

The data also permit a closer look at *compliance* with rulings. With respect to the GATT era, many observers are of the view that non-compliance was relatively uncommon.²² The data suggest otherwise. In just two-fifths of cases ending with a pro-plaintiff ruling did the defendant fully liberalize, while in another third of these cases the defendant failed to comply at all, opting to spurn these verdicts (including through non-adoption). The point is *not* that the institution was ineffective, but rather that, as above, whatever positive effect it had on a defendant's willingness to liberalize tended to occur before a ruling in the form of early settlement. Put most simply, the institution's effectiveness cannot be gauged by looking at compliance alone.

The key question, of course, is how *outcomes* of disputes vary across these different stages of dispute settlement. Following Robert Hudec,²³ outcomes are defined here as the policy result of a dispute, rather than the direction of a ruling *per se*. In other words, the issue is whether the defendant liberalized its contested trade measure(s), conceding to some or all of the complainant's demands, and not whether the ruling (if one was issued) favoured either the complainant or defendant (or was mixed). Using this benchmark, which has meaning at every stage of dispute settlement from consultations to a panel, Hudec codes the outcome of each dispute into one of three categories, depending on whether challenged practices were fully or partly liberalized, or the status quo prevailed. Data on outcomes for all GATT disputes are presented in Table 2.

²² Jackson 1989, 101; Chayes and Chayes 1993, 187-8; Davey 1993, 72; Hudec 1993, 278-9; Petersmann 1994, 1192-5. In contrast to Hudec (1993), for example, we include post-1989 disputes, in which he, too, observed a high level of non-compliance.

²³ Hudec 1993.