

# IO

## International Organization

**Gayl D. Ness and Steven R. Brechin**

IOs as Organizations

**Stephen M. Walt**

Alliance Formation in Southwest Asia

**Charles A. Kupchan**

NATO and the Persian Gulf

**John R. O Neal and Frances H. O Neal**

Profitability of Foreign Investments

**Keisuke Iida**

Third World Solidarity

**Stefanie Ann Lenway**

Economic Sanctions and Statecraft

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# Abstracts

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## **Bridging the gap: international organizations as organizations**

by Gayl D. Ness and Steven R. Brechin

This article attempts to build a bridge between the study of international organizations and the sociology of organizations. Comparisons between functionalism in the two fields are found to be especially important in understanding different treatments of international organizations. We suggest that a number of concepts from the sociology of organizations can be effectively used to illuminate issues in international organizations. We focus on organizational performance and its determinants in environment, technology, goals, and structure. The authors' current work in international population planning and social forestry shows how the sociological concepts can offer useful perspectives and hypotheses for the study of international organizations.

## **Testing theories of alliance formation: the case of Southwest Asia**

by Stephen M. Walt

The question "what causes alignment?" remains a basic issue in international relations theory. Moreover, competing hypotheses about alliance formation underlie many recurring policy debates. Balance-of-power theory predicts states will ally to oppose the strongest state; the "bandwagoning hypothesis" predicts that alignment *with* the stronger side is more likely. These two hypotheses are usually framed solely in terms of the distribution of capabilities (that is, the balance of *power*), which neglects several other important factors and leads to faulty predictions about alliance choices. A careful examination of the alliance policies of Iran, Turkey, India, and Pakistan reveals that "balance-of-threat theory" provides a better explanation of alliance choices than these other conceptions. This theory predicts that states balance against the most *threatening* state, rather than the most powerful. Threats are a function of power, geographic proximity, offensive capability, and perceived intentions. Thus, balance-of-threat theory is an important refinement of structural balance-of-power theory.

## **NATO and the Persian Gulf: examining intra-alliance behavior**

by Charles A. Kupchan

This study examines the determinants of intra-alliance cooperation by focusing on a single case study: the North Atlantic Treaty Organization (NATO) attempts to deal with Persian Gulf security since 1979. It chronicles the evolution of NATO policy towards Southwest Asia, identifying examples of cooperative and noncooperative behavior. The essay then develops four hypotheses about intra-alliance behavior and uses them to examine the case study. The External Threat hypothesis suggests that alliance cohesion rises and falls with external threats to collective security. The Alliance Security Dilemma hypothesis proposes that cohesion is a function of the coercive potential of the alliance leader and its ability to exact cooperative behavior from its weaker partners. The Collective Action hypothesis suggests that alliance behavior is fundamentally a public goods problem. The Domestic Politics hypothesis asserts that alliance behavior is determined primarily by political and economic factors at the domestic level.

The essay points to the overriding importance of American coercion in producing *political* cooperation within NATO on the out-of-area problem. It shows, however, that the *economic* components of alliance behavior are relatively insensitive to bargaining pressure and threat perceptions, and that European defense expenditures are determined largely by domestic factors. The article therefore illuminates the need to distinguish carefully between the political and economic components of alliance management. It suggests, however, that the different dynamics driving cooperation and discord are not a function of the issue-area per se, but of the scope and locus of its decision-making arena. While some issue-areas are largely the domain of foreign policy elites and lend themselves to oligarchic forms of decision making, others have a far more immediate impact on domestic politics and are therefore more influenced by pluralist factors.

## **Hegemony, imperialism, and the profitability of foreign investments**

by John R. Oneal and Frances H. Oneal

Socialists at the turn of the century explained modern imperialism as an attempt to escape the crisis of monopoly capitalism. "Super-profits" that could be secured in the periphery, according to Lenin, were necessary to offset declining rates of return in the advanced economies. Today, radical theorists stress the role of the multinational corporations in accounting for neocolonialism. If great national power does produce material benefits for foreign investors, this should be apparent in two cases: the experience of British capitalists in the "high age of imperialism," 1870–1913, and the operations of U.S. multinational corporations abroad after World War II. But rates of return on foreign investments have not been significantly different in the developed and less developed regions of the world—a finding that is relevant not only for theories of imperialism but also for understanding development and modernization, the operation of the multinational corporation, and international capital markets.



**Third World Solidarity: the Group of 77 in the UN General Assembly**  
by Keisuke Iida

The voting behavior of the Third World states in the United Nations shows that the Third World unity increased in the 1980s. Systemic theory reveals that changes in the power of the Third World could partly account for the increased unity. For a more complete explanation, I examine three models of the Group of 77—the community-of-interest model, the leadership model, and the reciprocal coordination model—and find that the data support the reciprocal coordination model most consistently.