

Domestic Politics and the Influence of International Institutions: A Comparative Perspective

Adebimpe Saheed Fagbemi, PhD ¹; 'Bimbo Ogunbanjo, PhD ²; and Abiodun Ghali Issa ³

¹Department of Criminology and Forensic Studies, University of Kwa-Zulu Natal, Durban, Republic of South Africa. ²Department of Government, Lagos State University, School of Basic and Advanced Studies, Lagos, Nigeria. ³Forbes School of Business and Technology, University of Arizona Global Campus, United States of America.

Corresponding author: adebimpefagbemi@yahoo.com

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Abstract

Governments ostensibly take part in international institutions to supply global public goods. However, their true motives for participating typically stem from domestic political issues. The most influential members frequently pursue domestically driven foreign policy objectives by using their political clout over international institutions. International organizations are another tool used by governments to actively influence domestic politics. Therefore, the study of international institutions has much to offer and may teach the field of comparative politics, even if the topic of international cooperation has traditionally been the domain of the study of international relations. This paper is structured around the connected concepts of relinquishing sovereignty and utilizing international institutions for domestic agendas, with a focus on significant intergovernmental organizations. The first section of the paper discusses the need to provide incentives for nations to join international institutions. More benefits from membership are necessary for nations with better outside choices, precisely because participation needs to be incentive-compatible. Keep in mind that incentive compatibility encompasses both internal and international ties. The household aspect of the narrative could result in more potential as well as limitations. The paper next shifts to a particular motivation for international collaboration, namely domestically motivated policy aims, keeping these lessons in mind. The paper first addresses the use of International Organizations (IOs) by powerful nations to further their domestic foreign policy objectives. The paper then discusses how governments might use international institutions to further domestic policies. The cases in which governments deploy IOs as trustworthy pledges are the main subject of this paper. A discussion of impending developments concludes the paper. Emerging market nations are currently competing to create new international institutions and to hold more influential positions within the ones that already exist. As they do so, internal political limits and aspirations in both established and developing nations are colliding in novel ways. The paper suggests that there is increasing potential for collaboration between International Relations scholars and Comparative in light of these dynamics.

Keywords: International Institutions, Domestic Politics, International Organizations, International Relations, Comparative Politics.

Introduction

In international institutions, governments supposedly participate in providing global public goods. Their real motivations, however, usually have to do with domestic political matters. Those with the greatest political clout often use their influence over international institutions to further domestically motivated foreign policy goals. Governments can also actively influence domestic politics through international institutions. Even if the study of International Relations has historically focused on the subject of international cooperation, the study of international institutions may nevertheless teach the field of Comparative Politics and has much to offer.

Scholars generally classify numerous international institutions within the umbrella of International Relations because of their centralization and degree of independence (Abbot & Snidal, 2018; Bolaji, 2022). To ostensibly forward a purpose in world politics, member states frequently need to cede some sovereignty while establishing international institutions. Governments may nevertheless give these groups autonomy since it would help them achieve their domestic objectives more successfully. Focusing on key intergovernmental organizations, this paper is structured around two linked concepts: (1) giving up sovereignty and (2) leveraging international institutions for domestic agendas.

The first section of the paper discusses the need to provide incentives for nations to join international institutions. The intuition is simple to understand: Strong nations demand significant advantages (or "rents") from international organizations (IOs) in exchange for their financial contributions; these "rents" typically take the shape of political clout inside the organization. It may also be necessary to reserve some voice for less powerful states since to develop institutions with global membership, they too must be encouraged to contribute. Various international institutions, each with its own goal, balance different aspects of its large and small members to elicit their cooperation.

Comparativists should take away two lessons from this section: (1) The difficulties in developing a constitution are similar to those in creating an international institution. Because they lack an external enforcement mechanism, constitutions are not "contracts," as stated by Hardin (2019, p. 86). They can only exist as self-reinforcing equilibria instead. Individual engagement must make sense and be in line with incentives. The way that different nations handle IOs varies. (2) Because participation must be incentive-compatible, greater rewards from membership are required for countries with superior external options. Remember that incentive compatibility includes relationships on the inside as well as the outside. The household aspect of the narrative may lead to both more possibilities and constraints.

The paper next shifts to a particular motivation for international collaboration, namely domestically motivated policy aims, keeping these lessons in mind. The use of IOs by powerful countries to further their own foreign policy goals is the first topic covered in the study. One example of foreign policy is how the US uses its power over the IMF to protect the financial interests of US banks; another is Japan's strong desire to use IOs to achieve its foreign policy goals. The African Development Bank is an important example of an

organization that may be seen both with and without a formal governance structure affected by Western politics. The use of IOs by governments to carry out domestic policy is then discussed (Gourevitch, 2016). There are several instances. The cases in which governments deploy IOs as trustworthy pledges are the main subject of this paper.

The paper ends with a consideration of future developments. The present competition among emerging market countries is to establish new international institutions and to occupy increasingly powerful positions within the ones that already exist. As they do so, political boundaries and ambitions inside developed and developing countries are clashing in unexpected ways. In light of these dynamics, the paper proposes that there is a growing possibility for cooperation between academics of International Relations and Comparativists.

Sacrifice and Benefits

It is required to give up something to cooperate. This holds for collaboration between individuals as well as across borders. Formalized collaboration between sovereign states usually requires the renunciation of some degree of national autonomy (Aina, 2022). Often, people will only give up something if they are certain they will receive something else in return.

Consider the well-known case of President Woodrow Wilson, who won the Nobel Prize in 1919 for his efforts to the creation of the League of Nations but was unable to get the US Senate to approve the ratification of his own country's participation. Members of the League were obliged by Article 10 of the League's Covenant to assist one another in defending the borders of their individual member countries. According to several prominent senators, this obligation gave up too much US sovereignty (Northedge, 2016, pp. 85–86). The League of Nations, of course, obliged every member to reject any resolution that did not get universal assent, thereby demonstrating its respect for national sovereignty (Northedge, 2016, p. 53). However, there was still a gap: judgments about disputes did not need the agreement of the parties involved. This ultimately led to the League's dissolution by other strong nations (including Germany and Japan, who had joined) (Northedge, 2016, p. 256).

So, the most important question to ask before pursuing international collaboration is: Is participation incentive-compatible? Even unofficial side benefits are demanded by governments. Therefore, rather than evaluating real-world organizations based on utopian standards, it would be more appropriate to compare them to other achievable equilibria, such as the choice of zero involvement. So what do governments receive as compensation for their losses? It makes sense that some people receive more than others. The most powerful nations may ask for the most in exchange, as the League of Nations serves as an example. If the involvement of such powerful nations is considered necessary for the efficacy of the IO, the international community could be prepared to accommodate their demands (Aina, 2022).

Hence, IOs may be thought of as existing on a continuum that divides the voice and power between the "great" powers and the "rest of the world." This idea is based on the theory of David Lake (2019, p. 7), one of the world's leading experts on International Relations, who views cooperation in international security as a continuum ranging from anarchic alliances to hierarchical empires. The UN General Assembly, in which every nation has one vote, can be positioned at the extreme of anarchy. Simply said, every nation, from China to Palau, is treated equally and there are no "great powers" with preferential treatment. International financial institutions fall in the center, with a system that is similar to the "one dollar, one vote" idea. The IO gives a government additional authority in proportion to the amount of money it provides. The UN Security Council represents the highest level of hierarchy, with the "great powers" holding permanent status and the ability to veto resolutions, accounting for the large majority of formal voting power (O'Neill, 2016). Beyond this boundary exist "clubs," like the G20, in which membership is exclusive and admission is open to everyone (Bolaji, 2022).

Since how these institutions impact domestic politics depends on the strength of a given state, Comparativists should look at the power dynamics at IOs. For example, the US can use the International Monetary Fund (IMF) to achieve its foreign policy goals by exerting pressure on the institution to provide a loan with favorable conditions to a strategically important country. However, if the IMF has any impact at all on US budgetary policy, it is very slight. However, the IMF may offer a trustworthy assurance to a Uruguayan government attempting to restructure its internal public expenditure. In general, Uruguay is unable to utilize its participation in the IMF to achieve its foreign policy objectives (Vreeland, 2013a). There are situations in which an independent organization serves a government's interests more than an IO. As a result, as will be covered in the section that follows, the foreign organization could offer a reliable commitment that is beneficial in domestic politics.

Domestic Motives Behind International Organizations

The side benefits—those advancing domestic interests—that may persuade governments to take part in IOs are discussed in this section. It talks about the advantages of "great powers" and how they might utilize their sway over international institutions to further their domestic *foreign policy* objectives. Additionally, it emphasizes how IOs may directly influence *domestic policy* by offering a genuine promise.

The nations having the most authority over an international organization can utilize this special power to further their foreign policy objectives, many of which are influenced by their domestic politics. Take the IMF as an example, where the United States has a resounding majority of the votes (17 percent), with Japan coming in second with only 6 percent. According to Oatley and Yackee (2014) research, nations with more exposure to US banks are granted more loans by the IMF.

Lipsky (2013) offers an explanation for this pattern based on internal politics. He notes that in countries with high levels of economic integration (like Mexico), the US government

exerts pressure on the IMF to provide adequate liquidity to put out a financial fire since the US domestic economy stands to gain significantly from averting a severe economic catastrophe. However, in regions like Southeast Asia where US economic interests are weaker, US pressure may go the other way and result in smaller loans with more conditions. Remarkably, Lipsky provides evidence that the IMF supports US preferences over Japanese choices when such differences arise from differing economic links to various nations.

Broz (2011) examines US Congressional votes on demands for more payments to the IMF to offer political micro-foundations for the relationship. Campaign donations from banks that specialize in international banking (like Citibank) seem to be reflected in these votes. These banks stand to gain from backing the IMF since the organization may provide loans to nations that owe them money. The risks that major banks incur when making loans to developing nations are reduced by the existence of a robust IMF. The likelihood that developing nations would default on debts they owe US banks will be lower if the IMF can help them out of an economic crisis. Congressmen in the US who depend on money-center banks for their political contributions are thus under pressure to back higher US contributions to the IMF.

Not just the United States, but other strong nations also utilize their political clout inside an IO to further their domestic agendas. Regarding the Asian Development Bank (AsDB), the majority of analysts concur that Japan holds the most political sway (Yasutomo, 1993). Kilby (2016), Lim and Vreeland (2013), and Dolapo and Popoola (2022) demonstrate that AsDB loan is distributed more heavily to nations that have significant importance to Japan.

Why does Japan, instead of pursuing objectives on its own, go through an IO to provide preference to strategically significant countries? Japan's imperial past from before World War II means that both the Japanese public and its neighbors, China and Korea, continue to closely monitor Japanese foreign policy. Specifically, unilateralist foreign policies are fiercely opposed by the Japanese political left (Rosenbluth & Thies, 2010, pp. 159–60). Thus, to pursue foreign policy through multilateral institutions, Prime Minister Shigeru Yoshida adopted the philosophy of keeping a low profile in international affairs (Green, 2013). For instance, the AsDB gives Japan the political cover it needs to prioritize strategically significant Asian nations while avoiding these political restrictions on its foreign policy from both the domestic and international arenas (Wan, 2015, p. 93). Yasutomo states that the AsDB "helps Japan to share the risks and the blame" by acting as a "nonpolitical cloak" to "legitimize controversial policies" (Yasutomo, 2013, p. 339).

Consider the African Development Bank (AfDB) as an additional illustration. Established at the period when most African nations were gaining their independence, the founders aimed to establish an organization devoid of political sway from the West. Only African nations were members of the AfDB from 1963 to 1982. However, voting was also done based on the amount of money sent to the organization, which meant that the AfDB was shut out of Western funding sources. Eventually, the AfDB opened admission to Western states to increase its financing sources. These governments not only donated money but also

acquired political clout inside the organization. As a result, we can monitor the AfDB both with and without explicit political influence from the West over its activities.

Vreeland and Dreher (2014) test the AfDB for politically influenced loan trends and find no evidence before 1982. However, the AfDB began to lend more money to Western nations that were strategically significant after 1982 than to other nations. More specifically, greater loans were unexpectedly extended to African nations represented on the Security Council. According to Vreeland and Dreher (2014), the US, Japan, and Germany—all of which have held leadership positions in the AfDB since 1982—have utilized the Security Council as a means of informing their respective home populations about the propriety of assertive foreign policy. All three of these nations have domestic audiences that have shown sensitivity to the Security Council's approval, as will be covered in the following subsection. Therefore, it appears that these countries exploited their influence over the AfDB to provide preference to African states serving on the Security Council in exchange for political backing of their foreign policy agendas. This gave signals to their domestic publics.

The AfDB case illustrates complex inter-IO interactions. The government may try to exert pressure on another group by using its advantageous position there. In this instance, the US increases its influence over the Security Council by leveraging its influence at the AfDB. African countries can profit from their temporary membership in the Security Council in the interim by currying favor with the AfDB. The incident also highlights a problem that states run into when trying to exert influence over an international organization. Side agreements in this case have the potential to erode the Security Council's impartiality and legitimacy. Hence, governments may try to conceal side payments by conducting business at arm's length with another international organization (in this case, the AfDB). We come back to this topic when we talk about "dirty politics."

The primary takeaway from this section for Comparativists is that strong nations can use IOs to further their domestic foreign policy objectives. Comparative politics has much to offer International Relations academics since it focuses on comprehending the concepts, organizations, and interests behind domestic political impulses. Because IOs have a direct bearing on domestic politics, Comparativists may also learn a great deal from International Relations academics. It is interesting to note that, unlike in the preceding example, governments may exploit an IO in this way even if they have little control over it. Indeed, governments occasionally find greater value in an independent international institution than in one that they directly control. In particular, international institutions can function as impartial intermediaries conveying reliable pledges.

Rosendorff (2016), along with several colleagues, has demonstrated that: (1) ratifying human rights agreements can signal a credible "resolve" to remain in office; (2) reporting economic data to international institutions can signal credibility; and (3) entering into preferential trade agreements can signal credible free trade policies.

Participation in preferential trade agreements allows governments to legitimately demonstrate their support for free trade policy. The argument is typically made in the

context of democracies, where the government is up against pressure from the protectionist lobby to adopt effective economic policies that benefit the economy as a whole, but would prefer to give in to this pressure. The public is not as knowledgeable about trade policy as the protectionist lobbyists are, which is the issue. According to Mansfield et al. (2012), an international trade agreement aids the government in selecting free trade by supplying essential information to an audience that would not otherwise be aware of it. The ability of other parties to the agreement to bring legal action in matters about protectionism sends a reliable message to the domestic market. As a result, governments that support free trade policies may find it easier to win reelection if they participate in free trade organizations. Both regional trade bodies and the World Trade Organization (WTO) are covered by the argument (Aina, 2022; Bolaji, 2022).

Moving on to transparency, the application of international institutions relates to good governance, a central concern in Comparative Politics. "The degree of citizen information curbs the opportunities politicians may have to engage in political corruption and management," according to Adserà et al. (2013, p. 445), for example. According to Hollyer et al. (2011), democracies are more motivated than non-democracies to give their citizens reliable information. Such Democrats want to stay in office rather than be arbitrarily removed. The normal principal agent reasoning applies to the dilemma: Voters witness results, not policies, and the results are a product of the effort put forth by external forces as well as the government. Therefore, how can the administration genuinely inform voters that it has made a significant effort?

Again, a reliable third-party signal is offered by independent IOs. A lot of data is sent by democracies to IOs, such as the World Bank, but those IOs then opt to exclude information deemed "questionable" (Hollyer et al., 2019, p. 2). Hence, people are better able to determine whether their government has pursued smart economic strategy or has shied away from it when they review statistics supplied by an independent IO.

The Security Council can be as effective in persuading a doubtful home audience in a different policy-setting context. Voters may see an assertive foreign policy as unduly "hawkish," as Chapman (2011) elucidates, but they do not possess access to top-secret intelligence. While American public opinion is more risk-averse and favors using force primarily in defense situations, US presidents may be willing to employ force (Jentleson, 2012; Perla, 2011; Aina, 2022). This leads to another classic principal-agent issue, in which the US president is the agent with more information than the voters, the principal, but with different desires.

A credible signal that the aggressive policy is suitable can be sent by a Security Council member who votes in favor of it, provided that member has security clearance for privileged material and is known to be "dovish" on problems of international security (Dolapo & Popoola, 2022). A Security Council decision can therefore serve as a reliable indicator of the wisdom of a particular military operation, provided that the American public views the council as an impartial third party.

This reasoning also applies to other nations, such as Japan. "War as a sovereign right of the nation and the threat or use of force as a means of settling international disputes" are rejected by Japan's so-called Peace Constitution (Ueki, 2013, p. 358; Dore, 2017, p. 106; Dolapo & Popoola, 2022). The political left, on the other hand, requests Security Council approval due to its preference for multilateralism. The Japanese political right, on the other hand, has maintained that Japan may use its military abroad provided it is authorized by a Security Council resolution (Ueki, 2013, pp. 359–60; Green, 2013, p. 197; Thompson, 2016, p. 24; Chapman, 2011, p. 78–79). The multi-vocality of Security Council acceptance, which sends "different signals to different constituencies," is therefore highlighted by Lim and Vreeland (2013, p. 42). Once more, the employment of an IO can effectively convey to the domestic public the acceptability of the country's military usage overseas.

Though more subtly, the claim that international institutions provide "credible signals" to audiences back home also applies to the defense of human rights. According to Hollyer and Rosendorff (2011), in a paradoxical move, dictatorships that adopt the United Nations Convention Against Torture (CAT) demonstrate their brutality. Here, it's unclear whether a nation will be ruled by a strong- or weak-willed dictatorship. Even if all dictators profess to have strong resolve, the populace may still resist, hoping that the dictatorship is indeed of the weak resolve variety. Public discontent can topple dictatorships with weak resolve, but not those with great resolve. As a result, there is inefficiency: only by ruthlessly putting down the uprising can dictatorships with great resolve demonstrate their kind.

Strong-resolve dictatorships, according to Hollyer and Rosendorff (2011), might profit from a particular sovereignty sacrifice outlined in the CAT: "universal jurisdiction." Universal jurisdiction suggests that public officials may be prosecuted for torture by foreign courts if their government engages in the practice. Pinochet of Chile eventually experienced this, as a Spanish judge's bench warrant put him under house arrest while he was visiting a hospital in London (he passed away before the case went to trial—Hawkins, 2013). The crux of the matter is that, as nearly all dictatorships utilize torture at some point during their rule, ratifying the CAT effectively guarantees the dictator's imprisonment should he ever lose his position of authority. The dictator is immune to prosecution as long as he maintains his position of authority. But he can very well find himself in the same predicament as Pinochet if he ever loses his position of authority. Thus, tyrants with weak will should not ratify the CAT. They are aware of their personality type and the shortness of their reign. Thus, they will continue to use torture as long as it keeps them in power, but eventually, they will probably leave the nation.

Strong-willed autocrats are motivated differently. They can ratify the CAT because they are sure that they can hold onto power. They do not fear being prosecuted by international judges since they anticipate remaining in power. Thus, the CAT enables a dictator with a strong sense of commitment to convincingly convey to the domestic audience his confidence in maintaining his hold on power and his readiness to do so via whatever means necessary. It is interesting to note that Hollyer and Rosendorff contend that when a dictator ratifies the CAT, there should be a drop in human rights violations—not because the

government suddenly respects human rights, but rather, paradoxically because it does not. This reality is now well understood, and people are so afraid of the government that they never act improperly.

Last but not least, the influence of international financial institutions on the outcomes of different policies may be seen in the way they shape domestic politics. For instance, in the event of an economic catastrophe, IMF conditionality might offer legitimate pressure to compel unpopular policy reforms (Putnam, 2018; Vreeland, 2013b). The arrival of the IMF modifies domestic players' perspectives and incentives. The loan itself serves as a carrot for reform, and not implementing new policies would be interpreted as an IMF rejection, which might backfire on creditors and investors. Thus, governments can exploit an IO's power to pressure reluctant interest groups into agreeing to tax increases or spending reductions.

Naturally, nations approach the IMF when they want a loan and feel pressured to comply with its policy requirements. IMF reforms, however, often benefit at least some domestic interest groups at the expense of other groups. The government may reduce the size of the public sector and social expenditures on health and education to pay off debt, safeguard the banking industry, and maintain the value of the national currency—all of which benefit society's wealthiest (Nooruddin & Simmons, 2016; Nooruddin & Vreeland, 2010; Aina, 2022). Consequently, it has been discovered in several studies (Pastor, 2017; Garuda, 2010; Vreeland, 2012a) that IMF policies worsen income disparity. Keep in mind that the IMF does not want this to happen, which frequently happens when plans are only partially implemented. The policies that need to be implemented can be prioritized by governments. Governments might profit from informational asymmetries "both between themselves and the citizenry and between the international aid community and themselves," according to Stiglitz (2010, p. 551). Therefore, an IO can nevertheless be used by a government with no apparent influence over it to further domestic policy objectives. In certain instances, the government could even assign the IMF responsibility for economic difficulties (Smith & Vreeland, 2016).

The "dirty work" that IOs may do for governments is brought up by this (Vaubel, 2016, pp. 48–51). By hiding or covering up actions that appear negative to the public, IOs can assist member countries (Abbott & Snidal, 2018, pp. 18–19; Yasutomo, 2013, p. 339; Aina, 2022). This application of IOs to international and domestic policy is relevant. On a domestic level, a government may attribute some policy results to World Bank and IMF conditions or World Trade Organization (WTO) trade laws. Pro-trade officials may want to use the WTO's power in an attempt to lose a dispute so they can inform protectionist interest groups that they are powerless (Allee & Huth, 2016). Governments may utilize IOs in foreign policy to conceal reprehensible transactions, such as bribing a government. For example, in December 2011, when the United States required military bases from which to launch its war activities in neighboring Afghanistan, Pakistan obtained a substantial loan package from the IMF with few conditions (Vreeland, 2012b). Thus, the further benefit of political cover for unappealing policies is provided by the supposed independence of IOs.

Comparativists need to be aware that a wide range of international institutions can impact domestic politics by shifting the incentives for pursuing different policy avenues or by sending consistent signals on the acceptability of different policy options. By examining the micro-foundations of these institutions' power dynamics, we may gain a clearer understanding of how they impact domestic politics.

Emerging Markets, Regionalism, and Change

The ascent of emerging market economies is shifting the power dynamics inside IOs and generating ideas for new ones. Therefore, the benefits of collaboration among scholars pursuing studies in Comparative Politics and International Relations continue to grow.

Nowadays, the majority of IOs still have power structures that are based on the Cold War political system. Several significant nations are not included among the permanent members of the Security Council, which consists solely of the allies from World War II. Despite ranking China sixth, after the US, Japan, Germany, France, and the UK, the IMF and World Bank claim to allocate votes based on economic significance. South Korea and Brazil are among the many developing market nations that have backed voting system change to give people more input. It is difficult for the established powers—especially the smaller nations of Western Europe—to cede their existing level of influence.

Domestic politics are lurking behind these international discussions. Think about the United States: isolationist elements in the US Congress will have a solid reason to vote "no" the next time the president requests a rise in contributions if the US cedes too much authority to the IMF and World Bank. Small nations in Western Europe also have internal political issues to deal with. Take Switzerland, for example, which is represented on the World Bank and IMF Executive Boards. The historically impartial Swiss took a big stride in 1992 when they joined the World Bank and the IMF, and the government used an Executive Board seat to reassure the doubting public about their overseas involvement. The government may also promote international policies that benefit its significant banking industry thanks to its current position. As a result, Switzerland is still interested in keeping its seat (Vreeland, 2011; Bolaji, 2022).

However, domestic interest groups in developing market nations also demand a bigger representation in international organizations. During the East Asian financial crisis in the late 1990s, for instance, the export industries in China and Japan resisted the IMF's austerity measures against their trade partners (Lipsky, 2013). The Chang Mai Initiative was finally established as a result of this opposition. Moving on to South America, left-leaning governments have long criticized the World Bank's Washington Consensus policies and instead backed the rival Banco del Sur (Desai & Vreeland, 2011).

So power is a tight-rope act. In the past, it made sense for the West and the United States to supply the majority of the resources at IOs and to hold the corresponding amount of political power. Nonetheless, as developing markets expand, they will call for increased voting power. We could eventually come to a standstill where Western countries lack the domestic political clout to agree to the reforms that the developing world is demanding.

Local associations are one potential substitute. Asian nations have initiated measures to establish a regional IMF counterpart known as the Chiang Mai Initiative Multilateralization (for context, see Lipsky, 2013). Additionally, the New Development Bank of the BRICS (Brazil, Russia, India, China, and South Africa) was recently established. Though these initiatives are still in their early stages, more powerful groups may someday come to be. In actuality, the European Union is a regional IO that is the most sovereign in the world. "The contingent nature of sovereignty...is nowhere more apparent than in contemporary Europe," observes Anderson (2019, p. 5). Despite being severely damaged by the 2008 Global Financial Crisis, the union's membership and authority have persevered, and in certain areas of policy, it has even assumed the role of a quasi-state (McNamara, 2018). It should come as no surprise that collaboration within a small group of nations succeeds comparatively well, even in the face of failing international institutions. When a group of nations already have a high degree of economic integration—which is often greatest at the regional level—the domestic benefits of cooperation are greatest. Busch (2017) demonstrates that although a government may be reluctant to establish a global precedent in favor of free trade due to concerns about competition from other countries, it could be prepared to do so within a smaller group of nations at the regional level. Increasing levels of free trade should generally benefit the export industry while hurting the import-competing industry. As a result, when it comes to membership in trade associations, these opposing interest groups will exert pressure on their governments in different directions. Regional trade may seem less dangerous, but the losers from trade may protest most vehemently against exposure to global commerce (Richardson, 1993; Bohara et al., 2014; Dolapo & Popoola, 2022). Ultimately, nations often engage in more commerce with their neighbors in the first place, and local firms could have already projected more integration. Regional organizations nevertheless encounter resistance because regional integration does produce losers. Think about the loss of the euro area's members' independence in monetary policy. Formerly, nations like Greece and Germany were free to pursue their internal agendas; but, now, the European Central Bank sets monetary policy. Thus, Germany's concerns about inflation must be met by Greece, while Greece's concerns about unemployment must be addressed by Germany. The obvious power imbalance exists: Germany is far more powerful than Greece politically and economically, and although it generally succeeds in enacting most of its desired policies, it does not always get its way. The European concept is being questioned by those who have lost out on regional integration as a result of the continuing financial crisis. Still, the European Union as a whole and the euro region are enduring the storm. This was expected. President Mitterand and the German Bundesbank differed on whether monetary policy should be employed to promote the economy back when the political left seized office in France in 1981 (Oatley, 2012, p. 263). With separate currencies at that time in history, it would have been very simple for nations to break away. However, regional integration's winners came out on top. Currently, leaving the Euro Union would be extremely expensive, and European integration has persevered despite significant obstacles.

The veto player hypothesis of Comparative Politics explains why regional organizations are more likely to succeed than global ones: as the number of parties rises, the "winset" of potential agreements can only fall (Tsebelis, 2012). Thus, the wide participation in international organizations frequently results in relatively shallow agreements, but the smaller group of nations participating in regional organizations may establish deeper commitments.

Concluding Remarks: Opportunities for Collaboration

Since growing nations promise to change the dynamics of international cooperation at the global and regional levels, there may be greater opportunities for collaboration between academics from international institutions and specialists in the region. When the number of regional organizations rises and the power dynamics at IOs shift, their connection with domestic politics will also change. China, for example, may eventually use international organizations to achieve its goals, which would have a significant impact on Asia's and the world's weaker countries.

The focus of future research should be on the micro-foundations of national and international politics. Research on international organizations often superficially addresses domestic politics, with little consideration given to the interests of the individuals who hold these positions. Meanwhile, research on Comparative Politics, which looks at how International Relations impact a country, could only provide a general picture of the power structures inside IOs. Closer collaboration between experts who can provide a deeper understanding of politics at the micro-levels of both domestic and international politics may be beneficial for future studies on the interaction between domestic and international institutions.

Because Comparative Politics focuses on the ideas, institutions, and interests that influence domestic politics, the primary focus of this article has been on what this field of study may learn and contribute to the study of international institutions. Comparativists can provide International Relations scholars with important insights into the domestic politics that support the foreign policy goals of strong states via IOs. But when a government interacts with a somewhat independent IO, the latter can have a big impact on domestic policy and should thus be studied academically in the field of Comparative Politics.

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