3. The Rational State Choice of Multilateralism

Lisa L. Martin

States can choose from a wide array of organizing forms, including multilateralism, as patterns by which to organize interactions among themselves. The papers in this volume explore situations in which states have used varying degrees of multilateralism to structure their relations. Some of these studies argue that functional theories cannot explain when governments adopt multilateral norms and organizations. At some level of empirical detail this is surely correct, if for no other reason than the high levels of uncertainty that surround the construction of new institutions. However, the argument of this paper is that studies of state choice can achieve high payoffs by giving serious consideration to functional-contractual arguments that see institutions as a solution to dilemmas of strategic interaction.

Without such consideration, the inadequacy of functional arguments remains an assumption rather than an empirical conclusion. Explanations based on the role of ideas, domestic politics, or any other set of factors cannot establish their analytic superiority over structural explanations until the constraints and incentives arising from strategic interaction are taken into account. I argue here that consideration of the power and interests of state actors in different situations leads to hypotheses about the “form of successful cooperation,” or modal tendencies in the types of norms and organizations that states create to facilitate pursuit of their interests.

I refer to the “institution of multilateralism” as defined by John Ruggie in the introduction to this volume. According to this definition, the institution of multilateralism consists of the three principles of indivisibility, generalized organizing principles (nondiscrimination), and diffuse reciprocity. In this paper, I ask about the instrumental value of
multilateral norms under different configurations of state interests, i.e.,
in different types of “cooperation problems.” The cases examined in this
volume demonstrate that state officials believed multilateralism was a
valuable means of reaching goals such as liberalization of the international
trading system, the security of Western Europe, and economic growth. By
treating multilateralism as a means rather than a goal, we open the
possibility that alternative organizing devices will be equal or superior in
their utility for reaching higher level ends such as liberalization. The
choice of tools depends, at least in part, on the configuration of state
power and interests in particular issue areas. Thus, I assume that states
are self-interested and turn to multilateralism only if it serves their
purposes, whatever these may be.

A belief in the utility of multilateralism was expressed after World
War II in a drive to create issue-specific organizations as well as a general-
purpose organization, the United Nations. In general, multilateral orga-
nizations make decisions on a multilateral basis; no small group of
members is privileged to make decisions for the others. However, we see
a great deal of variation in the degree to which actual organizations
conform to the norms of multilateralism. This paper attempts to explain
variation in their organizing principles and strength on the basis of the
strategic problems facing states. In addition, it suggests hypotheses about
relationships among norms, formal organizations, and behavioral out-
comes.

The first section of this paper discusses a typology of cooperation
problems and the potential role of the institution of multilateralism (IM)
and multilateral organizations (MO) in helping states overcome these
problems. Each of four ideal types of cooperation problems—collabora-
tion, coordination, suasion, and assurance—presents states with unique
challenges. In some, the functions performed by formal organizations,
such as monitoring and enforcement, will be essential to the achievement
of cooperation. In others, multilateral norms such as nondiscrimination
will be more efficient. This consideration illuminates the functional
considerations behind alternative institutional solutions for different types
of games.

However, at this abstract level of analysis the outcomes remain inde-
determinate. Multiple feasible solutions exist for each problem. For ex-
ample, states can achieve coordination in a game of common aversions
through either multilateral discussion and notification of intentions or
the establishment of a focal point by a dominant player. Therefore, the
second section of this paper attempts to decrease the level of uncertainty
by taking into consideration two elements of international structure in
the postwar era: U.S. hegemony within the Western subsystem and the
bipolar distribution of power in the international system as a whole.
These factors lead us to consider the strengths and weaknesses of multilat-
eralism from the hegemon’s point of view and the impact of a bipolar
security structure on relations embedded within this structure.

The first two sections of this paper adopt the approach of comparative
statics to develop expectations about the role of norms and organizations.
The third introduces a dynamic element to the analysis by asking about
changes in institutions in the face of changing distributions of power and
other exogenous changes. Some solutions to cooperation problems are
preferable to others because certain structures can adapt to changes in
relative power; this feature is one of the key advantages of a multilateral
architecture. Other forms of cooperation, such as those based on tactical
issue ‘linkages forged by a hegemon, will be brittle and susceptible to
challenge as the hegemon declines relative to other members. Changes in
the distribution of power can lead to shifts in the kind of game being
played, in addition to affecting the outcome within specified games. For
example, suasion games will tend to give way to collaboration problems
as the distribution of power becomes less asymmetric, with predictable
change, in the form of successful cooperation.

In this analysis, I find it useful to differentiate among the role of
multilateralism at three separate points in the cooperation process. First
is the stage of arriving at decisions. States can reach decisions through
genuinely multilateral discussions, a series of bilateral agreements, or the
imposition of decisions on a unilateral basis. Second, we need to specify
the scope of state decisions. Decisions may apply only to those directly
involved in their negotiation or may be extended to a broader range of
actors. Finally, norms of multilateralism may apply at the stage of
implementation. Central problems at this stage involve the monitoring
and enforcement of agreements, and states may utilize mechanisms tanc-
ring from highly centralized to completely decentralized to solve them.
Multilateral norms may, for example, apply to the scope of agreements
but not to their negotiation or enforcement. The questions I address in
this paper are about the utility of multilateral norms and organizations at
each stage and thus about expectations for the multilateral character of
the forums within which specific instances of cooperation are embedded.
The conclusions I draw should: be seen as hypotheses for purposes of
future empirical examination.
Strategic Interaction and Multilateralism

As Ruggie notes in the introduction to this volume, multilateralism is a "highly demanding form." It requires that states sacrifice substantial levels of flexibility in decisionmaking and resist the temptations of short-term gain in the interest of long-term benefits. Therefore, it is unrealistic to expect state behavior to conform to pure multilateralism. Instead, we need to ask about the role IM and MO can play under specified conditions. Here, I suggest that focusing on the fundamental problem of strategic interaction within an issue area provides some answers to questions about the likelihood of successful use of IM and MO.

Drawing on the work of Duncan Snidal, Arthur Stein, and others, I present a simple four-category typology of cooperation problems. Each of these problems—collaboration, coordination, suasion, and assurance—presents unique challenges to states considering cooperation. Thus, they lead to different expectations about the role of norms and organizations. Consideration of the strategic dilemmas underlying particular issue areas in their simplest form suggests particular relationships between IM and MO. In addition, each situation leads to different relations between IM or MO and behavioral outcomes. To some extent, these games represent alternative paradigms in international relations theory. Liberals have often implicitly assumed coordination or assurance games between states. Realism, with its emphasis on power asymmetries, has often assumed something close to a suasion game, while neorealists have explicitly focused on collaboration problems.

Snidal and Stein differentiate between two prototypical cooperation problems. 4 Snidal refers to these as coordination and Prisoners' Dilemma, while Stein discusses coordination and collaboration. In this paper, I use Stein's terminology, for it is more general than Snidal's. I also argue that two additional game types require consideration. Coordination and collaboration both assume symmetrical interests. In a suasion game, defined below, states have asymmetrical interests, so that the equilibrium outcome leaves one of them dissatisfied. Although analysis have downplayed the significance of regimes or institutions in such asymmetrical situations, I argue that the postwar distribution of power often created precisely this kind of problem and that institutions could, nevertheless, facilitate cooperation. In assurance games, institutions have little to contribute to cooperation under conditions of complete information. However, given the structural uncertainty of international relations,
lished cooperative patterns of behavior. As discussed below, in coordination games no state has an immediate incentive to defect unilaterally from an established equilibrium. In collaboration, on the other hand, states have strong temptations to defect from a cooperative outcome, since defection results in immediate payoffs. Therefore, mechanisms to promote cooperation must focus on maintenance of agreements rather than facilitation of bargaining prior to agreement. As Snidal argues, the need for maintenance mechanisms suggests that solutions to collaboration problems will be centralized, creating a significant role for formal organizations.

Two factors in particular promote cooperation in collaboration games. First, states will demand extensive information on others' behavior, since undetected defection will be costly for those who continue to cooperate and will complicate attempts at retaliation. Thus, we should expect extensive monitoring and assessment of compliance questions in successfully resolved collaboration problems. Such activity contrasts with that in coordination games, where exchange of information should take the form of notification of intentions in order to avoid a mutually disliked outcome. According to the logic of strategic interaction, in collaboration, states will exchange information retrospectively; in coordination, prospectively.

Second, in collaboration, states should search for mechanisms to increase the shadow of the future, in order to ensure that the immediate costs associated with cooperation will be offset by long-run benefits of mutual assistance. Formal organizations can perform such functions. Conventions alone, without monitoring or enforcement, cannot ensure cooperation as they can in coordination cases. The solution to collaboration problems in the absence of a state acting as an entrepreneur and in the presence of large numbers of players requires centralization, leading to expectations of relatively strong formal organizations.

Research on current problems of international cooperation supports the plausibility of this argument. Analyses have suggested that the completion of the internal market in the European Community (EC) can be understood in these terms. The removal of internal trade barriers presents a typical collaboration problem, and the members of the European Community have responded by replacing their previous pattern of bilateral, self-enforcing trade arrangements with third-party enforcement mechanisms on an increasingly large range of issues. As expected, the liberalizing process involves a higher degree of centralization and surrender of individual states' decision-making power than commonly found on coordination issues such as transborder data flows. In fact, the necessary surrender of sovereignty by EC member states has been a significant impediment to rapid movement toward a unified economic region.

This finding about the important role of MO does not, however, extend to the norms of multilateralism. In collaboration problems multilateral norms may complicate attempts to cooperate. The norms of diffuse reciprocity and indivisibility, in particular, are not conducive to the solution of collaboration problems. Theoretical and experimental studies of the repeated Prisoners' Dilemma show the value of strategies of specific reciprocity, such as tit-for-tat and trigger strategies, for maintaining cooperation. Diffuse reciprocity, with its lack of direct retaliation for defections, is unlikely to maintain cooperation effectively in demanding collaboration problems, although it may be efficient in less demanding situations. Under diffuse reciprocity, members rely on generalized norms of obligation to promote cooperation. For states that lack a high level of interdependence with other regime members, obligation may not outweigh the temptation to free ride. In a multilateral organization with a large number of members having diverse interests, the problem of temptations to free ride will become especially acute. Although ongoing mutual cooperation provides long-term benefits, without the threat of specific retaliations, the temptation to cheat in order to maximize immediate payoffs rises substantially. Strict adherence to the norm of diffuse reciprocity, particularly at the enforcement stage, would encourage free riding in collaboration situations. Therefore, beyond mechanisms to increase the sense of obligation among states caught in such a dilemma, we might expect to find some compromise of diffuse reciprocity to allow issue-specific sanctioning of egregious free riders. The General Agreement on Tariffs and Trade (GATT), for example, provides for direct retaliation for unfair trading practices, a clear example of specific reciprocity at the enforcement stage.

Similarly, the multilateral norm of indivisibility is antithetical to the solution of collaboration dilemmas. Indivisibility, when combined with diffuse reciprocity, implies nonexclusion and creates publicness. If all threats and decisions apply equally to all members of the regime, and all members must be treated equally, the regime will create public goods where private goods existed previously. Multilateral security arrangements, for example, make exclusion from protection extremely difficult, for states view a threat to one as a threat to all. Numerous authors have discussed dilemmas of collective choice that arise when dealing with public goods. Strict adherence to multilateral principles, rather than
solve such dilemmas, would create public goods from private ones. Regime members, under a strict interpretation of such norms, could not be excluded from benefits created by the regime without compromising the indivisibility and diffuse reciprocity principles. Thus, multilateralism creates huge incentives to free ride.

One way around the dilemma of public goods would involve sacrificing some indivisibility and diffuse reciprocity, making regime benefits excludable. Organizations could sanction states that free ride by denying them “entitlements” according to the norms of the regime. One example of such a compromise occurred during the Tokyo Round in the GATT, when states that refused to sign the government procurement and other protocols were denied the benefits they provided signatories. The previous GATT practice of multilateralism in the scope of agreements was modified, making some regime benefits excludable and contingent on policy commitments. In general, we should expect formal organizations to reflect compromises of the indivisibility and diffuse reciprocity norms to allow privatization of benefits and sanctioning of free riders in collaboration games. As Snidal argues, “The possibility of exclusion will be especially important in mitigating the adverse effects of increased numbers of states on the prospects for international cooperation.” Thus, regimes in issue areas characterized by collaboration will likely depart significantly from these two multilateral norms at the scope and implementation stages, allowing for specific reciprocity and exclusion. In a mirror image of the coordination case discussed below, the institution of multilateralism will appear weak in collaboration cases, while multilateral organizations should be strong.

Thus far, the logic of collaboration has suggested a limited role for multilateralism at the scope and implementation stages. I turn now to the decision-making stage. Making decisions on a multilateral basis may save transaction costs during periods of “normal politics,” when a group of states is faced with only routine decisions. However, open, egalitarian processes will become cumbersome when a group confronts major decisions. For example, multilateral decision making will create problems for an organization attempting to determine members’ budget contributions or to respond quickly to some exogenous crisis. In a distributive or crisis situation, multilateral decision making will entail higher transaction costs than centralized mechanisms will. In addition, the collective-choice literature points to the problem of cycling. When confronted with a set of choices, majoritarian voting procedures may not lead to a conclusive outcome, for each new option receives majority approval. An organization may find itself unable to settle on any specific proposal unless some form of agenda control is imposed, again suggesting a role for centralized or hierarchical decision making.

Groups can overcome the difficulties of multilateral decision making by delegating urgent issues to a smaller group of actors or allowing such a subset to exercise agenda control under certain conditions. The U.N.’s Security Council is an example of a compromise of pure multilateralism that fulfills these functions and helps account for the U.N.’s ability to act quickly and decisively in recent crises such as the Iraqi invasion of Kuwait. Without such delegation, it is difficult to imagine swift, successful cooperation in crises. By delegating difficult decisions and agenda control to smaller groups of states, organizations can avoid some of the transaction cost problems caused by multilateral decision making. The logic of delegation in international organizations mirrors that in legislatures, which develop systems such as committees to overcome the problems of multilateralism.

Multilateral organizations typically have a large number of members. As many authors have pointed out, large numbers create problems for states attempting to cooperate. Having many players can increase the conflicts of interest among them, uncertainty about others’ preferences, and opportunities for undetected free riding. A multilateral organization could deal with some of these difficulties by devoting substantial resources to surveillance and sanctioning of free riders, as discussed above. However, a cheaper tactic might be to sacrifice some degree of multilateralism by decomposing conflictual issues. For example, the GATT has adopted strategies of allowing major trading powers to negotiate agreements rather than mandate negotiations with the entire membership.

By focusing on just a few important actors for specific issues, members avoid some of the problems of numerous participants. Negotiations on arms control have followed a similar pattern of decomposition and de facto delegation to those with the most at stake.

This discussion has stressed the role that MOS can play in solving collaboration problems, although these MOS will be weak on IM; i.e., they will not strictly reflect the principles of multilateralism. However, analysts have noted that at least two other solutions to collaboration problems exist: hegemony and self-enforcing agreements among smaller numbers of players. The argument about the possibility for a single dominant state to provide public goods and thus enforce a solution to collaboration problems has been thoroughly explored under the rubric of hegemonic stability theory. The logical and empirical weaknesses of
this theory have also been subject to extensive discussion. For the purposes of this paper, I will simply note that if a hegemon has incentives to provide a public good and/or undertake the costs of enforcement, the strategic situation has changed from collaboration to a suasion game. The hegemon’s size creates the incentives to provide public goods, thus changing this player’s preference ordering and creating a new type of cooperation problem, one that is discussed below. Also, the hegemonic solution to collaboration problems is available only when a specific configuration of state power obtains. Thus, insofar as no single state is dominant or makes up a “uniquely privileged group,” the hegemonic solution is not available.

Another potential response to collaboration problems involves the use of bilateralism at the stage of decision making but multilateralism in the scope of these decisions. In other words, states reach bilateral agreements and then, through application of the norm of nondiscrimination, extend these agreements to other members of the system. This solution has been used in international trade, in both the nineteenth and twentieth centuries, through the application of unconditional most-favored-nation (MFN) treatment.

However, the temptation to cheat on these agreements still exists, suggesting that multilateral norms will not extend to implementation. States could perhaps make such agreements self-enforcing, for example, through an “exchange of hostages” in the form of asset-specific investments. If this solution is to work, the calculation that continued cooperation is more profitable than cheating must hold for every state to which MFN treatment is extended, creating complications when large numbers of states are involved. Another numbers problem arises simply through the high transaction costs of negotiating a series of bilateral treaties, as suggested by this model for collaboration. Thus, if the MFN type of solution is to lead to stable cooperation without the use of international organizations with enforcement power, we should expect to find it on only a regional or subregional basis. This leads to the pattern of “minilateralism” discussed by Miles Kahler in this volume. In fact, this pattern of no centralized enforcement has existed throughout the GATT’s history. The GATT remains weak in terms of formal organization, illustrating the multiplicity of solutions to collaboration problems. However, as GATT membership and the complexity of issues with which it deals grow, we find increasing use of centralized dispute resolution mechanisms and specific reciprocity. Thus, the ghost of collaboration dilemmas increasingly haunts the multilateral trading regime.
negotiations would be highly inefficient. Thus, in coordination situations, the institution of multilateralism may be quite strong.

However, there is no reason to expect that the strength of these norms will be reflected in strong formal organizations. The roles that such organizations can play—such as providing information about others’ actions and sanctioning free riders—are not essential to the maintenance of cooperation in coordination games. We have little reason to expect that states will choose to devote scarce resources to formal organizations that will be superfluous. Thus, while the institution of multilateralism may be most efficacious in coordination games, multilateral organizations will not have strong enforcement powers.

Why might states create formal organizations at all under these conditions? The answer lies in transaction cost savings on the prospective collection of information about state intentions. Consider a case where players are choosing frequencies for radio transmissions. As long as a sufficient number of frequencies exists to satisfy everyone, this is a pure coordination problem. To avoid confusion and the mutually disliked outcome of two players attempting to use the same frequency, they will likely set up a centralized system of notification, to let one another know how they plan to behave. However, this system will only be an efficient means of distributing information, and states will not delegate to it unnecessary monitoring powers since no player has an incentive to cheat by deviating from the announced intention.** Information is important to the solution of coordination games, but it is signaling information about future plans rather than retrospective information about compliance that states need. In coordination problems, no incentive exists for surreptitious cheating. Since the point of diverging from an established equilibrium is to force joint movement to a new one, defection must be public. Under these conditions, secret defection makes as little sense as undertaking terrorist operations while attempting to prevent publicity about them. In both cases, the point is to impose high costs on others in order to force them to change their policies in a specified manner, which requires publicity about the reasons for and nature of defection.

In coordination games, the primary instrumental value of multilateral norms appears during the negotiation stage, when states are attempting to reach agreements and set conventions. As in collaboration cases, however, alternative solutions exist. A primary one is action by a dominant player to establish a focal point. If a single powerful state can commit itself to a particular equilibrium, others will find it in their interest to simply go along with this decision. This solution obviates the need for extensive discussions. It may have occurred, for example, during the transition from an allocative to market-based regime in telecommunications, as the United States forced others to move to a new equilibrium.** American actions in the establishment of the postwar monetary order could be interpreted in a similar manner.29

In problems of standardization, such as transborder data flows, state preferences approach the ideal type of coordination. Although each actor has a preferred standard, each has a strong common interest in avoiding the use of conflicting standards. In these cases, the major analytical puzzle is the establishment of a convention, which typically follows extensive multilateral discussions. Negotiations focus on the creation of new standards rather than arguments about whether members are violating old ones, since nothing is to be gained from concealed deviation from the focal point. States will find it easier to maintain cooperation, once established, in coordination games than in collaboration or suasion games, although some actors will inevitably have preferred a different outcome. Thus, in issues that reflect coordination preferences, the institution of multilateralism will contribute more to cooperative outcomes than formal multilateral organizations will.

**Suasion Problems**

Both coordination and collaboration problems embody a symmetry of interests among states. However, the establishment of many multilateral institutions took place under conditions of significant asymmetry. Because the United States far exceeded others in power and wealth, it frequently formed a “privileged group” of one, willing unilaterally to supply public goods. The control of technology sales to the Soviet bloc through the Coordinating Committee on Export Controls (COCOM) illustrates this situation, where the United States often had a dominant strategy to control technology regardless of the policies of other states.30 In this situation, smaller states have a strong incentive to free ride, knowing that public goods such as control of significant technologies will nevertheless be provided. In the COCOM case, while the United States controlled most production of high-technology goods, the Europeans could reap the benefits of exports while being assured that these sales were insufficient in quantity and quality to change the overall balance of power. This presents the United States, or any hegemon, with a dilemma. The hegemon would prefer others’ cooperation and is dissatisfied with the equilibrium outcome of unilateral action. I call this kind of
asymmetric situation a "suasion" game, since the dilemma facing the hegemon is to persuade or coerce others to cooperate. Figure 3.3 shows a typical suasion game.

**Figure 3.3. A Suasion Game**

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>4, 3</td>
<td>3, 4</td>
</tr>
<tr>
<td>1</td>
<td>2, 2</td>
<td>1, 1</td>
</tr>
</tbody>
</table>

Suasion problems have equilibrium outcomes that leave one actor dissatisfied. In the situation shown in figure 3, player A (assume this is the United States) has a dominant strategy to cooperate. Knowing this, state B can achieve its most favored outcome by defecting. Faced with this situation, the United States has, in the abstract, two ways to convince the other to cooperate, both of which go beyond the confines of the game illustrated here. First, it could threaten to act irrationally in the short term, defecting if player B does. This would lead to player B's least favored outcome and, if credible, convince B to cooperate. The problem with such a strategy is, of course, establishing credibility. The United States would have to be willing to bear high short-term costs if player B does not respond to this threat. To make the threat credible, the United States would need to find a mechanism to make its defection automatic. This would involve a significant surrender of control over decision making and seems an unlikely course of action.

More frequently, the aggrieved actor will choose the second path—tactical issue linkage. This linkage could take the form of either threats or promises (i.e., side payments). By linking issues, the hegemon can either decrease B's payoff associated with unilateral defection (threats) or increase the payoff for mutual cooperation (side payments). In either case, understanding the emergence of cooperation requires that we look beyond the single issue supposedly at stake. In the nuclear nonproliferation regime, for example, the goal of nonproliferation has been pursued by offering various forms of technical assistance to those complying with regime rules. Private, linked benefits contribute to the supply of a public good (nonproliferation) in suasion games.

What role can multilateralism play? For the smaller states—those being either bribed or threatened into submission—maintaining the appearance of multilateralism may be quite important. Governments that give in to U.S. pressure, for example, may need to conceal this behind a veil of "multilateral agreement," for domestic purposes. Thus, we should expect that actual decision-making processes in these situations are obscured, not transparent to the public. In fact, COCOM was the most secretive of international organizations, its very existence kept secret in many countries. At least before the Korean War, and during some periods thereafter, U.S.–European efforts to control technology exports fit this pattern.

While smaller states may benefit from a "velvet glove" of multilateralism in these situations, there is little reason to expect that multilateral norms play a significant role in constraining state behavior. Actual control over the agenda and decisions will likely be maintained by the hegemonic state, with face-saving arrangements to isolate others from domestic pressure. Strong asymmetries of interests and power may lead to widespread disregard of the nondiscrimination norm, for the functions performed by the hegemonic state will differ significantly from those of the smaller members. In addition, the threats or promises that lead to mutual cooperation will need to be implemented on a basis of specific reciprocity. For example, threats to retaliate against all due to the defection of individuals will be costly and lack credibility. Thus, the institution of multilateralism—the embodiment of multilateral principles—suffers in suasion situations.

Even if the dominant state adopts a linkage strategy, it faces a credibility problem. 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 the 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. Peter Cowhey's work on domestic strategies to establish credibility, such as his paper in this volume, captures one dimension of this problem. In addition to domestic strategies, the United States looked to multilateral organizations to make its threats or promises credible. From this perspective, one role of multilateral organizations in suasion games is to tie together issues that have no substantive rationale.
for linkage. In addition to their role in tactical linkage, organizations can provide the hegemon with information on others’ behavior, allowing it to respond quickly to deflections.

A useful typology of cooperation problems must include suasion games because the conditions of the early postwar period made this asymmetric type of strategic interaction common. The asymmetry of suasion games suggests that the institution of multilateralism may provide cover for smaller states but will have little impact on actual decision making. Formal organizations, on the other hand, may facilitate the dominant state’s attempts at issue linkage. There is no reason to expect, however, that these organizations will operate on the basis of multilateral principles.

**Assurance Problems**

For the sake of completeness, I include a fourth type of cooperation problem in this typology. This is the assurance game, as shown in figure 3.4.

*Figure 3.4. An Assurance Game (Stag Hunt)*

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>4, 4</td>
<td>1, 3</td>
</tr>
<tr>
<td>A 1</td>
<td>3, 1</td>
<td>2, 2</td>
</tr>
</tbody>
</table>

In an assurance game, all players’ preferred outcome is mutual cooperation. Thus, in equilibrium, rational states with complete information will cooperate within the confines of this single issue-area, single-shot game. As long as all others cooperate, no gains are to be derived from cheating and so no incentives to defect exist. Although mutual defection is also an equilibrium in this game, mutual cooperation is Pareto-superior and so should quite easily become a focal point, differentiating assurance from the coordination problem discussed above. On this basis, studies of regimes have concluded that institutions have little role to play in assurance games, so that states will not waste resources constructing them.

This conclusion is, however, sensitive to changes in assumptions about the information available to states and about the ability of states to act as unitary actors. Although mutual cooperation makes all players happy, unilateral cooperation is disastrous in assurance games. Thus, two kinds of problems could cause states to fail to reach their preferred outcome: uncertainty about others’ payoffs and suspicion that others may not actually be rational unitary actors.

If country A has assurance preferences but believes that some probability exists that B has collaboration preferences, for example, A will be reluctant to take the risk of cooperation. If B did in fact see benefits from unilateral defection, A may need to protect herself by preemptive defection. Similar concerns by B could lead to mutual defection in spite of the fact that mutual cooperation is a Pareto-superior equilibrium. This is Robert Jervis’ analysis of the security dilemma, suggesting why defensive rational states in a world of uncertainty may behave in a manner that appears quite irrational.

A second problem involves the question of whether the other player is in fact acting as a rational unitary actor. Although the story underlying this concern differs from the previous scenario, its formal expression is equivalent: a probability distribution over the type of game being played. Here, state A’s concern is that B is not in control of her actions. One explanation may simply be a lack of rationality on B’s part, leading to some probability that B will defect regardless of her preferences. A second, perhaps more plausible, rendering is that B’s policies are the result of a domestic game being played out between factions with different preference orderings. Perhaps the chief executive has assurance preferences, for example, while the legislative branch sees immediate benefits from cheating. In this case, if the outcome of the domestic struggle is unclear, A will want to protect herself against the possibility that the legislature will prevail in the domestic game. The outcome is the same as in the case of uncertainty about preferences. Suboptimal mutual defection can result and will be an equilibrium, for neither state has an incentive to change strategies unilaterally.

Admitting uncertainty into the assurance problem may have, at first glance, created a situation analogous to that of a collaboration game, where rational, self-interested behavior leads to a suboptimal outcome. However, the solution to the problem of suboptimal mutual defection is much less demanding in the assurance than in the collaboration case. In
collaboration, stringent systems of monitoring and enforcement are required to prevent cheating. In assurance games, the problem is simply one of assuring all players that each sees no benefits from unilateral defection and is in control of domestic policymaking processes. An efficient solution in this case is provided by transparency in domestic arrangements, so that open democratic governments will see little need for complex international arrangements to solve assurance problems.

However, democracies may also be especially subject to the problem of divided control over policymaking. Analysts often explain U.S. problems with foreign policy, for instance, by reference to the weaknesses of divided government. Thus, governments may choose to bolster their commitment to cooperation through the use of international arrangements. The primary function of these arrangements under assurance conditions would be exchange of information about the preferences of various domestic groups with access to the decision-making process. Multilateral norms, with their emphasis on collective decision making and extensive consultation and their transaction costs savings, will enhance governments’ knowledge about one anothers’ preferences. States may even centralize information exchange to further economize on transaction costs, as in coordination cases. However, the logic of the assurance situation does not suggest a need for centralized enforcement mechanisms. Although we should expect to see extensive cooperation in assurance games when information is not scarce, it would be a mistake to credit strong organizations or regimes with this success.

In sum, different types of cooperation problems lead us to expect the emergence of different kinds of solutions. While no unique solution to any problem exists, a functional analysis does suggest that certain norms or types of formal organizations will be either dysfunctional or inefficient under specific conditions. In collaboration games, high incentives to engage in undetected cheating lead us to expect the emergence of strong organizations unless enforcement and monitoring are taken over by a hegemon. In this case, multilateral norms cannot promote cooperation except under the restricted circumstances of self-enforcing agreements among a small number of states (minilateralism). Coordination problems, on the other hand, do present room for the use of multilateral norms, since states see no advantages in concealed defection from established conventions. In assurance games, cooperation is achieved through issue linkages. MOs can play some role in this process through committing the dominant power and making agreements easier to sell domestically for smaller states; however, these MOs are unlikely to embody IM to any extensive degree. Finally, assurance games, like coordination games, lead us to expect that IM will be high to encourage transparency. However, also as in coordination cases, the role of formal organizations will be limited to exchange of information.

The Effects of Hegemony and Bipolarity

Thus far, this paper has adopted a functional approach, asking about potential solutions to a variety of cooperation problems. The analysis has adopted a systemic perspective, asking about the “correct” solutions to problems on a macro level. However, more than one solution exists for each type of problem. In addition to the problem of multiple equilibria, we have yet to address the microlevel foundations of various solutions, to ask why individual states would choose to adopt them. To address these concerns, in this section I look at cooperation problems from the perspective of a hegemon, relying on a fundamental characteristic of the period in which postwar institutions were established. Bipolarity in the security realm also distinguished this period. The benefits of various solutions from the perspective of a hegemon in a bipolar system provide further insight into the types of solutions states prefer to adopt.

HEGEMONIC INTERESTS

As Ruggie points out, the United States played a leading role in establishing multilateral institutions after World War II. For this reason, the potential benefits of this organizational form for a dominant state such as the United States deserve attention. These benefits fall primarily into three categories: lower transaction costs, the deflection of challenges to the institution from its weaker members, and increased stability under conditions of changes in relative power. These are benefits from the perspective of any type of hegemon, liberal or illiberal, although different types of regimes may put different weights on these benefits relative to the costs associated with various forms of cooperation. Any type of state gains from reducing its costs of interacting with other countries or preventing challenges to the regimes it establishes.

Multilateralism can lower the transaction costs of interaction among states, particularly when they are attempting to overcome coordination problems. Ruggie uses the example of the International Telegraph Union to illustrate this dynamic. When the distributional implications of
agreements are minimal and the major problem is standardization, the
transaction cost savings of multilateral institutions may be sufficient to
explain why a hegemon would choose the multilateral form. Because a
hegemonic power would face higher costs in negotiating a series of
bilateral agreements than in negotiating a single multilateral agreement,
it should prefer multilateralism. However, the hegemon may be able to
establish a focal point in coordination games simply through unilateral
action.\footnote{40} If so, few short-term gains arise from multilateralism. Only a
long-term, risk-averse perspective, anticipating future challenges to uni-
ilateral action, could explain hegemonic reliance on multilateralism in
such a situation. These incentives are discussed below.

Multilateralism may also have advantages when greater conflicts of
interest arise. From the hegemon’s perspective, the “maintenance costs of
a multilateral organization will be lower than those of an organizational
form with more concentrated decision-making power. As long as patterns
of state interests and power do not change abruptly, a hegemon can
expect fewer challenges to an institution in which smaller states have a
say in joint decisions than to a unilaterally imposed arrangement. As
Miles Kahler has argued regarding the early years of the International
Monetary Fund, “Even in these years of American predominance, the
United States found it valuable to veil its power through conventions
that convinced other countries that the rules of the game were reasonably
fair or at least better than no rules at all.”\footnote{41}

We could consider the establishment of a multilateral organization as
a transfer of resources in the form of decision-making power from the
hegemon to other actors.\footnote{42} This transfer legitimates the organization’s
decisions in the eyes of weaker states, thus reducing the chance that they
will continually challenge the regime.\footnote{43} As Margaret Levi has argued in
a domestic context, institutionalized bargaining under conditions of
asymmetry of power is less costly and risky for the dominant actor than
constant expenditure of resources to quell rebellions.\footnote{44} Careful institu-
tional design can create “quasi-voluntary compliance,” reducing the
transaction costs embodied in bargaining, monitoring, and enforcing.

Uncertainty about the actual distribution of benefits will also help
make a multilateral institution resistant to challenges from below. All
else being equal, we should expect multilateral decision making to result
in a more egalitarian distribution of benefits than a regime dominated by
one or a few powers. Thus, smaller states should more willingly comply
with multilateral decisions than commands from above, reducing the
need for the hegemon to expend resources policing behavior and enforcing
rules. By investing in multilateral organizations, the United States could
expect fewer challenges to their activities and thus lower maintenance
costs. As discussed above, a multilateral institution does create incentives
to free ride in some situations. However, from the perspective of smaller
states, taking advantage of these opportunities might threaten the insti-
tution as a whole, leading to the creation of one more detrimental to
their interests. When asymmetry of interests and power allows for the
possibility of decision making dominated by a hegemon, others may
rationally comply with a more egalitarian though demanding arrange-
ment.

On a related note, multilateral organizations may be more resistant to
shifts in the balance of power than forums with concentrated decision
making are. Because the major power is not overtly privileged in multi-
lateral structures, diffusion of power will not necessarily lead to a chal-
lenge to the organization’s structure. Crises resulting from changes in the
distribution of power that might destroy other types of institutions can
be weathered by multilateral arrangements. In this sense, multilateralism
makes sense from the perspective of a farsighted hegemon. It requires
short-term sacrifices of control over decision making but can result in
more stable arrangements over the long term.

As studies of U.S. foreign policy in the 1940s have shown, many key
officials adopted a long-term perspective. They saw themselves engaged
in the construction of a world order that they wanted to last for more
than a few years and were willing to bear short-term costs in pursuit of
long-run goals.\footnote{45} In addition, as Steve Weber’s paper in this volume
shows, there was a widespread belief that the situation of American
hegemony was ephemeral, and efforts took place to speed up the inevita-
dible diffusion of power. Under these conditions, when a multilateral
solution was a feasible option, the United States could rationally prefer it
to more brittle solutions such as overt coercion. For a farsighted actor,
Attempts to exploit its power in the short run could be more costly than
the design of a durable decision-making structure.\footnote{46} Overall, multilateral-
ism provides a relatively cheap, stable organizational form. In exchange
for a loss of some power over decision making and probably some decrease
in distributive benefits, the hegemon gains a stable decision-making
forum. The choice between unilateral action—a feasible solution—and
multilateralism depends heavily on the hegemon’s discount rate. The
longer the time horizon, the more attractive multilateralism.
**The Effects of Bipolarity**

While the United States was the dominant economic and security power within the Western subsystem in the 1950s, this grouping was nested in a larger bipolar security structure. Examination of the effects of bipolarity gives further insight into the kinds of choices a rational hegemon might make when confronted with a range of feasible solutions to cooperation problems.

Realist and neorealist analyses of the effects of bipolarity agree on one central point: a bipolar distribution of power makes exit from cooperative arrangements a less credible threat than it is in multipolar systems. Given the power and threat of the Soviet Union, neither the United States nor Western Europe could credibly threaten to realign, destroying the Western alliance. Although within the bipolar alliance structure numerous conflicts of interest arose, the fundamental stability of alignment was guaranteed by bipolarity. In fact, the very publicity of policy differences among alliance members likely resulted from the understanding that such differences could not lead to defections to the other side.

The central question, in both security and economics issue areas, is why the United States did not take advantage of its unique position to exploit the other members of these regimes. Above, I argued that the more farsighted the hegemon, the less attractive this option becomes. One of the most important impacts of bipolarity is to encourage farsighted behavior on the hegemon’s part. Joanne Gowa argues that in a bipolar system the security externalities of exploitation decrease its utility from the hegemon’s perspective.

The discount factors of allies in a bipolar system, in contrast to a multipolar system, are not subject to the same downward bias: the greater stability of bipolar coalitions allows the value of future to approximate present benefits more closely.

Thus, within both international economic regimes and NATO, the United States was unlikely to prefer solutions such as a series of discriminatory bilateral agreements that sacrificed long-run aggregate benefits for short-term relative gains at the expense of its allies. This trade-off is the heart of the hegemon’s dilemma: whether to pursue its own immediate gains at the expense of its allies or to accept a smaller share of the benefits in exchange for long-run growth and stability. A bipolar system creates incentives to pursue the latter solution, pushing a hegemon toward a multilateral rather than discriminatory solution to cooperation problems.

Although exit is a less attractive option in bipolar than in multipolar systems, significant variations in the credibility of the exit option remain even within bipolar systems. Within the bipolar structure of the Cold War, in particular, exit from the Soviet bloc was a credible threat. While West European states had no credible exit option, creating U.S. incentives as just described, East European countries could credibly threaten to leave the sphere of Soviet dominance. This variation within the bipolar structure can be explained only by domestic differences between the United States and the Soviet Union, not by power differentials. Bipolarity thus creates the possibility of multilateralism but does not require it.

In the aggregate, structural approaches lead us to expect observable differences between the behavior of hegemons in bipolar and multipolar systems; bipolarity may be a necessary condition for multilateralist policies on the part of a hegemon. However, it is not a sufficient condition. If allies have a credible exit option, as East European states did, the hegemon will rationally avoid the sharing of decision-making power and benefits implied by multilateralism. The credibility of threats to exit determine the long-term costs and benefits of multilateralism. Credibility depends in the first instance on structural considerations, for threats to exit are typically quite credible in multipolarity. Bipolarity creates the possibility that such threats will become incredible but does not ensure it.

Overall, consideration of the incentives and constraints created by hegemony and bipolarity gives greater precision to the functional analysis, suggesting how a hegemonic state might choose from among a set of feasible solutions. From a hegemon’s perspective, a primary choice is among discriminatory bilateralism, unilateral dominance, and the use of institutions that cede greater decision-making power to other states. Multilateralism provides benefits of transaction cost savings and greater stability. However, these advantages are offset by the loss of short-term direct benefits, for a greater share of the immediate gains of cooperation will accrue to states other than the hegemon. The discount rate of the hegemon, therefore, determines the choice among these options, for a farsighted state will value the benefits of multilateralism more highly than a shortsighted one. As other authors have argued, bipolarity creates stability and thus encourages farsighted behavior. Thus, the U.S. preference for multilateral over discriminatory bilateral solutions can be seen as a result of structural considerations.
Institutional Change

The previous sections of this paper have adopted a comparative statics approach to institutional choice, asking about the likelihood of finding different patterns of norms and organizations under different configurations of interests and power. This section turns to the question of change. I do not attempt to develop a fully dynamic theory of change, which would require endogenizing the factors that lead to observable changes in institutions. Instead, I treat the causes of change as exogenous. Thus, this discussion does not address the possibility discussed elsewhere in this volume that participation in a multilateral regime may itself change states’ conceptions of their interests. The explanatory puzzle involves the most likely causes of change in each type of cooperation problem discussed above. Assuming that a pattern of cooperation has been established in an issue area, what factors are likely to upset it?

In collaboration situations, crises will result from constant temptations to defect in order to reap short-term benefits. Two factors in particular can lead to crises in collaboration: developments that decrease the shadow of the future for individual states and changes that decrease states’ ability to remain informed about the behavior of others. Numerous factors—impeeding change of government, threats to national security, domestic strife, increasing multipolarity—can lead to a shrinking of states’ relevant time horizon. Any could increase states’ temptation to defect sufficiently to lead to crisis within an issue area. Similarly, if institutions’ ability to provide information is threatened—for example, by technical innovations that make verification of agreements more difficult—the likelihood of defection will increase. Compared with coordination cases, crises are likely to occur more frequently in collaboration situations.

In coordination cases, crises will arise when one state whose actions matter to other participants develops a particularly strong interest in changing the established equilibrium. This may occur for a number of reasons, such as domestic political change or a change in technology that makes maintenance of the existing equilibrium more costly. Changes that give rise to a longer time horizon will likely lead to attempts to change the regime. As states value the future more highly, the short-term costs of forcing movement to a new equilibrium may be outweighed by the long-run benefit of the new outcome. Thus, in contrast to collaboration cases, cooperation is threatened rather than enhanced by a larger shadow of the future.

The state desiring change, if it believes its participation is vital enough to other actors that they can be influenced by its actions, may challenge the existing equilibrium. If this state is a major player, the challenge could eventually succeed in spite of the short-term costs in deviating from the established standard. U.S. actions in challenging the telecommunications regime could be interpreted this way, for changes in technology and domestic politics led the U.S. government to challenge the existing regime, looking for an outcome more conducive to its interests in the long run. Because the United States was an important player in this regime, its defection was costly to other states, and it eventually forced them to a new equilibrium, one based more on market principles.

In sum, crises arise in coordination games when some exogenous force leads an important state to challenge the existing conventions, even though this challenge will be costly in the short term. An important difference from collaboration cases lies in the fact that such challenges to the established pattern will be public. Since nothing is to be gained from unilaterally moving to a different standard, any challenge will be a public attempt to force others to accommodate. Thus, technological developments that threaten cooperation in coordination problems are not those that decrease transparency but those that change the costs and benefits of specific outcomes for key members of the regime.

Regimes that rely on tactical issue linkage to foster cooperation in suasion games will face crises as the power of the hegemon declines. In this situation, the threats and promises that maintain cooperation will become less credible, increasing others’ temptation to defect. This effect may be offset, however, by changing patterns of interests that result directly from changes in power relationships. A declining hegemon may no longer find it worthwhile to provide any public goods unilaterally, thus changing the cooperation problem from suasion to collaboration. We should expect a fundamental shift in the nature of the regime under these conditions, though we might not see a significant decline in overall cooperation. As asymmetries of power and interest decline, the de facto monopoly of decision making by the hegemon should give way to more genuinely multilateral behavior. Organizations that merely collected information may gain monitoring and enforcement powers. The International Atomic Energy Agency seems to illustrate this pattern, for it has continued to function as U.S. power has declined. Overall, crises in suasion situations will typically arise from changes in the distribution of power.
Assurance problems, in spite of their high degree of common interest, are not immune from crises. Changes in the domestic political arrangements of key actors, or technological innovations that create uncertainty about preference orderings, will create a desire to protect oneself from others’ defection. Thus, the kinds of factors that threaten collaboration also challenge cooperation in assurance games. These threats to stable cooperation will, however, be moderated by the existence of viable multilateral institutions. If states have created international arrangements for the exchange of information, whether formal or informal, they will ease the adjustment process to exogenous changes in assurance games.

Conclusions

This paper has outlined a rational-choice approach to the relationships among the institution of multilateralism, multilateral organizations, and international cooperation. The first section developed expectations about institutions and state behavior by focusing on four types of cooperation problems and considering functional constraints. Previous work has shown that the solutions to coordination problems will differ from those to collaboration problems. Putting this work in the context of multilateralism, I argue that the relationships among principles, organizations, and behavior depend on the nature of strategic interaction in particular issue areas. This paper develops hypotheses about these relations, offering anecdotal evidence to establish plausibility. The next step in this research program should involve similar development of hypotheses from competing perspectives and systematic collection of empirical evidence that will allow us to evaluate their respective explanatory power.

Collaboration should lead to relatively strong organizations but disregard of multilateral principles, particularly diffuse reciprocity and indi- viduality. In coordination situations, on the other hand, the institution of multilateralism may be strong, but formal organizations are hardly necessary and will be quite weak. The institution of multilateralism will be weak in suasion situations. In suasion, formal organizations will probably play a larger role than in coordination, but less so than in collaboration games. The potential role of IM and MO in assurance games is similar to that in coordination. The central problem in both is provision of information about preferences and intentions, and multilateral norms provide an efficient means of information exchange. However, there is no reason to expect strong organizations with enforcement power, and unilateral action by a hegemon may constitute a functional substitute for multilateralism.

As seen, one weakness of a purely functional approach is indeterminacy. Although we can rule out certain kinds of solutions for each type of cooperation problem, more than one potential solution usually remains. Analysis can further narrow the range of feasible solutions, however, by considering the structural characteristics of the international system. The institutions studied in this volume were, for the most part, created under conditions of American hegemony and a bipolar distribution of power. The second section of this paper thus examined preferred solutions from the perspective of a hegemon, asking why multilateralism might ever be preferred to an architecture where the hegemon could more directly exercise dominance. The security externalities of different kinds of arrangements and the possibilities for exit make some solutions more attractive than others. In particular, the stability of the Western alliance under conditions of bipolarity led the United States to behave as a farsighted hegemon, willing to bypass exploitative solutions in favor of long-term benefits and stability.

In the third section I argued that any “crisis of multilateralism” will result from different factors in each of the four situations. Changes in the distribution of power will be most threatening to cooperation in suasion games. Factors that reduce transparency will challenge both assurance and collaboration games, while increasing discount rates will be most troubling for collaboration. Coordination games are most likely to be upset by technological innovations that alter the cost-benefit calculus of existing conventions for key players.

Looking at a highly simplified characterization of the cooperation problem in various cases, therefore, helps explain the variations we find in multilateral organizations and the strength of the institution of multilateralism. While this type of analysis cannot explain all details of institutional solutions to various problems, it does represent an important element of such explanations by providing rational-choice baseline expectations about behavior.

NOTES

1. For examples, see the papers in this volume by Judith Goldscein, James Caporaso, Anne-Marie Burley, and Steve Weber.


6. I illustrate only two-person games here. Obviously, situations of multilateralism involve more players. However, many of the fundamental dilemmas of cooperation appear in these simple two-person illustrations.


17. My thanks to Patrick Morgan for suggesting this example.


22. Coneybeare, Trade Wars, p. 278.

23. See also Yarbrough and Yarbrough, “Cooperation in the Liberalization of International Trade.”

24. The strategic problems states confront in international monetary affairs differ substantially from those in commercial activities. Under the Bretton Woods regime, for example, the central role of the United States prevented the cooperation problem from being one of collaboration. Indeed, wc saw a significant asymmetry of interests, creating perhaps a suasion game as discussed below.


27. For another perspective on the functions regimes can perform in coordination games under conditions of imperfect information, see James D. Morrow, “Modeling International Regimes,” paper presented to the Annual Meeting of the American Political Science Association, San Francisco, California, September 1990.

28. See Peter F. Cowhey, “The International Telecommunications Regime:


40. See Krasner, “Global Communications and National Power.”

41. Miles Kahler, “The United States and the International Monetary Fund: Declining Influence or Declining Interest?” in Karns and Mingst, eds., *The United States and Multilateral Institutions*, p. 97.


48. Snyder, “The Security Dilemma,” p. 473. The question of burden sharing within the alliance is, however, an entirely different issue. Here, the asymmetry of power within the alliance put the United States into a suasion game where it contributed a disproportionately high level of resources to the alliance.


50. Current changes in the structure of security arrangements in Europe bear out this logic. East European states are turning to NATO for security. However, NATO, wary of the reliability and stability of the new East European regimes, is insisting on a series of bilateral arrangements rather than formal incorporation into the multilateral framework. See statement of Manfred Woerner reported by the Associated Press, October 17, 1990.

51. As discussed above, we have good reasons to expect these MOs to diverge in significant ways from the norms of IM.

52. Cowhey, “The International Telecommunications Regime.”


55. According to this logic, the current movement toward multipolarity should tend to favor solutions other than multilateralism. For example, we might expect to see greater use of self-enforcing agreements among smaller numbers of players, as those who see a move toward regionalism in the global economy argue is happening. Note, however, that this does not imply that the goal of liberalization will disappear but simply that solutions other than multilateralism will become increasingly important for its realization.
Two pairs of matched problems obstruct international cooperation. One pair, sanctioning and monitoring problems, plagues the enforcement of cooperative arrangements. Sanctions may be needed to penalize those who renege on cooperative arrangements; what is the optimal way to penalize defectors? Monitoring is needed to determine whether defection has occurred; are sanctions needed? These problems exacerbate one another. Applying the proper sanctioning strategy is problematic when compliance is difficult to monitor, and monitoring is more difficult when sanctions and uncooperative behavior are similar.

This pair of problems is well-known, but a second pair—problems of distribution and information—also impedes international cooperation.* Distri-

---


2. My distinction between sanctioning and monitoring on one hand and distribution and information on the other parallels Stein’s distinction between collaboration and coordination. Sanctioning and monitoring are problems of collaboration, and distribution and information are problems of coordination. See Arthur A. Stein, Why Nations Cooperate: Circumstance and Choice in International Relations (Ithaca, N.Y.: Cornell University Press, 1990). Lisa Martin adds problems of suasion and assurance to Stein’s two problems in “Interests, Power, and Multilateralism,” International Organization 46 (Autumn 1992), pp. 765–92. The model here addresses both of Martin’s problems. Suasion is a special case of coordination, and assurance is captured in the both-prefer games described below.

International Organization 48, 3, Summer 1994, pp. 387-423
© 1994 by The IO Foundation and the Massachusetts Institute of Technology