

This involves removing from the agenda domestic issues that are not yet "ripe" for implementable resolution as their internationalization may lead to negative synergistic linkages, delaying domestic actions and reform. To meet the understandable desire of leaders to pronounce on late breaking subjects of intense domestic concern - where positive synergistic linkage is not likely - the "Chairman's Summary" should be employed.

4) Summit leaders should focus on policy initiatives whose means-ends relationships are well understood and accepted. They should articulate where possible the means-ends relationships so as to establish their credibility and thus maximize their effects on private agents. Where such relationships are not well understood, they should establish and employ G7 working groups, at times involving nongovernmental experts, to advance the required "science".

5) The G7 should advance commitments in areas where individual leaders and the collective heads of state and government hold both "formal" and real "authority". As explained by Aghion and Tirole, formal authority is the right to decide whereas real authority is effective control over decisions.²¹ For example, issues on monetary policy have never been, for all practical purposes, amenable to decisive action by leaders. Leaders often have neither the leading right to decide monetary objectives nor do they exercise control over monetary policy decisions, let alone outcomes. Loss of fast-track authority by the U.S. President at present would also imply that trade should not be a major part of the Summit agenda for Birmingham (although the need for impetus and

²⁰ See, Putnam, Robert. "Diplomacy and Domestic Politics: The Logic of Two-Level Games". *International Organization* 2, 1989. pp. 427-460; Paarlberg, Robert. "Agricultural Policy Reform and the Uruguay Round: Synergistic Linkages in a Two-Level Game?" *International Organization*, Vol. 51, No. 3, 1997, pp. 413-44.

²¹ Aghion, Philippe and Jean Tirole, "Formal and Real Authority in Organizations", *Journal of Political Economy*, Vol. 105, No. 1, 1997, pp. 1-29.