooperation when compared with the customary accretions that provide a decentralized source for much of international law.

Each of these criticisms of multilateralism confronts anomalies of its own. Realist skepticism must deal with the fact that the most powerful nation in the postwar system, the United States, was also the most fervent and consistent supporter of multilateral norms and procedures. Since others have addressed the question of American motivations in supporting multilateralism, I will not offer an explanation for the anomalous opposition of the United States to bilateralism.

The following section of my article addresses neoliberal arguments that cooperation with large numbers faces significant, perhaps insurmountable, obstacles. Although certain costs do rise with increasing numbers, neoliberal pessimism has been overdrawn. The next section reexamines the history of multilateralism in the postwar decades and discovers that realist and neoliberal arguments find some supporting evidence in state practice: both minilateral "great power" collaboration within multilateral institutions (to reduce the barriers to cooperation raised by large numbers) and bilateral and regional derogations from multilateralism (as the great powers exerted their bargaining power) were commonplace. The weakening or "crisis" of multilateralism in the 1980s, however, has often been attributed exclusively to the regional, bilateral, or other clublike practices that have become increasingly popular over the decade. Equally significant, and more often overlooked, is a need, for the first

3. See, for example, Steve Weber, "Shaping the Postwar Balance of Power: Multilateralism in NATO," in this issue of IO.
time since World War II, for “genuine” multilateralism—regimes that incorporate very large numbers of players. More powerful countries in several key issue-areas are no longer willing to accept free riding on minilateral bargains by their weaker counterparts.

The subsequent section describes three separate efforts at regime creation or extension within “large number” multilateralism: the Third United Nations Conference on the Law of the Sea (UNCLOS III); the Uruguay Round of trade negotiations under GATT; and the new negotiations and agreements on the global environment, which include the Vienna Convention on the Protection of the Ozone Layer (1985), the Montreal Protocol on Substances That Deplete the Ozone Layer (1987), and prospective negotiations on global warming. In each of these cases, the principal barriers to cooperation appear to be great power defection rather than any inherent inability to organize cooperation among large numbers of states.

Each of these cases has also produced institutional experimentation to solve the problem of large-number cooperation and has enjoyed a different measure of success. In the final section, these solutions will be examined in light of “new institutionalist” arguments drawn from domestic politics. Without attempting to construct direct analogies from domestic experience, one can discover parallel solutions to the problem of large-number cooperation in the international examples described. Those solutions in turn offer some suggestion of more efficient institutional designs for a world in which large-number multilateral solutions are likely to become more, rather than less, essential.

Cooperation with large numbers: the misplaced pessimism of the neoliberals

In neoliberal analyses, large numbers are often portrayed as a nearly insuperable obstacle to cooperation. The neoliberal arguments and the support that they have seemed to offer hegemonic stability theory are based in large measure on a reading of Mancur Olson’s *The Logic of Collective Action*. Olson’s well-known treatment of the provision of collective goods argues that “the larger the group, the farther it will fall short of providing an optimal amount of a collective good.”

Olson provides three reasons for his conflation of size and the likelihood that a group will be latent (unable to provide a collective good): the fraction of the group benefit received by any one individual declines as group size increases; larger groups are less likely to exhibit small-group strategic interaction that could help in collective good provision; and organization costs increase with an increase in group size.

5. Ibid., p. 48.
Both Michael Taylor and Russell Hardin have called into question the intuitive relationship that Olson attempts to establish between group size and the possibility of collective action. As Hardin notes, the second and third assertions by Olson are matters for empirical verification and are not inherent in the logic of his argument. In the case of organization costs, the negative effects of increasing size may be offset by economies of scale in the production of a collective good, an effect that is confirmed by the “piggybacking” of new collective ventures on existing organizations.

Olson’s first reason for pessimism is the most interesting and ambiguous, particularly for the large-number instances of cooperation discussed below. Although his argument that individual benefit declines with increasing group size clearly holds for goods characterized by crowding (individual benefit declines as more consume the good), the collective goods provided by many international regimes, including those discussed below, were not of this type. Unlike a private club whose benefits may decline for individual members as the membership grows, the benefits for individual members (nations) in these instances grew as more joined the collective arrangement. This effect was particularly striking in the case of the Law of the Sea, where participation approaching universality (or at least very large number acceptance) was a far superior outcome to any minilateral arrangement. This perception of an increasing cost to free riding has also become characteristic of certain trade agreements under GATT and of recent environmental agreements. Although this characteristic of the collective good may not wholly erase the barriers to large-number collective action, it does suggest a greater likelihood that larger powers will exercise leadership or, in some cases, make side-payments to encourage acceptance of the agreement by other nations.

Dynamic analysis of collective action, particularly the iterated prisoners’ dilemma game, emphasizes a different set of obstacles to collective action by large groups. The chief drawback, according to Taylor, is “the increased difficulty of conditional cooperation in larger groups.” This drawback has been subdivided by Kenneth Oye into a number of specific hindrances to cooperation: declining feasibility of sanctioning, “recognition and control problems” (declining transparency regarding the action of other players), and a declining ability to identify common interests. The principal devices suggested by

9. Taylor, The Possibility of Cooperation, p. 12; emphasis in the original text.
neoliberals to compensate for these costs of increasing group size for international action are decomposition through subdividing the large-group collective action problem into a series of small-group interactions and institutionalization through the creation of international regimes. Unfortunately, as Oye admits, reducing the size of the group—the minilateral solution—will “generally diminish the gains from cooperation, while [increasing] the likelihood and robustness of cooperation.” In other words, the static analysis of incentives to participate would suggest a declining individual payoff that could offset the gains from smaller group size. This declining efficacy of minilateral solutions became characteristic of some of the issue-areas considered below after the 1960s.

Institutionalization through regime creation permits the construction of a thick “network of mutual interactions” that Hardin identifies as a crucial difference between small and large groups. Unfortunately, this solution is bedeviled by the same problem that undermines Olson’s argument for the use of selective incentives to encourage collective action: collective action in large groups may be enhanced by regimes if they exist, but the regimes must themselves be explained. A convincing explanation for the formation of large-group multilateral arrangements at the international level is still required.

Minilateral leadership by great powers, whether military or economic, will go some distance in explaining the creation and extension of regimes since the 1950s, but that leadership was of diminishing value over time in many issue-areas, as discussed below. Instead, institutional mechanisms for creating and extending regimes to incorporate larger numbers of active participants were required. That this innovation was embedded in an existing network of international institutions was clearly important. Nevertheless, large-number cooperation eventually required new institutional devices that combined the hierarchical structure of many issue-areas with the need for wider participation.

**Multilateralism, minilateralism, and bilateralism after 1945**

Through inflation of the barriers to cooperation among large numbers of nations, hegemonic power has often been portrayed as the only solution to multilateral collective action dilemmas after 1945: collaboration was attributable to the ability of the United States to provide collective goods (while others were free riders) or to sanction those who attempted to free ride on the multilateral bargain. The supposed end of this tale of postwar collaboration has

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11. Ibid., pp. 20–21.
12. Ibid., p. 21.
been challenged by Duncan Snidal, who has extended the findings of Hardin to undermine the assumption that international collective goods will only be provided under configurations of hegemonic power. Snidal argues instead that the "major Western economic powers" may continue to engage in collective action, sustaining an existing international economic order in the face of hegemonic decline.¹⁴ Minilateral cooperation may successfully supplant hegemonic power.

Such arguments are given even more force by a different, nonhegemonic story of the postwar years. The obstacles to multilateral institution building were often dealt with not by American hegemony but by creating a core of minilateral cooperation among the economic powers. Even in the early years of the postwar era when the power of the United States in most issue-areas was at its peak, the United States sought collaborators, particularly in Western Europe. Where multilateral institutions flourished, they were typically supported by minilateral cooperation among the Atlantic powers, a "disguised" minilateralism that provided the essential frame for a multilateral order.

This revision of the hegemonic narrative must go further. Not only did minilateral cooperation lay at the core of postwar multilateralism, but multilateral principles were violated far more often than allowed in conventional accounts. Although minilateral cooperation supported multilateral norms in most cases, multilateralism was also circumscribed by a large number of persistent derogations from its injunctions: its rivals, discriminatory and bilateral forms of organization, were far from vanquished in the decades following World War II.

In a number of issue-areas, disguised minilateralism and lingering bilateralism were significant during the years of apparent American hegemony. Although American military predominance made security relations the least likely arena in which to find these deviations, leadership by the United States was far from unquestioned even in alliance relations. Michael Mastanduno's account of the early years of CoCOM, a system of export controls that the United States engineered as the cold war deepened, indicates that the European allies were able to skirt the controls and expand their trade with the East while lobbying for a relaxation of the regime's rules.¹⁵ Although Steve Weber's account of the North Atlantic Treaty Organization (NATO) places that institution within the multilateral paradigm,¹⁶ NATO was the exception in security relations. As the collective security mechanisms of the United Nations (UN) atrophied, the U.S.-backed security system outside of Europe came to resemble the spokes on a wheel: a series of bilateral treaties with a host of much

¹⁶ Weber, "Shaping the Postwar Balance of Power."
weaker and dependent allies. This was particularly the case in the Pacific, a second arena of cold war competition where multilateral options, such as the Southeast Asian Treaty Organization, failed to overcome regional divisions and America’s overwhelming presence.

The organization of international economic relations frequently demonstrated the same mixture of a multilateralism supported by great power collaboration and diluted by bilateralism. Even the leverage of the Marshall Plan did not permit the United States to impose its version of multilateralism on recalcitrant Europeans. As Alan Milward describes, the United States attempted to use the Organization for European Economic Cooperation (OEEC) as a means to further the integration of Europe according to American design. Despite the preferences and the economic influence of the United States, the “OEEC ended by being no such thing. . . . It marked the defeat of American ambitions for the one, common, unregulated market with an uncontrolled flow of factors which the ECA [Economic Cooperation Agency] wanted to see as the first step toward the United States of Europe.”

In global economic organizations, the outlines of minilateralism took longer to emerge. The formula of weighted voting in the Bretton Woods organizations—the IMF and the World Bank—appeared to be a clear indicator of predominant American influence in those organizations. Special majorities (greater than a simple majority) also ensured a continuing American veto over many changes, even as the formal voting weight of the United States declined. As Europe and Japan rebuilt, the same structure of rules also guaranteed them growing power within the organization on the same basis of economic and financial weight. Nevertheless, even in the years of its maximum influence, the United States had to bargain to a greater extent than its predominance may have predicted.

Indeed, Barry Eichengreen’s historical survey of international monetary regimes since the nineteenth century finds the same pattern of collaboration among the great powers at the core of most stable regimes: “Despite the usefulness of hegemonic stability theory when applied to short periods and well-defined aspects of international monetary relations, the international monetary system has always been ‘after hegemony’ in the sense that more than a dominant economic power was required to ensure the provision and maintenance of international monetary stability.” The United States also evinced little interest in an all-out campaign against the many remaining

18. For an account of these years, see Miles Kahler, “The United States and the International Monetary Fund: Declining Influence or Declining Interest?” in Margaret P. Karns and Karen A. Mingst, eds., *The United States and Multilateral Institutions* (Boston: Unwin Hyman, 1990), pp. 94–97.
discriminatory exchange relationships during the first decade after 1945. Only after the mid-1950s did the IMF launch a “major assault” on the over four hundred bilateral exchange agreements that littered the international landscape.20

Ironically, in the trade regime that emerged (by historical accident) under the multilateral principles stipulated in the charter of GATT, one could perceive most clearly by the 1960s the minilateral core of a regime that embodied both multilateral principles and limitations on those principles. The careful hedges in the GATT system also reflected a world in which the great powers still preferred bilateralism for at least some of their trading relationships. The Kennedy Round, characterized by Gilbert Winham as “the first significant negotiation in GATT after the initial negotiation,” was also the first in which the United States and the European Community (EC) negotiated as rough equals.21 That successful round of tariff negotiations also demonstrated the difficulty of translating multilateral, most-favored-nation principles into bargaining practice.

The only practicable mode of negotiation soon became bilateral or minilateral negotiations between the principal supplier and its major importing nations for a particular product; the negotiating group of key countries during the Kennedy Round was aptly named the “bridge club.” Concessions negotiated among the dominant traders were then extended to other participants on the basis of most-favored-nation treatment. As a result, Winham argues, “what was a multilateral negotiation in name became a large, complicated series of bilateral (or plurilateral) negotiations in fact. The main action of the negotiation often occurred away from the multilateral chambers.”22 The great power hierarchy that was already apparent in the Kennedy Round became entrenched during the Tokyo Round. As Winham describes, a “pyramidal” structure emerged “where agreements were initiated by the major powers at the top and then gradually multilateralized through the inclusion of other parties in the discussions.”23 In these negotiations, the role for smaller trading countries and particularly the developing countries was small to nonexistent.

Equally significant (and alarming to multilateralists) were the lingering bilateralism of imperial or quasi-imperial relationships and the resurgence of new forms of regional and discriminatory trading relationships. Gardner Patterson’s description of the first two decades of the GATT regime could be entitled “embedded bilateralism.” No serious effort was made to dismantle

22. Ibid., p. 65.
23. Ibid., p. 376.
existing preferential systems, such as those based in the British Commonwealth or the French Union. Indeed, those systems would ultimately be “multilateralized” into such postcolonial discriminatory arrangements as the Yaoundé and Lomé Conventions, relationships that shared the burdens of development assistance with other European states but did little to constrain the bilateral exercise of influence on the part of ex-colonial powers.

Nevertheless, by the mid-1950s, the international pressure to multilateralize these discriminatory agreements and the fading economic importance of the agreements led some to believe that multilateral norms and institutions would be strengthened in the trade regime. Instead, the decade from 1955 witnessed resurgent interest in two new forms of discriminatory trading relations: regional blocs, for which the model was the new European common market, and bilateral nontariff protectionism, directed primarily at the East Asian industrializers. In addition, the developing countries succeeded in winning agreement to the principle of discrimination in the interests of development. As Patterson indicates, the European initiative was the beginning of a “worldwide movement that was to have reached [by the mid-1960s] such dimensions that just over half of the contracting parties to the GATT would be linked to a regional economic bloc in some stage of development.”

The industrialized countries also experimented during these years with bilateral, discriminatory trading arrangements that were ultimately sheltered under the GATT umbrella: the norm of nondiscrimination was given up in order to retain the principle of multilateralism. The most extended and important example of this kind was the successive agreements to manage first one portion and then others of the textile sector. Over time, however, bilateralism inherent in the hybrid textile trade regime grew, and the degree of multilateral oversight declined. By the mid-1960s, often regarded as the apogee of American influence and a high point of multilateralism, “discrimination according to source was a widely used and in most policy-formulating circles a thoroughly respectable policy instrument,” Patterson notes. “Unconditional-most-favored-nation treatment was under attack from all sides.”

Limitations on multilateral principles and practice in the trade regime and in other issue-areas did not mean that multilateralism had no impact. American attachment to multilateral norms did make a difference. The concern of the United States over the proliferation of bilateral restrictions in the textile sector led it to campaign for placing textile agreements under GATT and its multilateral surveillance.

28. Patterson, Discrimination in International Trade, p. 388.
demonstrated an adherence to multilateralism and nondiscrimination, but only in the context of a clear ranking of policy goals: "politics over economics; world leadership over national economic interests; anticommunism over U.S. trading interests; Western Europe over developing countries."\textsuperscript{30} Even a pessimist such as Patterson admitted the value of a multilateral framework in forcing new discriminatory groupings to avoid harm to others and in guaranteeing that those injured by discrimination could have their complaints heard.\textsuperscript{31} Nevertheless, the principles of multilateralism in the trade regime were constantly questioned, and the multilateral regime itself was governed by a minilateral structure of the largest trading powers.

Minilateralism was a chosen means of governance for the United States in those issue-areas in which free riding by the other principal economic powers was unacceptable (often for domestic political reasons), additional legitimation was required, and exclusion or threat of exclusion from the regimes was undesirable (often for reasons of international security). The price paid for minilateral collaboration was an institutional structure that placed some curbs on the unilateral exercise of American influence. Derogations from multilateral norms were sometimes an additional price paid for European collaboration. In other instances, bilateralism reflected American preferences in settings where multilateral alternatives seemed unworkable (Pacific security relations) or bilateralism offered the United States increased influence (Latin America).

The minilateral system of governance through great power collaboration that developed in international economic affairs after 1945 came under increasing attack as the number of independent developing countries grew during the 1960s. In the 1970s, a developing country "bloc" view of governance was proposed. This view had found its expression first in the UN Conference on Trade and Development (UNCTAD), which was formalized in 1964, and later in other institutions, existing and proposed. The attempt by developing countries to bring the weight of their numbers and the leverage of their commodity power to bear on governance was subsequently expressed in demands for a New International Economic Order (NIEO), demands that foundered on worsening economic conditions in the 1980s and heightened ideological resistance by the industrialized countries.

Collapse of the NIEO program could not conceal the need for a new multilateralism in certain issue-areas, however. The major powers could not construct or extend regimes in some cases without the consent and participation of countries outside the club of industrialized countries. If minilateralism was inadequate and a two-bloc model had been ruled out, bilateral efforts were highly inefficient or impossible in many of these cases. The predicament of the industrialized countries had historical precedent. After World War I, the


\textsuperscript{31} Patterson, \textit{Discrimination in International Trade}, p. 390.
International Commission for Air Navigation began as an effort at collaboration among countries most successful at exploiting the new aviation technology. The members of this proto-regime soon discovered that the price for greater legitimacy and wider compliance with new rules was a change in the governance of the regime. In giving up some of their governing power, however, the core members defined the commission's competence very narrowly and continued to combat efforts to extend majority principles of voting—a perfect precursor of one strategy that was followed decades later by the industrialized countries.32

If the great powers rediscovered a need for resurrected multilateralism in the 1980s, the developing countries also redefined their interests in ways that made them likelier allies of the smaller industrialized countries in sustaining a multilateral structure. Although the North–South divide had hardly disappeared, the interest of the developing countries in preserving multilateral checks on the bargaining power of the biggest players—an argument for multilateralism that had always been powerful among the smaller industrialized states—grew as they opened their economies in the 1980s. As the heterogeneity of the developing world increased, the appeals of bloc action in the interests of the NIEO declined as well.

Recognition of a need for new collaborative bargains that moved from great power minilateralism to more multilateral modes of governance does not produce such bargains, however. Bargaining was made more complicated by the rapid expansion of membership in the UN, GATT, and IMF since 1960, illustrated in Figure 1. Although sheer membership numbers had always merited these institutions the label "multilateral," new issues forced their memberships and governance to confront a need for large-number collective action. In the most recent efforts at regime construction or innovation, one begins to detect institutional devices that may permit successful completion of bargains within a large-number multilateral framework.

**Multilateralism with large numbers: an examination of three cases**

The cases of UNCLOS III, the Uruguay Round, and global environmental agreements illustrate the declining efficacy of minilateralism as a basis for multilateral regimes. In each instance, the industrialized countries found the free riding of key developing countries increasingly costly, yet an alternative mode of collaboration and governance—a minilateral club (with the possibility of exclusion) or bilateralism—was also unattractive. A major part of the institutional innovation that took place stemmed from the search by industrial-

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32. This interesting history is recounted by Cromwell A. Riches in *Majority Rule in International Organization* (Baltimore, Md.: Johns Hopkins University Press, 1940), pp. 267–72.
FIGURE 1. Membership in international organizations since founding

Sources. United Nations (UN), Yearbook of the United Nations (New York: UN, various years); International Monetary Fund (IMF), Annual Report (Washington, D.C.: IMF, various years); and General Agreement on Tariffs and Trade (GATT), Focus Newsletter (Geneva: GATT, various years).
ized countries for an institutional forum and decision-making rules that would retain the hierarchy of their interests and influence in each issue-area. Any innovation also had to meet the demands for wider influence and participation on the part of smaller countries. Governance became a pressing issue as members searched for new devices to ease collaboration among large numbers of countries.

The three cases also illustrate the shift in developing country preferences from a bloc model of governance (most apparent in negotiations over the Law of the Sea) toward an acceptance of decision-making formulas that reflect both the heterogeneity of the developing countries and their principal bargaining asset—numbers. Finally, these cases suggest that the line between bargaining to create or extend a regime on the one hand and efforts to maintain a regime on the other has become increasingly blurred: bargaining and rule making in the new environmental regimes seem likely to occur with little break.

The Third United Nations Conference on the Law of the Sea

UNCLOS III was the most ambitious effort to modify a multilateral regime using multilateral negotiations since 1945. Refusal by the American government to accept the final bargain, negotiated over a period of six years, has obscured much of the meaning of these negotiations. They have been cast as the last of failed efforts to construct an NIEO rather than the first negotiations in a new multilateralism that, despite its slow pace and cumbersome procedures, managed to produce a set of complex bargains among a very large number of states. The negotiations achieved that end without ceding principal negotiating responsibility to the great powers (whose representatives often seemed to have little power in these negotiations) and without limiting bargaining to a purely North–South arena.

The global negotiations represented by UNCLOS III had been preceded by efforts on the part of major maritime powers to construct minilateral or regional arrangements that would confirm new rules governing national control over the oceans and their resources. Several features of the oceans regime eroded the hierarchy that would have permitted a stable pattern of great power collaboration. As the issue of territorial limits rose in prominence, the distribution of resources favored the industrialized and maritime states less. Any developing (or communist) state with a lengthy coastline could thwart the achievement of a coherent set of rules. Moreover, the imbalance of coercive means (and the willingness to use those means) between the major powers and smaller, coastal states had diminished. But the threat of minilateral clubs was not limited to the maritime powers. The Latin American coastal states, leaders

in the extension of national control over the continental shelf, formed a relatively coherent group that could plausibly constitute a regional regime if global negotiations failed.\(^{34}\)

By 1970, minilateral and regional options appeared as distinctly second-best solutions, however. Relentless extension of national claims over maritime resources and activities pushed the maritime and industrialized countries toward global negotiations in a UN framework, one that offered them few institutional advantages. In addition, developing country members of the UN General Assembly had in 1969 voted a moratorium on any efforts to exploit the resources of the seabed outside national jurisdiction. By this nonbinding instrument, they had called into question the legal framework for any seabed mining attempted by the industrialized countries or their corporations.\(^{35}\) In doing so, they created additional pressure for negotiations and a new regime.

For their part, the maritime and industrialized powers could threaten unilateral action under existing international law if their interests were overridden, a credible option given their technological and economic advantages.\(^{36}\) Both the maritime and the developing countries had a strong interest in a legitimate global regime that was widely ratified. The conference was mandated to achieve one “package deal,” not a series of separate treaties, and this linkage increased the leverage of the developing countries. Achieving such an institutional bargain with a large number of participants and a complicated agenda required a series of institutional innovations.

The voting rules of UNCLOS III contributed to the breadth of a final agreement but clearly reduced the efficiency of negotiation. In a preparatory session for the conference, the developing countries had conceded the majority voting rules that typically governed the UN General Assembly. Instead, the conference would be governed by consensus; the search for consensus could be determined to have failed only by a two-thirds vote of those present and voting, provided that the two-thirds majority included at least a majority of the states participating in the session. Although the formula on which the states finally agreed was believed to protect the interests of the developed and maritime powers, it also protected any minority interests, including those of the landlocked and geographically disadvantaged states, which possessed little leverage apart from their votes in the conference.\(^{37}\)

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35. Ibid., pp. 99–100.


The consensus rules adopted by the conference guarded against an exit by any influential group of participants (and some not so influential). Unfortunately, it took considerable time for the conference committees to devise institutions that would enhance the efficiency of decisions made cumbersome by the search for consensus. Although the major maritime powers were able to guarantee that no agreement would be reached over their objections, they were not able to control the proceedings through their normal conference roles in the general and drafting committees. Given the large number of participants, one device that might have been employed in UNCLOS III was representation. Unfortunately, the formal structure of groups that emerged during the conference did not fully capture the interests of states: the predominant groupings were regional (including both coastal and landlocked states) and the Group of 77 (G-77). In such circumstances, creating a representative structure based on the existing groups was unlikely to be successful. Other, more fluid and issue-specific groups, which cut across preexisting cleavages (such as the coastal states), lacked institutionalization and, because of their size, had difficulty agreeing on a common policy stance.

Finally, however, ad hoc measures produced reasonably representative groups on a scale appropriate to negotiation. In Committee I, which was charged with the legal regime of the deep seabed, the formula that succeeded in reducing group size without generating resentment over exclusivity was one that rotated representation among members of the committee. In addition, the G-77 organized a “contact group” as a channel for the views of those who were not part of this negotiating group. In this way, as Mohamed El Baradi and Cloe Gavin argue, Committee I “found a way to negotiate which both reduced the number of negotiators to a functional level and concurrently gave the rest of the delegates a sense of indirect but effective participation.” In other instances, the interested parties simply made bargains that created “strong focal points for wider agreement” without the need for formal rules of representation. Perhaps the most important of these groups was the Juridical Experts Group, commonly referred to as the Evensen Group, which began meeting in 1973. Despite its effort to appear representative, it tended to mirror the views of coastal states. Moreover, it was criticized for its “elitist approach to the negotiations” by those who were not members of the group, a further indication of the ideological obstacles to constructing representative negotiating forums at the conference.

UNCLOS III was unusual in its wariness of another familiar device that facilitates collective action: delegation. In earlier conferences of this size, a first draft was typically produced by a committee of experts delegated the task by conference participants. That was not the case with UNCLOS III. It was only during the 1975 Geneva session that the participants “out of desperation” delegated the preparation of an informal single negotiating text to the heads of the three main committees, a decision born of the failure to reach agreement on formulas for representation. That decision to delegate in turn increased the effective power of developing country views and created tensions with the United States.\(^4^4\) In negotiations over the financial aspects of a seabed authority, Chairman Tommy Koh invited a group of “financial experts” to work with the group; even here, however, formal delegation was avoided.\(^4^5\)

UNCLOS III, which seemed to its critics to epitomize the weaknesses of collective action at the global level, did nevertheless construct a complex bargain that appeared to satisfy most participants. The structure of that bargain was not minilateral great power leadership later extended to other participants—an option that had been ruled out as impracticable throughout the negotiations. Nor did the strong element of North–South bloc bargaining that many had feared survive the complexities and conflicting interests of the lengthy negotiations. Instead, through a messy and often ad hoc process of institutional innovation, the participants negotiated rules that both satisfied the major powers and won the necessary consent of the developing countries.

That bargain failed, ironically, because of shifting ideological winds in the United States. During the Carter presidency, the United States began to toy with minilateral possibilities once again, as an expression of American displeasure with the sixth session of the conference. At that time, the U.S. government decided to persevere in the global negotiations.\(^4^6\) The Reagan administration, however, found the agreement on seabed mining too costly. In deciding to free ride on the global agreement that had been reached, it argued that the consensus of those negotiating was not new, conventional law but was instead a reflection of customary law that supported U.S. claims as a maritime power. As James Sebenius notes, the Reagan administration also relied on bilateral ties to key straits states and on the implicit threat of unilateral military action if U.S. claims were challenged.\(^4^7\) The U.S. government’s unwillingness to accept the new multilateral bargain and its efforts to reassert both hierarchy and selective bilateralism as part of its strategy point to a weakness in efforts to extend multilateral governance. In a reversal of the benevolent image of hegemonic power, the strong exploit the weak and their desire for rules that will constrain the more powerful. The failure of UNCLOS III in its final stage,

\(^4^7\) Sebenius, *Negotiating the Law of the Sea*, p. 91.
however, could not be attributed to the impossibility of large-number multilateral governance in an issue-area of considerable complexity.

The Uruguay Round

Although the structure of GATT and the negotiations it oversees differ from those of the Law of the Sea, the current Uruguay Round demonstrates many of the same dilemmas of large-number multilateralism. While the impetus for a new round of trade negotiations came primarily from the United States, smaller trading powers played a major role in the launching of the round at Punta del Este in September 1986. They have also played an active role in certain of the issue-areas being considered in the negotiations, although the limitations of small-group coalitional activity have become apparent as the negotiations have become more specific.

The logic of greater involvement by smaller trading countries coincided with movement away from the purely minilateral or bipolar logic of the Tokyo Round and closely resembled the changing interests represented in UNCLOS III. The United States sought not only a new round of trade negotiations but also a controversial extension of GATT into services and other new areas as well as a strengthening of GATT institutions. In addition, the industrialized countries were no longer willing to accept the free riding of developing countries on such issues as intellectual property rights. The desire for inclusion of key developing countries in these negotiations and the need for a consensus in extending the GATT regime gave the developing countries and smaller industrialized countries more leverage than they had possessed in earlier rounds.

Some of the larger developing countries opposed the attempt to launch a new trade round, since a backlog of trade issues of much greater interest to them—issues such as safeguards and textile trade restrictions—still remained on the old agenda. Winham’s account of the launching of the Uruguay Round portrays this opposition by the Group of 10 (G-10), led by Brazil and India, as the principal developing country effort to influence the new round. According to Winham, the G-10 effort was predictably overwhelmed by the hierarchical (American- and European-dominated) structure of power in the trading system: “In the end the main surprise was that the resistance had been as effective and as long-lasting as it turned out to be.”


The story told by Colleen Hamilton and John Whalley, which is a far more interesting one, indicates that coalitional activity on the part of developing countries took two paths. The G-10 effort to organize resistance to the inclusion of services in the new negotiations was only the first. Other developing countries instead supported a second draft declaration proposed by a group of smaller industrialized countries, which consisted of Australia, Canada, New Zealand, and five members of the European Free Trade Association. Developing countries supporting the draft declaration of this group grew to nearly fifty in number and included such significant players as Colombia (cosponsor with Switzerland of the text), Indonesia, Thailand, and Venezuela. In endorsing this text, a large group of developing countries had defined their interests as defending the multilateral trading system through support for a new round of trade negotiations.

These two declarations, with a third from Argentina, were put before the ministerial meeting that was to launch the new round at Punta del Este. In this case, much like that of UNCLOS III, divisions among the participants were too deep to allow for delegation of the task of constructing a draft for consideration by all voting parties. At the ministerial meeting, initiation of a new round was placed in doubt not only because of G-10 opposition to the new agenda but also because of European, and particularly French, resistance to efforts to place agriculture on the agenda. At this point, institutional devices were critical in reinforcing coalition building in support of the round described above. The chairman tried to reduce the unmanageable size of the negotiating group first by establishing a “little plenary,” next by forming a “consultation committee” consisting of invited members representing the major interests at the meeting, and ultimately by supplementing these groups with two parallel groups dealing with services and agriculture.

These mechanisms, however, did not break the negotiating deadlock. Instead, waning support for the positions of the G-10 members and the French was finally overcome by the consensual decision-making rules of GATT. According to Winham, the United States threatened to force a formal vote, which might have overturned the progress already made. Face-saving gestures offered to the most recalcitrant, coupled with fear of isolation in the context of a consensual institution, brought the hold-outs around. The successful conclusion of the ministerial meeting demonstrated that “the will of a large majority is ultimately persuasive in a consensual organization even in the face of a powerful and determined minority.”

What Hamilton and Whalley call the agenda-moving role of the lesser powers in GATT was not the only effective course of action by these powers in

52. Ibid.
53. See ibid., p. 18; and Winham, “The Prenegotiation Phase of the Uruguay Round,” p. 59.
55. Ibid., p. 65.
the Uruguay Round. The Cairns Group of Fair Trading Nations, which was formed in 1986, demonstrated the same coalitional behavior across the North–South divide in favor of a particular agenda item: agriculture. As characterized by Richard Higgott and Andrew Cooper, the Cairns Group is “a heterogeneous group of states bound together in the pursuit of a specific single interest.” Other informal groups that organized around particular interests (such as the De la Paix Group, concerned with strengthening the GATT system) proliferated during the negotiations, but the Cairns Group, led by Australia, has played the most prominent role in making proposals during the negotiating process. Whether its interventions in the round merited it the title of a “third force” in agricultural negotiations between the United States and Europe and whether the group has provided focal points for agreement that might eventually bridge the gap which led to breakdown in December 1990 are two matters of debate. The Cairns Group’s North–South composition and its ability to maintain coherence despite strains on its unity do mark it as a different sort of player in the multilateral arena, one that might permit the representation of interests in a setting of large numbers.

As Hamilton and Whalley argue, however, a move from joint proposals to actual negotiations is a large step, and it is in detailed discussions within the Uruguay Round negotiating groups (fourteen for goods and another for services) that the final bargains must be struck. The formation of negotiating coalitions is a formidable task: broad coalitions representing a variety of trading interests, such as the EC, face complicated internal negotiations that simply replicate the cumbersome character of the multilateral forum. Single-issue coalitions, such as the Cairns Group, face strains because their members assign to that issue differing degrees of importance when weighed against other issues.

The Uruguay Round’s successful conclusion will be determined, as past multilateral trade negotiations have been determined, by agreement among the major trading powers, particularly the United States and the EC. Nevertheless, from the start of the Uruguay Round, a purely minilateral structure of negotiation was regarded as unacceptable to the industrialized countries. Their desire for wider compliance with an extended GATT structure of rules required changes not only in the substance but also in the procedures and

56. Hamilton and Whalley, “Coalitions in the Uruguay Round.”
58. On other groups, see ibid., p. 591; and Hamilton and Whalley, “Coalitions in the Uruguay Round,” pp. 32–36.
59. In “Middle Power Leadership and Coalition Building,” Higgott and Fenton argue that the Cairns Group has played such a role. In “The Prenegotiation Phase of the Uruguay Round,” however, Winham argues that the great powers have continued to be predominant in the bargaining.
60. Hamilton and Whalley, “Coalitions in the Uruguay Round.”
governance of the negotiations. Whether the expanded number of active participants in the Uruguay Round can reach agreement is the stiffest test since 1947 of GATT multilateralism. A failure of the negotiations would, however, more likely result from an inability of the major trading powers to reach agreement than from the inability of a revived framework of multilateralism to accommodate expanded participation.

**Global environmental regimes**

The record of the “new” multilateralism in GATT is not yet clear; global negotiations on the environment provide even less hard evidence on the adaptability of multilateralism. These new exercises in regime creation share with those described above the need for adhesion on the part of many, if not all, developing countries: great power agreement and small-economy free riding will not be enough.\(^{61}\) A need for large-number participation in any regime to deal with chlorofluorocarbons (CFCs) or greenhouse gases places these negotiations squarely within the dilemmas of the new multilateralism. In addition, like the Law of the Sea and GATT negotiations, these efforts at regime construction remained colored by North–South divisions at the same time that new mechanisms were created for collaboration across the North–South divide. In the case of CFCs, however, since the contribution of the developing countries to the problem of ozone depletion lay primarily in the future, reaching a cooperative outcome was somewhat less complicated—at least on the question of numbers—than in the other examples.

Negotiations for the Vienna Convention on Protection of the Ozone Layer (1985) and the Montreal Protocol on Substances That Deplete the Ozone Layer (1987) initially took a minilateral form, since the major producers and consumers of CFCs are industrialized countries. But as Richard Benedick points out, from the start “the major CFC-producing and -consuming countries had recognized that their actions alone would be insufficient to protect the ozone layer.”\(^{62}\) During negotiations for the Montreal protocol, Mostafa Tolba, the executive director of the UN Environment Programme (UNEP), functioned as an active broker for agreement and served as a proxy for or representative of parties (primarily developing countries) that were not present in the minilateral discussions. In addition, however, the developing countries that participated in the negotiations, including Argentina, Mexico, and Venezuela, also voiced the interests of the nonparticipants and exercised

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leadership in pressing for more stringent controls on CFCs.\textsuperscript{63} The number of developing countries taking part in the negotiations grew from only six in December 1986 to over thirty at Montreal in September 1987.\textsuperscript{64}

Despite developing country participation, the crucial negotiations on control measures were essentially minilateral and involved countries with a substantial presence in the current CFC market. Nevertheless, the Montreal protocol did contain some incentives to encourage the developing countries to avoid large-scale production of CFCs. For example, it offered a grace period of ten years during which they could continue to increase their consumption. A number of major developing countries, including Brazil, China, and India, declined to join the protocol, however, until clear undertakings regarding technology transfer and financial incentives were made in June 1990.\textsuperscript{65}

It was in the negotiations following agreement on the Montreal protocol that developing countries played a central role, negotiations in which the key industrialized participants in the new regime bargained to win accession from at least those developing countries whose absence would eventually fatally weaken the regime.\textsuperscript{66} The new negotiations centered not on the grace period for CFC usage that had been incorporated in the Montreal agreement but instead on assistance to enable the developing countries to move rapidly to alternative technologies designed to substitute for CFC use. Negotiations in London in June 1990 on revision of the protocol centered on governance of the new multilateral regime as well as on provisions for both financial assistance and technology. The familiar North–South lines seemed to be drawn: industrialized countries opposed the creation of new institutions, while developing countries demanded more control over governance and greater guarantees for financial assistance and expeditious technology transfer.

The final compromise owed a great deal to an ingenious voting formula that governed not only future changes in CFC reduction schedules (of concern to the developing countries) but also oversight of the new fund. The United States preferred weighted voting, which would have awarded control to the industrialized countries. The developing countries, on the other hand, argued for a two-thirds majority rule. The compromise solution established a two-thirds majority rule, but one that had to subsume simple majorities from both North and South. Thus, both the industrialized countries and the developing countries had the capability to block decisions. This rule, applied to votes of the parties as a whole, also provided a means for China, India, and other key developing countries to accept assurances on technology transfer and accede to

\textsuperscript{63} Ibid., pp. 6, 69, and 101–2.
\textsuperscript{64} Ibid., pp. 69 and 74.
\textsuperscript{66} As Benedick notes in \textit{Ozone Diplomacy}, p. 150, the threat posed to the Montreal regime was real. By 1989, three of the prospective largest consumers of CFCs had ratified the Montreal protocol, but only fourteen developing countries had become parties.

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The leverage awarded the developing countries under this formula permitted any future dissatisfaction on their part to threaten the further development of the regime.67

The construction of a regime to reduce the emission of gases that produce global warming is likely to be much more difficult than the creation of the CFC control regime was, since the scientific data on global warming are more uncertain and the range of economic activities affected is potentially far greater.68 James Sebenius, however, offers a plausible model for a global warming regime that parallels the two-track, minilateral template of negotiations followed in Vienna and Montreal. The major contributors to greenhouse gases, the industrialized countries, would negotiate a framework regime of emission controls that would begin a reduction in levels before the regime was “globalized.” The design of any new institutions would need to take developing country interests into account and to provide attractive incentives for eventual accession.69

Several issues will need to be addressed for this approach to succeed. Since the developing countries will need to be involved in the negotiations in some fashion to encourage future participation, many of the large-number issues thus reappear, albeit in less critical form. If the price that the developing countries demand for accession is too high, the members of the convention might be forced to apply selective sanctions to induce compliance. The question remains whether the parties to such a convention could serve collectively to bring about compliance. And, of course, this model assumes greater ease of agreement among the largest economic powers than between the industrialized and the developing economies, an assumption that recent American policy places in doubt.70

Institutional solutions for the new multilateralism

In the issue-areas described, a need for regime creation or extension involving large numbers of states became apparent. On the one hand, from the point of view of the major industrialized countries, great power collaboration with continued free riding on the part of smaller countries became less desirable. On the other hand, the smaller industrialized countries and growing numbers of developing countries came to see multilateral institutions, however imperfect, as preferable to a world of resurgent bilateralism. Larger numbers have

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67. This account is drawn from the excellent narrative presented by Benedick in Ozone Diplomacy, pp. 178–89.
begun to play a more active role in supporting these institutions in the face of threatened defection or conflict among the great powers. This new multilateralism, however, requires changes in governance that entail significant departures from small-group minilateralism. In each of the cases described—UNCLOS III, the Uruguay Round, and the creation of a regime to control CFCs—the participants, using a combination of past experience and trial and error, devised institutions that permitted large-group collaboration to succeed.

The study of domestic political institutions should be applied with care to the international realm. Nevertheless, solutions to collective action problems in domestic political institutions with large numbers of actors, such as legislatures, demonstrate certain parallels to the solutions devised in the international realm. The realist distinction between an anarchic international sphere and domestic politics may be overdrawn in any case. As Kenneth Shepsle has observed, in a legislature, there is no "exogenous enforcement mechanism, like an umpire or a court of law" to enforce agreements among members. In the cases described above, one can often detect a groping toward devices that will permit collective decision making when leadership is unclear and influence is more widely diffused.

In both domestic politics and in international relations, institutions help resolve the tension between efficiency in decision making and the legitimacy conveyed by wider participation. Several institutional devices familiar from domestic politics have served as a means of adaptation to large-number multilateralism. These include voting systems, representation, delegation, and reduction in numbers, each of which is described in further detail below.

Voting systems, once central in the study of international organizations, have been regarded as superfluous in most recent analyses of international institutions. Neorealist arguments have convinced many that, whatever the formal voting in these organizations, the weight of the great powers and their threat of exit will find expression in policy. The fact that governments bitterly contest voting rules suggests that these institutional devices are more important than current scholarly opinion allows. In the three cases described above, the system of voting (or not voting) was central to the ability to achieve a cooperative outcome.

Voting systems in international institutions, however, display important differences from those in domestic models. Domestic parallels with voting systems in multilateral regimes must be modified to take into account the threat that nations, particularly large ones, may exercise the exit option and leave the negotiated bargain. Simple majority voting rules are therefore less common in international politics. The appropriate analogies on this dimension would

appear to be highly divided or factionalized political systems that require elaborate means of protecting the rights of minorities who might take the exit option of secession or civil war. In addition, equality in voting power (one nation, one vote) is less common than it is in domestic politics: voting systems reflect the hierarchy of capabilities in the international system. The only domestic parallel would be systems that awarded multiple votes to particular classes of the population, a phenomenon that had faded in most political systems by the twentieth century.

Historically, states have sought to protect their interests by instituting a unanimity rule for many international institutions. The costs for efficiency in decision making have been so high, however, that even under the League of Nations unanimity was increasingly disregarded in practice. Multilateralism after 1945 seemed to mark a turn toward majority voting on the basis of the equality of states. But the minilateral core of many postwar economic organizations was supported by important deviations from these voting rules. Two voting devices in particular supported great power collaboration within multilateral regimes: weighted voting and special or super majorities (majorities greater than a simple majority), which have been combined in such organizations as the IMF and the World Bank. By allowing the key actors to exercise blocking power on questions that affect their core interests (thereby ensuring a consensus of the most influential as the basis for a winning coalition) and by granting those actors as a group a majority or substantial plurality of the votes, such voting systems permit majority voting or action by consensus much of the time. Although such systems may add efficiency, particularly when compared to unanimity rules, their critics argue that agreement on appropriate criteria for weights and periodic decisions to readjust those weights can be contentious. In addition, if the minilateral coalition is too dominant and undivided, smaller states may simply exit the institution or free ride on its decisions.

In many cases, including institutions with elaborate formal systems of weighted or majority voting, such as the IMF, prevailing practice favors consensus decision making. Consensus in itself is a convention worthy of further investigation, however. Its core is the search for a substantial positive majority without the divisive consequences of a vote or the barriers to efficiency


posed by a formal unanimity rule. (The ability of states to abstain permits the unanimity principle to be preserved.) Under the opaque exterior of consensus undoubtedly lie rules of thumb not only concerning the degree of consensus that must be achieved but also concerning which of the parties must be included—rules of thumb often based on the formal voting rules. One suspects that most institutions have a tip point at which a large majority becomes a consensus, a rough marker at which the bandwagon begins to roll. Consensus as a decision rule also implies a high degree of delegation to the consensus builder, whether it be the head of a committee or a permanent member of the secretariat.

Each of the instances of multilateralism with large numbers described above was shaped by the voting and decision rules applied. A broad agreement, involving more than the most powerful actors, was ensured by consensus decision making at UNCLOS III (with a two-thirds majority rule underpinning it) and at the start of the GATT Uruguay Round. The bandwagon effect that a consensus rule could have in the face of a die-hard minority was clearly observable in the Uruguay Round case: successive rounds of negotiations and face-saving gestures rendered the position of the die-hards more and more untenable. In the crafting of the Montreal protocol and during successive negotiations on CFC emissions, a multilateral bargain was obtained by an innovative voting formula borrowed from commodity organizations: distributed majority voting, in which concurrent majorities from distinct sets of participants are required. This mechanism has bridged the North–South divide in a number of instances by permitting either of two “parties” to block an unwanted action. In many respects, the mechanism is reminiscent of “vote pooling” to encourage the building of consensus in ethnically divided societies.

Representation is another plausible institutional device for improving the chances for collective action by reducing decision-making numbers. In the cases described above, however, representation seemed to be difficult to engineer on more than an ad hoc basis. The Bretton Woods organizations have elaborate systems of constituencies, organized largely on geographical bases; the UN elects members to the Security Council. Given these precedents and the familiar pattern in international organizations of a plenary body electing an executive body, it is striking that participants in UNCLOS III, the Uruguay Round, and the environmental negotiations were unable to agree on simple systems of representation. In the Law of the Sea negotiations, two barriers were apparent. First, established representative entities, such as the G-77, did not capture the central interests of states in the negotiations. Second, governments disliked exclusion from the negotiations, an obstacle resolved by the institution of a “contact group” to ensure communication between representatives and those represented. The shape of any decision to strengthen the GATT system of governance should indicate whether more attention will be paid to representative formulas as an aid to large-number collaboration.

More widely used than representation in these cases is delegation. This
device, which can take many organizational forms, has received much attention from students of domestic politics. Although considerable resistance to delegation is apparent in the examples of large-number multilateralism presented here, delegation was often a crucial part of successful collective action. Responsibility was delegated on the basis of position (to the committee heads in UNCLOS III and to the executive director of UNEP) or on the basis of expertise. Delegation to experts has been at the core of the functionalist view of international institutions; but in these recent cases, it is striking how seldom such delegation took place, although experts were frequently consulted. The lack of institutionalized delegation suggests that the new multilateralism may be more political and less technocratic than the old. The cases described here, however, also suggest that the role of a broker in achieving consensus becomes increasingly important as numbers grow. Mostafa Tolba, executive director of UNEP, played this role in the Vienna and Montreal convention negotiations. The variation in and limits to delegation in large-number cases is an important issue for further investigation.

Finally, these cases demonstrate the value of a reduction in numbers, with minilateral decision making and negotiation occurring within the multilateral framework. Traditionally, small-number collaboration has been hierarchical, with great power agreements later extended to those outside the club. More recently, two significant new forms of small-group collaboration, both of which are horizontal rather than hierarchical, have emerged. First, the small group can serve as a “broker,” creating a focal point for a negotiating equilibrium. The Cairns Group (or at least Australia) seems to have cast itself in this role in negotiations over agriculture in the Uruguay Round. Moreover, Sebenius has argued, informally constituted small negotiating groups played a similar role in UNCLOS III. Second, horizontal minilateralism can take the form of a two-track model of extending a regime. The role of a “progressive club within a club” is apparent in recent environmental negotiations and has been used as a means of reaching an agreement more ambitious than the lowest common denominator. Recent free trade agreements, such as those between the United States and Canada and between Australia and New Zealand, could be regarded in this way. Other examples are the EC’s exchange rate arrangements and the Vienna and Montreal model of environmental regime building. As Cromwell Riches noted regarding interwar international institutions, two-track differentiation offers a safety valve for organizations that would otherwise face exit by those wishing to forge ahead or by minorities that cannot accept an

77. Sebenius, Negotiating the Law of the Sea, p. 209.
accelerated pace. Such minilateralism needs to be embedded in the larger multilateral institution, however, to prevent free riding by those who are not participants and to prevent deviation from institutional norms by those who are.

Conclusion: the future of multilateral governance

The collective action problems posed by multilateral governance were addressed for much of the postwar era by minilateral great power collaboration disguised by multilateral institutions and by derogations from multilateral principles in the form of persistent bilateralism and regionalism. In certain issue-areas, such as international monetary affairs and economic policy coordination, it is likely that great power minilateralism will continue to dominate, since the collaboration of lesser economic powers is neither necessary nor desirable from the point of view of the United States, Japan, and the EC. In several other issue-areas, however, the ability of minilateralism to produce satisfactory cooperative outcomes had eroded by the 1980s. Bargains limited to the great powers were less valuable because of the large number of free riders. To obtain the cooperation of less powerful states, it was necessary to negotiate not only the substance of a new bargain but also new modes of governance, incorporating larger numbers of participants and their interests.

In this respect, certain issue-areas are developing multilateral governance for the first time. Some have despaired of the possibility of reaching cooperative bargains in a world of large numbers. The accounts here of several early experiments in large-number collaboration give grounds for greater optimism. The achievements should not be overstated: the results of UNCLOS III were ultimately rejected by the United States; the Uruguay Round of trade negotiations may yet fail; and negotiations on global warming will be far more difficult than those that produced the Vienna and Montreal agreements on CFCs. Nevertheless, in these narratives two features are prominent. First, failure or the threat of failure did not result from the inefficiencies of large-number collaboration but, rather, from the inability of the great powers to reach agreement. (The negotiations to revise the Montreal protocol in 1989–90 are partial exceptions to this observation.) Second, through an uncertain process of experimentation, institutional mechanisms that eased at least some of the burden which numbers placed on cooperation were discovered.

Although institutional devices have received the most attention here, their role should not be overstated. In the cases examined, the fact that the collective goods at issue permitted exclusion, particularly in the trade regime, served to

79. Riches, Majority Rule in International Organization, p. 106.
discourage free riding; and side-payments were employed in the Montreal protocol revisions. In addition, the substance of the bargains struck was not evaluated: the content of cooperation, not simply its existence, needs assessment. In the new world of multilateral governance that is making its halting appearance, however, the institutions of collective action will become increasingly important. Careful institutional design will be required to achieve the difficult balancing of decision-making efficiency and legitimacy (compliance) that is necessary for successful multilateralism with large numbers.