

## **Constructivism**

Constructivists argue against the “**statist ontology**” adopted by previous two rationalist, where the nation-state remains the central unit of international relations.

IOs are not epiphenomenal of state power as rationalist theory claims, and do not only exist because they are Pareto improving and solve problems for states, and instead have powerful effects in contemporary world politics. IOs may be influenced by major member-states, but they still seek to enforce an organizational agenda. Studies of the **World Bank** consistently identify an independent culture and agendas for action, and the IMF negotiates directly with member-states instead of merely facilitating negotiations. Not only are IOs independent actors with their own agendas, but they may embody multiple agendas and contain multiple sources of agency.

Where constructivism is lacking in its explanation of organization formation, it offers to fill the gap left by rationalist theories which are asserted to ignore “the sociological nature of state interactions”.

### **Classification of the world, Fixing of meanings**

IOs classify the world, fix meanings, and articulate and diffuse new norms and principles around the globe. They classify objects, shifting their very definition and identity, which defines identities. Categories created by IOs are discursive, and shapes the views of member-states on different things. The fixing of meanings establishes the parameters of acceptable action and determines what the activity is, the parties involved and the action’s target. This **empowers actors and legitimises different sets of practices**.

These two functions overlap, and often occur simultaneously. The IPCC classifies climate change as **anthropogenic** which deserves action to be resolved, and assigns it with a status of a global problem to require international action.

Redefining meanings in issue areas like security also legitimizes and requires increased levels of IO intervention in domestic affairs of states, allowing IOs to become intimately involved in the domestic workings of developing polities. With human rights being tied to international peace and security, widespread human rights are now cause for UN intervention, and the UN cannot carry out peacekeeping missions without promoting human rights.

### **Norm Diffusion**

Diffusion of norms – having established rules and norms, IOs **are often responsible for the transmission of norms**. They **shape state practices by establishing, articulating, and transmitting norms that define what constitutes acceptable and legitimate state behaviour**.

One of the functions of NATO expansion is to inculcate “modern” norms into the Eastern European countries, with the ultimate goal of these norms being internalized with time.

The impact that constructivism asserts these functions have is clear in the **internalisation of norms**. While 3 African states announced their withdrawal from the ICC, over its alleged bias against the continent, other African nations still remained supportive to the ICC, and issued statements renewing their commitment to the ICC to demonstrate a commitment to the rule of law. Moreover, South Africa and Gambia have rescinded their withdrawal, with the South African High Court ruling in 2017 that the withdrawal was unconstitutional. This illustrates that the norm of international law is deeply internalised within member states, and has successfully shaped the perceptions of member-states, where they still commit to norms over self-interests.

However, it is difficult to determine if norms will definitely prevail when they compete with self-interests, and norms are often observed to be violated by states. It is however, in these violations that states often reinforce and give more legitimacy to norms. The investment that the US has made in searching for loopholes in the Rome Statute of the ICC and its principle of complementarity, instead of simply resorting to outright violations, demonstrates the value the US has placed on the norms it has created.

In sum, it may be too extreme to state that all theories are wrong, but a single theoretical lens cannot give a complete view and a comprehensive explanation for IOs. Instead, all three, along with other considerations, such as domestic factors, must be utilised to achieve a complete and holistic understanding.

With respect to the certainty of the future prospects of IOs, Hegel’s Owl of Minerva indeed flies at dusk. However, while it is uncertain if certain IOs will continue to last into the future, their impact and importance in the international system will definitely remain strong.

[More content in the full document]

## **NLI**

Another rationalist theory, Neoliberal institutionalism (NLI) offers a strong theoretical explanation for the creation of IOs, and states that IOs are created when there is **high material interdependence among states**, and **high absolute gains to be realized by IOs**.

The trans-border effects of health problems presents such an interdependence that forms a basis for cooperation through the WHO.

Importantly, contrary to realism, NLI states that relative gains are unlikely to have much impact on cooperation if the potential absolute gains from cooperation are substantial, or when more than two states are involved.

Moreover, unlike realism, NLI is not an absolutist argument, but a probabilistic one. It is a “source of hope” for cooperation, which is made more likely by IOs, but is not guaranteed as anarchy may still play out and dominate in interactions.

NLI views IOs as created in response to state interests, and possess the have to mitigate anarchy and facilitate cooperation, primarily though altering the costs and benefits of cooperation.

This may be done by **reducing transaction costs, iterating states’ interactions, issue linkage, and providing information**.

### **Transaction costs**

NLI asserts that IOs provide frameworks and focal points to reduce transaction costs and incentivise cooperation. As IOs address a variety of key issues, they enjoy large economies of scale, making the cost of establishing a framework and the total costs of making agreements lower than that of ad hoc agreements.

Moreover, disagreement on cooperative outcomes and the specific form of cooperation is also a strong barrier to cooperation. A coordination mechanism provided by an IO reduces the transaction costs in solving these disagreements.

The International Criminal Court (ICC) lowers such transaction costs by helping states avoid start-up costs and inefficiencies of ad hoc international tribunals, and provides clear definitions of a range of crimes and procedures that all states agree on.

A decision-making framework also lowers transaction costs by **reducing the need for side payments to incentivise cooperation between states**. Moreover, it can lower transaction costs by aiding states that lack the wherewithal and capacity to reach cooperative outcomes.

World Bank not only lends to states at a lower interest rate but also lends to states that are unable to borrow from the international market owing to their internal instabilities, thus lowering the transaction costs for weaker states who lack the capacities to commit to agreements on development.

### **Iteration (shadow of the future)**

IOs also increase the number of transactions between states, and this institutionalised **iteration increases the shadow of the future and encourages cooperation by discouraging cheating in three ways**.

It raises the costs of cheating by creating the prospects of future gains through cooperation.

Iteration also **allows reciprocation**, punishing cheaters and preventing them from escaping the costs of violation.

Moreover, it **rewards states** for a faithful adherence to agreements with a positive reputation in the international arena, and punishes states for cheating with negative reputation costs.

The more states value future payoffs relative to current payoffs in defecting, the less incentives states have to defect now, as the other side is likely to retaliate and withdraw future benefits.

ASEAN (the Association of South-East Asian Nations) iterates member-states’ interactions by facilitating frequent meetings and forums, thereby lengthening the shadow of the future for members, and increasing the future costs of defection in economic and security agreements, with future benefits from cooperation outweighing the short-term benefits of defection in the present.

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