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Michael B. Dolan

Textiles: European Responses

Vinod K. Aggarwal

Textiles: International Negotiations

Thomas L. Ilgen

Chemicals in the World Economy

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Economic Integration in Southern Africa

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The Board of Editors of *International Organization* regrets to inform readers that the special issue of the journal on industrial sectors in the world economy, previously announced, will not be published. Several articles prepared for that project appear in this and forthcoming issues of *IO*.

Abstracts

Industry, the state, and the new protectionism: textiles in Canada and France

by Rianne Mahon and Lynn Krieger Mytelka

In this article we address two questions pertinent to the debate on the relationship between industrial restructuring and the new protectionism. First, does the appearance of industry-specific trade barriers necessarily indicate an attempt to preserve those traditional sectors in which advanced capitalist states no longer enjoy a comparative advantage? Second, are all advanced capitalist states equally susceptible to protectionist pressures or will neomercantilist states, given their established capacity for sectoral intervention, find such pressures easier to resist than their liberal counterparts? After analyzing recent changes in textile technology and in the pattern of international competition in the textile industry, we examine the response of two states—the relatively liberal Canadian state and the neomercantilist French state—to this complex set of changes. The textile case indicates that it is a mistake to assume that states have but two options: protect or adjust. Links may be established between high-technology and traditional industries that make it possible for inputs from the former to restore the competitive position of the latter. If such links are forged, then states may use trade barriers to allow producers time to adjust. French and Canadian textile policies reveal the conditions under which such states, although constrained by established policy networks, are nevertheless induced to respond in similar fashions to contemporary changes in the world economy.

European restructuring and import policies for a textile industry in crisis

by Michael B. Dolan

In the last ten years, employment in the textile and clothing industry in the European Community has decreased by roughly one million workers. In the face of falling employment, profits, and investment, and of surplus capacity, business and labor have increasingly pressured state and European authorities for adjustment assistance and import protection. Although most industrialized countries face similar pressures, policy making in the member states of the European Economic Community is made difficult by the uneven development of the EEC, which regulates trade policy and state aids to industry and restricts business practices but which is not able to construct interventionist or structural policies. Further complicating the situation is the split

between two groups of states that differ profoundly on whether the EEC should adopt a liberal trading, noninterventionist position or a protectionist trade policy combined with state aids to mitigate the economic and social effects of restructuring. Tracing these developments over the last ten years, I argue that contradictions in the European political economy in textiles have led to a protectionist bias in Community policies, notwithstanding important developments in outward processing as a means of restructuring.

The unraveling of the Multi-Fiber Arrangement, 1981: an examination of international regime change

by Vinod K. Aggarwal

As competition between newly industrializing and advanced industrialized countries has increased, trade protection has become a key issue. In textile and apparel trade, international regimes to regulate trade intervention have existed since the early 1960s. The 1981 renewal of the Multi-Fiber Arrangement poses two puzzles. First, why did countries choose to continue to manage conflict through an international regime rather than through some other arrangement? Second, why did the regime become weaker and more protectionist than in the past? An international structure approach suggests that regimes are wanted to prevent arrangements in larger systems from being undermined, to control the behavior of other countries, and to reduce information costs. Variation in regime strength can be explained by asymmetry in the distribution of capabilities in various systems. The nature of the regime is influenced by changes in international competition and by nesting. A domestic structure approach, on the other hand, focuses on the relationships between state and societal groups (the Commission and member states in the case of the EEC). The relative strength of groups affects national policies and the development and characteristics of regimes. A “process-tracing” examination of international textile negotiations, emphasizing the response of decision makers to structural constraints and incentives, allows us to ascertain the relative influence of international and domestic structures on the negotiations and outcomes.

“Better living through chemistry”: the chemical industry in the world economy

by Thomas L. Ilgen

The chemical industry has produced a pattern of economic development and political change differing from that identified by research on the textile, steel, and automobile sectors. Its capacity for innovation and self-renewal renders inappropriate much of the logic of sectoral decline derived from theories of the product cycle. The postwar record of state-industry relations in France, Britain, West Germany, and the United States suggests that “strong” states can be helpful in bolstering the performance of the chemical industry in an expanding global economy but such states often frustrate the process of adaptation and adjustment during periods of recession. “Weak” states are particularly well suited to strong performance by the industry in both the good times and the bad.

Economic liberation and regional cooperation in Southern Africa: SADCC and PTA

by Douglas G. Anglin

Two of the most significant regional organizations to emerge in Southern Africa in recent years are the Southern African Development Coordination Conference (SADCC), with nine members, and the Preferential Trade Area for Eastern and Southern Africa (PTA), comprised of fourteen states including five SADCC members. Although their purposes and programs are similar and steadily converging, SADCC and PTA exhibit distinct differences in their origins, memberships, institutional structures, financial patrons, ideologies, and strategies. Although national development remains the ultimate aim of both bodies, reducing external dependency, especially in the case of SADCC on South Africa, and regional cooperation are seen as essential to success. While obvious areas of conflict exist, the two organizations may be able to restrain their rivalry in the interests of their members and possibly of their own survival.