

WIDER WORKING PAPERS

**Political Theories of Development
Cooperation – A Study of Theories
of International Cooperation**

Lauri Siitonen

WP 86

July 1990

*World Institute for Development Economics Research
of the United Nations University*

POLITICAL THEORIES OF DEVELOPMENT COOPERATION
- A Study of Theories of International Cooperation

Lauri Siitonen
University of Helsinki
Institute of Development Studies

May 1990

This study was undertaken within the research project on "Mineral-based Industrialization Strategies and International Industrial Cooperation, with Special Reference to Zambia" under the auspices of UNU/WIDER through the Special Programme Fund contributed by the Government of Finland.

CONTENTS

Preface	i
Introduction	ii
Notes to Introduction	iii
I. CONCEPTUAL AND THEORETICAL DISCOURSE UPON THE PROBLEMATIC	1
1.1 Introduction	1
1.2 The Problematic of International Cooperation	5
1.2.1. An Introductory Definition of Cooperation	5
1.2.2. On the Political Philosophy of International Cooperation	8
1.3. Conclusions	11
II. THE POLITICAL ECONOMY OF DEVELOPMENT COOPERATION	17
2.1. Introduction	17
2.2. Cooperation and the Realist Paradigm	19
2.3. Cooperation and the Liberal Paradigm	23
2.4. Cooperation and the Socialist Paradigm	28
III. COOPERATION WITHIN CHANGING WORLD STRUCTURES	33
3.1 Introduction	33
3.2. Cooperation After Hegemony	35
3.3. Cooperation After Institutionalism	37
3.4. Cooperation After Imperialism	39
IV. TOWARDS A NEW PERSPECTIVE ON DEVELOPMENT COOPERATION	45
4.1. Criteria for Cooperation	45
4.2. Actors and Structural Conditions for Cooperation	47
4.3. Towards a New Synthesis	55
NOTES AND REFERENCES	59
BIBLIOGRAPHY	73

PREFACE

This report is the first part of a research project on industrialization strategies and industrial cooperation in southern Africa. This part is devoted to studying the theories and policies of international cooperation.

The research project is part of the WIDER special programmes financed out of the Finnish Government Special Programme Fund. The researcher is preparing his doctoral thesis on the same topic at the University of Paris VII (Laboratoire des Tiers-Mondes), under the guidance of Dr. Monique Chemillier-Gendreau.

Besides Mme. Chemillier-Gendreau, some of the students and colleagues at the IDS, University of Helsinki, have given valuable comments on different parts and versions of this text. The author wants to thank all of them, and the WIDER for the publication of this report.

INTRODUCTION

A story tells that in the Middle Ages, the books in the libraries were sometimes arranged according to the country of their origin, or the place where their authors were born, or the place where they should have been born. Thus, the books that the creators of the library considered books of falsehood, or incoherent with the official truth, were labelled with a warning: *Africa, hic sunt leones.* /1 Now, in our days, this seems to be the case with the role of the studies of politics in economic development.

Indeed, there seems to be a particular tendency in development studies to ignore the "political", or, at least, to treat the political aspects of economic development as a kind of "black box"; i.e. something beyond and unattainable by means of ordinary social science. Since the warning is continuously repeated, it is no wonder that anthropologists, economists and sociologists are frightened off and discouraged from claiming an understanding of the political aspects of social development in the Third World. /2

The problematic of international development cooperation is a case in point. /3 Already the use of the term "cooperation" is illuminating ("Everybody is for cooperation!"). The common way to see cooperation unanimously as an 'apolitical' solution to social problems

tends to cover the mechanisms of dominance and the power struggle as operating through cooperative relations. This is the primary reason for studying the political dynamics of development cooperation.

Notes to Introduction

- /1 See, Umberto Eco: **The Name of The Rose**, pp. 310-320. London: Pan Books 1984.
- /2 For a critical state-of-art review of the study of political aspects of development, see a special issue of **IDS Bulletin 18** (1987):4 ("Politics in Command"), Sussex.
- /3 The word "problematic" is a translation of the French noun **problématique** and it refers to a subject area of study and the particular means of inquiry employed to analyze it. The word is said to be imported first by structural anthropologists. K.J. Holsti: **The Dividing Discipline**. (Boston: Allen & Unwin, 1985), p. 13.

I. CONCEPTUAL AND THEORETICAL DISCOURSE OVER THE PROBLEMATIC

1.1 Introduction

Development cooperation is a new mode of international relations. In the modern sense of the word, development cooperation has been carried out only after the Second World War. But in a short period of time, it has become an institutionalized mode of international relations. Today, almost every country is engaged in development cooperation in one way or in another. Research of development cooperation is, thus, a challenging task for the study of international relations.

Problems of development cooperation have been studied first and foremost as an issue of development studies. However, the development problematic can not alone explain the dynamics of development cooperation. Whatever forms the internal development in a "developing country" may take, no cooperation can rise out without the desire of partners to cooperate.

It is, thus, no wonder that development cooperation is inevitably laden with political and moral aspects. In an international system with increasingly widening gaps between national welfare levels, any coherent vision of a peaceful global change can not miss the problematic of cooperation between rich and poor nations. Thinking about

the theory of international relations, the study of this problematic may contribute to the development of our theoretical understanding of the conditions of cooperation and conflict among nations.

However, the very concept of development cooperation is rather problematic: Even if we put aside, for a while, the difficulties of defining "social development", we are still left with a vague word of "cooperation". Largely cited in international vocabulary, it is often used - even in scientific literature - without any precision at all (take the example of the division between cooperation and competition). But there are, of course, more substantial problems, too.

The first problem is of a theoretical nature: How are we to explain the dynamics of international cooperation? Or, what are the political criteria to be met, for cooperation to emerge among international actors? And what are the structural conditions that are likely to lead to cooperative efforts in an international system? At least in social sciences, the choice of adequate strategies of explanation is related, first, to the question over factors internal versus external to the process to be explained: Should we emphasize the actors, or the structural environment of international cooperation? And what are the relevant actors - or the social context - of development cooperation? Second question concerns the relevant level of analysis: Should we emphasize the

level of the societies concerned, or that between the nations (the "international" level)?

Without a general theory of its own, the study of international cooperation has to combine different approaches, structural as well as actor-oriented ones. In addition, the combination of approaches implies the usage of various methodological instruments; analytical, historical, as well as empirical. In practice, this can be made in succession (thought not necessarily in the following order): The first task is to identify the international actors in question, and to determine the criteria for cooperation among them. Second, as the cooperation never takes place in a void, the structural environment, or factors affecting the conditions of cooperation, will be analyzed. The hypothesis thus developed can then be tested by means of empirical studies. Finally, the relevance of the results obtained, and of the methods applied, should be judged within a wider context.

Altogether, these questions will be quoted in the following as the "problematic of cooperation". I will start by defining the concept of cooperation. Subsequently, there will be a short discourse on the political philosophy of international relations, in order to clarify relevant criteria for international cooperation. The discourse will also serve as an introduction to a study of the political economy of cooperation, aiming to identify the

principal actors of development cooperation. Third, the structural conditions of development cooperation will be examined in the light of the recent changes in the world economy since the early 1970's. The theoretical discourse will be concluded with a formulation of a model for studying the political dynamics of development cooperation in the changing international system.

1.2 The Problematic of International Cooperation

1.2.1. An Introductory Definition of Cooperation

"But co-operation is, as is well known, only the reverse, positive side of conflict, and ... what in the parlance of politicians is called "co-operation" in reality quite often is nothing but a euphemism for the new forms of power struggle, or the dominance of richer and more powerful nations over poorer and weaker. Thus the study of economic co-operation, through the facts which have been unearthed, has itself become a study of international economic power."
/1

On a general level, the term **cooperation** can be defined as any "act of working together to one end". As used in popular speech, cooperation is usually the opposite of **competition**, which means the acts of "seeking or endeavouring to gain what another is endeavouring to gain at the same time". /2

Cooperation and competition are, however, not opposites, as so loosely used in popular speech. - In fact, the difference between competition and rivalry stems from the very fact that the former implies a certain level of cooperation, in order to maintain the "rules of the game". /3 - Moreover, in a social reality, the task of defining cooperation appears to be even more difficult, especially in the case of development cooperation, which is not only international, but usually also intercultural by character. When regarded as a mode of be-

haviour, what is cooperative in one culture, may be competitive in another, since the very goals of social action are culturally determined. /4

Fortunately we are not doomed to an endless relativism, as concerning the concept of cooperation, if we ignore the cooperation as behaviour, and define it in terms of social relations, which are no more culturally defined. /5 Independently of the goals of action, we can discern the field of collective action (i.e non-individual action), inside of which we have basically four categories of goal oriented action, as following:

- 1) In **cooperation**, there is a common goal, toward which the interaction is oriented, and which is shared by the actors;
- 2) In **competition**, the common goal is no more shared;
- 3) In **assistance**, there may be common goals, but the very action of giving aid is oriented towards helping the other part to realize his or her own goals;
- 4) In **rivalry**, the goal is to hinder another to gain his or her own goals.

Basically, we are interested here on points 1) and 3), in order to clarify the difference between cooperation and aid. /6 The first difference is of analytical nature: as distinct from cooperation, aid does not imply goals to be common or shared, it suffice that the goals of the recipient are accepted by the donor. The second difference is more empirical: in cooperation, not

only goals, but also certain resources are shared together by the participants. Finally, in order that an act of "working together" could be called cooperation (as distinct, say, from forced labour), the participants should be in a position to refrain from it; i.e. they should be independent in relation to the goals set and resources claimed.

As a conclusion, by **cooperation** I mean any form of social interaction between actors allowing them to achieve voluntarily set common goals by sharing certain resources together. But, bearing in mind that cooperation is a positive loaded concept, cooperation should not be seen as a harmonious relationship where no conflicts exist. On the contrary, cooperation may involve hidden power struggles between the partners, and it may as well be a mode of dominance of one partner over another. This is related to the social context of cooperation, and, thus, to our ideas of social systems as contexts of cooperation and conflict.

What, then, is particular to **international cooperation**? According to a definition, international cooperation designates all "undertakings" allowing international actors to achieve jointly fixed goals by sharing certain resources together. /7 Less than integration, yet more than sporadic common efforts, international cooperation denotes to established relations between sovereign actors willing to share some values to-

gether. Though, as distinguished from trade, cooperation does not presuppose commercial exchange of any kind (f.ex. in the case of cultural or scientific cooperation). /8

Whether international cooperation is basically different by the nature of its context, depends, first of all, on our ideas of the international system as distinct from other social systems. This is an aspect of our particular interest in the following.

1.2.2. On the Political Philosophy of International Cooperation

The classical ideas of international society outlined two mutually contradictory approaches to international relations. One approach emphasizes the role of conflicts and wars in the great turning-points of the mankind. Often linked to this approach is a rather pessimistic view of the world as basically anarchic by nature. /9 The other approach regards cooperation and peaceful relations among people at least as essential as wars in explaining the course of the human history. This idea may be based on a belief of the existence of supra-historical laws, or a Natural Law, above the nations. /10

In the late Middle Ages, the authority of the Christian church maintained the doctrine of Natural Law, at least among the *Civitas christiana*. Though not

Christian in origin, the idea of a Natural Law was incorporated with the theology by St. Thomas Aquinas (1225-1274). /11 In many other religious doctrines, as in the Muslim philosophy, the basic idea is similar: the criterion of justice is something laid down by the Creator, and the positive law of states should conform to it. /12

The rupture of the feudal systems at the end of the Middle Ages brought a crisis into prevailing ideas on politics, law and morality. The ideological void was soon filled up by emerging monarchic national states which claimed sovereignty over affairs of their own. Thus, by rejecting the existence of any superior authority, the national states - as opposed to empires - became the leading actors in the concert of nations, which only later became known as the international system. /13

It was among the Italian city-states that an international system, based on relations independent from nominal feudal overlords, was to emerge. /14 A Florentine civil servant, **Niccolò Machiavelli** (1469-1527), was the first to articulate the principles of an international system. This founder of the realist theory of politics saw **virtù**, or the skills of power, as the most important factor in politics. In addition, he claimed that, in order to exercise the virtù in the international system, where no moral authority exists, it would be necessary to separate a political moral from the private moral: The

moral obligations of the "subjects" should not bind the "Prince". While the state guards and maintains laws for the former, the interests of the state would be the only guide for the prince. In short, Machiavelli was the pioneer of the idea of *raison d'Etat*. /15

The idea of reason d'Etat was further elaborated by **Thomas Hobbes** (1588-1679). He based his theory on the idea of the condition of men living in a state of nature. This rather an analytic than a historic concept refers to a state of mankind living in conditions dominated by "Warre of every one against every one". In order to avoid this sober state of affairs, as Hobbes argues, rational people will shift their sovereignty to an authority capable of keeping a social order. Within the civil society, only a strong state power can maintain law and moral. But outside the civil society, on the international arena, the state of nature would still reign. /16

Another line of thought was developed by a contemporary of Hobbes, the Swiss professor Johannes Althaus, or **Althusius** (1557-1638). He sought to explain social relations in terms of friendship and cooperation. As opposed to the idea of *raison d'Etat*, Althusius advocated pluralist theory of politics by developing the idea of the individual's dependence on a great variety of groupings, besides the political. He also developed the notion of "popular sovereignty" that cannot be surrendered by, or alienated from, the people. /17 At the level of

international relations, the two ideas contributed to a principle of federalism, suggesting integration of autonomous regions and countries into larger units.

Yet another line of thought was introduced by a third contemporary, the Dutch jurist Huig de Groot, or **Grotius** (1583-1645). He recognized the separateness and independence of states, but looked for a superstructure of legal and moral principles that should govern the international relations. By extending the vision of the jurist-theologians who preceded him, Grotius sought to combine natural, human, and divine laws into a system of juridical relations among nations without the institution of political authority. /18 In Grotius' vision, the **jus gentium** provides for regulative institutions prevailing between states. /19 Among others, these imply that the treaties should be binding, and wars could be begun only for just cause. Thus, the law of nations expresses the will of international society.

1.3. Conclusions

The emerging international society of separate states was formally recognized by the Treaty of Westphalia, in 1648. The consolidation of the Westphalian system implied that the way back to an universal authority was lost, at least for the moment. This was to become the basic dogma for modern theorizing in international

relations.

Within national state, the authority is based on two principles, initially formulated by the French jurist **Jean Bodin** (1530-1596) as the two edifices of the modern state: the absolute power of the Prince through the civil law (the juridico-politic principle), and the propriety rights through the natural law (the socio-economic principle). The socio-economic base would support the state, which, in turn, is supposed to defend the socio-economic principle; or the private propriety. /20 But how to define a legitimation for the principles governing the interaction between sovereign states?

Hence, any theory of international relations is confronted by the basic question over the existence of international norms, a sort of a Natural Law, on which a theory could be based on. Do we have moral obligations concerning foreign affairs? For the realist theory of politics, the answer is simply negative. The Machiavellian-Hobbesian tradition of thought rejects international obligations other than the pursuing of national interests, and looks for the rational calculation of national interests as the main determinant of cooperation and conflict among nations. Accordingly, the primary criteria for international cooperation would be that the requirements of a certain balance between competing national interests will be taken into consideration.

In a normative tradition of thought, universal human obligations are seen as the basis of international relations. Obligation to cooperate, for example, is explained in terms of human sociability. /21 But such an obligation may come into conflict with the principle of national sovereignty. Potential solutions, as offered by the normative tradition, can be found either through a formulation of the juridico-politic principles for international community, or through an extension of the existing socio-economic principles into transnational relations. The Grotian *jus gentium* is an example for the former; juridical rules are supposed to govern relations among nations, "above" the state structures. Consequently, it can be assumed that the formation and maintenance of international norms would constitute the relevant criteria for international cooperation.

Althusius' vision is an example for the latter option, according to which the socio-economic principles would offer the basis for transnational relations. In the form of popular sovereignty, the political authority is supposed to be based on social relations "under" the state structures. Hence, social justice would offer the primary criteria for international cooperation.

Altogether, these three traditions can be seen as three cases of a 'philosophical paradigm' of international

relations. /22 The respective political criteria for international cooperation would be 1) the rational calculation of national interests, 2) the formation and maintenance of international norms, and 3) the social justice.

* * *

Since the consolidation of the Westphalian system, changing historical conditions have, again, caused modifications in our ideas concerning international relations. Perhaps the most significant change has been caused by the Industrial Revolution, which has brought up three basic developments in the modern international system: 1) increasing differences in power and wealth between the nations, through the distribution of industrial capacity, 2) an expanding world economy, based on a system of industrial division of labour between nations, and 3) an enlarging system of national states, covering now almost all of the land territories of the globe. Thus, a major feature of the modern international system is a multiple state-system, inside of a world economy characterized by increasing differences in industrial power and wealth among nations.

Like any social system, an emerging global system needs certain rules and norms, or an order, for its maintenance. The state system, as well as the international economic order, are the primary examples. The

formation and maintenance of an order, in turn, implies cooperation among the international actors. With the existence of large differences in the industrial power among nations within the system, certain economic cooperation has to cope with special requirements.

During the colonial era, the relationship between the industrialized European countries and the areas in the Third World were arranged largely on the basis of the colonial order, with sovereignty belonging only to the former. But after the World War II, with the demise of the colonialism and the "civilizing missions" of the European powers, a new order has been emerging. First of all, the Human Rights were declared as universal and inviolable rights in the 1948 United Nations Declaration. /23 Second, the principal right of the former colonies to national sovereignty over affairs of their own was proclaimed in the 1960 Declaration of independence to colonial countries and peoples. /24 And third, nations have assumed the responsibility to attack poverty, and an international obligation of the richer nations to help the poorer has been proclaimed. /25 "Development" has become to describe these obligations and efforts. /26 Thus, **development** cooperation, in a large sense, may be taken to mean any form of international cooperation aimed at filling the following obligations and efforts: 1) strengthening the national self-determination of the newly independent developing countries, 2) guaranteeing the human rights and access to the benefits of international

division of labour to their citizens, and 3) eliminating poverty through deduction of global inequalities.

In the following, we shall have a look at the theoretical responses to these changes and challenges as posed by the shift from a European state system to a world wide system of states and division of labour (or to the modern international system). Meanwhile, we will leave the philosophical discourse, and focus on the political economy of development cooperation.

II. THE POLITICAL ECONOMY OF INTERNATIONAL COOPERATION

2.1 Introduction

The basic problematic of the political economy has been formulated by Gilpin (1987, 4), as following;

Since the sixteenth century, the primacy of the nation-state has been the organizing principle of the international political order. The nation-state has largely displaced such premodern forms of political organization as city-states, tribes, and empires. While simultaneously the market has become the primary means for organizing economic relations, displacing other means of existence: reciprocity, redistribution, and imperial command economies.

The interaction between the two opposed forms of social organization, the modern state and the market, has become increasingly crucial to the character and dynamics of cooperation and conflict among nations.

Our theoretical task is to explain the dynamics of international development cooperation. Why do nations cooperate? A simple answer is that larger geographic areas are required for the success of higher forms of economic growth, especially in the industrial sector. While the pursuing of economic growth has become increasingly important for any state in the modern world, it would be beneficial for the nations to pursue economic cooperation. Yet, by the definition given above, cooperation always implies that certain resources are shared, and, thus, the national control over them. The

abandon of national control, in turn, means a loss of national sovereignty, of which the only genuine sovereign possessors are the national states. Therefore, states are reluctant to cooperate on merely economic grounds. Consequently, there is a contradiction between the economic logic of cooperation and the logic of the political framework within which it takes place.

Possible solutions to our problem are given by the modern political economy, which has been dominated by three leading ideologies: conservatism, liberalism, and socialism. In the context of international relations, these ideologies can be identified as more or less analogous to the theoretical traditions of the political realism, the liberal institutionalism, and the socialist internationalism. /27

These traditions can be defined, in turn, as paradigms of international relations. By **paradigm** I mean the patterns of conceptualizing the international relations, and the patterns of analyzing them. /28 What follows, is a short review of these paradigms, and of the international system implied by them, as well as of the role of international cooperation in the international system thus defined.

2.2. Cooperation and the Realist Paradigm

The political realism, or the "power political" school of thought, is known better by the political scientists, but all too often ignored by the economists. Realist political economy finds its intellectual roots in mercantilist conceptions, though, a simple equation of the two would be absurd. /29 Another root was the German Historical School that introduced the dynamic concept of nation in the political economy. /30 As such, realism can be regarded as the political theory of economic nationalism: the central idea is that governmental economic activities are basically, and should also remain, subordinate to the goal of nation building.

The modern realist school of thought was organized in the United States during the inter-war years and in the aftermath of World War II. On the background of the failure of the League of Nations, and the dilemma of pacifism faced by Nazism, the realists set up to criticize the traditional legalist-moralist approach to international relations as "idealism", thus calling themselves as "realists". /31 In 1948, Hans J. Morgenthau published his famous treatise on **Politics among nations**, where he set forth the three basic assumptions of the realist paradigm: First, the nation-states are the most important actors for understanding international relations. Second, there is a sharp distinction between domestic and international politics. And finally, the international relations are

the struggle for power and peace. /32 As defined in terms of these theses, the realist paradigm can be said to have largely dominated post-war discussion and research on international relations in the United States and Europe.

/33

According to the realists, the international society is basically in a Hobbesian "state of anarchy", governed by the drive for power. /34 In the absence of a virtual international community, there can be no international actors with political authority, since authority always involves a community. Yet, this does not imply that an endless state of war would reign among nations. Instead, the states are organized in terms of anarchic hierarchy, according to differences in power. With the help of two mechanisms, the state system can, at least temporally, function peacefully: hegemonic leadership, which facilitates cooperation, and the balance of power, which discourages conflicts. On the bases of these principles, the states tend to create alliances with each other. Principally, the same principles apply to economic relations as well: states create economic alliances in order to avoid trade wars. /35

A basic intellectual convention in realist paradigm is the distinction between state and civil society: the realist paradigm maintains the distinction between the two spheres, with foreign policy appearing beyond the sphere of civil society. The international system is

explained in terms of national needs and wants (or "national interests") as articulated by state behaviour. The interstate relations remain as the focus of international relations thinking. /36 As a consequence, the principal international actors are nation states, with state system as the unit of analysis.

In a state system characterized by anarchic hierarchy, economic cooperation is facilitated by hegemonic leadership. But why is it so that a hegemonic power tend to support international economic cooperation? Obviously, such a cooperation may serve direct economic interests of a dominant power, like the maintenance of the freedom of the seas. But this is not the whole story. Since, there are cases where cooperation seems to be rather contrary to the calculation of national self-interests: Take the example of foreign aid. For those cases we may assume the existence of a principle of diminishing returns of strictly internal efforts. The assumption is clearest in the case of military cooperation: it holds that there is a definable level of domestic military capacity, over which a similar investment in the military capacity of an allied country would be more efficient (in terms of defence power). The same basic principle of "utility function" can be applied to economic and other non-military cooperation as well. /37

Since the national states are the leading international actors, one can say that the present international system is (more or less) based on structures

that are implicit in realism. /38 Indeed, the strength of the realist pattern of conceptualizing international relations lies in its tendency to legitimize the existing international status quo: as long as power and wealth are regarded as attributes of national entities defined as states (and by states!), the role of civil societies in international relations tends to remain subordinate. As a consequence, the coexistence of a plurality of forms of state/society complexes remains very largely unexplored.

/39

Thus, it is no wonder that realist paradigm is relatively strong in explaining the formation of the political framework in cases like the Bretton Woods system of economic cooperation. Indeed, after the Second World War, and until the late 1960's, the United States' economic, military and political superiority was uncontested. And her hegemonic leadership, or **Pax Americana**, can be said to be largely conducive to the formation of the leading modern international cooperation organizations.

/40

However, as regards the cooperation between less hegemonic powers, like small industrialized countries ("the middle powers"), or less developed countries, the realist paradigm has very much lost its charm. The realists have a tendency to look things merely from a superpower perspective. /41 When focusing on the role of the struggle for power between the superpowers, alliance

theory, for example, may provide a promising mode of explication for development cooperation. But, because of the coexistence of different forms of state/society complexes, as appearing in the Third World, the political dynamics of development cooperation remains largely unexplained. Thus, the distinction between the state and civil society may turn out to be untenable.

Hence, the major critic against the realist paradigm concerns the assumption of national states as unitary actors for understanding international relations. This assumption, which is sometimes called the **dominant billiard ball model**, has been said to represent state as a "closed, impermeable and sovereign unit, completely separated from all other states." /42 The abolition of this basic assumption has led to competing paradigms, one of which is called here the liberal paradigm of international relations.

2.3. Cooperation and the Liberal Paradigm

The liberal tradition of the political economy can be traced back to the classical liberalism, as represented by **Adam Smith** (1723-1790) and **David Ricardo** (1772-1823). /43 The first manifestation of liberalism in the international economic system can be dated from the repeal of the corn laws in 1844 to the trade wars of the 1930. However, the modern version of the liberal political

economy made its break-through only after the Second World War. /44

The "idealist" international theory of the pre-war era was looking for possibilities of transforming the national state system through international law and organizations. In the post-war era this tendency has been continued in what George Modelsky has called "geocentric"- rather than "ethnocentric" - approach to the international relations. /45 Closely related to systems theory, the term **interdependence** has become to characterize the growing complexity of a liberal international economy. /46

With the ending of the Cold War, by the early seventies, several scholars focusing on interdependence began to challenge the basic assumptions of the realist paradigm. /47 First, the assumption on the state as the unique actor was challenged by an interest in transnational actors, notably transnational corporations. Second, the distinction between domestic and international spheres was contradicted by a notion of growing interdependence among nations, notably through economic transactions. And finally, the view of the international relations as struggle for power and peace was contrasted with an idea of long-term harmony of interests as prevailing in a liberal international economic order. /48

The basic premise of the liberal paradigm assumes an essential harmony of interests among nations. According

to the liberal economic theory, markets will automatically lead to optimal results through the realization of comparative advantages. Therefore, the liberals are committed to free markets and minimal state intervention, although the relative emphasis on one or the other may differ. The role of state is to protect the market and the economic liberty by providing services not available in the private market. Though, in the international economy, where no formal framework of market protection exists, the states should cooperate with each other, in order to form such a framework. /49

In line with the Grotian model, which recognizes the independence and sovereignty of states, but aims for a superstructure of legal and moral principles that would govern the international relations, the liberal international paradigm seeks for an international economic order. Such an order is crystallized in the three major international economic organizations, as described by McKinlay and Little (1986, 91):

"The General Agreement on Trade and Tariffs (GATT) prescribed a liberal free trade system, which was underwritten by the Bretton Woods agreements, providing in turn the International Monetary Fund (IMF) that would alleviate balance of payments problems such that trade would not be restricted, and the International Bank for Reconstruction and Development (IBRD) that would provide investment finance."

Thus, ideally, the world market economy, or the capitalist world economy, is a genuine international

liberal economic order; i.e. a system of division of labour and free trade, where the acts by individuals (rather than by governments) constitute the basic factor between the units of the system. With the help of sophisticated methods developed by the modern economics, a relatively accurate description of the existing economic order can be achieved. Yet, the description is by necessity limited, because the political aspects are ignored. Or, in other words, the liberal perspective is said to lack a veritable political theory of international relations. /50 That is why it tends to assume the virtues of the economic **status quo**.

According to the liberal tradition, international economic institutions are there in order to maintain the "rules of the game", while the game itself should be left for market forces. States cooperate essentially because of the existence of such tasks that can not be met by means of the market. Consequently, the liberal political economy puts emphasis on the functional role of international cooperation institutions. /51 As such, the tradition is strongest in explaining peaceful cooperation among industrialized capitalist countries.

As regard the cooperation between the industrialized "North" and industrializing "South", the liberal approach has emphasized the "partnership" and the "mutual gains" in cooperation. /52 The liberal perspective on economic development maintains that the duality (between

the "modern" and the "traditional" sectors) of the economy in less developed countries is responsible for underdevelopment. Economic development requires the removal of political and social obstacles (prevalent in the "traditional" sector) to the functioning and effectiveness of a market system (of the "modern" sector). Although the organization of the domestic economy is the most important factor affecting economic development, development cooperation can help in the diffusion process. Through development credits, trade, foreign investment, and aid, the less developed countries would acquire the export markets, capital, and technology required for economic development. /53

Altogether, according to the liberal approach, economic cooperation with and among developing countries lies in the very interest of industrialized countries as well. However, the question over the distribution of the gains remains largely unanswered. Or, the question is rather ignored, because of the inherent neglect, in the liberal tradition, of the political framework within which the economic development takes place: i.e. structures of domination of the poor by the rich. This is the starting point of socialist argumentation.

2.4. Cooperation and the Socialist Paradigm

Like for the other traditions, there are many variations among the socialist political economy. Here, by socialist paradigm I mean the theories of political economy based on the classical works by **Karl Marx** (1818-1883) and **Friedrich Engels** (1820-1895). /54 With this definition, two principal socialist traditions can be discerned; the "scientific", or traditional Marxism, and the "critical", or neo-Marxism. /55

Beyond the United States, notably in Europe, the socialist paradigm of international relations has offered one of the major alternatives to realism. /56 The main focus of interest in the socialist paradigm is the study of structural features of the capitalist world economy. The traditional Marxists emphasize economic imperialism as the primary feature of modern capitalism. /57 For the neo-Marxists, it is the law of uneven development. /58

Like the liberal paradigm, the socialist paradigm, too, rejects all of the three assumptions of the realism. First, based on Marxist conceptions of social classes as the basic unit of analysis, the state is regarded only as a derivative from the class struggle. /59 Consequently, the distinction between state and civil society is contradicted by a notion of transnational class relations. And third, the view of the international relations in terms of struggle for power and peace is challenged by a

view of the economic laws of the capitalist development.

In the socialist paradigm of international relations, the world is defined essentially in terms of social relations, with the class struggle on national level, the state system at the world level, and the market structures mediating between the two. In the capitalism, continued class contradictions on national level, and the uneven development on the world level, are seen to lead to inevitable crises. These crises may be socio-economic, or politico-ideological by nature. /60 Even though these crises appear in different levels and in different modes, they are basically due to the same deep contradictions inherent in the capitalist system. In short, only a transition from the capitalist state of anarchy to a socialist world order could solve these contradictions.

According to the socialist approach, the capitalist world economy is basically of anarchic nature. /61 Moreover, in line with the realist tradition, both paradigms reject the liberal view of a long-term harmony of interests in a competitive market economy. But there is a fundamental difference between the realist and the socialist approach to international relations: while the former applies a cyclical view of the state system (with rising and declining hegemonies), the latter prefers a dialectical view of the world system as developing towards a socialist world order.

International cooperation is explained in the socialist paradigm in terms of historical structures. Cooperation under an imperial state system - be it a Pax Britannica or a Pax Americana - is a mechanism of imperial power structure. In the absence of clear norms, the power structure seeks "to maintain consensus through bargaining... (where) the bargaining units (are) fragments of states." /62 Such a cooperation tends to ignore the interests of the dominated classes. Only through a cooperation based on equal relations, basically reflecting the social forces beyond state structures, could the interests of the "people" be realized. /63 In this manner, the socialist perspective on international relations is based on the idea of the sovereignty of people. Yet, the socialist paradigm has largely ignored the role of political and strategic factors in the formation of national policies. That is why the relation between the national interest, on one hand, and the social (class) interests, on the other, has often remained unclear.

In the field of the North-South relations, the socialist paradigm has strongly influenced to the analysis of dependent relationships, as appearing between the industrial centre and the underdeveloped peripheries. The dependency ("dependencia") is originally based on colonial structures of direct dominance, but it continues to exist within the neo-colonial system of division of labour. /64 Like the liberal perspective on economic development, the dependence perspective, too, maintains dualist structures

in peripheral economies. But, here the outward oriented "modern" export sector is seen to be responsible for economic dependence, and, thus, for underdevelopment. Or, the question is not "How to diffuse the development?", but "How to counteract unequal dependent relationships?".

In a neo-colonial system, the role of development cooperation is to support the existing power structures by maintaining the consensus with governing elites in peripheral countries. In this manner, development cooperation is not distinct from other modes of economic domination, like the credits ("the debt trap"), trade ("the unequal exchange"), or foreign investment ("the multinational corporation"); in short, an instrument of imperialism.

There are a number of alternatives to imperial cooperation, though not necessarily mutually compatible, as proposed by various socialist theories: a) cooperation with the socialist countries (the "East-South" option), b) cooperation between developing countries (the "South-South" option), and c) autonomous, "self-reliant" development (the "Chinese" option). The common aim is, however, to detach a dependent economy from the capitalist world economy (the de-linking option), or, at least, to offer a substitute to dependent relationship. Yet, in the final analysis, the model for such a "non-hegemonic", or socialist international cooperation, remains to be developed. This is, partially, due to the failure of the

socialist paradigm to appreciate the role of national political factors in the international relations.

* * *

All in all, these three paradigms are based on mutually exclusive premises, or on different ideas regarding the international system, and the role of principal actors within it, and, consequently, different kind of dynamics of international cooperation among the actors. These premises are, in turn, deduced from philosophical paradigms that are different from each other in terms of normative assumptions concerning the character of international system as a social system. /65

However, whatever our ideas on the modern international system are, we are constantly confronted with new phenomena which claim explanation, or qualification of our theories and models. This is so especially during the periods of international crisis, when the structural features of the system tend to be illuminated in a flash like manner.

In the following, we shall have a look at the present structural changes in the world economy, and at the accompanying challenges that these changes pose to the three paradigms. At the same time, we will shift the focus to the international context of development cooperation, and to the related level of analysis.

III. COOPERATION WITHIN CHANGING WORLD STRUCTURES

3.1. Introduction

The recent development of the international system has been strongly influenced by the world economic crisis since the beginning of the 1970's. The crisis evolved in phases, starting with a staggering of the international monetary system, followed by the so called "energy crisis", and, finally, by a stagflationary development in the industrial economies and a simultaneous debt crisis in the Third World. Although not necessarily revealing the root causes of the world economic dynamics, these coincidences are, however, symptoms of deep structural changes in the international system. In spite of the economic recovery during the last years, the crisis in the world economy - now removed and reborn in the Third World - is a manifestation of political, institutional and ideological crises in the framework for international cooperation.

At the beginning of the crisis, the economic problems, as analyzed by international economic organizations, were regarded to stem from a "normal" variation in the world economy and, thus, to be an issue for conjuncture policies. It was only after a deep economic depression that conclusions of the reasons and effects of the crisis were drawn. Although the reports published so far may be different in the scope and bias,

they all agree on one thing: neither external shocks (like the "energy crisis"), nor mistakes in economic policies, could alone explain this crisis. /66 Instead, the crisis in the world economy should be seen in terms of structural changes in the international system.

The world economic depression, accompanied by a new wave of economic nationalism, has resulted a stalemate in the global North-South negotiations. The Paris Conference in 1975, was perhaps the last serious attempt to revitalize the development dialogue on a global level. /67 Ever since, the North-South dialogue on a new economic order has practically ceased. The crisis of the global development policies emphasizes the need to look for new approaches to international cooperation.

In fact, the crises in "reality" have brought up crises in the theorizing of international relations and political economy as well. Three structural problems claiming for reconceptualizing of the theories of international cooperation can be stated: The first problem concerns the political framework for cooperation, or the changing relation between the world market economy and the state system. The second structural problem relates to the institutional framework charged to intermediate between the two. And the third structural problem is connected to the contradictions between them, and the related patterns of development in the modern world system.

3.1. Cooperation After Hegemony

It has often been claimed that the present economic crisis has a number of structural features common with the economic crisis in the 1930's. /68 Then, too, a relatively cooperative international regime was challenged by economic crisis. The prosperous **Pax Britannica**, or "a hundred years' peace", came to an end with a world economic depression, accompanied by a relative decline of the British economy. /69 Likewise, the economic decline of the dominant power, the United States, has undermined the hegemonic stability of the post-war state system, thus challenging a basic political condition for cooperation, as presumed by the realist paradigm.

The task of explaining the role of hegemonic state system in a liberal world economy has been set by the theory of hegemonic stability. /70 The theory aims to interpret the rise and operation of the modern international economy in terms of successive liberal dominant powers. The theory is said to be "closely but not entirely associated with the political realism". /71

The essence of the theory of hegemonic stability is as following:

"hegemonic structures of power, dominated by a single country, are most conducive to the development of strong international regimes whose rules are relatively precise and well obeyed....the decline of hegemonic structures of power can be expected to presage a decline in the strength of corresponding international economic

regimes". /72

If the function of the state system can be analyzed in terms of hegemonic structures, what, then, could explain the mechanisms of hegemonic rise and decline? A good example of explaining the economic factors behind hegemonic cycles is provided by the idea of long-term variation of economic growth, or the "Kondratieff" cycles. /73 While a regularized, systemic and cyclical pattern of long-term market variation may be difficult to prove, the fact is that the modern world economy has undergone Kondratieff type of expansion and contraction about every fifty years. Moreover, there is a strong evidence that the market cycles and the hegemonic cycles do interline in long-term historical patterns. /74

Altogether, the lesson to be drawn from the theory of hegemonic stability is that, even in the most favorable political environment for cooperation, the international market tends to operate according to a logic of its own. /75 This is, for certain, nothing new for the liberal paradigm, or for the socialist paradigm, both focusing on the economic factors of political economy. But the hegemonic stability theory's focus on the logic of the competitive state system, or the idea of the rise and decline of the hegemon, sets forth the changing political conditions to the existence of an international market economy. Hence, there seem to be two patterns, or logic, the market and the state system, both of which set condi-

tions for economic cooperation. But how do they relate with each other? That is a question related to the changing institutional framework for cooperation.

3.2. Cooperation After Institutionalism

Another structural change, revealed by the world economic crisis, relates to the changing institutional framework between the international market and the national economy. While the Bretton Woods system did not collapse altogether, the demise of the world monetary order has largely increased fears of increasing economic nationalism. The underlying tension between global market, on one hand, and domestic economies based on state intervention, on the other, poses a major challenge to the liberal paradigm. /76

In the realm of the North-South relations, demands for a New International Economic Order (NIEO), and the tendency towards cartel actions by the Third World producer countries have posed similar challenges to the liberal paradigm. /77 While the NIEO has, so far, shown little progress, the Organization of Petroleum Exporting Countries (OPEC), has been relatively successful in its attempts to manipulate world markets. With the "energy crisis", in 1974, and the "second energy crisis", in 1979, the energy issue emerged as a special topic in international economic cooperation. /78

The energy question is an example **par excellence** of an international issue area where cooperation can be fruitfully explained in terms set by the special nature of the issue area itself. Largely based on the notion of interdependence, the theory of issue politics has offered a model for cooperation in an international environment characterized by "complex interdependence". /79

Typical to the issue areas is that power is not necessarily transitive among them. Thus, power gained in one issue area, say for example the military strength, can prove out to be useless in another area, for example in economic issues. Accordingly, the focus will turn from the realist notion of "power resources" to "power relations". /80

In order to manage issue areas characterized by complex interdependence, international actors tend to create and promote regimes. Regimes are defined as "sets of implicit or explicit principles, norms, rules and decision-making procedures around which actors' expectations converge in a given area of international relation." /81 As such, the notion of regime tends to offer a conceptual level mediating between the international power structure and interdependencies of political economy. The regimes are bound to issue areas, thus reflecting the prevalent power structure in an issue area, independently from the general world division of

power. /82

The theory of transnational issue areas, or the regime theory, has evolved from the critics of realism among the liberal paradigm. /83 The major contribution of the regime approach to the theory of cooperation is perhaps in the very notion of regime conceived as "changing the context within which the states make decisions." /84 Thus, instead of a mechanistic focus on international institutions and legally binding transnational norms, the study of cooperation should examine the historically evolving regimes that affect the calculations and the options of the cooperating actors.

3.3. Cooperation After Imperialism

The international regimes created in the early post-war period separated the domestic from the international realm of policy making. The post-war economic policies rested on the Keynesian ideas of economic stimulation in the sphere of a closed economic system ("the national economy"). /85 Today, however, the only closed economic system in the world is the world economic system based on the global division of labour and on the global market. Yet, the lack of a total coincidence between the economic processes and the state boundaries causes contradictions: The basic ideological contradiction arises from the continuous global economic integration into a

single world economic system through the intervention of national states. /86

A basic intellectual convention in international relations has been the distinction between state and civil society. /87 One of the most radical alternative to conventional international relations theory has been offered by the world-system analysis. Inspired by French historian, Fernand Braudel's studies of the Sixteenth and Seventeenth centuries, Immanuel Wallerstein has proposed a theory of world-systems defined essentially in terms of social relations. /88

The theory of world-systems is an attempt to extend Marxist analysis of capitalist development to include the world market, the state system and class struggle at the world level. The theory suggest that capitalist development takes place unevenly, not only creating the gap between "core" and "periphery", but also tending to concentrate productive advantage among the core states. The dynamics of development, as implied by the world-system analysis, allows the existence of qualitatively different kinds of core-periphery relations.

/89

Further, it is suggested that, in order to analyse the core-periphery relations, it is necessary to describe the structure of the world-system as a whole. Three major developments that characterize the world-system structure

are found to be 1) expansion and integration of the capitalist world-economy; 2) expansion and consolidation of the state system; and 3) subsequent changes in class relations that progressively organize the world economy, as well as intra- and interstate politics. /90

Immanuel Wallerstein's theory of world-system is a reinterpretation of development of capitalist world economy, inspired by dependency theory. /91 Whereas the latter implies the coexistence of different modes of production ("core" capitalism vs. "periphery" capitalism) linked together, the world-system is a single system of division of labour in which production is for exchange, ie. a capitalist world mode of production. The emergence of the capitalist world-economy is traced back to the collapse of European feudalism in the "long sixteenth century":

In the late fifteenth and early sixteenth centuries there came into existence what we may call a European world-economy. It was not an empire yet it was as spacious as a grand empire and shared some features with it. But it was different, and new. It was a kind of social system the world has not really known before and which is the distinctive feature of the modern world-system. It is an economic but not a political entity, unlike empires, city-states and nation-states... It was a 'world-economy' because the basic linkage between the parts of the system is economic, although this was reinforced to some extent by cultural links and eventually..., by political arrangements and even confederal structures. /92

Wallerstein distinguishes between world-empires

and world-economies. The former is a socioeconomic system in which the economic division of labour is incorporated within a single overarching state apparatus. The **world-economy** is an economic division of labour which is overlaid by a multicentric system of states. Peculiar to European development is the formation of a world-economy which has been capable to restrain attempts to impose a world-empire on the world-economy. /93 From the beginning, the capitalist world-economy has been expansive and imperialistic. The early expansion of the capitalist world-economy took place in Europe, where a hierarchical division of labour was constituted between an industrializing northern Atlantic coast, a semi-agrarian Mediterranean South and an agrarian East Europe.

In different sectors of the world-system, different forms of labour control, and, hence, different kind of technology is dominant. **Core areas** are those where production is capital-intensive and uses skilled, high-wage labour. Production in **peripheral areas** is labour-intensive and utilizes coercion. **Semi-peripheral areas** are those which include a balance of core and peripheral types of production.

In the course of technological change, production may change its character, from a typical core production to a peripheral one. Cotton textile production, a leading core industry of the early nineteenth century, has become a peripheral industry in the twentieth century relative

to the much higher levels of capital intensity and skilled labour employed in the contemporary core industries. Similarly, the position of particular countries within the system, may change, too, while the system as a whole has expanded with the time. Portugal, once the leading core country, has become peripheral in relation to England, whereas the United States, once a peripheral area, has replaced England as the leading core country. /94

Changing positions of countries within the world-system is, in turn, a central factor in explaining variations in the state power. The core countries both require and have the resources necessary to finance more powerful states. In the semi-peripheral areas, too, state power plays an active role. But in the peripheral areas, state structures tend to be weak both in relation to the core areas, and to the civil society. /95

Altogether, the central thesis in the world-system analysis implies that "political structures do not contain 'economies'; quite the contrary: the 'world economy' contains political structures, or states." /96 Consequently, any cooperative effort between the states is bound to follow the laws of the capitalist world-economy: "Even if every nation in the world were to permit only state ownership of the means of production, the world-system would still be a capitalist system". /97 A deviation from the traditional Marxist view, the capitalism is equated by Wallerstein with a "trade-based division of

labour". /98 In an international system thus defined, the power of states derives from the role they play in the world-system. And, since the capitalist world-system creates inequality by definition, cooperation between the core and peripheral areas is necessarily imperialist by its character.

The major contribution of the world-system analysis to the theory of international cooperation is in that it provides systemic variables (world 'system'), and the role variables ('core', 'semi-periphery', and 'periphery') for an analysis of different nations occupying a similar role in evolving stages of the world-system. /99 This provides a more dynamic view to the context of development cooperation than the dualist visions as provided by the power politics (the bipolar "East-West" balance of power), or by the conventional development theories ("modern" vs. "traditional" sector; or industrialized vs. developing countries).

* * *

As a conclusion, a dynamic view to the changing world structures seems to offer tools richer than those as used in the traditional static models for analyzing international cooperation. An effort for a dynamic model of development cooperation, and the related analytical tools and methods, will be discussed in the following concluding section.

IV TOWARDS A NEW PERSPECTIVE ON DEVELOPMENT COOPERATION

The focus of this paper has been on the problematic of international cooperation. As stated in the Introduction, this problematic includes, first of all, the definition of cooperation. Here, cooperation has been defined in terms of social relations, or as the interaction between social actors allowing them to achieve voluntarily set common goals by sharing certain resources together. Thus, unlike aid, cooperation does not necessarily involve any transfer of resources between the partners. Whether this general definition can be applied to the international level as well, depends on our ideas of the international system as distinct from other social systems. This question has led us into the sphere of the political philosophy of international relations.

4.1 Criteria for Cooperation

When thinking about the "normative - positive axis" of the theorizing in international relations, basically three lines of thought can be discerned. On the positive side, the realist Machiavellian-Hobbesian tradition insists on the qualitative difference between the domestic and the international spheres, the latter lacking any virtual authority to set up and maintain norms in the gloomy world of ours. Hence, the primary criteria for international cooperation would be the

requirements set by the rational calculation of national interests in maintaining peace and order. On the contrary, the normative traditions claim that the distinction between the two spheres is basically a misconception (the Grotian tradition), or that it is subject to change through social developments (the Althusian line of thought). Consequently, the criteria for cooperation, as offered by these traditions, are the requirements set by efficient functioning of regulative international institutions, on one hand, and those set by the social character of human life, on the other.

Until after World War I, the positive Machiavellian-Hobbesian paradigm dominated the theorizing in international relations. Since then, the international system has drastically changed, notably through a growing state-system within an expanding world economy. Any social system, even a global one, needs rules and norms, or an order, for its maintenance. Hence the quest for a theory of international cooperation.

This quest has been echoed, in turn, by the political economy, which deals basically with the interaction between the state and the market. The three leading paradigms of the modern political economy are the political realism, the liberal institutionalism, and the socialist internationalism. Out of these, the realism has been claimed to share the "positive" tradition of international relations, by rejecting any other universal criteria

for cooperation than the rational calculation of competing national self-interests, and the preservation of the system itself. The liberal institutionalism regards economic growth as a common value, and looks for efficient international rules and institutions to support cooperation among nations. For the socialist internationalism, the basic value to be pursued by the cooperation is social justice, thus calling for means of international equality through the cooperative efforts.

With these criteria in mind, the paradigms have sought to explain the dynamics of development cooperation. As stated in the Introduction, the choice of adequate strategies of explanation can be related, first, to the question over the relevant actors, and to the adequate structural conditions that are likely to lead to cooperative efforts. Second, the corresponding levels of analysis can be logically deduced from the latter.

4.2. Actors of and Structural Conditions for Cooperation

Starting with the actors, there are basically three categories of international actors: national states, international organizations, and transnational "non-governmental" actors, notably the private multinational enterprises. When thinking about the formation of the modern development cooperation, the role of the leading hegemonic country has been uncontested, indeed. From

the Marshall Plan period (1948-52), and until the 1960's, the United States set goals, and provided resources for development cooperation more than any other single international actor. /100 By means of hegemonic cooperation, the political stability could be guaranteed in Western Europe, and a new international economic order were established.

Yet, since the late 1960's, the changing economic conditions have undermined the international *status quo*, to the extent that the hegemonic stability has partially lost its economic basis. Meanwhile, the leading role in development cooperation has been adopted by the smaller powers, the international organizations, and the private business.

Two considerations stand out: First, the "European" national state is the historical outcome of a unique state building process. /101 In spite of the very fact that the colonial dependence makes the European national state a matter of crucial relevance to the social and political experience in the Third World, the states do play different roles in different societies. Consequently, the fundamental distinction, as kept by the realist paradigm, between the state and civil society may turn out to be untenable, at least as far the development cooperation is concerned.

Second, a major part of the modern international

economic cooperation is realized by the private business, notably the multinational corporations. /102 The private foreign sector plays a significant role in the development cooperation as well. /103 Hence, as a level of analysis, the state system alone does not seem to provide a sufficient context for explaining the dynamics of the modern development cooperation.

Altogether, the process of widening capitalization of Third World societies seems to characterize the modern international cooperation with and among developing countries. A basically liberal solution, the multilateral development financing organizations have sought to create and manage an efficient international order capable to support this trend. Since the 1960's, the Bretton Woods institutions have played an increasing role in development cooperation, both in terms of goal setting and of resources provided.

However, with the world economic depression since the early 1970's, and with the collapse of the world monetary order, the political base of the liberal order has begun to falter. The call for a New International Economic Order (NIEO), accompanied by a strong cartel action by the petroleum exporting countries (OPEC), has revealed a fundamental political disapproval, as existing among the Third World countries, with the Bretton Woods system. As regards the industrialized countries, an increasing economic nationalism tends to further undermine

the attempts to strengthen the global multilateral economic institutions. Altogether, there seems to be an increasing gap between the political expectations, on one hand, and the solutions given by the multilateral institutionalism, on the other.

Among the liberal paradigm, the theory of transnational issue areas, or the regime theory, has sought to explain this changing structural environment of cooperation in terms of historically evolving regimes. Instead of a mechanistic focus on international institutions (the system level), or on legally binding transnational norms (the national level), the regime analysis focuses on the interaction as the level of analysis for explaining conditions for cooperation. The major contribution of this approach is in the way it reintroduces the political dynamics into the liberal theory of cooperation.

So far so good. The functioning of the modern international system is conditioned by a hegemonic state system and an increasingly internationalizing world economy, both of which rise up issue areas of transnational importance leading towards cooperative regimes among the actors involved. But why is it that certain issue areas are likely to lead into cooperative efforts, while others are not? Or, in other words, what makes an issue area to be classified as "global"? And to what extent is it independent from the relations between the actors involved?

With the concentration of the major international economic actors, both public and private, among the industrialized countries, the developing countries are bound to be more dependent on the industrialized countries, than inversely. The most prominent tradition of thought explaining the terms of cooperation in the conditions of asymmetric dependency is the socialist paradigm. According to the socialist approach, the state system, as well as the market system, are in the first place functions of social relations. Consequently, the dynamics of development cooperation is conditioned by the interests of the governing elites in dependent societies, since these very elites are more dependent on foreign economic relations, than their counterpart in less dependent countries. In addition to the logic of the Prince, and to the logic of the market, there is the logic of social forces on national and international level, all of which are likely to set conditions to the development cooperation.

Although more nationalist than socialist by character, the calls for a New International Economic Order, and for increased South-South cooperation, can be seen as attempts to formulate an international order based on the idea of a more equal distribution of wealth and power among nations. With the collapse of the NIEO, and much of the cooperative efforts towards a collective self-reliance, alternatives to the conventional ways of development cooperation are rather scarce. Moreover, due

to the present economic crisis in the socialist industrialized countries, the capacity of these countries to offer any sort of alternative mode of cooperation is rather limited.

Indeed, the geography of international economic cooperation is far from a state of equilibrium: Not only the locus of international economic relations is to be found in the intra-Western sphere, but also the major international economic cooperation units, both private and public organizations, are of "Western" origin. /104 Thus, while the major political actors of international development cooperation can be divided among the line between the "North" and the "South", the major international economic actors, but for a few exceptions, are Western. Hence the challenge to the socialist theory of political economy: Why is there so few economic cooperation among the developing countries?

A response, given by the world-system analysis, is that any cooperative effort between the states is bound to follow the structural conditions of the capitalist world-economy. The dialectical development of the capitalist world-economy generates both a differentiation between, and a cohesion among the countries within it. The cohesion can be expected to be highest among the group of countries which is on its way up to the top, i.e. emerging industrializing countries. Consequently, the potential gains from the cooperation are highest among

them.

Thus, the adequate level of analysis being the entire capitalist world-economy, the focus is put, first, on the systemic variables, notably on the long-term variation of economic growth. These, in turn, set conditions to the changes in the state-system, defined in terms of role variables. The latter consist of the core (industrialized "West"), the semi-periphery (semi-industrialized "East"), and the periphery (industrializing "South"). Among these areas, cohesion has been strongest in the core, while the periphery is undergoing a differentiation. Cooperation in a situation of differentiation would be an "anti-systemic" movement.

All in all, the key to the dynamics of development cooperation seems to lie in the very nature of the international system as a succession of the inequalities among nations. Depending on our conception of the world, the key opens gates to different routes, which do not necessarily intersect with each other. (See Figure 2. below.) Only fundamental changes in the international system, like the new factors of power, are likely to transform the sources of inequality, thus calling for redefinitions in our conceptions of the world, and in our paradigms. An attempt is made in the following.

Figure 2. Scheme for Paradigms

Criteria for international cooperation *	Main actors	Structural environment and level of analysis
1. The Realist Model		
Rational calculation of national self-interests in maintaining peace and order - national self-determination of the DCs **	States	Hegemonic state system
2. The Liberal Model		
Economic growth through efficient international rules and institutions - free access for the DCs to the benefits of international exchange	Trans-national institutions and firms	Evolving regimes in a transnational economy
3. The Socialist Model		
Social justice through equal terms of exchange - world distribution of wealth and power	Classes and states	Capitalist world system

* in general, and particularly in development co-operation

** DCs = developing countries

4.3 Towards a new synthesis?

The case of the world mineral resources provides an example of such a new factor of power in the current international system. That is why I will have a short look at the criteria for development cooperation in the case of the global mineral problematic.

To start with, it is only rational to claim that no international cooperation is likely to emerge unless the vital national interests are taken into the consideration. The control over the national mineral wealth, on one hand, and the secured access to the raw materials, on the other, would be the primary criteria for cooperation between mineral producing and consuming countries. Yet, the growing interdependence among nations tends to rise new issues of global concern, like the maintenance of a stable economic growth, or the depletion of world mineral reserves. These issues would call for a cooperation in creating efficient rules and institution for a global mineral regime. And still, as long as the principal causes of such "global" problems are concentrated in a small number of rich industrialized countries, calls for global cooperative efforts can hardly offer a solid basis for a more equal international order.

The control over the national mineral wealth, on one hand, and the secured access to the raw materials, on the other, would be the primary criteria for cooperation

between mineral producing and consuming countries. Yet, the growing interdependence among nations tends to rise new issues of global concern, like the maintenance of a stable economic growth, or the depletion of world mineral reserves. These issues would call for a cooperation in creating efficient rules and institution for a global mineral regime. And still, as long as the principal causes of such "global" problems are concentrated in a small number of rich industrialized countries, calls for global cooperative efforts can hardly offer a solid basis for a more equal international order.

In short, we have here three criteria (rationality, efficiency, and equality) for cooperation, some of which can come into conflict with another. What may be rational, say, from a national perspective, may be irrational from the global perspective. And an efficient solution to a global problem may turn out to be highly unequal, and so on. In the final analysis, it is a political question as to which criteria are preferred. And consequently, our first task would be to analyze how the global problems are set, and who has the power to impose the goals for common efforts. A comparative study of the international reports on mineral issues, as published during the last decades, might provide some indicative knowledge on the general lines of thought.

Second, there is the question over the actors and structures. Here it is assumed that the idea of a global

community with identifiable interests of its own is a myth. Only actors can make politics, even if they do it within historically evolving structures. This assumption calls for a synthesis between structuralist and actor-oriented perspectives.

The formation of international cooperative regimes in the mineral sector is of our primary interest. Once the process of generation of an issue area has been described, the historical experiences of respective regimes can be analyzed. This can be done by examining first the structural conditions for cooperation: the long-term variation of economic growth and the related changes in transnational relations (flows of trade, finances etc.). Second, with the help of appropriate role variables (core vs. peripheries), the actors can be analyzed within the context of a historically evolving state system.

Finally, the effects of cooperation on the development options available to developing countries is of a special importance. These options can be related, first, with the development strategies set by the states machineries, which, in turn, are function of the social forces within the countries concerned. Second, the effects of different regimes of cooperation on the development options can be analyzed, as presented in the Figure 3. below.

Figure 3. A Model for Analyzing International Cooperation

1. level of analysis (global):

Resource power	--	Power to impose common goals	--	Generation of common goals
----------------	----	---------------------------------	----	-------------------------------

2. level of analysis (transnational):

Long-term variation of economic growth	--	Role variables in the state system	--	Regimes of Cooperation
--	----	--	----	---------------------------

3. level of analysis (national):

Social struggle	--	Development Strategies	--	Development Options Available
-----------------	----	---------------------------	----	-------------------------------------

NOTES AND REFERENCES

- 1 G. Adler-Karlsson: **The Political Economy of East-West-South Co-operation**. Wiener Institut für Internationale Wirtschaftsvergleiche: Studien über Wirtschafts- und Systemvergleiche, Band 7. (Wien & New York: Springer-Verlag, 1976), p. 15.
- 2 The definitions are from Margaret Mead: "Introduction". In Mead (ed.): **Cooperation and competition among primitive people**. (Boston: Beacon Press, 1961), p. 16. The word cooperation stems from latin (**cooperari** = "work together").
- 3 Robert Nisbet: "Cooperation". In David L. Sills (ed.): **International Encyclopedia of the Social Sciences**. vol 3; (The Macmillan Company and The Free Press, 1968), p. 390. -Besides cooperation and competition, there is a third category of goal-oriented action, which can be called **individualistic action**, or an action towards definite goals without reference to others. See Mead, op.cit. (2).
- 4 Mead (1961); op.cit. (2).
- 5 Cf. the definition given by Theodorson and Theodorson: cooperation is "social interaction in which individuals or groups engage in joint action to achieve a common goal." Theodorson A. & Theodorson A.S.: **A Modern Dictionary of Sociology**. (New York: Thomas Y. Crowell Company, 1969), pp. 78-79.
- 6 The aid agencies, and politicians, of course, do usually mix these terms, for obvious political reasons, and that is all right. But the research community should not do the same; at least, one should be conscious of the basic difference between cooperation and aid.
- 7 Cf. Jean Touscoz: "Introduction". In J. Touscoz (ed.): **Les contrats internationaux de coopération industrielle et le nouvel ordre économique international**. (Paris: Presses universitaires de France, 1981), p. 17.

This definition focuses on **indirect cooperation**, which is based on the performance of unlike activities that complement each other and together achieve a common goal. As such, the cooperation involves a division of labour and performance of specialized tasks. - In **direct cooperation**, the performance of like activities are carried out side by side because the actors want to do them

- together, even though they could be done individually. Picking berries would be an ideal example. See Theodorson and Theodorson, op. cit. (5).
- 8 As Hugon points out, the non-commercial aspects of social relations have largely been ignored in the literature on international cooperation, based mainly on historically and geographically limited experiences. Philippe Hugon: "La coopération internationale". *Annuaire du Tiers Monde* V (1978-1979); (Paris: Berger-Levrault, 1979), p. 535.
- 9 The Greek historian, **Thukydides** (460/455-396 B.C), who was the pioneer of the theory of balance of power, represents this view in his classical work **The Peleponnesian War**. See especially discussion in Book 5, paragraphs 89-112.
- 10 In Sophocles's play, **Antigone** turns on a dispute between King Creon, who expounds the view today known as legal positivism. Creon claims that the law is the voice of the sovereign, and must be obeyed; Antigone, representing the idea of a Natural Law, insists that the positive law is not valid if contrary to the 'edicts of heaven', or if it denies the fundamental rights of man. See especially 2nd. episode, paragraphs 384-469.
- 11 Based largely on Greek, Roman, and Arabic philosophies, Aquinas reintroduced the criterion of justice into international relations. See Maurice Cranston: "Aquinas", in M. Cranston (ed.): **Western Political Philosophers**. (London: The Bodley Head, 1964).
- 12 In the Muslim philosophy, the religious laws can be seen to play a similar role, as described by Arab scholar **Ibn Khaldûn** (1332-1406) in **The Muqaddimah. An Introduction to History**. (Originally written in 1377; revised and translated ed., Princeton University Press, 1974), see esp. p. 154ff.
- 13 The term "international" was introduced only at the end of the 18. century by **Jeremy Bentham** (1748-1832). At first it was used mainly in the context of international legal issues. In the modern usage, it refers to any social intercourse among nations. See Daniel Colard: **Les Relations Internationales**. (Paris: Masson, 1987), p. 16.
- 14 The rising growth in international trade occasioned by the Crusades was "such a boon for the revenue of the Italian city-states (that it) necessitated the elaboration of detailed rules of interstate relations without which the smooth flow of

international trade stood in danger of being jeopardised." F. Parkinson: **The Philosophy of International Relations**. (Beverly Hills/London: Sage Publications, 1977), p. 27.

- 15 Though, the concept of **ragion di stato** came into use from midsixteenth century only. Parkinson (1977); *ibid.*, p. 31. The main works of Machiavelli are **Discorsi** (Discourses on Livy, 1531), and a short essay **Il Principe** (The Prince, 1532). For the argumentation on two the morals, see Ch. XVIII of The Prince.
- 16 Hobbes' theory of politics is based on psychological argumentation, assuming a human inclination to power, or "a perpetual and restlesse desire of Power after power, that ceaseth only in Death." **Leviathan** (First published in 1651; edited by C. B. Macpherson, London: Penguin Books, 1968, reprint 1988), p.161.
- From this **Baruch (Benedictus) Spinoza** (1632-1677) inferred the sentiment of self-preservation as the universal necessity dictated by the law of nature. Thus, on the basis of his "materialist pantheism", Spinoza started a development which were to detach the law of nature from divinity. See **Baruch de Spinoza: "Tractatus politicus"**, in **Opera posthuma** (Amsterdam, 1677), Ch. III, paragraphs 11-18.
- 17 The notion of popular sovereignty - an idea which Rousseau developed further - was formulated by Althusius in his main work, **Politica Methodice Digesta**, published in 1603 (See reprint from the third edition of 1614, New York: Arno Press, 1979). For a classical study of the theory of state by Althusius, see Otto von Gierke: **Johannes Althusius und die Entwicklung der Naturrechtlichen Staatstheorien**. (Scientia Verlag Aalen, 1968). For a more recent study, see van Eikema Hommes: "Naturrecht und positives Recht bei Johannes Althusius." In **Politische Theorie des Johannes Althusius**. (Berlin: Duncker & Humblot, 1988).
- 18 The most important predecessor of Grotius was the Spanish Jesuit theologian **Suárez** (1548-1617), who introduced the notion of **jus gentium**, or law of nations, in his **De legibus**, published in 1612. Yet, the influence of Suárez upon Grotius has been a matter of scholarly dispute. See Cornelius F. Murphy: "The Grotian Vision of World Order". **American Journal of International Law** 76 (1982):3, 477-498.
- 19 Grotius published his famous treatise **De jure belli ac pacis** in 1625, while in exile in Paris.

- 20 Jean Bodin: **Les six livres de la République**. (Lyon: Jaques du Puys, 1583; réimpr. de Aalen, Scientia, 1961). See José Manuel de Bernardo Ares: "Les corps politiques dans la "République" de J. Bodin", in **Jean Bodin: Actes du Colloque Interdisciplinaire d'Angers**. (Angers: Presses de l'Université d'Angers, 1985), pp. 31-41.
- 21 This can be seen as an extension of the Aristotelian view of human nature, or human as political animal, as formulated in Aristotle's **Politics** (Book I, ch.2). See Murphy (1982); op. cit. (18). A similar view is represented also by Aquinas, see Cranston (1964); op. cit. (11), p. 30, and by Khaldûn (1974); op.cit. (12), p. 45.
- 22 "A 'philosophical paradigm' is a paradigm only in the philosophical sense. It is both wider than and prior to theory...a "heuristic vision" that leads to the formulation of theory." Arend Lijphart: "The Structure of the Theoretical Revolution in International Relations", **International Studies Quarterly** 18 (1974):1, 41-74. (pp. 43 and 56).
- 23 The Universal Declaration of the Human Rights, adopted and proclaimed by the United Nations General Assembly, December 10, 1948. See United Nations (1948/1985).
- 24 Declaration on the Granting of Independence to Colonial Countries and Peoples. Resolution 1514 (XV) of December 14, 1960, by the United Nations General Assembly.
- 25 Declaration of the Right to Development, Resolution 41/128 of December 4, 1986, by the United Nations General Assembly. See United Nations (1986/1987).
- 26 This is a rather descriptive than a normative definition of the word "development". On the formation of an international ideology of development, see Francis X. Sutton: "Development Ideology: Its Emergence and Decline", **Deadalus** 118 (1989):1, 35-58.
- 27 As McKinlay and Little (1986, 5) have put it: "...realism can be considered to provide a 'concrete case' of conservatism because an essential element of realism is the need to maintain the existing society of states, and realists also prone to look back to earlier eras with a sense of nostalgia". R.D. McKinlay and R. Little: **Global Problems and World Order**. (London: Frances Pinter, 1986).

- 28 The term **paradigm** stems originally from T.S. Kuhn: **The Structure of Scientific Revolution**. (Chicago: University of Chicago Press, 1st ed. 1962, expanded ed. 1970). Each paradigm contains its own belief system, or view of the world ("paradigm as ontology"), and goal system of what is worth knowing ("paradigm as epistemology"). On the role of paradigm in international studies, see Lijphart (1974); op. cit. (22) and John A. Vasquez: **The Power of Power Politics**. (London: Francis Pinter, 1983). - In a similar context, McKinlay and Little (1986); op. cit. (27), have introduced the term "**world order**". However, this term is rejected here, because it tends to be too normative, and it is likely to confuse rather than clarify the distinction between theories and paradigms.
- 29 By mercantilist conceptions I mean the tendency to explain international relations in terms of national power and wealth.
- 30 A well known representative of the school is **Friedrich List** (1798-1846). List defended the right of lately industrializing countries, like Germany in the nineteenth century, to protect their emerging industries. See Jaques Billy: **La politique économique**. Que sais-je 720. (Paris: Presses Universitaires de France, 1985), p. 8.
- 31 The old realism-idealism debate has been well documented in E.H. Carr: **The Twenty Years' Crisis 1919-1939**. (First ed. 1939. Reprint by The Macmillan Press, London and Basingstoke, 1981).
- 32 Hans J. Morgenthau: **Politics Among Nations: The Struggle for Power and Peace**. (New York: Knopf, first ed. 1948). Besides the Realpolitik tradition, Morgenthau's work was largely inspired by R. **Niebuhr's** (1982-1971) concept on the nature of human behaviour. See James E. Dougherty and Robert L. Pfaltzgraff, Jr.: **Contending Theories of International Relations**. (New York: Harper & Row, second ed. 1981), p. 94ff.
- 33 For an extensive analysis of the role of realist paradigm in American international studies, see Vasquez (1983); op. cit. (28).
- 34 Thus, the realism can be seen as a continuation of the tradition of **realpolitik**, as presented by Thukydides, Machiavelli and Hobbes.
- 35 On the realist political economy, see McKinlay and Little (1986); op. cit. (27), pp. 147-171, and Robert Gilpin: **The Political Economy of International Relations**. (Princeton: Princeton University Press, 1987), esp. pp. 31-32.

- 36 As Raymond Aron has noted, the field's principal focus of interest is on interstate relations—the power relations among political units that reserve to themselves the fundamental decision of peace and war. **Paix et guerre entre les nations**. (Paris: Calman-Lévy, 1984), pp. 27-30. For a more recent defence of this argument, see Aron's posthumously published essay **Les dernières années du siècle**. (Paris: Julliard, 1983).
- 37 See George Liska: "Foreign Aid - Political Aspects". In David L. Sills (ed.): **International Encyclopedia of the Social Sciences**, Vol. 5; 513-524.
- 38 This is, of course, not to claim that the global system would always have been like the present one, or that it should be like that forever.
- 39 See Robert W. Cox: "Social Forces, States and World Orders: Beyond International Relations Theory." **Millennium: Journal of International Studies** 10 (1981):2, 124-155.
- 40 Similarly, Karl Polanyi has argued that the balance-of-power system, based on the British hegemony, was conducive to the era of "hundred years' peace" between 1815 and 1914. **The Great Transformation**. (Boston: Beacon Press, 1957; 2nd. ed.), p. 3ff.
- 41 As an example of this, see Hans J. Morgenthau: "A Political Theory of Foreign Aid." **The American Political Science Review** LVI (1962):2, 301-309.
- 42 A. Wolfers, as cited in Lijphart (1974); op. cit. (22), p. 58. The term "**billiard ball model**" was first used by John Burton, as cited in Vasques (1983), op.cit. (28), p. 119.
- 43 Apart from the economic theories of Adam Smith and David Ricardo, the liberal political economy has been influenced by such political thinkers as **John Locke** (1632-1704) and **J.S. Mill** (1806-1873).
- 44 The post-war liberal thinking has been strongly influenced by the ideas of **J.M. Keynes** (1883-1946), whose major work, **General Theory of Employment, Interest and Money** appeared in 1936 (London: Macmillan). McKinlay and Little (1986) suggest a distinction between a "pure" (or "Smithian") liberalism and a "compensatory" (or "Keynesian") liberalism, the latter being a partial transition to socialism. McKinlay and Little (1986); op. cit. (27), p. 24

In the field of the political economy of de-

- velopment, Bauer (1984) might serve as an example for the former, and its critic, Toye (1987), for the latter. See B.I. Bauer: **Reality and Rhetoric**. (Cambridge, Massachusetts & London: Harvard University Press, 1984), and John Toye: **Dilemmas of Development**. (Oxford & New York: Basil Blackwell, 1987).
- 45 George Modelski: "The Promise of Geocentric Politics". **World Politics** XXII (1970):4, 617-635.
- 46 For systemic theories and interdependence, see Dougherty & Pfaltzgraff (1981); op. cit. (32), pp. 134-139.
- 47 The "interdependence" school of thought has been organized around the journal **International Organization**. See a special issue **Transnational Relations and World Politics**, in 1971, edited by Robert O. Keohane and Joseph S. Nye. The major work by the same authors is **Power and Interdependence**. **World Politics in Transition**. (Boston: Little & Brown, 1977).
- 48 Vasquez (1983); op. cit. (28), pp. 117-122, and Gilpin (1987); op. cit. (35), pp. 26-31.
- 49 ibid., and McKinley & Little (1986); op. cit. (27), pp. 24-53; 91-121.
- 50 For a realist critique of the liberal perspective, see, a.o., Gilpin (1987); op. cit. (35), pp. 43-46.
- 51 This is most clear in functionalism, which assumes "that national loyalties can be diffused and redirected into a framework for international cooperation in place of national competition and war." Dougherty & Pfaltzgraff (1981); op. cit. (32), p. 419.
- 52 See, for example, **Partners in Development: Report of the Commission on International Development**, by L. B. Pearson, et al. (New York: Preager, 1969).
- 53 Diffusion theory of development was introduced by Walt W. Rostow: **The Stages of Economic Growth**. (Cambridge: Cambridge University Press, 1961.)
- 54 It should be noted that historically, the first concerted attacks on the classical paradigm of international politics were made by the Marxists. However, since international theory as a discipline has largely ignored Marxist views of international system until recently, the liberal theory can be seen as the first systematic critic of the realist paradigm. K.J. Holsti: **The Dividing Discipline**. (Boston: Allen & Unwin, 1985), pp. 13-14.

- 55 The basic difference is that the "critical" socialists do not necessarily accept the "scientific" theory of historical materialism. Though, the distinction is, of course, arbitrary in many cases.
- 56 Vasquez (1983); op. cit. (28), pp. 123-124, points to such **external factors**, as the Cold War era, and the institutional environment, as likely reasons for the lack of a socialist paradigm in the United States. For the global division of labour between various paradigms in international studies, see Hayward R. Alker, Jr.: "The Dialectics of World Order: Notes for a Future Archeologist of International Savoir Faire." **International Studies Quarterly** (1984):28, 121-142.
- 57 The idea of economic imperialism as a consequence of overproduction and under-consumption was first presented by a liberal thinker, **John A. Hobson** (1858-1940), in **Imperialism: A Study** (1902). Based on this study, **V.I. Lenin** (1870-1924) developed a Marxist theory of imperialism, presented in his pamphlet **Imperialism: The Highest Stage of Capitalism**. (New York: International Publishers, 1939; first ed. 1917). For theories of imperialism, see **Albert Szymansky: The Logic of Imperialism**. (New York: Praeger, 1981), and **Jyrki Käkönen: Natural Resources and Conflicts in the International System. Three Studies on Imperialism**. (Aldershot: Gower Publ. Co., 1987).
- 58 The law of uneven development can be derived from the theory of imperialism. This is the case of the theory of structural imperialism, as developed by **Johan Galtung**: "A structural theory of imperialism." **Journal of Peace Research** 8 (1971): 81-119. Though, uneven development is usually connected with the explanation of dependency. A "classic" of the theory of dependency is **Andre Gunder Frank: Capitalism and Underdevelopment in Latin America**. (New York: Monthly Review Press, 1969).
- 59 The state can be viewed either as an "arena" of the class struggle, or as an "instrument" of the ruling class. In any case, the state does not precede as a social organization.
- 60 The crisis in the politico-ideological legitimacy of the mature capitalism has been analyzed by **Jürgen Habermas: Technik und Wissenschaft als 'Ideologie'**. (Frankfurt am Mein: Suhrkamp Verlag). For the crisis in the contemporary world economic system, see **Folker Fröbel et al.: Umbruch in der Weltwirtschaft**. (Hamburg: Rowohlt, 1986).

Weltwirtschaft. (Hamburg: Rowohlt, 1986).

- 61 Although each single capitalist may act rationally, the capitalist system itself is said to be irrational. Similarly, competing mercantilistic nation-states are driven into conflicts by economic necessity.
- 62 Robert W. Cox (1981); op. cit. (39), p. 145.
- 63 A federalist principle of free association is present in socialist thinking: "a world of communities organized both internally and externally in terms of the democratized socialization of the means and conditions of production." McKinlay and Little (1986); op. cit. (27), pp. 62-63.
- 64 The **dependence** of the Third World is defined as following: "By dependence we mean a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more economies, and between these and world trade, assumes the form of dependence when some countries (the dominant ones) can expand and can be self-starting, while other countries (the dependent ones) can do this only as a reflection of that expansion... T. dos Santos: "The Structure of Dependence", K.T. Fann and D.C. Hodges (eds.): **Readings in US Imperialism.** (Boston: Porter Sargent, 1971), p. 226.
- 65 It may be worth to note that there is no way in reading the historical traditions backwards. Perhaps Hobbes would not subscribe the anarchic view of the present international system, as suggested by the realists. Grotius wrote largely on the freedom of the seas, but shared more the humanistic trends, than a liberal one. And Althusius, Calvinist jurist **par excellence**, would certainly not accept radical versions of the socialist theories.
- 66 While the study of the reasons behind and the effects of the crisis would be beyond the scope of this study, it suffice here only to note to the general evolution of thinking about the crisis, as revealed by the reports published yearly by the leading international economic organizations, like the OECD and the World Bank. (See notably the years 1974-80). Two international reports from a parallel, though different basis, deserve mention: **Common Crisis.** (London: Pan Books, 1983), and Fidel Castro: **The World Economic and Social Crisis.** (Report to the Seventh Summit Conference of the Non-Aligned Countries, Havana, 1983).

Since then, a growing number of reports and analysis of the crisis have been published.

- 67 The Conference on International Economic Cooperation, held in Paris, 1975, between eight industrialized and nineteen developing countries. For the documentation, see George Ménil: **Les sommets économiques: Les politiques nationales à l'heure de l'interdépendance**. Institut français des relations internationales: Enjeux internationaux. (Paris: Economica, 1983), p. 14, ff.
- 68 D. Moïsi (ed.): **Crises et guerres au XXe siècle: analogies et différences**. (Paris: Institut français des relations internationales, 1981).
- 69 Karl Polanyi (1957): op. cit. (40).
- The expansive finance policies, carried out by the United States since the mid-1960's, was largely responsible for the formation of huge U.S. budget deficits, which were compensated by bringing new dollars into world markets. The war in Vietnam, as well as the large social programmes, were funded to a increasing degree through new dollars. This, in turn, led to a decreasing value of the dollar, and finally to the collapse of the Bretton Woods system. Robert Gilpin (1987): op. cit. (35), p. 344.
- 70 The phrase, "the theory of hegemonic stability", was formulated originally by Robert Keohane (himself a critic of the theory), in "The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977." Chapter 6 in Holsti et al. (eds.): **Change in the International System**. (Boulder, Colo.: Westview Press, 1980).
- 71 Gilpin (1987); op. cit. (35), p. 66.
- 72 Keohane (1980); op. cit. (70), p. 132.
- 73 The Soviet economist, N.D. Kondratieff was the first to reveal fifty-years cycles in the capitalist economies, in his "The Long Waves in Economic Life", **The Review of Economic Statistics XVII** (1935): 6; republished in **Review II** (1979): 4.
- 74 See George Modelski: "The Long Cycle of Global Politics and the Nation-state". **Comparative Studies in Society and History** 20 (1978): April, 214-238. On the debate on long cycles, see William R. Thompson: "Uneven Economic Growth, Systemic Challenges, and Global Wars", **International Studies Quarterly** 27 (1983), 341-355 (and the accompanying discussion in pp. 357-367; 369-374).

- 75 Gilpin (1987); op. cit. (35), pp. 72-80.
- 76 See R.D. McKinley and R. Little (1986): op. cit. (27), pp. 98-99.
- 77 On various attitudes towards the NIEO among the pure (or "Smithian") liberals and the "compensatory" (or "Keynesian") liberals, see, *ibid.*, pp.110-114.
- 78 The energy issue was already focal at the Paris conference in 1975, and, again, in 1979, in Tokyo, and in 1980, in Venice, at the economic summit meetings of the leading Western industrialized powers. See Ménil (1983): op. cit. (67), pp. 32-37.
- 79 The term was lanced by Robert O. Keohane and Joseph S. Nye. in **Power and Interdependence. World Politics in Transition.** (Boston: Little & Brown, 1977), pp. 24-29.
- 80 *ibid.*, p 11.
- 81 This is the most widely used definition of regime, stated originally in Stephen D. Krasner: "Structural causes and regime consequences: regimes as intervening variables." **International Organization** 36 (1982), 185-205; p. 185.
- 82 A regime does shape expectations, facilitate cooperation, and stabilize relations. See Robert O. Keohane: **After Hegemony. Cooperation and Discord in the World Political Economy.** (Princeton: Princeton University Press, 1984), pp. 56-63.
- 83 While evolving from functionalism and liberalism, the regime theory has been widely used in neo-realism. See, *ibid.*, pp. 14-15.
- 84 *ibid.*, p. 13.
- 85 Lord Keynes based his General Theory on the tacit assumption of an economy functioning as a closed system, in which factors of production did not cross frontiers. See Gilpin (1987); op. cit. (35), p. 355. On efforts to integrate the theory of economic growth with models of international environment, see Ashok S. Guha: **An Evolutionary View of Economic Growth.** (Oxford: Clarendon Press, 1981).
- 86 The crisis as a symptom of the contradictions between world economic and political systems has been analyzed in Samir Amin, Giovanni Arrighi, Andre Gunder Frank, and Immanuel Wallerstein: **Dynamics of Global Crisis.** (London and Basingstoke: The Macmillan Press, 1982).

- 87 On the theoretical and methodological consequences of the distinction, see Robert W. Cox (1981): op. cit. (39), pp. 124-155.
- 88 Fernand Braudel: **Civilisation matérielle, Economie et Capitalisme, XVe-XVIIIe Siècle**, 3 vols. (Paris: Armand Colin, 1979). Immanuel Wallerstein: **The Modern World-System I. Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century**. (New York: Academic Press, 1974); and **The Modern World-System II. Mercantilism and the Consolidation of the European World-Economy, 1600-1750**. (New York: Academic Press, 1980).
- 89 Christopher Chase-Dunn: "Core-Periphery Relations: The Effects of Core Competition." In B.H. Kaplan (ed.): **Social Change in the Capitalist World Economy**. (Beverly Hills & London: Sage, 1978), pp. 159-175. The world-system analysis is summarised in Immanuel Wallerstein: **The Capitalist World-Economy**. (Cambridge: Cambridge University Press, 1979).
- 90 Therence K. Hopkins: "The Study of the Capitalist World-Economy. Some Introductory Considerations." In T.K. Hopkins and I. Wallerstein (eds.): **World-Systems Analysis. Theory and Methodology**. (Beverly Hills, London & New Delhi: Sage, 1982), pp. 9-39.
- 91 Third World studies, as well as studies on European economic history have both contributed to the formation of the world-systems analysis. *ibid.*, pp. 9-11.
- 92 Wallerstein (1974), op. cit. (88), p. 15.
- 93 Examples of attempts to impose a world-empire are the Habsburgs in the sixteenth century, France under Louis XIV and, again, under Napoleon, and more frequently, Germany in the twentieth-century world wars. *ibid.*, pp. 164-221; Christopher Chase-Dunn: "Interstate System and Capitalist World-Economy: One Logic or Two?", in W. Ladd Hollist and James N. Rosenau (eds.): **World System Structure. Continuity and Change**. (Beverly Hills & London: Sage, 1981), pp. 30-53.
- 94 This is by no means to claim that the sectoral movements would not be related to wars and changes in the interstate system as well. See George Modelski: "Long Cycles of World Leadership", in William Thompson (ed.): **Contending Approaches to World System Analysis**. (Beverly Hills, London & New Delhi: Sage, 1983), pp. 115-139, and Raimo Väyrynen: "Economic cycles, power transitions, political management and wars between major

- powers." **International Studies Quarterly** 27 (1983): 389-418.
- 95 On attempts to measure state power from a world-system perspective, see John Boli-Bennett: "Global Integration and the Universal Increase of State Dominance, 1910-1970." and George M. Thomas & John W. Meyer: "Regime Changes and State Power in an Intensifying World-State-System." Both in Albert Bergesen (ed.): **Studies of the Modern World-System**. (New York: Academic Press, 1980), pp. 77-108 and 139-158.
- 96 Immanuel Wallerstein: "Crisis as Transition", in S. Amin et al. (1982), op. cit. (86), p. 13.
- 97 Wallerstein (1979), op. cit. (89), p. 74.
- 98 The term "trade-based division of labour" has been lanced by a critic of Wallerstein, R. Brenner, in "The origins of capitalist development: a critique of new-Smithian Marxism." **New Left Review** 104 (July-August 1977): 25-92; p. 38.
- 99 James Lee Ray: "The "World-System" and the Global Political System: A Crucial Relationship?", in Pat McGowan and Charles W. Kegley, Jr. (eds.): **Foreign Policy and the Modern World-System**. (Beverly Hills, London & New Delhi: Sage, 1983), pp. 26-28.
- 100 Robert E. Wood: **From Marhall Plan to Debt Crisis**. (Berkeley, Los Angeles, and London: University of California Press, 1986.)
- 101 This is not to argue that there would have been only a sigle "European" model of national state, or that the model would prescribe the future developments in other continents. See Anthony D. Smith: **State and Nation in the Third World**. (Brighton: Wheatsheaf Books, 1983).
- 102 For the concept of MNC, see United Nations: **Multinational Corporations in World Development**. (New York: UN: ST/ECA/190, 1973).
- 103 Even the nationalized companies in many countries need consultanst from or management agreements with international companies. This is related with the distinction between formal versus functional ownership, as discussed in Adler-Karlsson (1976), op. cit. (1), pp. 22-28.
- 104 In 1987, the share of inter-OECD trade was 55 per cent of the total value of world trade in goods, and together with the South-West trade, the developed market economies counted for over 80 per cent of the total. Source: GATT; cited in Le

Monde: Dossiers et documents no. 163 (Février 1989), p. 10. Intra-Western public co-operation organisations, such as GATT, IMF, OECD, and the EC, are the leading international economic organizations.

BIBLIOGRAPHY

ADLER-KARLSSON, G. (1976): **The Political Economy of East-West-South Co-operation**. Wiener Institut für Internationale Wirtschaftsvergleiche: Studien über Wirtschafts- und Systemvergleiche, Band 7. Wien & New York: Springer-Verlag.

ALKER, Hayward R. Jr. (1984): "The Dialectics of World Order: Notes for a Future Archeologist of International Savoir Faire." *International Studies Quarterly* (1984):28, 121-142.

ALTHUSIUS, Johannes (1614/1979): **Politica Methodice Digesta**. Reprinted from the third edition of 1614 (First ed. in 1603). New York: Arno Press (Reprint of the 1932 ed., published by Harvard University Press, Cambridge).

AMIN, Samir, Giovanni Arrighi, Andre Gunder Frank, and Immanuel Wallerstein (1982): **Dynamics of Global Crisis**. London: The Macmillan Press.

ARON, Raymond (1984): **Paix et guerre entre les nations**. (1ère ed. 1962). Paris: Calman-Lévy.

---- (1983): **Les dernières années du siècle**. Paris: Julliard.

BAUER, B.T. (1984): **Reality and Rhetoric. Studies in the Economics of Development**. Cambridge, Massachusetts & London: Harvard University Press.

de BERNARDO ARES, José Manuel (1985): "Les corps politiques dans la "République" de J. Bodin." In **Jean Bodin: Actes du Colloque Interdisciplinaire d'Angers**, pp. 31-41. Angers: Presses de l'Université d'Angers.

BILLY, Jaques (1985): **La politique économique**. Que sais-je 720. (7. ed; 1. ed. 1957). Paris: Presses Universitaires de France.

BODIN, Jean (1583/1961): **Les six livres de la République**. Lyon: Jacques du Puys. La réimpr. photomécanique de Aalen, Scientia.

BOLI-BENNETT, John (1980): Boli-Bennett: "Global Integration and the Universal Increase of State Dominance, 1910-1970." In Albert Bergesen (ed.): **Studies of the Modern World-System**. New York: Academic Press.

BRAUDEL, Fernand (1979): **Civilisation matérielle, Economie et Capitalisme, XVe-XVIIIe Siècle**, 3 vols. Paris: Armand Colin.

BRENNER, R. (1977): "The origins of capitalist development: a critique of new-Smithian Marxism." **New Left Review** 104 (July-August 1977): 25-92.

CARR, E.H. (1939/1981): **The Twenty Years' Crisis 1919-1939**. (Reprint of the 2. ed. of 1946). London and Basingstock: The Macmillan Press.

CASTRO, Fidel (1983): **The World Economic and Social Crisis**. Report to the Seventh Summit Conference of the Non-Aligned Countries. Havana.

CHASE-DUNN, Christopher (1978): "Core-Periphery Relations: The Effects of Core Competition." In B.H. Kaplan (ed.): **Social Change in the Capitalist World Economy**. Beverly Hills & London: Sage, 1978.

---- (1981): "Interstate System and Capitalist World-Economy: One Logic or Two?", in W. Ladd Hollist and James N. Rosenau (eds.): **World System Structure. Continuity and Change**. Beverly Hills & London: Sage.

COLARD, Daniel (1987): **Les Relations Internationales**. Paris: Masson.

COMMON CRISIS (1983). **North-South: Cooperation for world recovery**. Report by the Brandt Commission. London and Sydney: Pan Books.

COX, Robert W. (1981): "Social Forces, States and World Orders: Beyond International Relations Theory." **Millenium** 10 (1981):2, 124-155.

CRANSTON, Maurice (1964): "Aquinas." In M. Cranston (ed.): **Western Political Philosophers**. London: The Bodley Head.

DOUGHERTY, James E. and Robert L. PFALTZGRAFF, Jr. (1981): **Contending Theories of International Relations A Comprehensive Survey**. (2nd. ed.). New York: Harper & Row.

van EIKEMA HOMMES (1988): "Natturrecht und positives Recht bei Johannes Althusius." In **Politische Theorie des Johannes Althusius**. Berlin: Duncker & Humblot.

FRANK, Andre Gunder (1969): **Capitalism and Underdevelopment in Latin America**. New York: Monthly Review Press, 1969.

FRÖBEL, Folker et al. (1986): **Umbruch in der Weltwirtschaft**. Hamburg: Rowohlt.

GALTUNG, Johan (1971): "A structural theory of imperialism." **Journal of Peace Research** 8 (1971): 81-119.

von GIERKE, Otto (1880/1968): **Johannes Althusius und die Entwicklung der Naturrechtlichen Staatstheorien**. (6. unveränderte Ausgabe mit Vorwort von Julius von Gierke). Scientia Verlag Aalen.

GILPIN, Robert (1987): **The Political Economy of**

- International Relations.** Princeton: Princeton University Press.
- GUHA, Ashok S. (1981): **An Evolutionary View of Economic Growth.** Oxford: Clarendon Press.
- HABERMAS, Jürgen (1968): **Technik und Wissenschaft als 'Ideologie'.** Frankfurt am Mein: Suhrkamp Verlag.
- HOBBS, Thomas (1651/1988): **Leviathan.** (Ed. by C. B. Macpherson, first ed. 1968). London: Penguin Books.
- HOLSTI, K.J. (1985): **The Dividing Discipline.** Boston: Allen & Unwin.
- HOPKINS, Therenca K. (1982): "The Study of the Capitalist World-Economy. Some Introductory Considerations." In T.K. Hopkins and I. Wallerstein (eds.): **World-Systems Analysis. Theory and Methodology.** Beverly Hills, London & New Delhi: Sage.
- HUGON, Philippe (1979): "La coopération internationale." **Annuaire du Tiers Monde V** (1978-1979), pp. 525-535. Paris: Berger-Levrault.
- KEYNES, John Meynard (1936): **General Theory of Employment, Interest and Money.** London: Macmillan.
- KEOHANE, Robert O. (1980): "The Theory of Hegemonic Stability and Changes in International Economic Regimes, 1967-1977." Chapter 6 in Holsti et al. (eds.): **Change in the International System.** Boulder, Colo.: Westview Press.
- (1984): **After Hegemony. Cooperation and Discord in the World Political Economy.** Princeton: Princeton University Press.
- and Joseph S. NYE (1971, 1972) (eds.): **Transnational Relations and World Politics.** (Reprint of a special issue of the journal **International Organization**, 1971). Cambridge, Mass.: Harvard University Press.
- and Joseph S. NYE (1977): **Power and Interdependence. World Politics in Transition.** Boston: Little & Brown.
- Ibn KHALDUN (1377/1974): **The Muqaddimah. An Introduction to History.** Trans. by Franz Rosenthal; ed. by N.J. Dawood. (Third, abridged ed.; first ed. published by Bollingen Foundation, New York, 1958). Princeton: Princeton University Press.
- KONDRATIEFF, N.D. (1935/1979): "The Long Waves in Economic Life". (Reprint from **The Review of Economic Statistics XVII** (1935): 6). **Review II** (1979): 4.
- KRASNER, Stephen D. (1982): "Structural causes and regime consequences: regimes as intervening variables." **International Organization** 36 (1982), 185-205.

KUHN, T.S. (1970): **The Structure of Scientific Revolution**. (First ed. 1962, expanded ed. 1970). Chicago: University of Chicago Press.

KÄKÖNEN, Jyrki (1987): **Natural Resources and Conflicts in the International System. Three Studies on Imperialism**. Aldershot: Gower Publ. Co.

LENIN, V.I. (1917/1939): **Imperialism: The Highest Stage of Capitalism**. New York: International Publishers.

LIJPHART, Arend (1974): "The Structure of the Theoretical Revolution in International Relations", *International Studies Quarterly* 18 (1974):1, 41-74.

LISKA, George (1968): "Foreign Aid - Political Aspects". In David L. Sills (ed.): **International Encyclopedia of the Social Sciences**. vol 5; pp. 513-521. The Macmillan Company and The Free Press.

MACHIAVELLI, Niccolò (1532/1969): **Ruhtinas (Il Principe)**. Suom. Aarre Huhtala. Porvoo: WSOY.

McKINLAY, R.D. and R. LITTLE (1986): **Global problems and world order**. London: Frances Pinter.

MEAD, Margaret (1961): "Introduction". In Mead (ed.): **Cooperation and competition among primitive people**, pp. 1-19. Boston: Beacon Press.

MENIL, George (1983): **Les sommets économiques: Les politiques nationales à l'heure de l'interdépendance**. Institut français des relations internationales: Enjeux internationaux. Paris: Economica.

MODELSKI, George (1970): "The Promise of Geocentric Politics". *World Politics* XXII (1970):4, 617-635.

---- (1978): "The Long Cycle of Global Politics and the Nation-state". *Comparative Studies in Society and History* 20 (1978): April, 214-238.

---- (1983): "Long Cycles of World Leadership", in William Thompson (ed.): **Contending Approaches to World System Analysis**. Beverly Hills, London & New Delhi: Sage.

MOÏSI, D. (ed.): **Crises et guerres au XXe siècle: analogies et differences**. Paris: Institut français des relations internationales, 1981.

MORGENTHAU, Hans (1948): **Politics Among Nations: The Struggle for Power and Peace**. New York: Knopf.

---- "A Political Theory of Foreign Aid." *The American Political Science Review* LVI (1962):2, 301-309.

MURPHY, Cornelius F. (1982): "The Grotian Vision of World

- Order". **American Journal of International Law** 76 (1982):3, 477-498.
- NISBET, Robert (1968) "Cooperation". In David L. Sills (ed.): **International Encyclopedia of the Social Sciences**. vol 3; pp. 384-390. The Macmillan Company and The Free Press.
- PARKINSON, F. (1977): **The Philosophy of International Relations**. Beverly Hills/London: Sage Publications.
- PEARSON, L.B. et al. (1969): **Partners in Development: Report of the Commission on International Development**. New York: Praeger.
- POLANYI, Karl (1944/1957): **The Great Transformation**. (2nd. ed.). Boston: Beacon Press.
- RAY, James Lee (1983): "The "World-System" and the Global Political System: A Crucial Relationship?", in Pat McGowan and Charles W. Kegley, Jr. (eds.): **Foreign Policy and the Modern World-System**. Beverly Hills, London & New Delhi: Sage.
- ROSTOW, Walt W. Rostow (1961): **The Stages of Economic Growth**. Cambridge: Cambridge University Press, 1961.
- dos SANTOS, T. (1971): "The Structure of Dependence", in K.T. Fann and D.C. Hodges (eds.): **Readings in US Imperialism**. Boston: Porter Sargent.
- SMITH, Anthony D. (1983): **State and Nation in the Third World**. Brighton: Wheatsheaf Books.
- SOPHOCLES (1964): "Antigone". In **Théâtre Complet de Sophocle**. Trad. par Robert Pignarre. Paris: Flammarion.
- SPINOZA, Baruch (1677/1988): **Politischer Traktat** (Tractatus politicus). Hrsg. von Hermann Klenner. Leipzig: Verlag Philipp Reclam jun.
- SUTTON, Francis X. (1989): "Development Ideology: Its Emergence and Decline", **Deadalus** 118 (1989):1, 35-58.
- SZYMANSKI, Albert (1981): **The Logic of Imperialism**. New York: Praeger.
- THEODORSON A. & THEODORSON A.S. (1969): **A Modern Dictionary of Sociology**. New York: Thomas Y. Crowell Comp.
- THOMAS, George M. & John W. MEYER (1980): "Regime Changes and State Power in an Intensifying World-State-System." In Albert Bergesen (ed.): **Studies of the Modern World-System**. New York: Academic Press.
- THOMPSON, William R. (1983): "Uneven Economic Growth, Systemic Challenges, and Global Wars", **International Studies Quarterly** 27 (1983), 341-355.

THUKYDIDES (1964): **Peloponnesolais-sota**. Osat I-II. Suom. J.A. Hollo. Porvoo/Helsinki: WSOY.

TOUSCOZ, Jean (1981): "Introduction". In J. Touscoz (ed.): **Les contrats internationaux de coopération industrielle et le nouvel ordre économique international**, pp. 11-20. Paris: Presses universitaires de France.

TOYE, John (1987): **Dilemmas of Development**. Oxford & New York: Basil Blackwell.

UNITED NATIONS (1948/1985): **Déclaration universelle des droits de l'homme**. (Le 10 décembre, 1948); DPI/15 (December 1985).

---- (1973): **Multinational Corporations in World Development**. New York: ST/ECA/190.

---- (1986/1987): **Déclaration sur le droit au développement**. (Résolution 41/128, le 4 décembre 1986); DPI/918 (November 1987).

VASQUEZ, John A. (1983): **The Power of Power Politics. A Critique**. London: Frances Pinter.

VÄYRYNEN, Raimo (1983): "Economic cycles, power transitions, political management and wars between major powers." **International Studies Quarterly** 27 (1983): 389-418.

WALLERSTEIN, Immanuel (1974): **The Modern World-System I. Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century**. New York: Academic Press.

---- (1979): **The Capitalist World-Economy**. Cambridge: Cambridge University Press.

---- (1980): **The Modern World-System II. Mercantilism and the Consolidation of the European World-Economy, 1600-1750**. New York: Academic Press.

---- (1982): "Crisis as Transition". In S. Amin et al. (1982).

WOOD, Robert E. (1986): **From Marshall Plan to Debt Crisis**. Berkeley, Los Angeles, and London: University of California Press.