

# *International Organisations and Development*

## Future Perspective of the International Organisation Lesson XII

Prof. Nicolò Conti



# Role and scope of international organisations

- International organisations have developed into important policy venues beyond the state.
- Progressively, in many regions and fields the state has been progressively hollowed-out in favour of IOs.
- Some predict the increase of IOs in number, some others their reduction (with around 250 major IOs as a point of equilibrium).
- With the exception of Realism, all major theories depict international institutions as highly robust and bound to exist due to a combination of high start-up costs, increasing returns from cooperation, and general social and political intransigence.
- It is a common view in scholarship that IOs are robust creations that only rarely disappear. According to one widely cited study, international organisations often produce undesirable and even self-defeating outcomes repeatedly without punishment, much less dismantlement (Barnett and Finnemore 1999).

# Different predictions: Realism

- It postulates that states are purposeful, self-interested, power-seeking, competitive, rational actors operating in a natural condition of international anarchy.
- It is state-centric: States accept to cooperate to reduce the level of anarchy and as long as this can guarantee that other states do not cheat in various cooperative arrangements.
- Cooperation is not a normative principle or a final goal, but only a strategy to reduce uncertainty, unpredictability, transaction costs and to compel state compliance with international regimes (through dispute settlement such as those created for the WTO).
- Realists hold that international institutions and organizations are created and maintained by powerful states in order to advance national interests. Since institutions merely reflect the (short-term) interests of powerful states, IOs should be relatively transitory (Gilpin 1981).
- Nonetheless, since decision costs are high, and since states do not continually reassess their interests, IOs may sometimes endure.

# Different predictions: Functionalism

- Functionalism argues that the process of transnational collaboration in technical or functional areas naturally ‘spills over’ into other social and economic fields (including the more sensitive areas).
- In contrast to realism, the prevailing Functionalist approach predicts a high degree of robustness of IOs.
- States create international institutions in order to solve cooperation problems and to reduce the uncertainty and transactions costs associated with international cooperation (Keohane 1984). IOs fulfill these functions chiefly by generating information.
- Formal international organisations equipped with independent administrative apparatus may also facilitate cooperation by providing monitoring and enforcement through centralised rule interpretation and rule-making.
- Once created, the value of IOs tends to increase over time, as actors acquire institution-specific expertise (so-called ‘learning effects’) and as more states bring their behaviour into conformity with an institutions’ norms and principles thereby increasing collective benefits (so-called ‘coordination effects’).
- IOs are subject to ‘lock-in’ effects which mean that the political and economic costs of abandoning existing institutions increase over time. A final source of institutional endurance is scale-economies, once an international institution has been established, the marginal cost of dealing with each additional issue will be lower than it would have been without.
- Even when an international organisation’s central task is accomplished, or no longer needed, its staff will generally not accept being obsolescent but will seek to identify new tasks to justify its existence, leading to a process of ‘infinite goal succession’.

# Different predictions: Constructivism

- Constructivism sees the world as socially constructed, it postulates that international relations are shaped by ideational factors (which are historically and socially constructed), not simply material factors.
- Constructivists view the institutional robustness of IOs mainly as a function of the legitimating and socialising effects of their institutions, rather than their narrow instrumental value.
- Institutions provide contexts for social interaction, learning, and norm interpretation which shape actors' interests and identities. Over time, such processes lead actors to internalise norms and practices ingrained in institutions to the point that they come to be taken for granted (Finnemore 1993).
- Normative change is considered inherently disruptive, or difficult, because it requires actors to question routinised practice and contemplate new practices. Once established, IOs are therefore expected to be relatively stable.

# Change in IOs

- More than one-third of IOs created since 1815 have since died.
- The policy agendas of IOs display patterns of punctuated equilibria with longer periods of stability and incrementalism interrupted by shorter periods of dramatic change (departures from the past).
- The level of institutional friction in decision-making contributes to variation in punctuations within IOs over time.
- Often, having a large and heterogeneous membership is associated with greater organisational survivability. When membership is small often members prefer to create new IOs as opposed reforming existing ones.