

WORLD POLITICS

Vol. 57

July 2005

No. 4

CONTENTS

Note from the Chair	<i>Harold James</i>	vii
An Exclusive Country Club: The Effects of the GATT on Trade, 1950–94	<i>Joanne Gowa and Soo Yeon Kim</i>	453
When Do (Imposed) Economic Sanctions Work?	<i>Jon Hovi, Robert Huseby, and Detlef F. Sprinz</i>	479
Explaining Patterns of Corruption in the Russian Regions	<i>Phyllis Dininio and Robert Ortung</i>	500
The Fiscal Contract: States, Taxes, and Public Services	<i>Jeffrey F. Timmons</i>	530
Errata		568
Index to Volume 57		570
The Contributors		ii
Abstracts		iii
Referees 2004		iv

THE CONTRIBUTORS

JOANNE GOWA is a professor of politics at Princeton University. She is the author of *Closing the Gold Window* (1983), *Allies, Adversaries, and International Trade* (1994), and *Ballots and Bullets: The Elusive Democratic Peace* (1999). She can be contacted at jgowa@princeton.edu.

SOO YEON KIM is an assistant professor of government and politics and a faculty affiliate at the Center for International Development and Conflict Management, University of Maryland. She is currently at work on a book about the impact of the GATT/WTO on international trade. She can be contacted at skim@gvpt.umd.edu.

JON HOVI is a professor of political science at the University of Oslo and at CICERO (Center for International Climate and Environmental Research—Oslo). He is the author of *Games, Threats and Treaties: Understanding Commitments in International Relations* (1998) and coeditor of *Implementing the Climate Regime: International Compliance* (2005, with Olav S. Stokke and Geir Ulfstein). He is currently working on compliance and participation in climate cooperation. He can be contacted at jon.hovi@stv.uio.no.

ROBERT HUSEBY is a research fellow in political science and an associate member of the Ethics Programme at the University of Oslo. He is currently working on his Ph.D. thesis in international ethics. He can be contacted at robert.huseby@stv.uio.no.

DETLEF F. SPRINZ is a senior fellow at the Potsdam Institute for Climate Impact Research and teaches political science at the University of Potsdam. He is the coeditor of *International Relations and Global Climate Change* (2001, with Urs Luterbacher) and *Models, Numbers, and Cases: Methods for Studying International Relations* (2004, with Yael Wolinsky-Nahmias). His current work considers long-term policy issues, the evaluation of public policy, and climate policy. He can be contacted at dsprinz@pik-potsdam.de.

PHYLLIS DININIO is an affiliate scholar at the Transnational Crime and Corruption Center of American University and a consultant to international, governmental, and nongovernmental organizations. Her books and monographs include the *USAID Handbook for Fighting Corruption* (1998), the World Bank's *Improving Governance and Controlling Corruption* (coeditor, 2006), and *The Political Economy of East German Privatization* (1999). She is currently examining corruption in the education sector, the integrity system in the U.S., and the institutional framework for transparency in service delivery. She can be contacted at pdininio@worldnet.att.net.

ROBERT ORTTUNG is an associate research professor at the Transnational Crime and Corruption Center of American University and a visiting scholar at the Center for Security Studies at the Swiss Federal Institute of Technology (ETH) in Zurich. His books include: (coedited with Andreas Wenger and Jeronim Perovic), *Russian Business Power: The Role of Business in Russian Foreign Relations* (forthcoming); (coedited with Peter Reddaway) *The Dynamics of Russian Politics: Putin's Reform of Federal Regional Relations*, 2 volumes (2003 and 2005), *The Republics and Regions of the Russian Federation: A Guide to Politics, Policies, and Leaders* (2000); (with Laura Belin) *Russia's 1995 Parliamentary Elections: The Battle for the Duma* (1997); and *From Leningrad to St. Petersburg: Democratization in a Russian City* (1995). He is currently working on projects examining the connections between organized crime and terrorism in Russia and transparency in the Russian energy sector. He can be contacted at rorrtung@worldnet.att.net.

JEFFREY F. TIMMONS is a professor of political science at the Instituto Tecnológico Autónomo de México (ITAM). He is currently working on a book about the origins and nature of fiscal contracts. He can be contacted at jtimmoms@itam.mx.

ABSTRACTS

AN EXCLUSIVE COUNTRY CLUB

THE EFFECTS OF THE GATT ON TRADE, 1950–94

By JOANNE GOWA and SOO YEON KIM

Using data on bilateral trade flows from both before and after World War II, this article examines the impact of the General Agreement on Tariffs and Trade on trade between its members and on the system of interwar trade blocs. It shows that the distribution of the benefits produced by the GATT was much more highly skewed than conventional wisdom assumes. The article also shows that the gold, Commonwealth, Reichsmark, and exchange-control blocs exerted positive and significant effects on trade after 1945. The authors attribute these effects to the bargaining protocol that governed successive rounds of GATT negotiations, the signature element of the postwar trade regime.

WHEN DO (IMPOSED) ECONOMIC SANCTIONS WORK?

By JON HOVI, ROBERT HUSEBY, and DETLEF F. SPRINZ

Previous research has documented only a modest success rate for imposed sanctions. By contrast, the success rate is higher in cases that are settled at the threat stage. In this article, the authors provide new insights about the circumstances under which sanctions cause behavioral change only *after* being imposed. First, the target must initially underestimate the impact of sanctions, miscalculate the sender's determination to impose them, or wrongly believe that sanctions will be imposed and maintained whether it yields or not. Second, the target's misperceptions must be corrected *after* sanctions are imposed. A game-theoretical model with incomplete information is used to develop and clarify the argument.

EXPLAINING PATTERNS OF CORRUPTION IN THE RUSSIAN REGIONS

By PHYLLIS DININIO and ROBERT ORTTUNG

Corruption is one of the key problems facing the Russian state as it seeks to evolve out of its socialist past. Naturally, regional patterns of corruption exist across a country as large and diverse as the Russian Federation. To explain these variations, the authors analyze 2002 data from Transparency International and the Information for Democracy Foundation that provide the first effort to measure differences in the incidence of corruption across forty Russian regions. They find that corruption in Russia is fueled by the size of government and by the level of development. Within each region, the amount of corruption increases as the number of bureaucrats grows and gross regional product per capita decreases. Russian policymakers can therefore work to reduce corruption by effectively reforming or scaling back bureaucracies and by encouraging economic development outside of the key centers of Moscow and St. Petersburg.

THE FISCAL CONTRACT

STATES, TAXES, AND PUBLIC SERVICES

By JEFFREY F. TIMMONS

Using data from approximately ninety countries, the author shows that the more a state taxes the rich as a percentage of GDP, the more it protects property rights; and the more it taxes the poor, the more it provides basic public services. There is no evidence that states gouge the rich to benefit the poor or vice versa, contrary to state-capture theories. Nor is there any evidence that taxes and spending are unrelated, contrary to state-autonomy models. Instead, states operate much like fiscal contracts, with groups getting what they pay for.

Authorization to photocopy items for internal or personal use, or the internal or personal use of specific clients, is granted by The Johns Hopkins University Press for libraries and other users registered with the Copyright Clearance Center (CCC) Transactional Reporting Service, provided that the fee of \$3.25 per article is paid directly to CCC, 222 Rosewood Drive, Danvers, MA 01923.

0043-88 71/94 \$03.25