

Editorial

## Developing Countries and the Crisis of the Liberal International Order

Wil Hout <sup>1,\*</sup> and Michal Onderco <sup>2,3</sup>

<sup>1</sup> International Institute of Social Studies, Erasmus University Rotterdam, The Netherlands

<sup>2</sup> Erasmus School of Social and Behavioural Sciences, Erasmus University Rotterdam, The Netherlands

<sup>3</sup> Peace Research Center Prague, Czech Republic

\* Corresponding author (hout@iss.nl)

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### Abstract

Recent studies of the liberal international order have tended to use a crisis-laden vocabulary to analyse US withdrawal from multilateral institutions and Chinese initiatives to create new institutions. In these analyses, the consequences of such a crisis for developing countries are largely overlooked because of the greater emphasis that is placed on the role of great powers in the international system. We argue that more attention should be paid to the position of developing countries in the liberal international order and that the effects of the presumed crisis for those countries should be studied. The articles in this thematic issue focus on a variety of topics related to the places occupied by developing countries in the international order.

### Keywords

crisis; developing countries; liberal international order; liberal internationalism; multilateralism

### Issue

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Scholars have characterized the post-World War II international order with the use of terms such as “embedded liberalism” (Ruggie, 1982), “liberal internationalism” (Ikenberry, 2020), and “liberal international order” (Lake et al., 2021; Mearsheimer, 2019). Although interpretations of specific elements of the international order differ across these various accounts, the key shared elements in these understandings of the international system are its rules-based and multilateral nature, along with the values of openness, representation, and, at least for some, the promotion of democracy (cf. Lake et al., 2021, p. 227). The main institutions created in the aftermath of World War II—such as the United Nations, the International Bank for Reconstruction and Development (IBRD or World Bank), the International Monetary Fund (IMF), and the General Agreement on Tariffs and Trade (GATT)/World Trade Organization (WTO)—are interpreted as expressions of the desire to create orderly relations between states. Multilateralism

became the accepted, and later dominant, form of international cooperation (Denemark & Hoffmann, 2008).

Over the past decade, the state of the international order has received much scholarly attention. A variety of events and longer-term processes have led many observers to argue that the multilateral order is in crisis due to a combination of internal and external factors (cf. Duncombe & Dunne, 2018; Ikenberry, 2018). The nationalist orientation of foreign policy under the Trump Administration in the US represented a break from within the international order with a past where the US had been the main supporter of the liberal international order. It led to, among other things, a US withdrawal from multilateral agreements and institutions such as the Joint Comprehensive Plan of Action, or “Iran Nuclear Deal” (“Iran nuclear deal,” 2018), the United Nations’ Human Rights Council in 2018 (“US quits ‘biased’ UN human rights council,” 2018), and the Paris Climate Agreement in 2020 (“Climate change:

US formally withdraws,” 2020). The election of a sceptic of the liberal international order into the White House was not the only internal challenge to the liberal international order. Scholars have noted that, alongside those in the US, voters in other Western countries have also expressed reluctance about shouldering the costs of maintaining the international order (Adler-Nissen & Zarakol, 2021).

The post-World War II multilateral order has also been challenged from the outside as alternative structures of global governance (Cooley & Nexon, 2020; Goddard, 2018) have been created. Chinese initiatives to establish “parallel” international institutions are often cited as evidence of the outside pressure being exerted on the core principles guiding the current international order. These parallel institutions include the Asian Infrastructure Investment Bank (AIIB), the New Development Bank, and the Regional Comprehensive Economic Partnership (RCEP; Stephen, 2020), and have even been celebrated by certain analysts who perceive them as containing the seeds of a “post-Western world” (Stuenkel, 2016; see further below).

Some observers argue that the current crisis of liberal international order reflects a fundamental change in international politics. Duncombe and Dunne (2018, p. 25) even claim that we are experiencing “a rare moment in International Relations (IR), in which all mainstream theories concur that the hegemony of the liberal world order is over.” Scholars who had claimed for decades that international cooperation was doomed to fail returned with self-affirming arguments, emphasising that public discontent with the liberal international order was caused, to a significant degree, by the:

Tendency to privilege international institutions over domestic considerations, as well as its deep commitment to porous, if not open borders, [which] has had toxic political effects inside the leading liberal states themselves, including the U.S. unipole. Those policies clash with nationalism over key issues such as sovereignty and national identity. (Mearsheimer, 2019, p. 8; cf. Mearsheimer, 1994)

Further, Flockhart (2020) refers to scholarship on resilience to help explain why the leaders of the liberal international order are not eager to save the current system.

Other commentators are more positive about the survival of the liberal order. For instance, the editors of the anniversary issue of the leading scholarly journal in IR, *International Organization*, contend that: “Like Mark Twain’s death, rumors of the demise of the LIO [liberal international order] have been greatly exaggerated. The LIO has proven resilient in the past, and it may prove to be so once more” (Lake et al., 2021, p. 225). Likewise, the best-known analyst of liberal internationalism argues that:

Despite its troubles, liberal internationalism still has a future. The American hegemonic organization of liberal order is weakening, but the more general organizing ideas and impulses of liberal internationalism run deep in world politics....It is likely to survive today’s crises as well. But to do so this time, as it has done in the past, liberal internationalism will need to be rethought and reinvented. (Ikenberry, 2018, pp. 8–9)

Liberal IR theorists such as Ikenberry frame the crisis of the liberal international order as a crisis of authority. They understand the crisis as a function of the decline of US hegemony and the power struggle that has resulted from the rise of new powers, and China in particular. The crisis of authority implies that “the old bargains and institutions that provided the sources of stability and governance were overrun” (Ikenberry, 2018, p. 10). The renewal of the international order would require “new bargains, roles and responsibilities” (Ikenberry, 2018, p. 10).

Many IR accounts of the liberal international order reflect a Western-centric, or even an American-centric, understanding of liberalism and order. The link between liberal IR scholarship and thinking about international order is captured by Lake et al.’s (2021, p. 225) depiction of the journal *International Organization* which, they argue:

[g]rew up alongside the LIO, first as almost a journal of record describing events at the United Nations and its related institutions and, later, as a venue for some of the most innovative and important scholarship on this order. Many of the key concepts used to interpret the LIO first appeared or received serious scholarly attention in the pages of this journal.

Recent scholarship has given rise to more profound discussions about how non-Western countries have contributed to the shaping of the liberal international order (Finnemore & Jurkovich, 2014; Tourinho, 2021), but these remain peripheral in comparison to the Western-dominated literature on the subject.

At a more profound level, as Dunne et al. (2013, pp. 6–7) have argued, the liberal crisis narrative is intimately connected to particular understandings of the international order. They point, in particular, to neoliberal institutionalist IR theory that is premised on the strategic interaction of individuals and societal groups rather than on a concern with values and legitimate social order. Neoliberal institutionalism, in its most prominent formulation, provides a “functional”—and hence not a normative—theory of regimes, which holds that “[r]egimes are developed in part because actors in world politics believe that with such arrangements they will be able to make mutually beneficial agreements that would otherwise be difficult or impossible to attain” (Keohane, 1984, p. 88). In such interpretations

of the international order, “any challenge to the current institutional configuration becomes evidence of a ‘crisis’” (Dunne et al., 2013, p. 8). This view is shared by critics of the liberal international order, who highlight the discontent with the values and ideas that are expressed through in multilateral institutions and regimes (Adler-Nissen & Zarakol, 2021; Zarakol, 2014).

The presumed crisis of liberal internationalism remains largely something of a Western fixation, dominated by accounts of the decline of US hegemony, possible hegemonic transition, and increased power struggles about the ordering principles of the international order. In these accounts, the countries of the Global South do not figure as primary actors. These countries are very much on the receiving end of international institutionalisation, as “rule takers” of the regimes dominated by the powerful states in the West, even though they had a clear influence on the genesis of the international order after 1945 (cf. Buzdugan & Payne, 2016; Helleiner, 2014).

The marginal political role occupied by developing countries in the liberal international order is addressed by Duncombe and Dunne (2018, p. 33), who argue that “imperial rule has been a means by which liberal ideas of markets, individualism and scientific rationality have been socialized beyond their European origins.” Even though we may be witnessing the creation of parallel institutions by new great powers such as China and possibly some of the other BRICS countries, it is very likely that the Global South will remain in the same minor political position that it has occupied ever since the end of World War II. Scholarly accounts of parallel institutions tend to ascribe more agency to China, Russia, or India than they do to developing countries.

Various analysts seem to agree that the crisis of liberal internationalism reflects the advent of a more pluralistic international order, which is sometimes referred to as a “post-Western world” (Hurrell, 2018; Stuenkel, 2016) or a “multiplex order” (Acharya, 2017, 2018). This is an order where a “diffusion of power” (Hurrell, 2018, p. 93) is causing changes in regimes and institutions. There is by no means consensus on what the implications of power diffusion may be. While some authors have assessed the rise of the BRICS in terms of the potential for counter-hegemony (cf. Drezner, 2019) and others speculate on BRICS leadership of sections of the developing world (cf. Patrick, 2010, p. 48), Morvaridi and Hughes (2018) have highlighted the highly political nature of calls for South–South cooperation by the BRICS and the limited transformative potential that the BRICS have for the Global South. Next to questioning whether the political and economic interests of the BRICS align with those of other developing countries, scholars such as Beeson and Zeng (2018) have raised doubts about the coherence of the BRICS as a political force.

Despite the attention being paid to the increased importance of the BRICS countries, with China at its core, relatively little attention is given to the impact that changes in the institutional makeup and interna-

tional rules have for developing countries. Analyses of the effects of the crisis of the multilateral order for developing countries are timely for a variety of reasons.

First, it is theoretically important to understand how changing policy preferences of powerful states in the international order influence multilateral governance arrangements and thereby impact the policy options of developing countries. The crisis of multilateralism may stimulate new forms of cooperation among developing countries, for instance through new regionalist initiatives. Recent scholarship has analysed the role of regional institutions, often in a comparative way (Börzel & Risse, 2012, 2016; Schimmelfennig et al., 2021), but there is relatively little attention being given to the impacts that regionalism in the Global South is having on the liberal international order (e.g., Narlikar, 2010).

Secondly, it is relevant from a policy perspective to appreciate how changes in governance institutions may have a bearing on the international agenda of the Sustainable Development Goals (SDGs). Of particular relevance are the targets subsumed under SDG17, which aims to “strengthen the means of implementation and revitalize the global partnership for sustainable development” (United Nations, 2020). SDG17 includes targets related to international aid and greater access to private financial resources, but also focuses on investment regimes, access to technologies, non-discriminatory trade, market access, economic policy coordination, and steps toward enhanced policy coherence.

The articles in this thematic issue focus on the different trends impacting on developing countries and constitute three clusters. Taken together, these three clusters of articles offer methodologically diverse and theoretically innovative ways to study the position of developing countries against the background of the unfolding crisis of international order.

The first cluster of articles maps the experience and engagement of the Global South in the existing international order. Knio (2022) looks at the link between neoliberalism and liberal internationalism and argues that the current crisis of the international order reflects an inability to engage with the deeper structures contained within that link. Olsen (2022) focuses on multilateral attempts to promote stability in developing countries and concludes that the mixing of unilateral and multilateral interventions tends to produce messy results. Madrueño and Silberberger (2022) study how inefficiencies in existing international policies influence illicit money flows and impact the Global South. Gijón Mendigutía and Abu-Tarbush (2022) use the case of the Palestinian authority to explain the failures of multilateralism. They argue that, despite numerous attempts, existing international institutions have been proven to be unable to resolve the political crisis in the Middle East. Zhang (2022) discusses China’s approach to climate multilateralism and argues that current scholarly understandings, which focus on international and domestic factors, are insufficient to understand China’s position and

that researchers need to pay more attention to transnational governance.

The second cluster of articles focuses on South-South cooperation and its potential for the future. Colom-Jaén and Mateos (2022) study the impacts of China's global strategy on African regionalism and argue that China's focus on infrastructure development may contribute to structural transformation in countries across the continent. Caria (2022) explores various cooperation regimes involving developing countries and concludes that the coexistence of different regimes may offer opportunities for countries in the Global South. Nyadera et al. (2022) focus on the role of the African Development Bank as a tool for regional integration and argue that the institution offers potential for a pan-African approach to regional development.

The third cluster of articles focuses on the recent trend to establish alternative institutional structures. Dragneva and Hartwell (2022) study the process of authoritarian regionalism in Eurasia and emphasise the limits of this alternative as it has thus far failed to deliver on even its most modest economic goals. Arnold (2022) studies the prospects for a Digital Market in East Africa and concludes that a variety of drivers have led Rwanda to be supportive of digital regionalism, while Tanzania is more reticent. Mejido Costoya's (2022) article explores the promise of alternative forms of ordering and focuses on the success of experimentalist governance via a case study of the ASEAN Smart Cities Network.

### Conflict of Interests

The authors declare no conflict of interests.

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### About the Authors



**Wil Hout** is professor of governance and international economy at the International Institute of Social Studies, Erasmus University Rotterdam. His research focuses on international and regional cooperation and on governance issues in developing countries. He has published in journals such as the *European Journal of International Relations*, *Development and Change*, the *Journal of Development Studies*, *Third World Quarterly*, *Critical Asian Studies*, *Development Policy Review*, the *Revue Internationale de Politique Comparée*, the *Journal of African Economies*, *Review of African Political Economy*, and *Acta Politica*. He is the author of *The politics of aid selectivity* (Routledge, 2007) and has co-authored *Political economy and the aid industry in Asia* (with Jane Hutchison, Caroline Hughes and Richard Robison, Palgrave Macmillan, 2014) and *A political economy of African regionalisms* (with M. A. Mohamed Salih, Edward Elgar, 2019). He is co-editor of the forthcoming *Elgar handbook on governance and development* (with Jane Hutchison, Edward Elgar, 2022).



**Michal Onderco** is associate professor of international relations in the Department of Public Administration and Sociology, Erasmus University Rotterdam. His research focuses on international security, especially on the link between domestic politics and international politics. His work was published, inter alia, in *International Studies Quarterly*, *Journal of Common Market Studies*, *Foreign Policy Analysis*, and *European Journal of Political Research*. He’s the author of *Networked nonproliferation* (Stanford University Press, 2021) and *Iran’s nuclear program and the Global South* (Palgrave, 2015).