

# **International Organization**

David A. Lake

Between Anarchy and Hierarchy

Stephan Haggard and Sylvia Maxfield

Financial Internationalization and the Developing World

Albert S. Yee

The Effects of Ideas on Policies

**Kurt Taylor Gaubatz** 

**Democracy and Commitment** 

William R. Thompson

Democracy and Peace

Theodore H. Moran

Power and Plenty in Grand Strategy



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### **Abstracts**

## Anarchy, hierarchy, and the variety of international relations by David A. Lake

Security relations between states vary along a continuum from anarchic alliances to hierarchic empires. This continuum, in turn, is defined by the parties' rights of residual control. The state's choice between alternatives is explained in a theory of relational contracting as a function of the expected costs of opportunism, which decline with relational hierarchy, and governance costs, which rise with relational hierarchy. A comparison of early postwar relations between the United States and Western Europe and the Soviet Union and Eastern Europe illustrates the theory.

# The political economy of financial internationalization in the developing world

by Stephan Haggard and Sylvia Maxfield

In the last decade a growing number of developing countries have opened their financial systems by liberalizing capital flows and the rules governing the international operations of financial intermediaries. One explanation of this rush toward greater financial internationalization is that increasing interdependence generates domestic and foreign political pressures for capital account liberalization. While we find evidence for that hypothesis, we find that the proximate cause in developing countries more frequently is found in balance of payments crises. Politicians perceive that financial openness in the face of crisis can increase capital inflows by indicating to foreign investors that they will be able to liquidate their investments and by signaling government intentions to maintain fiscal and monetary discipline. The argument is explored through case studies of Chile, Indonesia, Mexico, and South Korea.

### The causal effects of ideas on policies

by Albert S. Yee

Behavioral, institutional, and discursive analyses of the causal effects of ideas on policies present various difficulties. Meaning-oriented behavioralism is hampered by its reliance on statistical associations and quasi-experimentation to make causal claims. Ideational institutionalism avoids these problems by focusing on institutional causal mechanisms. However, these mechanisms suffer from other problems and need to be complemented by an analysis of ideational causal mechanisms of capacities. Broadly construed "discursive" approaches, meanwhile, present important analyses of these ideational capacities but unfortunately routinely neglect their causal effects on policies. These

dilemmas suggest that ideational analysis can be enhanced if discursivists attend more closely to the causal effects of ideational factors, while behavioralists and institutionalists pay greater attention to interpretive understanding, intersubjective meanings, and discursive practices. In so doing, opposing analytical approaches might engage in fruitful dialogue, or at the very least raise the level of their "third debate."

# **Democratic states and commitment in international relations** by Kurt Taylor Gaubatz

Making credible commitments is a formidable problem for states in the anarchic international system. A long-standing view holds that this is particularly true for democratic states in which changeable public preferences make it difficult for leaders to sustain commitments over time. However, a number of important elements in the values and institutions that have characterized the liberal democratic states should enhance their ability to sustain international commitments. Indeed, an examination of the durability of international military alliances confirms that those between democratic states have endured longer than either alliances between nondemocracies or alliances between democracies and nondemocracies.

### Democracy and peace: putting the cart before the horse?

by William R. Thompson

To explain the strong finding that democracies rarely fight other democracies, analysts typically focus on some attribute of regime type. This linkage may be spurious, at least in part. The emergence and persistence of the first wave of liberal republics and democracies were greatly facilitated by the prior resolution of regional primacy questions. Because early democracies did not engage fully in competitions for regional primacy and territorial expansion, they were less likely to attack other states, democracies or otherwise, in their home regions. Nonexpansionist foreign policies also discouraged the domestic concentration of economic and political power, which in turn facilitated democratization processes. Four historical cases illustrate how regional primacy issues preceded the development of democracy and either undermined or facilitated democratization processes in major powers that have been especially important to the annals of war participation. Further research on whether peace antecedes democracy or the other way around appears warranted.