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Book Review:

The Origins of Informality: Why the Legal Foundations of Global Governance are Shifting, and Why It Matters

Gian Marco Moisé*

The Origins of Informality: Why the Legal Foundations of Global Governance are Shifting, and Why It Matters, by Charles B. Roger, 2020, Oxford University Press.

Due to its origins, the field of informality remains disciplinarily unbalanced, with strong development of anthropological and sociological research and scarce participation of political science, particularly in the realm of international relations. The book *The Origins of Informality: Why the Legal Foundations of Global Governance are Shifting, and Why It Matters* contributes to the re-balancing of this equilibrium with research that merges informality and international relations. However, this task is not simple, as there has been no systematic problematization of the issue to date. Charles Roger's book aims to answer the question of why states have displayed a tendency to create more informal than formal international organizations since the 1970s.

The first chapter recalls the literature on the topic providing a common framework for the two major explanations offered to justify this increasing informality, namely, functionalist and power-based accounts. The former argues that international institutions are created to resolve the problems states encounter most efficiently, while the latter finds interests and power as the real reasons behind their creation. In this sense, more powerful states would opt for informal solutions to maintain their independence and flexibility, while weaker states would prefer formal institutions to bind all participants to the respect of their decisions. Roger argues that these accounts can only partially explain this trend towards informalisation. By carefully surveying all organizations created since 1945, he develops a two-step theory largely based on domestic politics, concluding that this trend is more effectively explained through the growth of political polarization and the complex transformations associated with the emergence of the regulatory state (5). Still, the author warns that this theory must be interpreted as complementary, not as an alternative to functionalist or power-based explanations.

The second chapter, then, has the double objective of conceptualizing formal and informal institutions and providing evidence of the trend towards informalisation. The conceptualization rests on the definition of the characteristics of formal and informal organizations. Both groups of international organizations are created by states, but while the former tends to have separate bodies producing binding decisions for their members, the latter often depend on states' willingness to respect soft law agreements. This produces a series of functional differences, such as the fact that informal organizations are more agile, flexible, and secretive than their formal counterparts. Other consequences stemming from these initial differences produce an effect at the domestic level, as formal organizations have requirements in terms of treaty ratification, implementation, and monitoring that informal ones do not have, while also being a financial burden for member states. This conceptualization is important because it creates a way to systematically distinguish between formal and informal international bodies. Not all organizations fall in one of these categories, but rather than being simple exceptions, they are often transitioning from a less to a more formal condition. Thus, Roger adds a dynamic component to his theoretical explanation.

Roger develops a complete database of both formal and informal organizations globally, charting a steep growth of the informal ones over the past five decades. This database is fundamental in grounding the theory and is explored extensively in the third chapter of the book. The two-step

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theory revolves around two different moments: the first one is the formation of state preferences, and the second one is the aggregation of these preferences. Accordingly, the major reason for which a state is more prone to choose a type of organization over another is the type of body concerned with solving the international problem. If independent agencies address the issue, the state will be keen to create an informal body. If political authorities intervene, then a formal one is preferred. Once state preferences are established, the debate moves to the international level where bargaining between states with different preferences begins. When predispositions differ, the power-based account may be effective in explaining why a specific organization is created. Nevertheless, the two-step theory does not assume that stronger states will automatically opt for informal bodies.

The fourth chapter concludes the theoretical discussion with a quantitative analysis that proves the reliability and suitability of these different accounts in explaining the origin of informal organizations empirically. Even if the correlation at the basis of the analysis cannot be considered ultimate evidence to refute a theory, both the functionalist and the two-step theories prove to be more grounded than the power-based one.

The following three chapters rely on a qualitative comparative approach. For example, the author analyses the historical reasons that led states to create the International Monetary Fund, a formal organization, and the General Agreement on Tariffs and Trade, an informal one. The sixth one adopts a similar approach, analysing two informal institutions – the Basel Committee on Banking Supervision and the International Organization of Securities Commissions. In the seventh chapter, the author compares an informal organization, the International Competition Network, with a formal one, the World Trade Organization. Used as means to prove the validity of the two-step theory, the comparisons are mostly effective, though the argument could have been strengthened even more with a comparison of formal and informal organizations in every section.

The concluding chapter of the book reflects on the main shortcomings and limitations of the study and lists the policy implications. As declared by the author, the book is limited insofar as it analyses only the foundational act of organizations. Hence, further research should focus on other moments of the lives of organizations. On the other hand, the main shortcoming refers to the efficacy of the two-step theory, given that it has been tested neither on organizations created before 1945 nor on those yet to be created. Still, this does not affect its applicability on the majority of the existing international organizations present in the database.

The author also presents a final statistic on the relationship between organizations and the problem(s) they are expected to solve, finding that 74% of all mismatched bodies are informal in nature (208). If there is indeed a move to informality and these bodies are unable to solve the problems they face, the policy implication is that political authorities should actively intervene to formalise organizations. Brexit and the isolationism of the Trump administration were strong signals of an attempt to move away from international cooperation, but as Roger notes, states are not monolithic entities. If political authorities withdraw from international cooperation, independent agencies take over the responsibility of solving a global issue. In doing so, informal bodies with insufficient powers are created, thus compounding the very issues they are tasked with solving.

It is hard to find flaws in this work because of its mixed-methods approach which allows for testing the theory on both the macro and micro levels. Furthermore, the book fills a gap in the literature for more systematic contributions of researchers from political science and international relations. This work is best suited for readers already familiar with the major theories of international relations, but the clarity of the writing certainly makes it accessible to anyone interested in understanding why we are at this point in international cooperation. Future research should focus on the influence of large formal organizations in creating other formal bodies: for instance, what was the role of the UN in creating UNICEF? This research brings evidence of the growth of informality as a response to the decline of formal institutions. If formal solutions are preferable, then we should hope that in the future political authorities will reprise their vacant

roles in international cooperation leading to strengthening the role of formal organizations in solving complex global problems.

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