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Are International Organizations Tools of Hegemonic Predation, or do They Have Autonomous Functions and Capacities?

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Since the end of World War II, international organizations (IOs) have proliferated and redefined the global political and economic landscape as states band together to advance particular interests. While the post-war period was filled with overtones of Western, or more specifically, American, hegemony, to argue that IOs are merely tools of hegemonic predation would be ignoring the complex dynamics that characterise the evolution of IOs, from formation stages to continual expansion. The constructivist view perceives IOs as autonomous agents in an iterative feed: IOs simultaneously are shaped by the system and shape the system. Such a perspective on IOs can offer a more adequate explanation on the distinctive behaviour observed in these organizations, including their accomplishments and pathologies, without resorting to accounts that tend to simplify the world into a dualistic North-South hegemonic order.

In his book *Production, Power, and World Order: Social Forces in the Making of History*, Robert W. Cox examines the post-war world order in a Gramscian light, contending that the emergence of new hegemony, the “Pax Americana,” enabled the prevailing “structure of accumulation” (Cox 212) to reach new heights, enriching the elite and perpetuating capitalism, the bourgeois consensus, at the expense of peripheral labour. Following World War II, policymaking was primarily orientated to promote an open liberal world economy with minimal controls and barriers, rather than increasing the state’s role in achieving social goals that the market seemed inadequate for. The establishment of the International Monetary Fund, Cox argues, signified the former’s victory over the latter. Furthermore, the distribution of Marshall funds by the U.S. provided incentive for Western Europe and Japan to move toward trade liberalisation with free movement of goods, capital, and technology, in effect to an open economy and away from protectionism.

Thus the new global order was established. Due to the growth of American multinational corporations (MNCs) and extensive militarisation abroad, other countries came under the sway of American policy. According to Cox, the IMF and World Bank became “accessories to U.S. policy,” international institutions of a new ideology which held that the highest interest was to contribute to world economic expansion and to avoid restrictive national economic policy in a positive-sum game in which, while relative gains may be uneven, absolute gains will be attained (Cox 217). Compliance on the part of governments or peripheral economies was ensured through incentives and sanctions issued by these institutions. This “Pax Americana” capitalistic order extended to the globalisation of production, as producers found materials and labour costs in peripheral countries to be lower than domestic costs. While local governments could put political pressure on MNCs to make more concessions, they are ultimately subject to the cost-

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benefit analyses of these companies, which at a certain cost may lose incentive to invest. Governments that disturbed the “accumulation process,” e.g. by defaulting on debt or aligning production with local needs, would risk punishment in the form of economic sanctions or political destabilisation (Cox 249).

Simultaneous with the internationalisation of production has been the internationalisation of the state: national policies and practices have evolved to meet the requirements of global production. In the mid-1950's, the Bretton Woods institution essentially put the state in between being responsible for the world economy and its own domestic economy and welfare. Governments had to satisfy conditions set by the international institutions in order to borrow funds, which would in turn be used to mitigate the impact of external economic developments. The IMF provided funds to countries with balance-of-payments deficits, allowing them time to adjust their economies back to equilibrium. The World Bank was set up for longer-term financial assistance. Through these institutions, weakened countries received economic assistance from the world system, in exchange for living up to the norms of the system itself, norms set by the other states that pooled together these financial resources.

Even after the erosion of U.S. dominance in the late 1970's, the Western hegemonic consensus perpetuated. Cox points out that formation of consensus takes place among the major advanced countries. These states interact with each other, often via IOs such as the IMF and World Bank. The IOs played a key role in identifying the ideological basis that guides the consensus, the principles and goals for policy, and the norms for behaviour. A major issue-area pertains to Third World debt. Consensus infiltrates the Third World policy-making through those who have been socialised to the norms of the consensus, e.g. elites and those educated in advanced capitalist countries. The hegemonic culture is hence perpetuated as these countries are manipulated into accepting capitalist ideals. Conditions for drawing on world-resources shaped development: development must be conducive to global production. Such conditions also determined domestic political structures as regimes had to administer and enforce unpopular economic policies.

To Cox, inter-class struggle seems to be a zero-sum game. Although he mentions that elites in peripheral countries have grown to identify with capitalist ideals, he does not address the *intra-class* conflicts that might hinder collaboration in resisting the capitalist “hegemony,” or whether the alternative to a liberalised world economy is even peaceful or desirable at all. Cox's conception of international organisations takes on a simplified state-centric view that IOs are mere instruments of control wielded by advanced powers to maintain the liberal consensus and have no autonomy of their own. While Western influence is indeed pervasive in development efforts, Cox's conception of IOs ignores the historical considerations and dynamics that called for their very formation. To view IOs as part of a capitalist hegemonic agenda contradicts the substantial body of evidence of IOs' power that is autonomous from states, their evolutionary pattern and pathologies, the mutually constitutive and reinforcing relationship between IOs and the greater system, and the normative, humanitarian component that frequently shapes their missions.

A constructivist approach to analysing IOs is therefore more suitable to account for their role and power in world politics, their evolutionary history, and their behaviour. Michael Barnett and Martha Finnemore's *Rules for the World: International Organizations in Global Politics* treats IOs as autonomous actors, bureaucracies with an internal logic and certain behavioural tendencies and pathologies. A bureaucracy is a social authority that exercises power through its ability to create rational, impersonal rules, and use these rules to constitute the social world. IOs' authority stem from the missions they pursue and the technocratic, impartial ways they pursue them. Because they are bureaucracies, IOs appear to be more legitimate than self-serving states that employ coercive tactics in pursuit of their own goals. It is because of this apparent legitimacy that the IMF and World Bank are able to induce developing

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states to shape their economic policies in conformity with the standards that the IOs define. IOs are designed by states to retain a certain degree of autonomy, which in turn allows IOs to carry out their missions, sometimes conflicting with state interests. This divergence in interests shows that IOs are not strictly agents for their principals-states.

Barnett and Finnemore describe a modern bureaucracy as having four characteristics: 1) a bureaucracy is hierarchical; 2) exhibits continuity, 3) is impersonal, and 4) officials are hired according to their specialized expertise and merit. Given these features, a bureaucracy is capable to break down messy, complex problems into manageable tasks and solutions that can be coordinated neatly through hierarchical command (Barnett and Finnemore 18). Rules are the building block of bureaucratic culture and identity. Bureaucratic rules apply both internally and externally: internally in the form of standard operating procedures to tackle certain tasks; externally in the prescription for countries. Rules categorise the social world by providing criteria for social situations and circumstances, such as differentiating a civil war from genocide, which would determine the course of action to take. Bureaucrats in turn use rules to help create and constitute the social world so that it becomes more amenable to intervention. Lastly, rules are also constitutive of identity. For instance, rules about consent are integral in UN peacekeeping, which sets the UN apart from other actors that resort to coercive solutions. (Barnett and Finnemore 18-19)

This constructivist view of IOs—as organisms that both shape and are shaped by the changing environment—stands far apart from Cox's purely one-dimensional, state-centric notion. An IO is a bureaucracy with its own culture, according Barnett and Finnemore, as solutions designed to meet a common, recurring set of problems “become institutionalised, remembered, and passed on as the rules, rituals, and values of the group” (19). Cox's conception of IOs as hegemonic tools may have some grounds during their formation, as IOs are essentially chartered by states during a period of U.S.-centric world order by circumstance, but does not take into consideration that the autonomy given to the IOs by states forms the basis of their authority. Mandates conveyed to IOs are usually broad, vague core missions, and the power of interpretation befalls IOs. Consensus around their understanding of core missions may or may not contradict state interests, and IOs possess a margin of discretion in their interpretation and pursuit of goals and solutions. While rules guide action, rules do not determine it, as IOs may generate new rules to solve pressing problems. A state-centric conception of IOs characterises them as purely exogenous factors, without considering their constitutive contribution the system, and in turn the systemic circumstances' effect on their evolution.

Authority is social construction, according to Barnett and Finnemore's constructivist view, and requires consent from other agents. Where credibility and legitimacy are crucial, authority consists of telling people the right thing to do. To exercise this “rational-legal” authority, a bureaucracy must be perceived as pursuing some shared social goal, and must be perceived to do so in an impersonal manner using technocratic rules. IOs also have “delegated” authority, which derives from the collective will of its member states. States often entrust IOs responsibilities that they are not able to fulfil themselves or in situations on which they have limited information. “At some level, delegation creates autonomy precisely because being autonomous *is* the mandate,” Barnett and Finnemore writes (22). IOs possess moral authority. They are often established to defend and protect some widely shared set of ethics and use this status as the basis of their authoritative action. IOs are supposed to have moral authority over individual governments because they represent the collective community against self-serving interests (Barnett and Finnemore 23). Finally, bureaucratic authority comes in the form of expertise. Specialized knowledge confers power to experts, and the IOs that house them, the authority to intervene, make judgments, and solve problems. By presenting themselves as technocrats, staff of IOs are able to *appear* as free from political influences, which confers them greater authority.

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The authority of IOs thus has both regulative and constitutive effects. Authority is regulative in that IOs have the ability to manipulate incentives that would regulate the behaviour of others. Authority is constitutive in that IOs create and define social reality, such as through classifying the world, fixing meanings, and spreading new norms and rules. For instance, using its economic knowledge and expertise, the IMF has its own way of defining economic conditions and criteria to determine whether countries are on track. This directly affects the ability of countries to receiving IMF financing. IOs can frame meanings in a way that mobilises and guides social action, and diffuse globally norms and values for acceptable and legitimate behaviour.

But virtues can also take the form of pathologies, and dysfunction can occur where IOs behave in ways that are inconsistent with their social purpose. IOs serve multiple audiences and interests that may conflict. A bureaucracy is made of subunits in the division of labour—competition among subunits for resources may lead to inefficiencies and divergence from the organisation's goals. Rules and routines may also obscure overall missions and the larger social purpose. The specialisation and compartmentalisation of labour may limit the bureaucrat's field of vision. IO behaviour may also be more concerned with the legitimacy criteria that come from the environment, as opposed to implementation of goals. These pathologies in themselves are indicative of the autonomy of IOs, making simplified claims on them as hegemonic tools tenuous at best, given these organisations exist outside the control of any particular state power and follow their own evolution/degradation not intended by their creators. Furthermore, once created, IOs, consistent with the bureaucracies they are, use their authority to expand their control over more of international life. As a result, the majority of IOs are now created by other IOs (Barnett and Finnemore 44).

In his argument, Cox repeatedly takes issue with the IMF as merely a hegemonic tool. He charges that Third World debt, issued by the IMF, is a means through which powerful states could control peripheral countries. Admittedly, the IMF was first created to achieve balance-of-payments equilibrium and exchange rate stability to sustain economic liberalisation. However, the increasing autonomy that evolved has given it a much broader scope that includes promoting sound economic governance and providing technical assistance. The IMF was first set up to reflect the preferences of its most powerful members by weighing their voting power according to their contribution to the fund. Importantly however, the fact that the IMF does not have to raise its own funds is critical to its autonomy, freeing it from having to negotiate with governments and the politicising influences come with fundraising. Perhaps the IMF's most important source of autonomy is its expertise and knowledge. The IMF staff members possess specialised technical knowledge and solid credentials in monetary policymaking. Experience in the field also gives the IO credibility in given policy advice. The IMF's analyses are mathematical, rooted in statistical assessments of economic conditions in the countries and form the impartial basis of policy interventions prescribed. Economists in many countries accept the IMF's body of economic analysis and models as valid. Quantification therefore plays a significant role in solidifying the perception of objective analysis by experts. (Barnett and Finnemore 69)

While powerful states have influence over the policies of the IMF and other IOs, the dynamics inherent in bureaucracies play an even larger role in IOs' goal proliferation and scope expansion. Bureaucrats realise that they need to expand beyond the narrow roles they were assigned to accomplish the messy social tasks mandated to them in a dynamic world. Interpretation of their mandates therefore broadened their global reach. To argue that IOs are merely tools of hegemonic predation, as Cox does, would neglect the complex dynamics that characterise the formation and evolution of IOs. While Cox contends that Western values are so imbued into the global normative psychology that there remains little desire on the governments' part to contradict these collective principles, he does not offer any feasible alternative solution to counter this "hegemony," nor justify why an alternative world order is better than the existing one. The very existence and pervasiveness of IOs are evidence of the success of

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coordination by states; the driver of this success is the inherent desirability of coordination in the pursuit of shared interests, as well as the undesirability of its alternative—anarchy. The constructivist view which perceives IOs as autonomous agents thus better explains the distinctive behaviour observed in these organizations, including their accomplishments and pathologies, without resorting to simplifications of the world into a hegemonic order, or arbitrarily taking sides in a historical conflict.

Sources

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