



RETURNING TO BERLIN, RETURNING
TO EUROPE
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I remember a day in Berlin some sixteen years ago. It was a bright August morning. I was walking down the Kurfürstendamm on the last day of my first visit to Berlin. I had just graduated from the University of Geneva and was bound for New York for graduate school. Berlin was the one European city I absolutely wanted to visit before leaving for the States. During the previous five days in Berlin, I had walked for hours on end exploring

the various neighborhoods. I was enchanted with the city. In the remaining few hours I wanted to take a little excursion and needed directions. So I asked a random passerby near the intersection of Ku'damm and Bleibtreustraße: "Wie komme ich nach Potsdam?" An elderly Berliner man looked at me with a bemused air. "Nach Potsdam wollen Sie?" he inquired incredulously. I nodded. He suddenly rolled his eyes, threw up his arms, shook his head and exclaimed as he resumed his leisurely pace: "Ach, dann gehen Sie doch lieber nach New York!"

When the Wall came down, I was living in New York. Spellbound I watched the unimaginable become true. How much I regretted not being in Berlin. Ever since, I have felt a strong urge to return to the city. Predictably, I was delighted when years later I received an invitation to be a Fellow at the Wissenschaftskolleg in Berlin. I knew several former Wiko Fellows; they all raved about the institute. Soon I discovered why: a highly dedicated and infinitely courteous staff, outstanding library services, fine food, a nicely balanced program of cultural and social events, and above all exquisitely stimulating Fellows from a variety of disciplines and hailing from all over the world.

The year began on a high note: the award of the Nobel Prize in literature to our Co-Fellow Imre Kertész, one of the most inspiring individuals I have ever met. This *Auftakt* set the tone for an extraordinary year of intellectual excitement, cultural delights, and new friendships. My own work on setting international standards in a global economy was immensely enriched by discussions with various Fellows, notably Kathy Thelen, Hartmut Berghoff, the members of the workshop on globalizations, and the Oxford biologists. Standards have become one of the most important nontariff barriers to trade, especially product standards, which specify design or performance characteristics of manufactured goods. Divergent national standards often inhibit trade whereas regional and international standards increasingly serve as instruments of trade liberalization. Consequently, the setting of international standards – seemingly technical and apolitical – is rapidly becoming an issue of great economic and political salience. But who sets international standards? Who wins, and who loses?

In my research at the Wiko I sought to explain the process of setting one broad class of international standards that is pivotal in international trade, namely product standards, developing a new analytical framework that I call the institutional complementarities approach. This approach acknowledges that standards-setting involves distributional conflicts but argues that it is not economic might or technological prowess per se that determines an actor's success or failure in this process, but certain institutional legacies; that is,

it posits that differences in institutional complementarities – complementarities of historically conditioned standardization systems at the national level with the institutional structure of standardization at the international level – play a critical though largely accidental role in placing firms from different countries or regions in a first- or second-mover position when standardization becomes global. The institutional complementarities approach offers insights that apply to institutionalized international cooperation among non-state actors more generally. A first write-up of this research (published in the October '03 issue of *World Politics*) also presents empirical tests of this approach and competing analytical views of international standardization through statistical analyses of the first scientific set of data on standards use and standardization, collected by me and a collaborator through an international online survey. I now am in the process of completing chapters begun at the Wiko on the politics of setting international financial (especially accounting) standards and food standards.

Finally, this research also addresses key global governance issues. The vast majority of international standardization bodies are private-sector institutions. Over the last ten years, governments have been delegating regulatory functions to these institutions with increasing frequency. This delegation raises very important (and largely unresolved) governance issues pertaining to the accountability, transparency, and legitimacy of these private-sector bodies.

My other research was Berlin, a united city through which still runs a long invisible wall. Wilmersdorf and Zehlendorf, for example, are worlds apart from Hellersdorf and Marzahn. The former remind me of sleepy Bern, the latter evoke parts of Moscow. The people in the various parts dress differently, walk differently, speak differently, and think differently. Unlike New York, Berlin is a relaxed and green city and strikingly affordable to boot; here you can rent an apartment twice the size of a New York flat for one fifth of its price, and it typically comes without cockroaches. Culturally, Berlin is heaven – and not boastful about it. In particular, I cannot think of any other city where the classical music scene is as rich and good as here. Living in Grunewald afforded easy commute to the city center while at the same time offering all the delights of a surrounding with lakes and forests. On my jogging trips I would criss-cross the Grunewald forest and regularly spot wild boars, deer, and a variety of woodpeckers and other rare birds.

And, yes, I did finally manage to visit Potsdam. A lovely city with a stunningly beautiful *Schloss*. And I was rather amused to learn, while visiting the *Bildergalerie* at Sanssouci, that

I had to leave because it was 12:30 p.m. The gallery closed at 12:30 for half an hour. Time for collective lunch of the staff? Talking about institutional legacies ...

In sum, it was a wonderful year during which I discovered much and without which I would not have decided to return to Europe for good.