Goldstein, "Ideas Institutions, and American Trade Policy," *IO*, 42:1 (Winter 1988).

The decline of the US's economic hegemony suggests that there should be a corresponding increase in protectionist trade policies but despite these changes the US has maintained a liberal trade regime. Traditional IR explanations focus on constraints posed by the international system or the pressure of societal groups to explain trade policy. Goldstein argues that the structure of domestic political institutions and the norms those institutions embody are the best explanation for continuity in US trade policy. International constraints and the demands of domestic groups are "filtered" through these institutions.

There exist three sets of ideas governing trade policy: liberal trade policy, "fair" trade, policy and redistributive trade policy. At one time each of these ideas was the dominant thinking on US trade policy. These ideas were institutionalized into laws and made enforceable through the establishment of bureaucracies and procedures. While new paradigms of thought emerged, the previous laws may have fallen into disfavor but they continued to exist. There was never a strong enough consensus to eliminate older laws. While these sets of ideas are contradictory at some level, they all coexist in US law and can be appealed to domestic actors. In the context of declining US hegemony, domestic economic actors (firms labor, industries) could chose to make a claim for protection on the basis of one of the three sets of ideas regarding trade policy. The success of their efforts was limited because bureaucracies were populated by actors firmly wedded to liberal trade policies. Goldstein shows that what protection they did receive was minimal and designed not to disrupt the broader agenda of free trade. Actors' appeals were more likely to be successful if their claim for protection is perceived as "legitimate."

The key moment in US trade policy was the Great Depression on the subsequent liberalization of trade in 1934. The Great Depression was a crisis so severe it completely discredited large-scale protectionism. At the behest of a few "free-traders" FDR passed the 1934 Trade Act. The phenomenal success of this strategy following WWII elevated liberalism to an "untouchable status" in US trade policy. Bureaucracies were established to investigate applications for protection so as to remove political pressure from Congress. These bureaucracies were given few mandates and great leeway. Additionally delegation to the executive of much of the authority of trade policy added to the liberal bias of US trade policy.

Goldstein analyzes tools of protection that embody the three sets of ideas about trade policy. For each she traces the establishment of trade laws on the basis of a particular set of ideas about trade. She analyzes the evolution of institutional mechanisms to demonstrate how they have become more biased towards liberal trade policies over time. She analyzes data on representative mechanisms and shows that while requests for protection have increased there has not been increase in the frequency with which they are granted. She illustrates that the protection that is granted is usually symbolic with little effect on economic performance. Those claims that are based on a norm of liberal policy are the most likely to be granted. For example claims for protection based on unfair trade practices are more likely to be granted because the underlying claim is consistent with norms of liberal trade policy.