

# THE REINCARNATION OF COCOM: EXPLAINING POST-COLD WAR EXPORT CONTROLS

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The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies is the first post-Cold War export control regime. This article explains the regime's emergence and implications in terms of three contending theories of international relations: realism, neoliberalism, and constructivism. More specifically, it addresses the question of why the Coordinating Committee for Multilateral Export Controls (CoCom), which was established during the Cold War, was replaced by an organization taking Wassenaar's form, and what this tells us about post-Cold War international security cooperation. I argue that Wassenaar's structure is due to a combination of factors emphasized by each of the three major theories, respectively: security concerns, self-interested

bargaining among states, and norms of appropriate state behavior in the international community. The role of the latter, which is highlighted by constructivist international relations theory, has traditionally received the least attention but holds important implications for security regimes. In particular, it suggests that closer transgovernmental working relationships among export control personnel can help establish organizational cultures and practices that promote effectiveness in national export control agencies. Such interaction can encourage both the internalization of nonproliferation norms through socialization processes and greater competence in enforcing controls. Wassenaar could provide a forum for such efforts.

Named for the Dutch town near the Hague where five rounds of negotiations between 1994 and 1996

were held to define its scope, purpose, and membership, Wassenaar has been called the "only important multilateral arrangement that addresses the conventional arms trade and high-technology items with military applications."<sup>2</sup> The successor regime for CoCom, Wassenaar was established on July 12, 1996, and takes much of its design from its predecessor.<sup>3</sup> CoCom was created by the United States and its allies in 1949 to restrict Western trade with the Soviet Union. Rooted as it was in the East-West conflict, it did not last long after the end of the Cold War. At a CoCom High Level Meeting (HLM) on November 16, 1993, member states agreed to phase out CoCom and replace it with an institution focused on nonproliferation export controls rather than Cold War economic warfare. CoCom controls would be maintained at national dis-

cretion in the interim.<sup>4</sup> The dissolution decision, which contrasts with NATO's persistence, was driven by increased sensitivity to national economic competitiveness in a globalizing economy, concerns that controls were inhibiting market reforms in former communist states, and a sense that CoCom was overly dominated by the United States. The decision also reflected the widespread view of CoCom (particularly among former target states) as an archaic "vestige of the Cold War."<sup>5</sup> Perhaps most importantly, the United States felt that its technology embargo inhibited Russian defense conversion and the development of market economies in Russia and China. Bringing the former enemy inside the walls was a difficult process, and in the end the issue of Russian participation was the most contentious of the two-year-long negotiations to create a "New Forum" to replace CoCom. But ultimately the negotiations succeeded in creating a successor for CoCom, culminating in the establishment of the Wassenaar Arrangement (WA).<sup>6</sup>

Critics claim that Wassenaar is an inadequate replacement for CoCom, amounting to little more than a transparency regime like the UN Register of Conventional Arms.<sup>7</sup> Even its American advocates admit that it is not all that they would like.<sup>8</sup> As one proponent wrote, "[I]t has received scant attention in the mainstream press, and has been greeted with neglect, even cynicism, by the arms control community."<sup>9</sup> Despite these concerns, states have nonetheless preferred multilateral solutions, which even the WA's critics view as superior to bilateral agreements, to the proliferation challenge. Moreover, Wassenaar is actually more than a transparency regime, as mem-

bers commit to deny exports to regions of concern and to consult each other regarding exports of many items.

However, it is not clear to what extent the CoCom-Wassenaar transition was motivated by security concerns, economic interests, or norms and identities. This article will show that, while security and economic interests played a role, norms and states' identities mattered more than traditional analyses of security would lead one to anticipate. This finding suggests there are ways to improve contemporary international cooperation to control the proliferation of advanced weaponry, so that the WA might become a more effective regime.

### PUZZLES TO BE EXPLAINED

A number of questions arise in relation to Wassenaar's development. First, why does it exist at all? If a need for a multilateral nonproliferation export control regime was widely felt, why not reform and enlarge CoCom and avoid the time and costs of two years of difficult negotiations? After all, NATO—another Cold War institution—was not abandoned or replaced by a successor. And the CoCom Cooperation Forum of the early 1990s foreshadowed the Partnership for Peace. Recognizing a need to redefine itself for a post-Cold War mission, CoCom had already been shifting to a nonproliferation focus. It is not immediately clear why this mission required a new organization, so CoCom's dissolution was not inevitable and bears explaining.<sup>10</sup>

Alternatively, if member states did not wish to preserve CoCom, why replace it? Hegemonic stability theory (HST), which claims that

the creation and maintenance of international regimes requires a predominantly powerful state, would lead us to expect that CoCom would lack a successor in the context of relative American decline since the early postwar years.<sup>11</sup> And if it was to be replaced, why was the "New Forum" such a large and unwieldy organization? Rational choice theory tells us that reaching agreement is harder with large numbers, yet Wassenaar is twice the size of CoCom.<sup>12</sup> It had been hard enough to reach consensus in CoCom without exacerbating the difficulty in gaining agreement by adding more members. Or why not, as had been suggested, combine the nuclear, conventional, biological, and missile technology export control regimes into one overarching arrangement?<sup>13</sup> This section introduces three major theoretical approaches in international relations that might provide an answer to these questions. The rest of this article then assesses how well these theories do in actually explaining the WA case.

### Realism

Realism is a cluster of theories that focus on state power as the most important factor in world politics.<sup>14</sup> Realists view states as the most important international actors and argue that anarchy—the lack of a sovereign authority above the nation-state—requires states to make self-preservation their highest priority, and to seek power to achieve that end.<sup>15</sup> Therefore, international cooperation will be rare and fleeting, especially on security matters. If export control cooperation occurs, it will be explained by realists as a collective response to a common threat, or as a result of coercion by a dominant state.

Three strands of realist theory are potentially relevant to explaining export control cooperation: neorealist balancing theory, hegemonic stability theory, and Joseph Grieco's voice opportunities thesis. Balancing theory argues that smaller states will ally with each other to prevent their domination by a larger power.<sup>16</sup> Export controls would arise as an effort to prevent a threatening state from growing stronger. Hegemonic stability theory portrays international regimes as the result of an exceedingly powerful state finding it in its interest to coerce others into the coordinated provision of an international public good, such as export control.<sup>17</sup> Hence, a dominant state that has an interest in denying certain capabilities to other states but requires cooperation to achieve that objective will either bribe or force other states to join it in export controls.

By contrast, Grieco's voice opportunities thesis states that "if states share a common interest and undertake negotiations on rules constituting a collaborative arrangement, then the weaker but still influential parties will seek to ensure that the rules so constructed will provide for effective voice opportunities for them and will thereby prevent or at least ameliorate their domination by stronger partners."<sup>18</sup> Therefore, states participating in a multilateral regime such as CoCom or Wassenaar would do so not because a hegemon prevented them from free-riding, or because they were balancing against a larger power, but to preserve influence. Realists of any stripe see international cooperation as a by-product of the distribution of power, and expect cooperative institutions to collapse when power

shifts. Contrary to realist expectations, however, this article will show that in the case of Wassenaar, security concerns do not appear to have been the primary motivation for the participation of many members.

### Neoliberalism

Neoliberalism, the most influential theoretical alternative to realism, focuses on the salutary effects of international interdependence and on the promotion of cooperation by international institutions. Neoliberals accept the realist assumptions that states are the basic actors in international relations and that they act rationally in pursuit of their national interests.<sup>19</sup> However, neoliberals argue that states, contrary to realist theory, are capable of sustained cooperation that is not merely a by-product of the distribution of power. This cooperation is accomplished through international institutions and regimes.

Thus, neoliberals see export control regimes, such as CoCom and Wassenaar, as institutional arrangements for solving collective action problems among states with common interests. States may participate not because of security concerns but to obtain economic side-payments such as freer trade with members. Or, states may cooperate initially because of a temporary security concern, but find the benefit of reducing the "transaction costs" of cooperation on other matters makes it worthwhile to institutionalize their arrangement so that cooperation extends beyond the problem that first triggered it. However, this article will show that the application of neoliberalism to international cooperation on export controls, while generating useful insights, is too in-

determinate to explain the Wassenaar Arrangement.

### Constructivism

An alternative, social constructionist, approach to world politics focuses on the role of norms and identities in international relations.<sup>20</sup> Realists and neoliberals share an assumption that actors behave rationally, choosing actions judged most likely to satisfy their most important goals. However, neither of these approaches satisfactorily explains the origins of states' preferences and interests. Realists tend to deduce a state's interests from its relative power and position in the world, while neoliberals take preferences as given and explain how states pursue them.

Critics of these approaches argue that national interests and preferences emerge and change through interaction with other states and international actors, and that explanations of international politics must account for this process. This view, expressed in constructivist theory, holds that actors' behavior regularly follows widely shared norms and standards of conduct and is critically affected by actors' conceptions of their own and others' roles and identities. Constructivists argue, for example, that realists are wrong to explain world politics primarily in terms of military capabilities and power balances. The significance of two states' capabilities depends on each actor's assessment of the other's intentions. Thus, relations between states also depend on the presence or absence of shared norms, mutual identification, and common worldviews. International politics cannot be understood without reference to this social context.

A small but growing body of work approaches export control cooperation from a social constructionist perspective. Empirical studies have examined the demand side of the arms trade in terms of developing states' desire to create a modernized identity.<sup>21</sup> Nuclear proliferation and missile guidance have been described as instances of the social construction of technology.<sup>22</sup> Constructivists have investigated the development and importance of norms of non-use relating to chemical and nuclear armaments.<sup>23</sup> And hypotheses derived from constructivism have been applied to post-Cold War export controls.<sup>24</sup>

Constructivism would explain international export control cooperation in terms of the shared knowledge and social practices that give meaning to the material factors emphasized by realists and determine the identities, interests, and preferences left unexplained by liberals. Thus, the multilateralism of the Wassenaar Arrangement would be seen as a product of basic principles (such as indivisibility, non-discrimination, and diffuse reciprocity) of the postwar international order, and not merely a direct function of the international distribution of power, or of rational transaction cost minimization.<sup>25</sup> Constructivism therefore offers an alternative to conventional security and economic-interest explanations of international export control cooperation. This is not to say that constructivists ignore power or self-interest.<sup>26</sup> Rather, they look for ways in which shared norms and identity shape actors' understanding of what their economic and security interests are. Before we can apply these theories to Wassenaar, however, a closer examination of the case is in order.

### **THE ESTABLISHMENT OF WASSENAAR: THE "NEW FORUM" AND THE NEGOTIATIONS PROCESS**

Since the decision to create the WA was a by-product of the decision to shut down CoCom, Wassenaar's story must begin with CoCom's last days. Accounts of CoCom's end differ over who initiated the dissolution process. According to the American delegation to the WA, the demise of CoCom was spurred by presidential discussions between Clinton and Yeltsin at the Vancouver summit in April 1993.<sup>27</sup> Journalist Michael Lelyveld has claimed instead that "with the breakup of the Soviet Union, Germany demanded that CoCom be buried, too."<sup>28</sup> Although CoCom was turning its post-Cold War focus to general nonproliferation controls, its demise did not signal a rejection of institutionalized export control coordination in general. The decision to establish a "New Forum" showed that states continued to view multilateral export control cooperation as necessary, albeit for different purposes.<sup>29</sup> This consensus stemmed from alarm over the extent to which Iraq had progressed in its weapons programs, as discovered in the Gulf War of 1991. As a US State Department Fact Sheet stated, "The Iraq war taught us that indiscriminate exports of conventional weapons and sensitive dual-use technologies can pose serious threats to our interests and to international security."<sup>30</sup>

Originally, it was expected that the successor regime would take over at the time of CoCom's dismantling. However, agreement on the replacement framework was not achieved for another two years. Twenty-eight states reached agree-

ment on a basic framework in late December of 1995, and representatives of 31 states attended the first plenary session. However, agreement on basic issues was not reached until July of 1996, when Wassenaar was formally founded by 33 states.<sup>31</sup> The former CoCom states and cooperating countries form the core of the successor institution, but Wassenaar also includes former CoCom targets and other non-members.<sup>32</sup>

CoCom had been founded in 1949 by the United States and its allies—mostly NATO members.<sup>33</sup> It arose from a shared concern that uncontrolled trade with the Soviet Union and its allies could increase the communist threat to their own security. CoCom eventually grew to encompass 17 states—the NATO member states minus Iceland plus Japan and Australia.<sup>34</sup> Neutral states such as Austria, Switzerland, and the Netherlands were induced to undertake varying degrees of cooperation, although they did not join.<sup>35</sup> Even among members, however, there was significant disagreement over the extent to which an economic embargo was desirable. This produced internal debate and conflict over what items were to be controlled. CoCom was headquartered in an annex to the US Embassy in Paris on the Rue de la Boétie.<sup>36</sup> It had a staff of about 20 and consultations were held on a weekly basis in an awkward L-shaped room in the basement.<sup>37</sup>

CoCom set several precedents for later export control regimes. First, it was an informal arrangement. As one description put it, "COCOM is based not on international treaty or law but on agreement,"<sup>38</sup> and "[a]s a voluntary organization, COCOM

has no mechanism for forcing members to accept its recommendations.”<sup>39</sup> Also, CoCom established the practice of multilateral list construction, creating three lists of controlled items. These were the International Atomic Energy List (IAEL), International Munitions List (IML), and Industrial List.<sup>40</sup> Adding or removing an item from a control list required unanimity. It was the Industrial List, covering dual-use equipment, that proved the source of the most dissension.<sup>41</sup> CoCom further established the practice of import certificate/delivery verification (IC/DV) systems to monitor export control compliance.<sup>42</sup> Many of these precedents lived on after CoCom’s demise.

The actual proposal to replace CoCom with a successor was initially made by the United States in 1993.<sup>43</sup> As then Under Secretary of State Lynn Davis testified in early 1994:

...[R]ather than sweeping away the CoCom arrangement, we decided there were good reasons for an orderly transition in which the arrangement would be closed down with care and a new regime established to respond to the new security threats...[Regional arms proliferation concerns] led us to approach our allies in mid-1993 with a proposal to create a new, more broadly based mechanism with a security rationale tailored for the post-Cold War world.<sup>44</sup>

As a result, it was decided in late 1993 that CoCom would be dissolved, with the goal of establishing a successor regime by the time CoCom shut down. In fact, while CoCom was eliminated on March 31, 1994, the Wassenaar Arrangement was not formally inaugurated until July 12, 1996. The interim was

described by some as “NoCom.”<sup>45</sup> States continued to observe the CoCom regulations at national discretion until the establishment of a New Forum to succeed it.

The decision to end CoCom and negotiate a successor was announced on November 16, 1993, at the close of the CoCom High Level Meeting in the Hague.<sup>46</sup> Frans Engering of the Netherlands, chair of CoCom at its end, was named president of the multilateral negotiations aimed at implementing a CoCom successor. In late October of 1994, he stated that he expected the establishment of the New Forum by the end of the year.<sup>47</sup> However, at year’s end negotiations remained deadlocked over Russian agreements to sell arms to Iran. Specifically, agreement “hinged on existing contracts between Russia and Iran covering Kilo-class submarines, T-72 tanks and various fighter aircraft.”<sup>48</sup> Reportedly, the United States had pressed at the December 21-22 HLM in Wassenaar that the WA be established without Russia, in view of Russia’s intransigence in the face of American demands that it forego already agreed to sales to Iran.<sup>49</sup>

European states, on the other hand, felt that Russian participation was absolutely necessary in order for WA to develop effectiveness or legitimacy, and they were unwilling to accept WA without Russia.<sup>50</sup> In fact, Japan and the European states were much less concerned with the Iran issue and were prepared to admit Russia first and settle the Iran sales later.<sup>51</sup> Faced with this deadlock, some speculated that the United States might offer to compensate Russia for any claims that Iran might bring on the basis of Russian failure to provide arms it had

agreed to sell. The issue was tabled pending a February meeting in Canberra, Australia.<sup>52</sup> Shortly thereafter, at an informal meeting in Carcassonne, France, on March 18-19, 1995, EU foreign ministers suggested inviting Russia to join discussions.<sup>53</sup> The United States eventually agreed to Russian participation in late June of 1995.<sup>54</sup> However, this was less than six months before the scheduled conclusion of the negotiations and Russian participation was therefore somewhat limited.

After the deadlocked December 1994 HLM, the representatives released a statement identifying remaining tasks. Three were specifically highlighted: dealing with the dual-use and conventional arms pillars (especially with respect to computers, telecommunications, and machine tools), completing technical aspects of these pillars, and developing provisions for greater transparency through information exchange and consultation.<sup>55</sup> In addition, the statement called for consideration of membership for Taiwan, South Korea, the Baltics, and most of the Eastern European states that had been part of the Soviet informal empire during the Cold War.<sup>56</sup> These states had been coordinating with CoCom for a number of years.<sup>57</sup> Finally, the joint statement declared that the new arrangement would be open and nondiscriminatory, admitting any states meeting its previously agreed on membership criteria.<sup>58</sup> This demonstrated both a desire to distinguish the New Forum from CoCom’s explicit targeting of the Soviet bloc and China, and a lack of consensus on exactly which states were to be considered pariahs.

The specific arrangements that emerged from these negotiations were lists of components categorized in the two pillars of dual-use goods and conventional arms. In the formulation of the arms pillar, minilateralism (leadership by a core group within a larger multilateral arrangement) was evident with the United States, United Kingdom, Russia, France, Germany, and Italy meeting informally as a “small group on conventional arms” to “develop special guidelines for detailed information exchange and pre-consultation amongst themselves.”<sup>59</sup> Little consensus had emerged as of early 1995, however, with knowledgeable sources reporting that the French and Russian delegations were resistant to conditions pushed by the United States. Smaller states such as Japan, the Netherlands, and Norway were agitating for successful negotiations among the small group membership from which they were excluded.<sup>60</sup> Despite the small group dissension, there was agreement in the broader arena on a biannual information exchange among all participating states covering deliveries of arms listed on the UN Register to nonmembers of the new regime.<sup>61</sup>

These provisions generally contrast with CoCom’s, which required notification of all members in advance of sales to the Soviet bloc and required unanimous approval in CoCom in order for such sales to go forward. Thus WA is, in comparison to CoCom, viewed as having a “seriously weakened mandate”<sup>62</sup> as a result of its wider jurisdiction and larger membership. Examples include the lack of a unanimous approval rule (veto) to allow sales and the generally voluntary nature of the arrangement as a whole. However,

states such as the United States that prefer a stricter and stronger regime view this as a foundation on which to build a more effective structure.<sup>63</sup>

The Wassenaar Arrangement was created with greater concern for its effect on commerce than had characterized CoCom. By July of 1995, an international board overseeing the New Forum negotiations was receiving input not only from states, but also from industrial peak associations such as the Union of Industrial and Employers Confederations of Europe (UNICE).<sup>64</sup> In September 1995, 28 states announced the creation of the New Forum as working groups followed through on unresolved issues in preparation for the December High Level Meeting at Wassenaar.<sup>65</sup> At the conclusion of the December meeting, the New Forum formally announced the founding of the WA at the Peace Palace in the Hague. It was agreed that the institutional home of the arrangement, a small permanent secretariat, would be in Vienna.

What was to have been the first plenary meeting of the WA took place on April 2-3, 1996, in Vienna.<sup>66</sup> This was a contentious affair, and rather than accomplishing the tasks on the agenda, the delegates instead became embroiled in a disagreement with the Russian representatives over whether notification of undercuts (sales which others had earlier denied) were to be required at the time of license issuance or after the sale was completed.<sup>67</sup> The United States refused to proceed on the establishment of the secretariat until the Russians agreed to the consensus of the other delegations that the earlier notification was necessary for the arrangement to be minimally effective. One delegate

stated that “We were not able to accept a sham of an organization.”<sup>68</sup> In addition, the French and Germans resisted efforts to specify proscribed targets such as Iran and Iraq, and one US official was quoted as saying that outside issues were being injected in “some weird dynamic between the United States and Germany over the management of Atlantic relations.”<sup>69</sup> One report later stated that “Russia’s admission to the new group nearly killed it because Moscow insisted on using other nations’ license denial information for leads to land its own sales.”<sup>70</sup>

Deadlocked, the business of the meeting was deferred to a plenary session on July 11-12. This follow-up meeting was held with a feeling that further deadlock would mean that “the entire arrangement could collapse.”<sup>71</sup> Frans Engering, the Dutch official who had been heading the New Forum negotiations, stepped aside in frustration, and was replaced by Staffan Sohlman of the Swedish Foreign Affairs Ministry. In the crisis atmosphere almost all fundamental outstanding issues were settled. The Russians accepted the April text, and administrative tasks were resolved with one exception—there was no agreement on who would actually head the secretariat, as neither American nor German nominees gained the requisite support. This issue was tabled until the next scheduled plenary session in December, and still was not resolved months later.<sup>72</sup> However, the Wassenaar Arrangement had finally been founded.

The Initial Elements finally established at the July meeting state that:

- (1) The Wassenaar Agreement has been established in order to contribute to regional and international se-

curity and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, thus preventing destabilizing accumulations. Participating states will seek, through their national policies, to ensure that transfers of these items do not contribute to the development or enhancement of military capabilities which undermine these goals, and are not diverted to support such capabilities.

(2) It will complement and reinforce, without duplication, the existing control regimes for weapons of mass destruction and their delivery systems, as well as other internationally recognized measures designed to promote transparency and greater responsibility, by focusing on the threats to international and regional peace and security which may arise from transfers of armaments and sensitive dual-use goods and technologies where risks are judged greatest.

(3) This arrangement is also intended to enhance cooperation to prevent the acquisition of armaments and sensitive dual-use items for military end-uses, if the situation in a region or the behavior of a state is, or becomes, a cause for serious concern to the participating states.

(4) This arrangement will not be directed against any state or group of states and will not impede bona fide civil transactions. Nor will it interfere with the rights of states to acquire legitimate means with which to defend themselves pursuant to Article 51 of the Charter of the United Nations.<sup>73</sup>

The question of who would head the secretariat remained unresolved after the December 1996 plenary, after strong arguments over German and American candidates.<sup>74</sup> But the

closed-door December 1996 plenary did agree on a work program and a 1997 budget.<sup>75</sup> It was also agreed, after initial European opposition to the US proposal, to include mention of a specific country—Afghanistan—in the final communique, as an example of a conflict area to which no WA members had exported arms.<sup>76</sup>

Voluntary exchange of information was to begin September 1, 1996.<sup>77</sup> November 1, 1996 was set as the target date for list implementation. The exchange of information for the conventional arms pillar covers the seven categories of the UN Register on Conventional Arms Transfers: (1) battle tanks, (2) armored combat vehicles, (3) attack helicopters, (4) combat aircraft, (5) warships, (6) heavy artillery, and (7) missiles and missile launchers.<sup>78</sup> Ground-to-air missiles were not included because of “resistance on the part of other countries [than the United States].”<sup>79</sup> There were to be three other exchanges covering the different tiers and subsets of the dual-use list in which information such as the descriptions, numbers, and reasons for denial of items’ exports would be included.<sup>80</sup> Some delegates said their states would be unable to make this target but would make every effort to implement the agreement by the December 1996 plenary.<sup>81</sup> This was generally accepted by the delegates, in recognition of the variance in existing export control arrangements among the member states. After a rocky start, the Wassenaar Arrangement was up and running.

#### THE ELEMENTS OF THE WA

The Wassenaar Arrangement is similar to its predecessor institution

in many ways but differs in some significant features. Typical of export control regimes, it is an informal arrangement lacking a legal basis in a formal treaty.<sup>82</sup> Also, like CoCom, WA is based on coordination of national controls, rather than international management of international trade in controlled items. However, its membership of 33 states is larger than any other multilateral export control arrangement except the (London) Nuclear Suppliers Group (NSG), and includes nearly twice as many states as did CoCom.<sup>83</sup> Many of these member states are former CoCom targets. Thus, a key feature of the Arrangement is the membership.

#### Form and Membership

Robert Keohane has distinguished multilateral institutions according to their criteria for membership. Restricted institutions are those that limit membership to states with particular systems of government or shared interests. Keohane calls institutions that are in principle open to all states meeting required conditions “conditionally open.” According to this distinction, CoCom was a restricted regime, while Wassenaar is a conditionally open one.<sup>84</sup> CoCom was more restricted in its membership and its multilateralism was essentially Western rather than global. In its original Cold War technology-denial mission, it was not open to any country meeting specified standards of behavior. Rather, it expressly proscribed transfers to the Soviet bloc *per se*. Rather than explicitly targeting any particular state or states, Wassenaar has been declared to be open on a nondiscriminatory basis to any state meeting its criteria, and it targets behavior deemed illegitimate rather than per-

manently targeting particular states, as CoCom did. ("Rogue regimes" such as Iran, Iraq, North Korea, and Libya have been informally identified as target states, but are not formally designated with this status in Wassenaar's founding documents.) However, while CoCom was a more exclusive club, it was clearly not bilateral. And, by including small states, such as the Benelux countries, and operating on the basis of consensus rather than majority voting, it was more properly termed multilateral rather than a great power unilateral arrangement.<sup>85</sup> So CoCom and WA both exhibit variation on the multilateral form.<sup>86</sup>

### **Lists and Notification Requirements**

Wassenaar closely parallels its predecessor in the use and form of its lists of controlled items. Like CoCom, Wassenaar has lists of items of varying levels of concern (tiers), categorized within conventional arms and dual-use "pillars." The dual-use pillar is made up of a basic (tier 1) list of controlled goods, supplemented by annexes listing sensitive (tier 2) and very sensitive (subset of tier 2) goods. CoCom required notification of all members in advance of all sales to proscribed destinations, and unanimous approval in order for such sales to go forward. While Wassenaar lacks the unanimity rule that allowed CoCom members to veto each other's exports of controlled items, Wassenaar members agreed that a state would, within 60 (preferably 30) days of approving a license for the export of an item "essentially identical" to one that had been denied by another state within the past three years, inform the state that had issued the denial. This provision is effective only if it

results in meaningful consultations over whether to allow such "undercutting" to be consummated, not merely as notification of a fait accompli.<sup>87</sup> Under Wassenaar rules, decisions are made at national discretion and no veto exists in any case. WA also lacks the level of ongoing consultations that characterized CoCom. However, it is free of the symbolic baggage of the Cold War that complicated attempts to adapt CoCom to a nonproliferation mission in its later years. The emphasis of WA is on nonproliferation, transparency, and end-use assurances, rather than on wholesale denial of technology and trade to Communist states. WA is much more open than the secretive CoCom, and even has its own web page.<sup>88</sup> But the practices of lists and the administrative techniques involved are clearly the legacy of CoCom.

These practices of institutionalized export control are not limited to CoCom and Wassenaar. According to Lynn Davis, former<sup>89</sup> US Undersecretary of State for Arms Control and International Security Affairs:

Although the CoCom parties were responsible for initiating development of the Wassenaar Arrangement, the successor regime differs significantly in its goals and procedures, given the changed strategic environment. CoCom was designed as an institution of the Cold War to respond to the threat posed by the Soviet Union and its allies. The West sought to maintain its qualitative edge on the battlefield by a virtual prohibition on sales of arms to "communist countries" and by controlling the export of strategic products and technical data. As the original threats of the Cold War diminished, new

threats to global security began to emerge, including the spread of weapons of mass destruction and their delivery systems. This led the US and other countries to develop worldwide nonproliferation regimes, such as the Nuclear Suppliers Group, the Missile Technology Control Regime [MTCR], and the Australia Group. The Wassenaar Arrangement extends and complements this development. And it begins, as did these other regimes, with the initial elements essential to getting underway the practical work—frameworks, basic guidelines, and lists.<sup>90</sup>

Reminiscent of CoCom's headquarters in an annex to the American embassy in Paris, the Wassenaar Arrangement is based in Vienna with a small secretariat located there. The secretariat employs a staff of about 10 people in facilities supplied by the Austrian government.<sup>91</sup> However, policy is set not by the staff but by consensus of the members themselves.

### **Membership and Targets: Inside and Outside**

WA membership is broad in comparison to other nonproliferation export control regimes and includes a number of former CoCom targets. There were 36 states as of July 1996 that were members of one or another of the major regimes (CoCom, MTCR, NSG, Zangger Committee, Australia Group, and EU dual-use regulation). Of these, all but three were members of the Wassenaar Arrangement as of this writing. As noted above, this makes WA the second most comprehensive of the export control regimes in participation. Brazil, Iceland, and South Africa are the only members of other nonpro-

liferation regimes that are not members of Wassenaar, and South Africa has expressed interest in joining WA.<sup>92</sup> In some cases, such as Bulgaria, states have lobbied hard to be admitted after being initially refused.<sup>93</sup> Such interest can be motivated by security concerns, domestic politics, the desire to obtain greater access to advanced Western technology, and a wish to become full members in the international community through participation in multilateral regimes.<sup>94</sup> Russia has asked that Belarus and Kazakhstan be admitted to WA, as they form a Customs Union with Russia, and Belarus has directly expressed its interest in joining.<sup>95</sup>

Among the features of WA agreed to in the negotiations are that “[t]he Wassenaar Arrangement will be open on a global and nondiscriminatory basis to all countries meeting the agreed membership criteria.”<sup>96</sup> The membership criteria, agreed to at the High Level Meeting in September 1994, are:

adequate existing export controls, adherence to the major international weapons nonproliferation agreements, and ‘responsible’ export policies toward ‘pariah’ countries—Iran, Iraq, Libya, and North Korea. (These countries have been deemed pariahs because of their suspected ties to terrorism, attempts to develop nuclear or other weapons of mass destruction, possible designs on territorial expansion or other forms of behavior that raise questions about their commitment to regional and global stability.)<sup>97</sup>

Thus, it is the collective judgment of state behavior rather than either regime type or membership in a particular bloc or alliance structure that establishes their status as pariahs.

### Early Performance

Early evaluations of WA revealed disappointment by advocates of strong nonproliferation export controls. One commentator argued that “Wassenaar, conceived as a forum for instituting arms export restraint, merely provides a forum for exchanging information on arms shipments.”<sup>98</sup> Another critic claimed that “The failure of Wassenaar served to increase US reliance on unilateral controls.”<sup>99</sup> The voluntary September 1996 data exchange involved submissions on dual-use transfers from only half of WA members, though all had reported to the UN Conventional Arms Register. However, this first exchange had been viewed as non-compulsory because some founding members had indicated they would be unable to comply with regime requirements by the September date.

Several states that had not yet passed the national implementing legislation did so shortly thereafter. A working group session on the first two days of a June 2-12, 1997, meeting of WA member state representatives evaluated the March 31, 1997, information exchange and found substantially improved participation compared to the September 1996 exchange.<sup>100</sup> US officials have continued to express confidence in WA as a foundation for the development of more effective cooperation. In one proposed expansion of Wassenaar’s role, several states have also pushed to have light weapons included in Wassenaar’s purview. And while consensus on formally naming states as targets remains elusive, agreements have been reached on control of encryption, expanding the dual-use lists, and designating Iran, Iraq, Libya, and

North Korea as “dangerous countries” in which arms buildups should be prevented.<sup>101</sup>

### ABILITY OF THEORIES TO EXPLAIN THE WA

Having covered Wassenaar’s brief history, we can now apply the theories outlined earlier to the case. While each theory contributes something to an explanation of Wassenaar, none provides a full explanation by itself. Realists’ emphasis on state power highlights the importance of American leadership in the establishment of WA. But the lack of agreement among members over the threat posed by proliferants, and the limited effect of supposed American hegemony, are not well explained by realism. Factors emphasized by neoliberals, such as side-payments for regime compliance, clearly play a role in export control cooperation. Greater access to Western technology is a strong incentive to seek admission to regimes such as Wassenaar. And the neoliberal distinction between problems of coordination (minimal cooperation to avoid a particular undesirable outcome) and collaboration (active cooperation to achieve a particular collective good) is useful for analyzing the process of problem definition in the formation of Wassenaar. However, it is necessary to turn to constructivist analysis to explain why particular problem definitions were adopted, and to appreciate the role of norms of nonproliferation and multilateralism. Constructivism’s relevance to WA suggests that closer engagement with former target states may enhance export control cooperation and effectiveness through socialization of relevant elites and organizations.

## Realism

Realists expect export controls to reflect states' perceptions of the degree to which trade in weapons-related technologies enhances or threatens their relative power. This theory therefore offers an explanation of export control cooperation as either a form of alliance behavior or of hegemonic dominance.<sup>102</sup> Strict export controls will be undertaken by a state if technology transfer is seen as likely to strengthen actual or potential adversaries more, on balance, than gains from trade in such technologies would strengthen that state's own capabilities. Neorealism, with its emphasis on the difficulty of cooperation between distrustful states in a dangerous world, explains export control cooperation in general as a form of alliance behavior.<sup>103</sup> This is a plausible explanation of CoCom's origins. In fact, CoCom has been termed "the economic arm of NATO." CoCom was, in this view, a product of the bipolar structure of the Cold War international system, and its demise was expected with the end of bipolarity.

The replacement of CoCom with the WA could, if in its internal makeup WA more accurately than CoCom reflects the international distribution of capabilities, be consistent with neorealist expectations. This explanation appears consistent with congressional testimony by trade consultant and former Reagan administration under secretary of commerce for export administration, Paul Freedenberg, in which he stated that "Unfortunately, given the attitudes of our allies and based on what they consider to be US domination of CoCom, we must reconcile ourselves to the creation of a new organization that will not have anywhere

near the discipline, the structure, or the coherence that CoCom had."<sup>104</sup> Indeed, those states that have been most resistant to strengthening Wassenaar—Russia and France—have also been among the states expressing the greatest concern with American power, and therefore showing the greatest propensity to balance against the United States. To some extent, then, Russian and French reticence in Wassenaar may be balancing behavior.<sup>105</sup>

However, while the post-Cold War demise of CoCom is consistent at first cut with realist expectations, the establishment of the Wassenaar Arrangement is more problematic. An outcome more consistent with the skepticism of hard-core neorealists regarding international institutions would have been allowing CoCom to expire without the establishment of such a replacement. Arms exports would then be a source of national political and economic power uninhibited by international restrictions. On the surface, at least, the fact that this does not appear to have been very seriously considered presents an anomaly for neorealists. Absent the Soviet threat, it is unclear from a neorealist perspective why states as diverse as the United States, Western European powers, and former Soviet and Warsaw Pact states should join in such an arrangement, particularly in light of the manifest inability of the member states to agree on a set of proscribed destinations.<sup>106</sup> For neorealists, a security regime such as Wassenaar ought to reflect a common threat, yet the member states do not agree on what that threat is. In some cases, former Warsaw Pact states may have joined WA in order to facilitate their incorporation into NATO in some

form. But alliances for neorealists are balancing devices, and participation in Wassenaar does not appear to constitute balancing.

Alternatively, neorealists could explain Wassenaar in terms of Joseph Grieco's "voice opportunities thesis." This thesis states that "if states share a common interest and undertake negotiations on rules constituting a collaborative arrangement, then the weaker but still influential parties will seek to ensure that the rules so constructed will provide for effective voice opportunities for them and will thereby prevent or at least ameliorate their domination by stronger partners."<sup>107</sup> Thus, sharing a concern with post-CoCom prevention of destabilizing arms buildups, smaller states chose to cooperate in the New Forum in order to prevent American domination. For example, members might be able to limit American dominance of the international arms market by imposition of regime restrictions. The lack of a member veto rule in Wassenaar could be taken as success in avoiding US domination, preserving others' freedom of action.

This thesis implies that the United States could impose unacceptably high costs on other participants if they failed to cooperate, and that Wassenaar membership is undertaken on the theory of "if you can't beat them, join them." However, it does not appear that the United States has this sort of power in the 1990s. The United States could not credibly threaten a trade war as punishment for noncooperation, for instance, because the targets of the threats would know that the economic and domestic political consequences to the United States would likely foreclose that option. Because

the United States no longer has the sort of global economic and technological dominance it commanded in the early decades of the Cold War, its potential to punish noncooperation on export controls is quite limited, at least for its more prosperous European allies. For example, the limited effects of recent American sanctions threats against allies under legislation such as the Helms-Burton Act on Cuba calls into question the potential for American domination on matters of trade and security, and thereby the need for states to preserve "voice opportunities."

Finally, hegemonic stability theory explains CoCom as an instrument for realizing the hegemon's interest in the collective good of technology control.<sup>108</sup> CoCom is seen as the creation of a hegemonic postwar United States, and its decline is not surprising given the relative American decline from that peak of power.<sup>109</sup> This argument is complicated, however, by a controversy over whether the United States is a declining power or still a structural hegemon and questions about whether the conditions necessary for HST to be operative apply in this case.<sup>110</sup> In any case, the establishment of WA would seem to challenge the argument that a hegemon is necessary for regime creation. This is reflected in the many ways in which the Arrangement does not correspond to US preferences to the degree one would expect from this perspective. Thus, while Wassenaar is not obviously inconsistent with HST, neither is it clearly explainable as an effect of American hegemony or of its decline.

### Neoliberalism

Neoliberals see export control cooperation as the result of bargaining among rational states with common but not identical interests. Neoliberals explain sustained cooperation under conditions of anarchy in terms of situations modeled through game theory.<sup>111</sup> They categorize different arrangements of actors' interests into different game situations, which imply different institutional forms. In dilemmas of common interest, or collaboration games, individually rational behavior produces a suboptimal outcome. Prisoner's Dilemma (PD) is the best-known example.<sup>112</sup> Actors in collaboration games stand to benefit by defection from agreements, but suffer if all do so. Collaboration can improve the outcome for all, but only if a monitoring and enforcement regime can be established to detect and punish defections.<sup>113</sup>

Dilemmas of common aversion, or coordination games, by contrast, are those in which actors have an incentive to act in concert, but often have different preferences regarding which policy they should collectively adopt.<sup>114</sup> However, once this is settled, there is no incentive to defect as each participant is better off acting together than unilaterally adopting its preferred policy. Therefore, monitoring and enforcement of compliance is unnecessary and may be counterproductive. What is required in this situation is a forum for bargaining and communication to facilitate the selection of a common position.

A third situation, known as a suasion or coercion game, closely parallels hegemonic stability theory. In this situation, a hegemon has incentives to unilaterally provide a pub-

lic good but also acts to prevent others from free-riding.<sup>115</sup> Unfortunately, it has proven difficult to determine which game situation applies in export control scenarios, and different members often seem to perceive the situation differently. I will demonstrate that this appears to have been the case with CoCom and in the establishment of Wassenaar, making it necessary to go beyond neoliberalism to explain these regimes.

Lisa Martin describes CoCom as a suasion game in which a hegemon prevents allies from free-riding.<sup>116</sup> This is accomplished through threats, promises of side payments, and the creation of issue linkages. Institutions can facilitate such strategies. Martin elaborates on the CoCom case as follows:

Carrying out either threats or promises is costly. Thus, the hegemonic actor needs to establish a credible commitment to linkage. For the United States, making tactical linkages credible presents a major challenge in suasion situations. In the COCOM case, for example, a linkage between control of technology and Marshall Plan aid was established by Congress, thus improving the administration's bargaining position within the regime.<sup>117</sup>

However, this interpretation of CoCom's early period, 1949-1954, is based on the analysis presented in Adler-Karlsson's classic study of CoCom.<sup>118</sup> It does not fit well with Mastanduno's revisionist interpretation, which argues that this linkage was never credible to the European allies because they recognized that the US interest in the economic reconstruction of Western Europe outweighed the goal of technology control, and notes that the

Eisenhower administration conspired with the allies to sever the linkage.<sup>119</sup> Mastanduno explains allied cooperation in establishing CoCom as the result of convergence of national preferences largely brought about by the Korean War.<sup>120</sup> Mastanduno's analysis is widely accepted, and Martin cites it approvingly in her study of multilateral economic sanctions:

[I]nterpretations that see multilateral agreements on strategic goods as the solution to a collective action dilemma rather than as a coercion game conform better to the facts. The United States preferred more stringent controls than did the Europeans, and the [US] government could not credibly threaten to sell its own technology if the Europeans did not control theirs—domestic outcry would have prevented such sales. In addition, threats to cut aid were not credible, since the United States valued highly the recovery of friendly nations.<sup>121</sup>

Nevertheless, she maintains that the coordination of dual-use technology controls in CoCom was a suasion (or coercion) game and that the United States was merely unable to impose its preference through credibly establishing a tactical issue linkage. Mastanduno's analysis, although not framed in game theoretic terms, views the situation as closer to one of collaboration, and attributes discord in CoCom largely to failure of American leadership.<sup>122</sup> Richard Cupitt and William Long, however, use CoCom as an illustration of a coordination problem in which coercive measures are inappropriate and likely to prove counterproductive.<sup>123</sup>

Martin further claims that if the distribution of power changes so

that a declining hegemon is no longer willing or able to unilaterally provide a public good, then a suasion situation becomes a collaboration problem.<sup>124</sup> Presumably, then, the Wassenaar Arrangement would be viewed as a collaboration regime. The disagreement over how to model the export control "game" illustrates a dual difficulty confronting game theoretic analyses of export control cooperation: it is often not clear whether a situation is best understood in terms of coordination, collaboration, or coercion. And even if this can be established, the static nature of most game theory work on international relations does not permit an understanding of how or when the situation will change.<sup>125</sup> In practice, neoliberals deal with this either by attempting to deduce state preferences from the international power structure or by identifying preferences inductively and setting them as constant in the analysis.

A debate related to the collaboration-coordination question pertains to the propensity of states to comply with agreements. Abram and Antonia Chayes have advanced a "managerial" thesis. It claims that states generally comply, that violations are typically inadvertent or marginal, and that regimes require management more than enforcement of their provisions.<sup>126</sup> Viewed from this approach, regimes are typically solutions to coordination problems. George Downs and others have challenged this, arguing that states mainly violate agreements out of self-interest, not inadvertence. Such an approach thus sees the problem as collaboration, not coordination.<sup>127</sup>

The difficulty in neoliberal theory in identifying the game situation is

clearly reflected in the case of the Wassenaar Arrangement. It appears that much of the politics in WA involves problem definition. The United States sees Wassenaar as a solution to a collaboration problem, and thereby sees effective, formally institutionalized monitoring and enforcement provisions as desirable and necessary. The Europeans, on the other hand, see the WA more as a solution to a coordination problem, in which sanctions for defection are counterproductive and the primary problem is a lack of policy harmonization, not cheating. This political struggle over creating a shared understanding of the nature of the game is not well handled within a neoliberal framework. Understanding how states develop a common problem definition is the domain of social constructionist approaches, such as constructivist international relations theory.

### Constructivism

Constructivism explores the ways in which shared norms and identities shape actors' understandings of their interests.<sup>128</sup> Constructivism might account for the demise of CoCom in terms of change in the normative dimension of international relations associated with the end of the Cold War. The Western intersubjective consensus that had established the rationale for CoCom's existence had vanished, and CoCom seemed to interfere with liberal ideas that had become more consensual among CoCom states in the 1980s.<sup>129</sup> Furthermore, Wassenaar's rules and form are more consistent with principles of multilateralism, whose salience has increased dramatically since CoCom's creation.<sup>130</sup> And, with the

end of the Cold War, nonproliferation norms and norms of non-use or possession of weapons of mass destruction (WMD) became increasingly salient within the international community. The greater force of these norms with respect to WMD rather than conventional arms and dual-use technologies helps explain the greater willingness of states to agree to restrictions on goods covered in regimes other than Wassenaar. Thus constructivists point to conformity with norms of legitimacy in an institutional environment as well as considerations of material power or rational technical efficiency as major determinants of change and continuity in international cooperation on export controls in recent decades.<sup>131</sup>

Constructivists would expect the establishment of the WA and the breadth of its membership to reflect the successful promotion of a set of normative and principled understandings regarding appropriate state conduct in the area of technology transfer. Thus, states would be expected to join export control regimes and establish CoCom-like national export control systems out of a sense that this is part of what it is to be a proper state, rather than due to independent national preferences arising from security concerns or domestic political interests.<sup>132</sup> Norms favoring multilateralism are an important part of this argument, and help account for Wassenaar's size and inclusiveness. One constructivist account of the end of the Cold War argues that the diffusion of these norms, rather than changes in material capabilities of states, drove the process, as

The Soviet Union, and then its successors, wished to join the "community of na-

tions" and, more particularly, what Gorbachev termed the "common European home." The community of nations was for [Gorbachev]—and that is significant—not simply the sum of states recognized in accordance with international law, but rather a collection of states that participated in the multilateral institutions of the post-war era.<sup>133</sup>

Michael Beck has argued that early Russian export control cooperation was driven in large part by Russian identification with the liberal West and not by security concerns. He argues that

During the first years of Russia's independence, Russia's foreign minister Kozyrev pursued a foreign policy which sought to integrate Russia into the "civilized" or Western community of states. ...Russia's identification with the West in the early years of its independence also allowed for unprecedented cooperation in arms control and nonproliferation. At the 1993 Vancouver Summit with President Clinton, Yeltsin noted that cooperation was possible on a wide range of issues, including nonproliferation, because the United States and Russia "are now democratic partners."<sup>134</sup>

These findings are consistent with other research that underlines the role of shared (liberal) identity and multilateral norms among states as the basis for post-Cold War export control cooperation.<sup>135</sup> Thus, for constructivists, the convergence of worldviews and greater mutual identification in the wake of the Cold War, along with the spread of nonproliferation and transparency norms, are key causes of Wassenaar's development. More than either realism or neoliberalism,

constructivism can account for not just the creation of a new export control regime after CoCom, but for the main organizational features of the WA.

## **CONCLUSION: INSTITUTIONAL REINCARNATION AND EXPORT CONTROLS**

These different theoretical perspectives offer different policy prescriptions for strengthening post-Cold War export control cooperation. Realism points to the crucial need for American leadership, a critical factor in CoCom's effectiveness.<sup>136</sup> Neoliberals agree but also believe that institutional design matters and has an effect partially independent of state power. But design depends on how states perceive the "game" situation. If the Wassenaar Arrangement is to become the robust export control regime envisioned by the United States, it must be organized to solve a collaboration problem requiring monitoring and enforcement rather than remain just a transparency regime structured to enable states to avoid a common aversion.<sup>137</sup> Alternatively, if a closer congruence of interests were to emerge, producing a shared view of the situation as a coordination problem, then Wassenaar could work effectively without monitoring and enforcement.

However, either of these paths will require the promotion of a shared understanding of the problem, which does not now exist among the members. Unfortunately, while highlighting their importance, constructivism offers no clear prescriptions for the creation of shared understandings. In fact, contrary to

critics, constructivists generally see intersubjectivity as an “emergent” phenomenon that cannot be easily controlled or crafted.<sup>138</sup> Along with liberals, however, constructivists do hold that interaction over time can produce shared identity and acceptance of the preferability of cooperation.<sup>139</sup> More specifically, recent constructivist work emphasizes the importance of promoting a common identity among states as responsible members of a liberal, pluralistic security community.<sup>140</sup>

Since membership in regimes such as Wassenaar can help promote such an identity, it may be worth making preparations to accept members that currently possess less than exemplary export control records in the expectation that they can be socialized by engagement. In short, constructivism suggests their participation in regimes may gain their cooperation more effectively than would exclusion.<sup>141</sup> Thus, it has been argued that “[e]ngaging the Chinese at an early stage of the regime development process will lay a promising foundation for future compliance with international norms,”<sup>142</sup> and that international technical working-level relationships among firms and governments can “help to build a culture of control in China at all levels.”<sup>143</sup> This recommendation is made with the recognition that regime membership by itself does not necessarily halt illicit transfers. It reflects a belief that engagement in export control regimes will eventually promote a shared commitment to nonproliferation norms and practices.<sup>144</sup>

This suggestion is consistent with the Chayes’ managerial thesis: that states have a propensity to comply with regimes, and the primary chal-

lenge is to assist them in that effort. Even taking into account Downs’s critique, for Wassenaar it is simply too late to adopt the associated recommendation to start with a small group of committed states rather than an inclusive founding. The consequence of excluding major suppliers such as Russia would have been politically unacceptable, and would have created a serious gap for a control regime. However, ongoing engagement with states such as Belarus and Kazakhstan promises improvement in the effectiveness of their export control systems.

The United States and its partners have made progress in this direction, most notably through the Nunn-Lugar Cooperative Threat Reduction program and the Department of Commerce’s Export Control Cooperation Program, which help other countries develop national export control systems on the CoCom model.<sup>145</sup> For example, the Bureau of Export Administration in 1995 established a Nonproliferation and Export Control Cooperation team that assists cooperating countries in the development of such programs.<sup>146</sup> It also conducts a “Foreign Export Control Officials Forum” to coordinate activities with Commerce’s counterparts abroad throughout the former Soviet Union, Central and Eastern Europe, and Asia. While it is not yet evident whether these efforts will seriously hinder weapons proliferation, there is reason for optimism. A new international environment may require new approaches. For while post-Cold War export control cooperation owes much to CoCom, in its new incarnation WA faces a very different set of challenges. Constructivism’s observation that state interactions can create new norms

suggests that transgovernmental connections established in the Wassenaar regime may eventually change state practices on conventional arms exports.

<sup>1</sup> This article is drawn from research conducted for my dissertation, “International Cooperation on Export Controls: Nonproliferation, Globalization, and Multilateralism.” This work has been supported in calendar year 1998 by a Hubert H. Humphrey Doctoral Fellowship in Arms Control, Nonproliferation, and Disarmament from the US Arms Control and Disarmament Agency. I would like to thank Jeffrey Knopf, Michael Barnett, and two anonymous reviewers for their insightful comments. The analysis and any errors are my own.

<sup>2</sup> William W. Keller, “The Political Economy of Conventional Arms Proliferation,” *Current History* 96 (April 1997), p. 179.

<sup>3</sup> The name is sometimes spelled COCOM and sometimes CoCom. I follow, among others, Michael Mastanduno’s *Economic Containment: CoCom and the Politics of East-West Trade* (Ithaca, NY: Cornell University Press, 1992) in using “CoCom.”

<sup>4</sup> Paul Cornish, *The Arms Trade and Europe*, Chatham House Papers, Royal Institute of International Affairs (London: Pinter, 1995), p. 35.

<sup>5</sup> Igor Ivantsov, “Russia wants no reformed CoCom, but completely new body,” ITAR-TASS, March 17, 1994.

<sup>6</sup> Hopes that China might be brought into Wassenaar have not been realized. One early report states that Frans Engering, chair of the “New Forum” negotiations to replace CoCom “has been given a mandate to open talks with China, the Czech Republic, Hungary, Poland and Slovakia about joining at a later stage.” Andrew Kelly, “Export Control Goes National in Post-Cold War Era,” *The Reuter European Business Report*, April 11, 1994. Goldman and Pollack write that “Although the United States has kept China informed about the Wassenaar discussions, the Chinese have not been included formally in the Wassenaar Arrangement discussions.” Charles A. Goldman and Jonathan D. Pollack, *Engaging China in the International Export Control Process: Options for US Policy*, Documented briefing prepared for the Office of the Secretary of Defense, RAND National Defense Research Institute DB-197-OSD (Washington, DC: RAND, 1997), p. 33. An anonymous reviewer of this article pointed out that the Japanese hoped that China might become a founding member, but the

United States had no such expectation.

<sup>7</sup> For example, an editorial in *Defense News* stated that "As a result, Wassenaar, conceived as a forum for institutionalized arms export restraint, merely provides a forum for exchanging information." "COMMENTARY: Wassenaar's Weakness," *Defense News*, January 20, 1997, p. 18. See also, Wolfgang H. Reinicke, "From Denial to Disclosure: Dual-Use Trade in a Globalizing Industry," Chapter 6 in Reinicke, *Global Public Policy: Governing without Governments?* (Washington, DC: Brookings Institution Press, 1998), pp. 180-186.

<sup>8</sup> Deputy Assistant Secretary of Defense for Counterproliferation Policy Mitchel Wallerstein called it a "work in progress" in congressional testimony. Jeff Erlich, "Russia Seeks Trade Detente; Diplomats Work to Fill 'Empty' Wassenaar Arrangement," *Defense News*, June 9, 1997, p. 1. This echoes former Undersecretary of State Davis's view that the Arrangement "falls short of US goals" and that "we need to go further." US Department of State, Office of the Spokesman, "The Wassenaar Arrangement." Address by Lynn Davis, Under Secretary of State for Arms Control and International Security Affairs to the Carnegie Endowment for International Peace, Washington, DC, January 23, 1996.

<sup>9</sup> Keller, "The Political Economy of Conventional Arms Proliferation," p. 179.

<sup>10</sup> Richard T. Cupitt, "The Future of COCOM," in Gary K. Bertsch and Steven Elliott-Gower, eds., *Export Controls in Transition* (Durham, NC: Duke University Press, 1992), pp. 232-248; Mastanduno, *Economic Containment*, pp. 310-44.

<sup>11</sup> Robert O. Keohane, "The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977," in Ole R. Holsti, Randolph Siverson, and Alexander L. George, eds., *Change in the International System* (Boulder, CO: Westview Press, 1980), pp. 131-62; Stephen D. Krasner, "State Power and the Structure of International Trade," *World Politics* 28 (April 1976), pp. 317-47; Joanne Gowa, "Rational Hegemons, Excludable Goods, and Small Groups: An Epitaph for Hegemonic Stability Theory?," *World Politics* 41 (April 1989), pp. 307-24; David A. Lake, "Leadership, Hegemony, and the International Economy: Naked Emperor or Tattered Monarch with Potential?," *International Studies Quarterly* 37 (December 1993), pp. 459-89.

<sup>12</sup> Mancur Olson, *The Logic of Collective Action* (New York: Shoken, 1968), p. 35. "The larger the group, the farther it will fall short of providing an optimal amount of a collective good." Of course, a suppliers cartel that does not include major suppliers will be ineffective, leading to pressures to expand membership. Also, increasing membership will not hinder agreement if members' interests are the same. But, as I will discuss, Wassenaar has been characterized by differences in member states' perceptions of their security interests. Speculating in 1989 on the prospects of CoCom enlargement, Cleverley wrote that "This would only increase the internal tensions within COCOM when thirty or forty

countries, instead of sixteen, try to reach unanimous decision on every decision." J. Michael Cleverley, "The Problem of Technology Transfer Controls," *Global Affairs* 4 (Summer 1989), p. 125. Desire to avoid this problem helps explain the lack of a member veto in Wassenaar.

<sup>13</sup> See Ashton B. Carter, William J. Perry, and John D. Steinbruner, *A New Concept of Cooperative Security* (Washington, DC: Brookings, 1992), pp. 37-38 and Leonard S. Spector and Virginia Foran, *Preventing Weapons Proliferation: Should the Regimes Be Combined?* (Muscatine, Iowa: Stanley Foundation, 1992).

<sup>14</sup> E.H. Carr, *The Twenty Years' Crisis, 1919-1939* (New York: Harper and Row, 1964); Hans Morgenthau, *Politics Among Nations: The Struggle for Power and Peace* (New York: Knopf, 1948); Kenneth N. Waltz, *Theory of International Politics* (Reading, MA: Addison-Wesley, 1979); Robert Gilpin, *War and Change in World Politics* (New York: Cambridge University Press, 1981).

<sup>15</sup> Some "offensive" realists hold that states seek to maximize their power. John Mearsheimer, "Back to the Future: Instability in Europe After the Cold War," *International Security* 15 (Summer 1990), pp. 5-56. Other "defensive" realists see states as defensive positionists that have to balance but do not have to maximize power. Waltz, *Theory of International Politics*; Joseph Grieco, "Anarchy and the Limits of Cooperation," in David A. Baldwin, ed., *Neorealism and Neoliberalism: The Contemporary Debate* (New York: Columbia University Press, 1993), pp. 127-28.

<sup>16</sup> Waltz, *Theory of International Politics*. In addition to alliance-formation, states can also engage in internal balancing by unilaterally improving their military capabilities. Stephen M. Walt has argued that states balance against perceived threats rather than capabilities. Stephen M. Walt, *The Origin of Alliances* (Ithaca, NY: Cornell University Press, 1990).

<sup>17</sup> Charles Kindleberger, *The World in Depression, 1929-1939* (Berkeley: University of California Press, 1973); Krasner, "State Power and the Structure of International Trade," pp. 317-47; Robert O. Keohane, *After Hegemony: Cooperation and Discord in World Politics* (Princeton: Princeton University Press, 1984); Gilpin, *War and Change in World Politics*.

<sup>18</sup> Joseph Grieco, "Understanding the Problem of Institutional Cooperation: The Limits of Neoliberal Institutionalism and the Future of Realist Theory," in Baldwin, ed., *Neorealism and Neoliberalism*, p. 331. Grieco originally called this the "binding thesis."

<sup>19</sup> Robert O. Keohane, *After Hegemony*; Baldwin, ed., *Neorealism and Neoliberalism*.

<sup>20</sup> Constructivism in International Relations is part of a larger family of theories of social construction. I use the term social constructionist to refer to this larger intellectual tradition. On constructivism, see Peter J. Katzenstein, ed., *The Culture of National Security: Norms and Identity in World Politics* (New York: Columbia University Press, 1996); Alexander Wendt, "Anarchy

is What States Make of It: The Social Construction of Power Politics," *International Organization* 46 (Spring 1992), pp. 391-425; John Gerard Ruggie, *Constructing the World Polity* (New York: Routledge, 1998); Vendulka Kubalkova, Nicholas Onuf, and Paul Kowert, eds., *International Relations in a Constructed World* (Armonk, NY: M.E. Sharpe, 1998); Ted Hopf, "The Promise of Constructivism in International Relations Theory," *International Security* 23 (Summer 1998), pp. 171-200. On social construction, see Peter Berger and Thomas Luckman, *The Social Construction of Reality* (Garden City, NY: Doubleday, 1966) and John Searle, *The Construction of Social Reality* (New York: Free Press, 1995).

<sup>21</sup> Alexander Wendt and Michael Barnett, "Dependent State Formation and Third World Militarization," *Review of International Studies* 19 (1993), pp. 321-47; Mark C. Suchman and Dana P. Eyre, "Military Procurement as Rational Myth: Notes on the Social Construction of Weapons Proliferation," *Sociological Forum* 7 (1992), pp. 137-61; Dana P. Eyre and Mark C. Suchman, "Status, Norms, and the Proliferation of Conventional Weapons: An Institutional Approach," in Katzenstein, ed., *The Culture of National Security*, pp. 79-113.

<sup>22</sup> Steven Flank, "Exploding the Black Box: The Historical Sociology of Nuclear Weapons Proliferation," *Security Studies* 3 (Winter 1993/4), pp. 259-94; Donald Mackenzie, *Inventing Accuracy: A Historical Sociology of Nuclear Missile Guidance* (Cambridge, MA: MIT Press, 1990).

<sup>23</sup> Richard Price and Nina Tannenwald, "Norms and Deterrence: The Nuclear and Chemical Weapons Taboos," in Katzenstein, ed., *The Culture of National Security*, pp. 114-52.

<sup>24</sup> Gary K. Bertsch and Suzette Grillot, *Arms on the Market: Reducing the Risk of Proliferation in the Former Soviet Union* (NY: Routledge, 1998); Richard Cupitt and Suzette Grillot, "COCOM is Dead, Long Live COCOM: Persistence and Change in Multilateral Security Institutions," *British Journal of Political Science* 27 (July 1997), pp. 361-89.

<sup>25</sup> John Gerard Ruggie, ed., *Multilateralism Matters: The Theory and Praxis of an Institutional Form* (New York: Columbia University Press, 1993). But see Martin, "The Rational State Choice of Multilateralism," in this volume.

<sup>26</sup> For example, constructivists recognize that postwar multilateralism was originally largely an effect of American power. John Gerard Ruggie, "Multilateralism: The Anatomy of an Institution," in *Multilateralism Matters*, pp. 24-31.

<sup>27</sup> This is taken from a brief history of the Wassenaar Arrangement posted on the web site of the US mission to the OSCE in Vienna, where the American delegation to the Wassenaar Arrangement is based, <<http://www.osce.usia.co.at/wa.htm>>. Kelly, "Export Control Goes National in Post-Cold War Era," also reports that "The decision to scrap COCOM, the Coordinating Committee for Multilateral Export Controls, goes back to last year's Vancouver Summit between Presidents Bill Clinton and Boris Yeltsin."

<sup>28</sup> Michael S. Lelyveld, "US, high-tech group synchronize export rules; 33 nations form pact, giving them wide berth to make high-tech deals," *Journal of Commerce*, January 20, 1998, p. 3A. Also, the Stockholm International Peace Research Institute's 1994 Yearbook states that "The primary motivation for the change came from the United States." *SIPRI Yearbook 1994: Armament, Disarmament, and National Security* (New York: Oxford University Press), p. 489.

<sup>29</sup> The dissolution decision was, according to most accounts, taken despite American attempts to save the institution by agreeing to further reforms and liberalization, such as a September 1993 unilateral American reduction on information technology export restrictions to most destinations. A lonely exception is Stephen Bryen's introduction in Peter M. Leitner, *Decontrolling Strategic Technology, 1990-1992* (Lanham, MD: University Press of America, 1995), p. xii. Bryen claims that the Clinton administration set out to eliminate CoCom and export controls were saved by the Russians, contrary to all reports I have seen. However, internal dissension combined with pressure from Russian and Georgian Presidents Yeltsin and Shevardnadze made CoCom appear unsustainable to American officials, and the decision was made to pursue a more informal New Forum. Eric H. Noehrenberg, *Multilateral Export Controls and International Regime Theory: The Effectiveness of CoCom* (Sinzheim: Pro Universitate Verlag, 1995), p. 90. Apparently, according to Noehrenberg, the staff of CoCom's secretariat were not informed what, if any, role they would play in multilateral controls by the regime's official last day. Noehrenberg cites David Buchanan, "Staff await uncertain fate as CoCom enters its last day," *The Financial Times*, March 31/April 1, 1994, p. 16. I have been unable to find this article, and I believe he was referring to David Buchan, "Confusion in Shadowy Paris HQ," *Financial Times* March 31, 1994, p. 4. (This article may have been published under a different title in another edition.)

<sup>30</sup> Quoted in "Wassenaar Arrangement (A.K.A. 'New Forum') to Take Place of COCOM," *Export Practitioner Online* 10 (January 1996), <<http://www.exportprac.com/janwas.htm>>.

<sup>31</sup> Wassenaar's (founding) members are: Argentina, Australia, Austria, Belgium, Bulgaria, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russia, Slovakia, South Korea, Spain, Sweden, Switzerland, Turkey, the United Kingdom, Ukraine, and the United States.

<sup>32</sup> The New Forum discussions began with the former CoCom members and the CoCom cooperating countries (Austria, Finland, Ireland, New Zealand, Sweden, and Switzerland). Russia and the Visegrad states (The Czech and Slovak Republics, Hungary, and Poland) joined later, followed by Argentina, Bulgaria, Romania, South Korea, and Ukraine, bringing founding membership in 1996 to 33 states.

<sup>33</sup> Disagreements over CoCom's birthday are ram-

pant. Cleverley claims that it was "started in 1951." Cleverley, "The Problem of Technology Transfer Controls," p. 110. At its demise in 1994, its age was put at 47. Buchan, "Confusion in Shadowy Paris HQ." Although the United States attempted unsuccessfully to link export control cooperation with NATO, this was rejected and CoCom had no formal ties with NATO. Thus, common references to CoCom as the economic arm of NATO are not technically true. Yoko Yasuhara, "The Myth of Free Trade: COCOM and CHINCOM, 1949-1952," Ph.D. diss., University of Wisconsin-Madison, 1984. Along with CoCom, a high-level body known as the Consultative Group (CG) was formed. Discussions of the early history of CoCom often refer to CG/CoCom. However, the CG was disbanded over a 1965 dispute with the French. Michael Mastanduno, *Economic Containment*, p. 109, note 1.

<sup>34</sup> Founding members were the United States, Britain, France, Italy, and the Benelux states. In the next three years, Canada, Denmark, Greece, Japan, Norway, Portugal, Turkey, and West Germany joined. Spain joined in 1985 upon entering NATO, and Australia joined in 1949. Mastanduno, *Economic Containment*, p. 5, note 10.

<sup>35</sup> Hendrik Roodbeen, *Trading the Jewel of Great Value: The Participation of the Netherlands, Belgium, Switzerland, and Austria in the Western Strategic Embargo* (Leiden, the Netherlands: University of Leiden Press, 1992).

<sup>36</sup> Buchan, "Confusion in Shadowy Paris HQ."

<sup>37</sup> The staff figure comes from David Buchan, "Confusion in Shadowy Paris HQ." Cleverley describes the shape of the room in Cleverley, "The Problem of Technology Transfer Controls," p. 121. Hardt and Tomlinson relate that meetings were held weekly (to deal with requests for "administrative exceptions") in John P. Hardt and Kate S. Tomlinson, "The Potential Role of Western Policy Toward Eastern Europe in East-West Trade: Appendix 5A: COCOM's Operating Procedures and an Assessment of Its Effectiveness," in Abraham S. Becker, ed., *Economic Relations with the USSR: Issues for the Western Alliance* (Lexington, MA: Lexington Books, 1983), p. 117.

<sup>38</sup> *Ibid.*, p. 111.

<sup>39</sup> *Ibid.*, p. 119.

<sup>40</sup> I take these names from National Academy of Sciences, *Finding Common Ground: US Export Controls in a Changed Global Environment* (Washington, DC: National Academy Press, 1991), p. 65. J. Michael Cleverley, who was responsible for CoCom affairs at the US embassy in London from 1984-1988, refers to the Atomic Energy List (AEL), Munitions Control List (MCL), and International List (IL). Cleverley, "The Problem of Technology Transfer Controls," p. 110.

<sup>41</sup> Mastanduno, *Economic Containment*, pp. 78-82; Hardt and Tomlinson, "The Potential Role of Western Policy," p. 112.

<sup>42</sup> Gunnar Adler-Karlsson, *Western Economic Warfare, 1947-67: A Case Study in Foreign Eco-*

*nomic Policy* (Stockholm: Almqvist and Wiksell, 1968), p. 65.

<sup>43</sup> Ian Anthony et al., "Multilateral weapons-related export control measures," in *SIPRI Yearbook 1995: Armaments, Disarmament, and International Security* (New York: Oxford University Press, 1995), p. 619.

<sup>44</sup> Testimony of Under Secretary of State for International Security Lynn Davis, US Senate, Committee on Banking, Housing, and Urban Affairs, *The Export Administration Act of 1994: Hearings Before the Subcommittee on International Finance and Monetary Policy*, 103d Cong., 2d sess., February 3 and 24, 1994, p. 178-79.

<sup>45</sup> Asra Q. Nomani, "US Lifts Curbs On Exporting Of Computers," *The Wall Street Journal*, March 31, 1994, p. A2. However, CoCom controls (liberalized in the early 1990s) continued in effect through national regulation pending the New Forum. Anthony et al., "Multilateral weapon-related export control measures," p. 598.

<sup>46</sup> Anthony et al., "Multilateral weapons-related export control measures," p. 619.

<sup>47</sup> "New Forum for Export Control by End 1994," *Tech Europe*, November 4, 1994. While Engering was chairman, Menno Goedhart, another Dutch diplomat, held the post of CoCom's president in its last days. This was the first time that the president had not been Italian, as that nation preferred to provide the president in lieu of dues. Buchan, "Confusion in Shadowy Paris HQ."

<sup>48</sup> "Update: Washington, Moscow Deadlocked on Iran Arms Sales," *Export Control News* 8, December 30, 1994.

<sup>49</sup> According to a Russian official, the United States and Canada, with sympathy from Britain, tried to delay Russia's acceptance in order "to gain additional political concessions from Moscow, such as terminating Russian military-technical cooperation with Iran. They also felt a need to secure a more efficient national system of export control in the Russian Federation." Pyotr G. Litavrin, "Russia, the Wassenaar Arrangement, and the Creation of International Restraint on Arms Transfers," in Andrew J. Pierre and Dmitri V. Trenin, eds., *Russia in the World Arms Trade* (New York: Carnegie Endowment for International Peace, 1997), p. 107.

<sup>50</sup> "Update: Washington, Moscow Deadlocked on Iran Arms Sales."

<sup>51</sup> "No Breakthrough: New Regime Talks Fail," *Export Control News*, 8, December 30, 1994.

<sup>52</sup> Ian Anthony et al. write that working groups on guidelines (with Norway as chair) and lists (with Germany as chair) met in Canberra after the December HLM. "Multilateral weapons-related export control measures," p. 622.

<sup>53</sup> Owen Greene, "Executive Summary—Launching the Wassenaar Arrangement: Challenges for the new arms control regime," <<http://gnew.gn.apc.org/sworld/wassen.html>>.

<sup>54</sup> Russian Premier Viktor Chernomyrdin satisfied US Vice President Gore that Russian arms sales to Iran would end within a few years (although existing contracts would be honored) and would not alter the regional balance of power. "Russia to Enter Post-COCOM Regime," *Arms Trade*

News July 1995, <<http://www.clw.org/pub/clw/cat/atn0795.html#iif02>>.

<sup>55</sup> "No Breakthrough: New Regime Talks Fail."

<sup>56</sup> The 23 states that were already approved as members at this point were the 17 CoCom members and the "cooperating countries" of Austria, Finland, Ireland, New Zealand, Sweden, and Switzerland.

<sup>57</sup> New Zealand aside, these states were referred to as the "European neutrals" in congressional testimony by US Under Secretary of State Lynn Davis, on Thursday, February 24, 1994. US Senate, Committee on Banking, Housing, and Urban Affairs, *The Export Administration Act of 1994: Hearings Before the Subcommittee on International Finance and Monetary Policy*, p. 179.

<sup>58</sup> "No Breakthrough: New Regime Talks Fail."  
<sup>59</sup> Greene, "Executive Summary—Launching the Wassenaar Arrangement."

<sup>60</sup> Natalie Goldring, "New Forum 'Small Group' Meeting Produces Meagre Results," *BASIC Reports* 49 (December 1, 1995), pp. 2-3; Goldring, "Wassenaar Arrangement Controversial," *BASIC Reports* 50 (February 21, 1996), pp. 1-3.

<sup>61</sup> However efforts to extend this to other arms were resisted by France and Great Britain. C.B. Johnstone, "Challenges Await Meeting of New Export Control Regime," *JEI Report*, December 15, 1995.

<sup>62</sup> Johnstone, "Challenges Await Meeting of New Export Control Regime."

<sup>63</sup> This might be related to the situation structuralist strand of rational institutionalism by an argument that the Europeans see Wassenaar as a solution to a coordination problem (or dilemma of common aversion) while the Americans envision a collaboration regime with robust monitoring and enforcement provisions inappropriate to more technical standardization regimes. On situation structuralism, see Andreas Hasenclever, Peter Mayer and Volker Rittberger, *Theories of International Regimes* (New York: Cambridge University Press, 1997), pp. 44-59 and Lisa Martin, "The Rational State Choice of Multilateralism," in Ruggie, ed., *Multilateralism Matters*, pp. 91-121. On collaboration and coordination see Arthur Stein, "Coordination and Collaboration: Regimes in an Anarchic World," in Baldwin, *Neorealism and Neoliberalism*, pp. 29-59.

<sup>64</sup> The Union of Industrial and Employees Confederations of Europe (UNICE) is the major European business confederation. "EU/US: US Tries to Prove Its Multilateral Credentials with EU," *European Report*, July 15, 1995.

<sup>65</sup> Johnstone, "Challenges Await Meeting of New Export Control Regime."

<sup>66</sup> Argentina, South Korea, and Ukraine were admitted at this meeting, bringing membership to 31 states.

<sup>67</sup> Raymond Bonner, "Russia Seeks to Put Limits on New Arms Control Agreement," *The New York Times*, April 5, 1996, p. A7, states that the agenda called for participants to "form a group to supervise the agreement, define its duties, name a secretariat and discuss sources for its budget."

<sup>68</sup> Bonner, "Russia Seeks to Put Limits on New

Arms Control Agreement," p. A7. This article refers to the delegate as "Western" without specifying a nationality.

<sup>69</sup> Goldring, "Wassenaar Arrangement Controversial," p. 2.

<sup>70</sup> Lelyveld, "US, high-tech group synchronize export rules," p. 3A. At the time, it was widely felt in Russia that the US was using export control regime to capture Russian arms sales. Dmitri V. Trenin with Andrew J. Pierre, "Arms Trade Rivalry in the Future of Russian-American Relations," in Pierre and Trenin, *Russia in the World Arms Trade*, pp. 115-127.

<sup>71</sup> Natalie Goldring, "Wassenaar Arrangement in Limbo," *BASIC Reports* 52 (May 13, 1996), p. 1.

<sup>72</sup> Reuters, "Arms Export Talks End With Landmark Deal," July 12, 1996. In practice, the plenary chair has also been chairing the secretariat.

<sup>73</sup> The Wassenaar Arrangement on Export Controls for Dual-Use Goods and Technologies, "Initial Elements," <[http://www.sipri.se/projects/excon/wass\\_elements.htm](http://www.sipri.se/projects/excon/wass_elements.htm)>.

<sup>74</sup> The candidates were Waldemar Gaymann, Director of the Export Controls Division of the German Economics Ministry, and Paul Hurlley of the US mission to the OECD. Goldring, "Wassenaar Arrangement in Limbo," p. 2.

<sup>75</sup> The 1997 Secretariat operations budget was reportedly set at "\$1 to \$2 million, with contributions assessed on a scale similar to that used by the United Nations. Under this formula, the US assessment is expected to cover nearly 25 percent of the total budget." Sarah Walkling, "Wassenaar Members End Plenary; First Data Exchange Falls Short," *Arms Control Today* 26 (January/February 1997), p. 24.

<sup>76</sup> Agence France Presse, "US wants watchdog group to rally members behind arms embargos," December 13, 1996.

<sup>77</sup> "Arms Export Talks End With Landmark Deal."

<sup>78</sup> Sarah Walkling, "Wassenaar Members Resolve Most Differences During July Plenary," *Arms Control Today* 27 (July 1996), pp. 23, 28.

<sup>79</sup> "Transcript: Davis Press Briefing on Wassenaar meeting," Vienna, December 13, 1996, <<http://www.atnet.at/am-delegation/davis.htm>>.

<sup>80</sup> Walkling, "Wassenaar Members Resolve Most Differences," pp. 23, 28.

<sup>81</sup> US Arms Control and Disarmament Agency, "The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies," <<http://www.acda.gov/>>.

<sup>82</sup> Litavrin, "Russia, the Wassenaar Arrangement, and the Creation of International Restraint on Arms Transfers," p. 113; Wolfgang H. Reinicke, "From Denial to Disclosure: Dual-Use Trade in a Globalizing Industry," in Reinicke, *Global Public Policy: Governing without Government?* (Washington, DC: Brookings, 1998), pp. 181-182.

<sup>83</sup> Brazil and South Africa joined the NSG in 1996 but are not WA members. Ukraine joined both Wassenaar and the NSG that year. South Africa was thought to be considering joining in 1994 but has not done so. Anthony et al., "Multilateral

weapons-related export control measures," p. 543. Wassenaar Arrangement membership criteria, which require participation in other multilateral export control arrangements, may have succeeded in increasing NSG membership, at least in the case of Ukraine. Turkey appears to be an exception to this rule as a WA member state not participating in other nonproliferation regimes. Turkey's status as a NATO (and former CoCom) member probably explains this.

<sup>84</sup> Robert O. Keohane, "Multilateralism: an agenda for research," *International Journal* XLV (Autumn 1990), pp. 731-764.

<sup>85</sup> Miles Kahler, "Multilateralism with Small and Large Numbers," in Ruggie, *Multilateralism Matters*, pp. 285-326.

<sup>86</sup> Ruggie, *Multilateralism Matters*. Cupitt, Bertsch, and Gower point out that "National governments may use unilateral, minilateral, and multilateral approaches simultaneously. For example, in executing its export control policy, the United States unilaterally restricts the export of some items for national security purposes, works with many non-COCOM countries on a bilateral basis, coordinates national security export controls in a *minilateral* [emphasis added] fashion in COCOM, and uses a more inclusive multilateral approach in controlling nuclear proliferation in the IAEA." Richard T. Cupitt, Gary K. Bertsch, and Steven Elliott-Gower, "Introduction," in Bertsch, Cupitt, and Elliott-Gower, eds., *International Cooperation on Nonproliferation Export Controls* (Ann Arbor, MI: University of Michigan Press, 1994), pp. 13-14.

<sup>87</sup> Greene, "Launching the Wassenaar Arrangement."

<sup>88</sup> See [www.wassenaar.org](http://www.wassenaar.org). The Secretariat can be contacted at [secretariat@wassenaar.org](mailto:secretariat@wassenaar.org).

<sup>89</sup> The office of Undersecretary for International Security and Arms Control was "dual-hatted" with that of ACDA Director and filled by ACDA head John Holum in 1997 when ACDA was folded into the State Department. This reorganization was a condition of Senate Foreign Relations Chair Jesse Helms' in exchange for allowing ratification of the Chemical Weapons Convention. Davis, who coordinated US New Forum negotiations, was still Undersecretary at the time of the quoted speech.

<sup>90</sup> Davis, "The Wassenaar Arrangement," January 23, 1996.

<sup>91</sup> "Fresh Start for Wassenaar," *Intelligence Newsletter*, September 3, 1998.

<sup>92</sup> Greene, "Launching the Wassenaar Arrangement."

<sup>93</sup> "Bulgaria Ignored at Post-CoCom Talks," *Pari Daily*, April 5, 1996, <<http://www.pari.bg>>. This suggests that WA cannot be viewed as providing a pure public (nonexcludeable and nonrivalrous) good since the incentive would be to free ride rather than incur membership costs. A public goods theory perspective suggests that membership incentives must exist. This is supported by the comments of an official of the South Korean Ministry of Foreign Affairs upon that country's accession to membership that "The Wassenaar

Arrangement will help stimulate the export of strategic items and the exchange of state-of-the-art technologies, including super computers among member countries." "Korea Joins Strategic Item Export Control Group," *Korea Economic Daily*, April 3, 1996.

<sup>94</sup> See Bertsch and Grillot, eds., *Arms on the Market*, for evaluations of the relative importance of security concerns, domestic politics, economic benefit, and liberal identity in national export control policies in the former Soviet Union.

<sup>95</sup> "Belarus Ready to Join Arms Trade Control Agreements," *Interfax Russian News*, January 26, 1998.

<sup>96</sup> Davis, "The Wassenaar Arrangement," January 23, 1996.

<sup>97</sup> Johnstone, "Challenges Await Meeting of New Export Control Regime."

<sup>98</sup> "Commentary: Wassenaar's Weakness," *Defense News*, January 26, 1997, p. 18.

<sup>99</sup> Lelyveld, "US, high-tech group synchronize export rules," p. 3A. This statement is in reference to US-Chinese relations and immediately follows a quote of former Undersecretary of Commerce Paul Freedenberg noting China's absence from WA.

<sup>100</sup> "Wassenaar Members Review Data Exchange," *Arms Control Today* 27 (May 1997), p. 32. More detailed information was not publicly available.

<sup>101</sup> On the lack of consensus to declare Ethiopia and Eritrea off-limits for arms sales, despite majority support, see Raymond Bonner, "New Weapons Sales to African Nations Cause Concern at Arms-Control Conference," *The New York Times*, December 6, 1998, p. 10. On the dangerous countries designation and list expansion, see Associated Press, "Major Weapons Producers Agree on Need for Transparency in Sales," AP Worldstream, December 11, 1997. On encryption, see "International Accord Struck to Ease Encryption Exports Rules," Agence France Press, December 4, 1998.

<sup>102</sup> Mastanduno, *Economic Containment* describes CoCom as a Cold War alliance. Adler-Karlsson, *Western Economic Warfare* portrays it as a byproduct of American hegemony.

<sup>103</sup> Walt, *The Origin of Alliances*; Glenn Snyder, "Alliances, Balance, and Stability," *International Organization* 45 (Winter 1991), pp. 121-42; Thomas J. Christensen and Jack Snyder, "Chain Gangs and Passed Bucks: Predicting Alliance Patterns in Multipolarity," *International Organization* 44 (Spring 1990), pp. 137-67.

<sup>104</sup> Testimony of Dr. Paul Freedenberg, US House of Representatives, Committee on International Relations, *Issues in Export Control. Hearing before the Subcommittee on International Economic Policy and Trade of the Committee on International Relations*, January 1995, p. 6.

<sup>105</sup> Michael R. Gordon, "Russia-China Theme: Contain the West," *The New York Times*, April 24, 1997, p. A3; France has generally been among those states less supportive of WA, looking to foreign sales to sustain its arms industry in the face of a shrinking domestic market. Raymond Bonner, "Russia Seeks to Put Limits on a New

Arms Control Agreement," p. A7. And France had been among those objecting to the American proposal that conventional arms transfer limitations be a higher priority than dual-use restrictions in Wassenaar. Litavrin, "Russia, the Wassenaar Arrangement, and the Creation of International Arms Transfer Restraint," pp. 110-111.

<sup>106</sup> Reinicke, *Global Public Policy: Governing Without Governments?*, p. 182. Reinicke writes that "[A]lthough the signatories were able to agree informally on their position toward four rogue states (Iran, Iraq, Libya, and North Korea), they were unable to agree on a more general list of proscribed destinations to be maintained by each country with respect to its own national export control policy. An analysis of the 'sensitive destinations lists' of four of the founding members of Wassenaar shows that, out of a combined number of seventy-three countries listed by Germany, Japan, the United Kingdom, and the United States, only twenty-eight appear on all four lists." The analysis cited is from Owen Greene, "Developing an Effective Successor to COCOM," (London: Saferworld, 1995) and "Successor to COCOM: Options and Dilemmas," (London: Saferworld, 1994).

<sup>107</sup> Joseph Grieco, "Understanding the Problem of Institutional Cooperation," p. 331. Grieco originally called this the "binding thesis."

<sup>108</sup> See Claus Hofhansel, "From Containment of Communism to Saddam: The Evolution of Export Control Regimes," *Arms Control* 14 (December 1993), pp. 371-404.

<sup>109</sup> Hegemonic stability theorists posit a relative decline and consequent end of American hegemony in the sixties and seventies. If CoCom was a collective good provided under the leadership of a hegemonic United States, then its demise can be explained as a consequence of hegemonic decline, though a delayed one.

<sup>110</sup> Paul Kennedy, *The Rise and Fall of the Great Powers* (New York: Random House, 1987); Keohane, *After Hegemony*; Susan Strange, "The Persistent Myth of Lost Hegemony," *International Organization* 41 (Autumn 1987), pp. 551-574; Hofhansel, "From Containment of Communism to Saddam," p. 390. On conditions for HST's applicability, see Duncan Snidal, "The Limits of Hegemonic Stability Theory," *International Organization* 39 (Autumn 1985), pp. 580-614.

<sup>111</sup> Kenneth Oye, ed., *Cooperation Under Anarchy* (Princeton, NJ: Princeton University Press, 1986).

<sup>112</sup> In PD, rational suspects isolated for questioning by the police squeal on their partners and receive longer sentences than if they had been able to trust each other to keep quiet. According to Axelrod, "The Prisoners Dilemma game was invented in about 1950 by Merrill Flood and Melvin Dresler, and formalized by A.W. Tucker shortly thereafter." Robert Axelrod, *The Evolution of Cooperation* (NY: Basic Books, 1984), p. 216, note 2.

<sup>113</sup> Stein, "Coordination and Collaboration: Regimes in an Anarchic World," pp. 38-41.

<sup>114</sup> *Ibid.*, pp. 35-38.

<sup>115</sup> Martin, "The Rational State Choice of Multilateralism," pp. 103-4. A fourth scenario, apparently not relevant to export control regimes, is assurance. In this case, actors have identical interests, cooperation should occur without a regime, and the only problem of securing collective action is to ensure communication, avoiding misinformation to undermine the harmony of interests. Stein, "Coordination and Collaboration: Regimes in an Anarchic World," pp. 31-2; Martin, "The Rational State Choice of Multilateralism," pp. 106-9

<sup>116</sup> Martin, "The Rational State Choice of Multilateralism." In *Coercive Cooperation* (Princeton, NJ: Princeton University Press, 1994), she refers to suasion as "coercion."

<sup>117</sup> Martin, "The Rational State Choice of Multilateralism," p. 105.

<sup>118</sup> Adler-Karlsson, *Western Economic Warfare 1947-1967*.

<sup>119</sup> Michael Mastanduno, "Trade as a Strategic Weapon: American and Alliance Export Control Policy in the Early Postwar Period," *International Organization* 42 (Winter 1988), pp. 121-50.

<sup>120</sup> This argument has since been contested by Roodbeen, *Trading the Jewel of Great Value* and Vibeke Sorensen, "Defense Without Tears: US Embargo Policy and Economic Security in Western Europe, 1947-1951," in Francis H. Heller and John R. Gillingham, eds., *NATO: The Founding of the Atlantic Alliance and the Integration of Europe* (New York: St. Martin's Press, 1992), pp. 253-81.

<sup>121</sup> Martin, *Coercive Cooperation*, p. 188. Martin distinguishes between strategic goods and dual-use goods arguing that the two produce different games. This does not completely resolve the different modeling choices, however.

<sup>122</sup> Mastanduno, *Economic Containment*. This is partially reconciled by Martin's distinction between a coadjustment game among Western European states, and a coercion game between Europe and the United States Martin, *Coercive Cooperation*.

<sup>123</sup> Richard T. Cupitt and William J. Long, "Multilateral Cooperation and Nuclear Nonproliferation," in Zachary S. Davis and Benjamin Frankel, eds., *The Proliferation Puzzle: Why Nuclear Weapons Spread and What Results* (London: Frank Cass, 1993), pp. 332-44.

<sup>124</sup> Martin, "The Rational State Choice of Multilateralism," p. 115. The 1993 chapter is actually a republication of a 1991 journal article, which may partially explain why the chapter, published later, appears to lack some of the insights of the 1992 book. However, it is important to recognize the distinction between the preferences over outcomes, in terms of which the game situation is defined, and the actual outcome, which looks more like collaboration than suasion.

<sup>125</sup> Martin developed propositions about how game situations will change in terms of shifts in factors such as power distribution and time horizons. However, these factors are exogenous and themselves unexplained. Martin, "The Rational State Choice of Multilateralism."

<sup>126</sup> Abram Chayes and Antonia Handler Chayes, *The New Sovereignty: Compliance with International Regulatory Agreements* (Cambridge, MA: Harvard University Press, 1995).

<sup>127</sup> George W. Downs, David M. Rocke, and Peter N. Barsboom, "Is the Good News About Compliance Good News About Cooperation?" *International Organization* 50 (Summer 1996), p. 382.

<sup>128</sup> See, for example, Martha Finnemore, *National Interests in International Society* (Ithaca, NY: Cornell University Press, 1996).

<sup>129</sup> Richard Ned Lebow, "The Long Peace, the End of the Cold War, and the Failure of Realism," *International Organization* 48 (Spring 1994), pp. 249-78, and Rey Koslowski and Friedrich Kratochwil, "Understanding Change in International Politics: The Soviet Empire's Demise and the International System," *International Organization* 48 (Spring 1994), pp. 215-48, present constructivist analyses of the end of the Cold War.

<sup>130</sup> John Gerard Ruggie, "Multilateralism: The Anatomy of an Institution," in Ruggie, *Multilateralism Matters*, pp. 3-50.

<sup>131</sup> See Steven Weber, "Origins of the European Bank for Reconstruction and Development," *International Organization* 48 (Winter 1994), pp. 1-38 for an application of the institutional legitimacy/technical efficiency dichotomy to the institutional form of the European Bank for Reconstruction and Development. Weber abjures the constructivist label, but the argument is compatible with constructivism. The dichotomy is drawn from the work of organizational sociologist W. Richard Scott. See, for example W. Richard Scott, *Organizations: Rational, Natural, and Open Systems*. 4th Ed. (Upper Saddle River, NJ: Prentice Hall, 1998).

<sup>132</sup> For a similar argument see Martha Finnemore, "Norms, culture, and world politics: insights from sociology's institutionalism," *International Organization* 50 (Spring 1996), pp. 325-48; see also Wendt and Barnett, "Dependent State Formation and Third World Militarization," and Eyre and Suchman, "Status, Norms, and the Proliferation of Conventional Weapons," on developing states' arms procurement. Glenn Chafetz, "The End of the Cold War and the Future of Nuclear Proliferation: An Alternative to the Neorealist Perspective," in Davis and Frankel, *The Proliferation Puzzle*, pp. 127-58, argues that liberal state identity helps explain export control cooperation.

<sup>133</sup> Koslowski and Kratochwil, "Understanding Change in International Politics," p. 219.

<sup>134</sup> Michael Beck, "Russia's Rationale for Developing Export Controls," in Bertsch and Grillot, *Arms on the Market*, p. 42.

<sup>135</sup> Suzette Grillot et al., "Promises Versus Actions: Explaining the Development of Nonproliferation Export Controls in the Former Soviet Union," paper presented at the annual meeting of the International Studies Association, Toronto, Canada, March 19-23, 1997; Cupitt and Grillot, "COCOM is Dead, Long Live COCOM," pp. 361-89.

<sup>136</sup> Mastanduno, *Economic Containment*.

<sup>137</sup> Martin, *Coercive Cooperation*.

<sup>138</sup> See John Mearsheimer, "The False Promise of International Institutions," *International Security* 19 (Winter 1994/95), pp. 5-49, and Alexander Wendt's reply, "Constructing International Politics," *International Security* 20 (Summer 1995), pp. 71-81. On page 80, Wendt writes that "To say the structures are socially constructed is no guarantee that they can be changed."

<sup>139</sup> Oye, ed., *Cooperation Under Anarchy*; Robert Axelrod, *The Evolution of Cooperation* (New York: Basic Books, 1984); Wendt, "Anarchy is What States Make of It."

<sup>140</sup> Cupitt and Grillot, "COCOM is Dead. Long Live COCOM," pp. 361-89; Glenn Chafetz, "The Political Psychology of the Nuclear Nonproliferation Regime," *Journal of Politics* 57 (August 1995), pp. 743-75; Emanuel Adler and Michael N. Barnett, eds., *Security Communities in Comparative and Historical Perspective* (New York: Cambridge University Press, forthcoming).

<sup>141</sup> This would be more appropriate for states that have shown willingness to cooperate in nonproliferation efforts but have weak export control systems. Russia and Bulgaria fit this description at the time of Wassenaar's founding. There is little reason to think that inclusion of rogue states or determined proliferators would improve their records. Goldman and Pollack argue that China has improved its missile export practices and has an interest in nonproliferation as an NPT signatory. Goldman and Pollack, *Engaging China*.

<sup>142</sup> *Ibid.*, p. 38.

<sup>143</sup> *Ibid.*, p. 29.

<sup>144</sup> Goldman and Pollack write that "This briefing starts from the proposition that more fully engaging China in the export control system will foster a reduction in destabilizing transfers, even though the linkage between regimes and transfer behavior appears to be weakening worldwide." *Ibid.*, p. 4.

<sup>145</sup> For example, Belarus was allocated \$16.26 million for Nunn-Lugar export control cooperation. Michael H. Newlin, "Export Controls and the CTR Program," in John M. Shields and William C. Potter, eds., *Dismantling the Cold War: US and NIS Perspectives on the Nunn-Lugar Cooperative Threat Reduction Program*, CSIA Studies in International Security (Cambridge, MA: The MIT Press, 1997), p. 294.

<sup>146</sup> US Department of Commerce, Bureau of Export Administration, *Export Administration Annual Report 1995 and 1996 Report on Foreign Policy Export Controls* (Washington, DC: Bureau of Export Administration, 1996), pp. II-89.