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## *Introduction*

### *Institutional Suboptimality in World Politics*

The scale of the 1992 United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro, Brazil, was – and continues to be – exceptional. A total of 178 countries were represented, including over 100 heads of state or government. The summit was attended by tens of thousands of representatives from nongovernmental organizations, and hordes of media organizations covered the event. There was a dynamism and energy to the meeting that continues to resonate. Following the Rio conference, governments adopted a set of recommendations that targeted the implementation of an ambitious action agenda, including the creation of a high-level Commission on Sustainable Development and the reinforcement of the Global Environment Facility as a financial mechanism to further implementation. Three multilateral environmental conventions would emerge from the Rio process.

For international relations theorists, the timing of the dramatic institutional change seen in 1992 is puzzling. Many of the cooperative challenges tackled at the Earth Summit were not new. Most had been evolving progressively for at least a decade. There was no exogenous shock, crisis, or crossing of an ecological threshold that persuasively explains change at UNCED. Organizational limitations in UN environmental institutions had been long acknowledged by governments. The governance solutions adopted, which amounted to a series of steps to institutionalize sustainable development within the UN system, had been prominent for at least five years. There was no major shift in consensual knowledge or environmental ideas immediately prior to the conference that explains the sudden embrace of sustainable development. Indeed, the chief rationale for the timing of the conference was the twentieth anniversary of the 1972 United Nations Conference on the Human Environment (UNCHE, or the “Stockholm conference”), held in Stockholm, Sweden. Yet, that landmark event proved an

irresistible point of focus for governments in addressing long-standing limitations in UN environmental institutions.

At least from the perspective of the global problem structure, there was therefore an arbitrariness to institutional change at UNCED. The timing of change was explained principally with reference to a conspicuous temporal landmark – the anniversary of the Stockholm conference – rather than the availability of incentives to realize change. Far from an aberration, this pattern has been common within the international system. Further governance changes in UN environmental affairs would be adopted twenty years later at the 2012 United Nations Conference on Sustainable Development, again held in Rio de Janeiro, Brazil. In case the temporal significance of 2012 was overlooked, the conference was widely dubbed “Rio+20,” underlining the important anniversary. Preparations are now underway for a commemorative “Stockholm + 50” conference, to be held in the Swedish capital in 2022. This pattern extends well beyond the value of anniversaries as vehicles for coordination. “Focusing events,” “demonstration effects,” and prominent dates, such as a new millennium, can enable action on persistent cooperation problems in global affairs.

The Rio experience holds lessons for the current international landscape. Among the biggest challenges facing the international community is the need to update the array of international institutions that have upheld world order since the end of the Second World War. As states grapple with shifting power dynamics and a pressing set of transnational challenges, the necessity of modernizing the global cooperative infrastructure has only grown in urgency. Yet, many international institutions have proven highly resistant to change. An inability to respond swiftly to altered global realities has produced widespread institutional suboptimality. At the time of writing, ongoing efforts to increase coherence in UN environmental affairs have stretched on for decades. With the proliferation of multilateral environmental agreements, fragmentation has increased and has fueled calls for enhancing the coordinative capacity of the UN Environment Programme (UNEP). Gaps in international environmental law have been widely noted, yet have proven challenging to address. Outside of the environmental sphere, efforts to reform the United Nations Security Council lack impetus. Talks to update World Trade Organization rules to address the increased participation of state-owned enterprises in trade or the implications of digital trade barriers

struggle to gain momentum. Persistent suboptimality makes these institutions easy targets for criticism from political actors seeking to curtail their country's participation in international fora.

As Stewart M. Patrick has argued, world order “is starting to crack.”<sup>1</sup> These cracks have been widened in the largely uncoordinated international response to the novel coronavirus pandemic in 2020. Great power competition and strategic posturing, particularly between the United States and China, badly hampered the response of the World Health Organization, the G-20, and the UN Security Council. Calls for reform of the world's cooperative architecture have grown louder as a result, with many wondering whether the combined global economic and public health crisis might serve as a turning point for realizing large-scale institutional change.<sup>2</sup> No such change has been forthcoming. While some institutions have made incremental adaptations to the changing international context, including through layering and informal adjustments, many have faced difficulties in realizing larger, non-incremental change. The bigger reforms that can renew institutional arrangements and bring them into better alignment with changed global conditions have proven difficult to achieve, resulting in persistent governance gaps, inefficiency, and dysfunction.

Those seeking to explain big institutional transformations have focused predominantly on exogenous shocks, such as wars and depressions, as the principal drivers of institutional change.<sup>3</sup> Yet, these instances are – thankfully – rare. More typically, the international environment evolves gradually, with even large-scale changes occurring over a number of years.<sup>4</sup> Global climate change has, for example,

<sup>1</sup> Patrick 2018.    <sup>2</sup> Boughton 2020; Kinsman 2020; MacMillan 2020.

<sup>3</sup> Interest in the subject of institutional change within the international relations (IR) field has grown rapidly since Orfeo Fioretos' 2011 article in *International Organization*, “Historical Institutionalism and International Relations.” In it, Fioretos shows that, while few IR scholars had explicitly embraced historical institutionalism (HI), an approach prevalent in comparative politics, a number of analysts have conducted research that is consistent with the HI tradition. Fioretos' article sets the agenda for growing focus on the subject, and a number of more sustained treatments have recently emerged. See Fioretos 2011, 367–399.

<sup>4</sup> Even the rapid rise of China and other emerging powers, with important implications for international cooperation, has unfolded over decades. Big military shifts with huge ramifications for global strategic stability and arms control, such as the introduction of hypersonic weapons systems, influence global relations in a progressive fashion. Indeed, events commonly referred to as shocks may be the product of longer-term processes. Therefore, when changes emerge

been long regarded as a “creeping crisis” that has lacked a dramatic event that might break the coordinative logjam hindering more decisive international action.<sup>5</sup> In the North American context, progressive accumulations of sulfur dioxide and nitrogen oxides in the atmosphere contributed to transboundary acid precipitation. Yet, the Canadian government struggled for decades to generate a political focus in the US government to tackle this progressively worsening problem.<sup>6</sup>

The current conundrum facing many international institutions is not an absence of exogenous shocks. It is an inability to adapt to important, yet progressive, shifts in global conditions. I argue in this book that this more typical scenario is a special challenge, because it presents important coordination dilemmas for international actors seeking to determine *when* to engage in collective efforts to alter institutional norms, rules, and procedures. Such efforts, furthermore, involve a wider spectrum of global actors than is often assumed, exacerbating coordination challenges. By theorizing these coordination dilemmas and developing a fuller conceptualization of the role of temporal factors in world politics, this book explains how international actors are able to concert their expectations to address gradual, yet highly significant, shifts in the international context. Since shifts are a constant feature of international life, and because an inability to act in the face of accumulating changes is precisely the situation that global actors encounter today, such a theory is highly relevant to current policy debates.

My analysis emphasizes the role of convergent expectations in time for the successful resolution of coordination dilemmas. The availability of incentives to alter institutions is an insufficient explanation for change. Instead, actors must concert their behavioral expectations on a discrete moment in time, thereby increasing significantly their political and analytical investments in institutional change processes. These investments alter significantly the informational and bargaining conditions within an institutional setting, allowing actors to clarify the

more gradually, as is typical, current theory is poorly situated to explain when and how institutions are eventually brought into line with altered global conditions.

<sup>5</sup> Young 1989, 371–372.

<sup>6</sup> For a detailed account, covering this day-to-day effort from the former Canadian ambassador in Washington, see Gotlieb 2006.

nature and intensity of their preferences. In such contexts, the suboptimality of the institutional status quo relative to available institutional alternatives comes into sharper focus, increasing the likelihood of change. In addition to exogenous shocks, which provide a ready vehicle for coordination, actors often use prominent temporal landmarks, such as anniversaries and focusing events, as a means of advancing coordination. I term these moments in time Temporal Focal Points, a concept that I detail in Chapter 2.

## The Puzzle

To better understand how actors respond to shifts in global conditions, we need to first examine patterns of large-scale institutional change. Despite observed difficulties, actors *are* at certain points in time able to overcome the path-dependent quality of institutions and coordinate substantial changes to cooperative structures.<sup>7</sup> What allows them to do so? As Giovanni Capoccia and R. Daniel Kelemen note, the emergence of critical junctures, brief phases of flux where structural constraints on institutional actors are relaxed, can open the door to more dramatic institutional change.<sup>8</sup> Yet more research is required on how, when, and why these junctures arise and what factors hinder their occurrence in global politics. This process has begun with Hillel David Soifer's research on productive and permissive conditions for critical junctures.<sup>9</sup> Future scholarship building off of this work might shed further light on questions of timing and causal underpinnings. Similarly, recent studies by Eric Helleiner and Kathryn Sikkink suggest that critical junctures may be of longer duration in international affairs than in domestic contexts.<sup>10</sup> This research is suggestive of the distinct challenges associated with coordinating change at the international level and provokes important questions concerning the fundamental enablers and impediments to more seamless institutional adaptation to shifting global conditions.

<sup>7</sup> These moments have been the subject of extensive analysis by political scientists and continue to fascinate. See Collier and Collier 1991; Eldredge and Gould 1972; Kingdon 1984; Welch 2005.

<sup>8</sup> Capoccia and Kelemen 2007.

<sup>9</sup> Soifer 2012, 1572–1597. Giovanni Capoccia has also revisited the topic, adding further insight into the concept in Capoccia 2016.

<sup>10</sup> See Helleiner 2017; Sikkink 2017.

While the arrival of critical junctures is theorized to have an unsystematic, random quality, an analysis of major institutional changes using a temporal lens reveals an important pattern. In many institutional settings, change is associated with high-visibility dates of purely symbolic importance to sustaining cooperative equilibria. Indeed, more than a third of UN environmental treaties of global scope have been concluded within two 2-year bursts of institutional hyperactivity in the early 1970s and early 1990s.<sup>11</sup> Important anniversaries have been used as common coordination points for major institutional changes in global environmental governance. The 1992 Earth Summit, for example, which was organized to coincide with the twentieth anniversary of the 1972 Stockholm conference, helped to generate momentum toward agreement on the Convention on Biological Diversity, the UN Framework Convention on Climate Change, the UN Convention to Combat Desertification, and a set of Forest Principles. Such changes resemble a “bursty” power law distribution.<sup>12</sup> The United Nations has relied heavily on conspicuous dates when advancing change in other areas as well. The Millennium Development Goals and the Sustainable Development Goals, two of the most significant efforts in recent memory to advance intergovernmental engagement and interagency coordination, were tightly associated with conspicuous dates. In the former case, it was the approaching millennium, and, in the latter, it was the UN’s seventieth anniversary. These are combined with significant reform pushes in 1995 and 2005, which were the UN’s fiftieth and sixtieth anniversaries, respectively.<sup>13</sup>

<sup>11</sup> Manulak 2020.

<sup>12</sup> On bursts and the power law distributions that govern many areas of human endeavor, see Barabási 2011. In the security realm, the twenty-fifth anniversary of the coming into force of the Nuclear Non-proliferation Treaty helped to generate the political momentum required to extend the treaty indefinitely. The tenth and fifteenth anniversaries of the Proliferation Security Initiative were similarly used to update the cooperative agenda and modernize the initiative (Manulak 2021). This matches the findings of Baumgartner et al. (2009) in the policy realm, who note a lack of proportion between social change and policy responses.

<sup>13</sup> International history is replete with such examples. While a more systematic measure of all institutional changes would be desirable, no such comprehensive list of changes exists. Indeed, what is regarded as a significant institutional change is an empirical question based in part on detailed assessment of the history of particular institutions. While the examples described in this paragraph are prominent ones, they are by no means exhaustive. I list them for illustrative

Relatedly, numerous analyses have noted the catalytic role of crises in institutional development. Indeed, in international relations, wars, depressions, and major crises have arguably been the most important drivers of large, discontinuous change. The formative role of big, rare, punctuated equilibria in patterns of institutional stability and change has been long recognized.<sup>14</sup> Punctuated equilibrium theorists, such as Bryan D. Jones and Frank R. Baumgartner, have examined the often abrupt nature of policy change in the wake of crises.<sup>15</sup> Perhaps most prominently, G. John Ikenberry has assessed the impact of major wars in allowing victors to establish new institutional orders and organizations that can persist for decades until the next great-power war triggers a breakdown of the status quo and provides an opening for constructing a new global order.<sup>16</sup> Exogenous shocks cause changes in critical variables that effectively clear the deck of old, self-reinforcing arrangements, thus enabling significant change.

Though some crises are produced by dramatic transformations in international conditions, known as exogenous shocks, crises frequently derive their power from the coordinative impetus that they generate. “Demonstration effects,” for instance, highlight the consequences of preexisting deficiencies in global regulatory structures.<sup>17</sup> Often, the weaknesses uncovered by demonstration effects are long-standing, yet they trigger widespread analysis and scrutiny of existing arrangements. Analysts in the policy realm have drawn attention to the role of “focusing events” in stimulating a search for alternative arrangements and opening “windows” of opportunity for substantial alterations to the status quo.<sup>18</sup> The discovery of a “hole” in the ozone layer in 1985, for example, brought to light the consequences of progressive reliance on chlorofluorocarbons for the earth’s stratosphere. This focusing event helped generate widespread public interest and heightened support for further research on the problem.<sup>19</sup> While the environmental sphere may be susceptible to this pattern, in part because public understanding of many environmental problems is mediated by the accumulation of scientific knowledge, other spheres of institutional

purposes only to demonstrate that there is a nonrandom factor associated with large-scale institutional changes over time.

<sup>14</sup> Krasner 1984, 242. <sup>15</sup> Jones and Baumgartner 2005.

<sup>16</sup> Ikenberry 2000. <sup>17</sup> Mattli and Woods 2009, 25–26.

<sup>18</sup> Kingdon 1984; Tomlin et al. 2007. <sup>19</sup> See Haas 1992a, 203.

activity are also prone to the impact of highly visible events on institutional development.<sup>20</sup>

The frequent association between moments of symbolic importance for recalibrating institutional equilibria, such as anniversaries and visible crises, and periods of significant institutional change holds clues for understanding phases of institutional flux and dynamism. Such deviations from the random pattern anticipated by existing theory are suggestive of underlying drivers of human behavior that demand further exploration. Common to conspicuous dates and visible moments of crisis is a widespread focus on the status of institutional arrangements. There is an associated openness and, indeed, a demand for institutional analyses and alternatives. These brief phases alter the inertial course of institutional life, leading a wide spectrum of international actors to make substantial political and analytical investments in institutional affairs.

This pattern is not easily explained by existing institutional theory. Rational choice institutionalists maintain that institutions track efficiency. State preferences are exogenously determined and respond to shifting opportunity structures. When international conditions change, institutional suboptimality can result. This can create incentives to revise institutional norms, rules, and procedures, thus enhancing efficiency. In a world of full rationality and complete information, deciding on a new institutional equilibrium in this context, while complex, is seamless. Existing institutional structures exercise little influence on the selection of alternative equilibria. Path dependence does little, for instance, influence institutional choice. Lingering at suboptimal equilibria is irrational, akin to adopting Pareto-inferior agreement alternatives. For rational choice theorists, therefore, change is generated

<sup>20</sup> While I have focused on environmental examples, this pattern extends beyond the environmental realm. The 2008 global financial crisis, for example, highlighted many long-standing structural deficiencies associated with the regulation of the derivatives market (Carney 2013). These deficiencies were not new, but the crisis shone a light on an existing problem. In the North Atlantic security realm, the murder of former Czechoslovak Foreign Minister Jan Masaryk in 1948 by communist forces had an “electrical” effect in spurring Atlantic countries to strengthen security cooperation and, ultimately, to produce the North Atlantic Treaty (Jebb 1972, 213). Masaryk’s death was important because it came to symbolize the wider threat to European security. It did not, however, alter fundamentally the global conditions that motivated the North Atlantic Treaty negotiations.

chiefly by exogenous shocks, such as a sudden transition in the balance of power, major technological change, or the emergence of new information about cooperation problems. The *when* of institutional change is secondary, therefore, to the *why* of institutional change.

A focus on the role of nonmaterial factors, such as norms and ideas, in producing change raises still further questions related to timing. Sociological institutionalists in the international relations field, such as Martha Finnemore and Kathryn Sikkink, place analytical emphasis on the activities of norm entrepreneurs seeking to precipitate a “cascade” in which new norms take hold and, ultimately, are adopted within national and international institutions. Institutional change can immediately precede or follow norm cascades brought about by growing support for emergent norms.<sup>21</sup> Analysts in this tradition also examine the role of epistemic communities and bureaucratic “pathologies” in shaping institutional dynamics.<sup>22</sup> Other studies focus on changing intersubjective “logics of appropriateness” as critical manifestations and drivers of normative change.<sup>23</sup> Yet these accounts provide little insight into when one can expect norm entrepreneurs to break through, when new principled beliefs might affect institutions, or when one might anticipate abrupt change to intersubjective understandings.<sup>24</sup>

Historical institutionalists have given greater emphasis to the question of time. The dominant stream of this literature has conceived of timing and temporality in terms of sequence. Events that happen earlier in a causal chain can have long-term effects, locking in path-dependent processes that, once established, make institutions difficult to alter. Even when institutions change, preexisting structures affect selection among new modes of cooperation. It is within the historical institutionalist tradition that literature on critical junctures has grown and insights on more gradual modes of institutional change have emerged.<sup>25</sup> Despite considerable conceptual innovation, these accounts do not provide a clear means of explaining the temporal patterns in institutional change detailed in this chapter. Yet such patterns are suggestive of temporal dimensions in institutional affairs that are well in line with the historical institutionalist tradition.

<sup>21</sup> Finnemore and Sikkink 1998.

<sup>22</sup> Barnett and Finnemore 1999; Haas 1992b. <sup>23</sup> March and Olsen 1989.

<sup>24</sup> For a comparative discussion of rationalistic and sociological approaches, see: Keohane 1988.

<sup>25</sup> Mahoney and Thelen 2010.

Rational choice, sociological institutionalism, and historical institutionalism thus help to illuminate key dimensions of the puzzle facing institutional theorists. For received theory, factors triggering change in institutions, whether they are exogenous shocks, critical junctures, or a transformation of the normative order, should be distributed randomly across the temporal continuum. Entropy should reign. Existing theory provides little reason to anticipate the association between conspicuous moments in time, such as anniversaries or other prominent dates, and phases of institutional flux. The clustering of agreements may be more puzzling still.<sup>26</sup> Observed regularities in the timing of change provide an opening to supplement existing contributions through theory development that offers a fuller conceptualization of the role of temporal factors in institutional life. As we shall see throughout this book, such a conceptualization will bring to light key complementarities in existing scholarship, thereby building inter-theory crosswalks.

This analysis has implications for both international theory and practice. For theory, the inability to account for the when of institutional change suggests a gap in theoretical understanding. Indeed, the timing of a change in a variable under study is a central observable feature in virtually any exercise in hypothesis testing, whether it is in the social or natural sciences. The observed pattern in the timing of change discussed in this chapter stimulates questions concerning the processes through which gradually accumulating social and material incentives to alter cooperative structures influence institutional development. Might some other factor mediate, for example, between altered conditions and the ability to reform institutions, explaining persistent institutional suboptimality? Do these studies suffer from omitted variable bias? If so, does this help account for the current phase of institutional suboptimality in the face of significant, albeit progressively occurring, global change? What is it about highly visible junctures that influence states? For policymakers, a focus solely on potential exogenous shocks offers little prescriptive value. How will we know that key cooperative parameters have changed, except in the presence of institutional change? Similarly, do principled ideas “float freely,” or do other factors favor changes in the normative order?<sup>27</sup> What role do norm and policy entrepreneurs play in these moments?

<sup>26</sup> Manulak 2020.      <sup>27</sup> Risse-Kappen 1994, 185–214.

## To Negotiate Another Day: Coordination Problems and Institutional Stasis

Before theorizing institutional change, it is necessary first to explain the coordination problem facing states. Even a cursory look at the dysfunctional status of many international institutions suggests that states face difficulties in revising institutional structures in a timely manner. States cannot summon up the impetus in bargaining to adapt institutions to shifting international conditions, thus addressing increasing institutional suboptimality. Even when the international environment has changed substantially, opening up growing material or ideational incentives for reform, prospective gains from change prove difficult to capture. This contributes to long stretches of institutional stasis and suboptimality. Governance gaps result, and frustration with the global cooperative order mounts. This is the current conundrum facing states internationally and has been a long-standing feature of the international order.

What explains the inability of institutions to track efficiency, as anticipated by pure rational choice accounts? The answer rests in the challenges associated with coordinating institutional change at the international level. While international relations theorists often boil world order down to the maneuverings of one or two great powers, this simplification obscures as much as it illuminates. As Richard E. Neustadt has noted, “reality is not bilateral.”<sup>28</sup> Even for relatively small institutions, where coordination problems are more manageable, complex coalitional politics almost invariably enter into collective decision processes. In large UN institutions, the challenge is far greater. The task is summarized by Christiana Figueres and Tom Rivett-Carnac, two architects of the 2015 Paris climate agreement: “Bringing about a complex, large-scale transformation is akin to weaving a tapestry of elaborate design with thousands of people who have never woven anything or even seen the pattern.”<sup>29</sup> The difficulty associated with building support for reform efforts is exacerbated further by the status quo orientation of institutions themselves, the nature of the material and ideational incentives motivating change, and the high transaction costs of these efforts.

<sup>28</sup> Neustadt 1970, 5.      <sup>29</sup> Figueres and Rivett-Carnac 2020, 50.

At their core, institutions solve cooperation problems by creating a stable set of rules, norms, and procedures to tackle issues of common interest. Crucially, they extend the “shadow of the future,” enabling credible commitments.<sup>30</sup> In doing so, institutions allow states to forego short-term benefits associated with defecting from agreed rules in favor of their longer-term interests in stable cooperation.<sup>31</sup> In many cases, international organizations are created to implement the resulting agreements, facilitating enforcement and providing a centralized structure to enable ongoing cooperation and decision-making.<sup>32</sup> These organizations themselves can become a source of institutional inertia, working to preserve vested interests in the status quo.<sup>33</sup> By their very nature, therefore, institutions are about long-term stability. This quality means that bargaining can almost always be pushed down the road. The ability of institutions, even highly dysfunctional ones, to live – or, for their members, negotiate – another day can make it difficult to generate the necessary coordinative impetus in bargaining.<sup>34</sup>

In addition to the coordination challenges inherent in the very DNA of institutions, the nature of the incentives that states experience can further complicate coordination. Changes in external conditions come in two basic forms: exogenous shocks and exogenous shifts.<sup>35</sup> Shocks, well-known in the literature, involve sudden, discontinuous changes in parameters underpinning cooperation. In one swift transformation, institutions are knocked out of equilibrium, thus creating incentives for states to defect from agreed arrangements. Economic collapse, major technological change, or war are common examples of shocks. Because of their suddenness and important ramifications, shocks tend to precipitate crises. As anticipated by rational choice accounts, the coordination of institutional change is common in such circumstances. Indeed, significant institutional change often serves as the proof that a shock is indeed a shock.

Exogenous shifts, on the other hand, are more gradual in nature. In addition to sudden changes, the international environment evolves more incrementally. Like shocks, shifts undermine institutional

<sup>30</sup> Axelrod 1981; Oye 1985.

<sup>31</sup> For the foundational theoretical text, see: Keohane 1984. See also: Keohane 1982.

<sup>32</sup> Abbott and Snidal 1998. <sup>33</sup> Barnett and Finnemore 1999.

<sup>34</sup> Indeed, as James D. Fearon (1998) observes, the long shadow of the future associated with institutional bargaining can make change even more difficult to achieve.

<sup>35</sup> Grief and Laitin 2004; Manulak 2020.

equilibria and can provide incentives for states to alter cooperative structures. A new technology, for example, may have important implications for the health and stability of natural systems, yet these implications may not emerge all at once. Instead, certain aspects of the technology may mature over time, its applications may not be fully utilized at first, or actors may only adopt it progressively. Although they have been largely overlooked in the literature, the impacts of exogenous shifts on the preservation (and change) of cooperative equilibria are every bit as significant as those of exogenous shocks. An important difference between the two, however, is that more gradual sources of change lack an obvious coordination point in time. This complicates the coordination problem facing states in revising institutions.

Gradual shifts in the international context are a continuous feature of institutional life. The international environment has changed considerably in recent decades, yet the number of identifiable shocks is small. Indeed, while punctuated by occasional dramatic change, global social, economic, and environmental conditions are in constant transformation. The international balance of power does not usually change overnight, for example. Instead, long-term economic trends can fuel military investments that, over a number of years, produce the relative military advantages that challenge the preeminence of leading states and the global order maintained by them. With no obvious coordination point in time, the incentives to take these cumulative changes into account in institutional designs can remain unexploited for long stretches.

Growing incentives to alter institutions are also generated by self-undermining processes or reactive sequences that progressively narrow the range of parameters in which an institutional equilibrium can be sustained. Self-undermining processes take hold when factors endogenous to the institution weaken it and render it more susceptible to change.<sup>36</sup> Similarly, reactive sequences are, according to James Mahoney, “chains of temporally ordered and causally connected events” that “are marked by backlash processes that transform and perhaps reverse early events.”<sup>37</sup> The logic of reactive sequences has been developed further by Tine Hanrieder and Michael Zürn, who examine the impact of power-outcome decouplings and growing

<sup>36</sup> Grief and Laitin 2004.    <sup>37</sup> Mahoney 2000, 526.

authority-legitimation mismatches. Whether it be through a poor fit between powerful actors and rules or perceived legitimacy deficits, such sequences lead the losers of the institutional status quo to challenge existing rules.<sup>38</sup> Such a perspective is complemented by the work of Phillip Y. Lipsky, who argues that patterns of institutional change depend on the underlying characteristics of the policy area that an institution occupies. Competitive realms of institutional activity are more prone to distributive change.<sup>39</sup> Yet, the severity of distributive competition and the viability of outside institutional options often evolve progressively. What is critical to note about all of these processes, however, is that, like exogenous shifts, they tend to unfold over time. They do not possess obvious or ready-made temporal landmarks that ease coordination problems.

The long-term ethos of institutions and the gradual quality of most changes to international conditions make it difficult for international actors to coordinate their expectations in institutional bargaining at discrete moments in time. This challenge is exacerbated by the steep political and analytical investments required to realize institutional change. Institutional bargaining involves a significant increase in transaction costs. States must assess the cooperative environment, analyze the negotiating position of other players, and devise a new set of feasible norms, rules, and procedures to guide future cooperation.<sup>40</sup> Revised institutional structures can bring unintended consequences, a danger that ups the analytical demands and risks associated with change processes. Global talks can be protracted, involving years of inconclusive bargaining that demands significant resource investments in negotiating efforts. While institutional bargaining is underway, many of the benefits of ongoing cooperation can be disrupted. The energy and attention of international secretariats must, for example, be redirected to support intergovernmental negotiations. Key institutional initiatives may be shelved. Failed negotiations can create new areas of contestation and division among member states, thus reducing the credibility of long-standing commitments. Discord can grow in a manner that would be detrimental to cooperation. Proponents and opponents of change, as well as the institution itself, can suffer reputational damage. Failed negotiations can also engender “deal fatigue” where bargaining failure can poison the well for future efforts to revise

<sup>38</sup> Hanrieder and Zürn 2017.      <sup>39</sup> Lipsky 2017.

<sup>40</sup> Keohane 1982. For a discussion, see also: Keohane and Nye 1989, chapter 3.

institutional arrangements. Wary of the risks and costs of engaging in negotiations, actors may be reluctant to recommence institutional bargaining for the foreseeable future, even when there are incentives to do so.

Heightened intergovernmental transaction costs are only part of the price of institutional bargaining. To fully assess the implications of such a spell, we must “take preferences seriously.”<sup>41</sup> Until consciously established, preferences have a latent quality. They can be understood as the preferences that an actor *would have* if pushed to articulate them.<sup>42</sup> Yet, governments often have strong incentives *not* to clarify their preferences, since this can provoke domestic fights. The process of specifying and clarifying state preferences in intergovernmental negotiations is, if anything, more resource intensive at the national level than at the international level. Typically, government negotiators must obtain a bargaining mandate sanctioned by cabinet – establishing negotiating positions, strategies, and objectives. In most countries, space on the cabinet agenda is among the scarcest of government resources. Such cabinet-level processes involve intensive interdepartmental and interagency debate and deliberation.<sup>43</sup> These are often bruising affairs involving internal compromise and negotiation that forces governments to weigh competing priorities associated with multidimensional questions of foreign policy.

If successful, alterations to international agreements – as is typical with non-incremental institutional change – need to be ratified by national governments. Amendments to the United Nations charter, for instance, must be ratified by member states before they come into effect. These processes can be fraught with difficulty, involving negotiation with national legislators and domestic interests. In many instances, such engagements may resemble two-level games with simultaneous negotiations occurring at the national and international levels.<sup>44</sup> Beyond ratification, international negotiations may require

<sup>41</sup> Moravcsik 1997. See also: Moravcsik 2008.

<sup>42</sup> I thank Andrew Moravcsik for making this point, pushing me to more carefully think through this aspect of my argument.

<sup>43</sup> These conclusions align with the findings of Inger Weibust (2009) concerning the importance of centralization at the national level for the stringency of environmental policies. The more decentralized the process, the more challenging it is to adjust policies to changing circumstances.

<sup>44</sup> Putnam 1988.

the passage of national legislation that enacts new agreements. The drafting of legislation can involve multiple cabinet-level engagements to, at a minimum, issue drafting instructions to legal officers and ultimately to decide to support the proposed legislation. Negotiations with other levels of government (e.g. provincial, state, or municipal governments) may be necessary to shore up political backing and ensure effective implementation of intergovernmental agreements.

National-level mechanics of institutional change are complicated further by the need to gather information to provide a basis for government preferences in global talks. Institutional diagnostics that assess cumulative shifts in the international landscape and the various feasible institutional alternatives must be undertaken. This may involve detailed studies, as well as the convening of interdepartmental discussions or task forces. New bureaucratic units may be established to support the preference-clarifying process. Governmental and nongovernmental experts are consulted and their inputs coordinated. This enterprise can be very resource intensive. In national bureaucracies, where resources are always scarce, there are opportunity costs associated with such investments in preparations for institutional bargaining. Government priorities cannot be furthered, and other bureaus may be starved of resources. The assets emerging from these processes are highly specific, furthermore, to the bargaining setting and cannot be easily redeployed to serve other purposes.

Many institutional settings are enriched considerably by engagements with non-state actors, such as nongovernmental organizations, universities, think tanks, private industry, and the media. Think tanks and academic researchers can add information and analysis to international negotiations and to national preference-clarifying efforts. Epistemic communities and transnational advocacy networks contribute principled ideas to public discourses and deliberations.<sup>45</sup> Media organizations can bring to light key dimensions of institutional problems. Even if they do not have a seat at national or international negotiating tables, the simultaneous engagement of different types of non-state actors can serve as a considerable information and political force multiplier that affects institutional bargaining. All of these

<sup>45</sup> Haas 1992; Keck and Sikkink 1998.

organizations operate in environments of scarce resources, however. Choices must be made concerning which international issues to prioritize in their research and advocacy activities.<sup>46</sup> Coordination problems can lead potential contributors outside of government to focus on other issues and activities, depriving the institutional context of valuable information and analysis.

The engagement of governmental and nongovernmental players in institutional bargaining processes can therefore entail very substantial transaction costs. These costs are real and significant. This section has shown that the transaction costs associated with negotiating at the international level are just the tip of the iceberg. The national-level engagements necessary to support change in international institutions are often greater than those required at the intergovernmental level. Domestic bargaining, an essential step in informing any intergovernmental talks, is every bit as divisive and contentious as that seen at the global level. In assuming such costs, actors make choices that affect their ability to achieve other objectives. The approximation of states as unitary actors, therefore, has very real analytical drawbacks for understanding the coordination of institutional change. Consequently, the decision of global actors to engage in the purposeful assessment, consideration, and negotiation of institutional alternatives is not taken lightly.

Importantly, the significant transaction cost investments needed to produce change are unlikely to bring any significant returns unless a large subsection of relevant actors engage simultaneously in a parallel effort. Making such investments when others are not similarly invested is unlikely to bring substantial returns and entails sizable costs. It is this common enterprise that makes the large political and analytical investments involved in institutional bargaining worthwhile. There is significant interdependence at play here. A large proportion of relevant actors must engage, or none should.<sup>47</sup> Put another way, the steep costs involved in institutional bargaining efforts mean that actors are not incentivized to invest in efforts to alter institutions *until* they expect others to do so. The costs are too high and the potential payoffs too uncertain.

<sup>46</sup> Carpenter 2011.

<sup>47</sup> This is analogous to Thomas C. Schelling's concept of "k-groups." See: Schelling 1973.

## When Expectations Converge

State and non-state actors have to bear substantial costs in the pursuit of institutional change. In view of the wide spectrum of independent actors involved in institutional change processes, the challenge confronting states in seeking to update global institutions should be understood as an exercise in decentralized coordination. A key commonality seen in scholarly accounts of punctuated change, such as critical junctures or policy windows, is a period of intense, widespread focus by multiple actors on potential advantages of change relative to the institutional status quo. Despite challenges, actors are able to engage simultaneously during these brief phases of flux in the life of an institution, opening up a window for substantial investments in change processes by state and non-state actors alike. In all of these accounts, coordinated political and analytical investments among multiple players open the door to far-reaching, non-incremental change.

Actors are able to summon up the ability to coordinate their activities in support of change processes. Expectations among relevant actors surrounding institutional bargaining converge on a focal time frame. Although actors *can* negotiate another day, they behave *as if* major temporal discontinuity looms ahead. Working backward from that timeline, they make major investments in change processes. States examine institutional options, evaluate critically the cooperative status quo, and gather information on the bargaining aims of others. Consultations with key stakeholders – national and international – are arranged. Governments solidify and clarify their preferences. Interest groups and latent national-level coalitions overcome coordination problems to mobilize as a means of influencing domestic and international deliberations. Such mobilization can influence the political priorities of governments. Norm or policy entrepreneurs marshal their political, persuasive, and informational resources to maximize their impact at such junctures.

These types of coordinated activities, occurring within a discrete time frame, amount to a sudden willingness from actors to bear significantly heightened transaction costs. For rational choice theorists, one of the principal rationales for creating institutions is the long-term reduction of these costs. Yet, the willingness to temporarily experience increased transaction costs is a precondition for institutional change. Transaction costs are, in many respects, the *lifeblood* of institutions.

While institutions exist to reduce transaction costs, the willingness of states to tolerate short-term increases in these costs is a vital factor in ensuring an institution's longer-term maintenance and viability. To alter institutions, transaction costs must be accepted.

Convergent expectations have at least two implications for institutional change processes. First, coordination brings a major injection of information, analysis, and ideas into the institutional setting. Diagnostics are undertaken and institutional alternatives evaluated.<sup>48</sup> The number of non-state actor inputs grow, thus contributing new information and analysis to institutional questions. This jump in the quality and extent of information available helps to clarify the state of the world. New problems and cooperative possibilities come into view, allowing for radical shifts in bargaining. Information gathering, analysis, and – more importantly – the weighing of different priorities allows states to clarify their preferences. The specification and clarification of preferences is an essential step to purposeful institutional bargaining. Diplomatically, the absence of fully articulated preferences, typically manifested most concretely in a set of instructions from capital, results in a defensive and conservative approach to bargaining that reinforces the status quo. Without the expectation of widespread coordination, these types of investments are difficult to justify in perpetually resource-starved government contexts.

Coordination and clarification of national preferences allows governments to update their information on the bargaining positions of others. Throughout negotiations states possess probabilistic estimations of what is possible at the bargaining table, based on the quality of information that is available about the negotiating stances of other players. The better the information available, the narrower the range of possible outcomes that can be entertained. Conversely, when the attitudes of key states have not been examined recently and national preferences are unclear, states must consider a much broader array of possible bargaining outcomes.

Second, convergent expectations help to generate a significant mobilization of latent political forces, nationally and internationally. These forces include political parties, interest groups, think tanks,

<sup>48</sup> A similar observation is made by Jacques Fomerand and Peter M. Haas in their analysis of the impacts of United Nations conferences, see: Fomerand 1996, 366–368; Haas 2002, 84–85.

bloggers, and opinion-shapers of all stripes.<sup>49</sup> The widespread coordination of expectations surrounding institutional bargaining can facilitate the organization of domestic social support for updating institutional structures, particularly in democratic countries. It is often costly and difficult for social groups to identify potential allies in promoting change in international institutions. The organization of potential advocacy efforts is costlier still. Similarly, norm and policy entrepreneurs both inside and outside of government may be waiting for a propitious moment to target their social advocacy investments. A temporal focus makes it easier for political actors to devote the resources necessary to embark on coalition building and advocacy. In this way, convergent expectations can help to overcome the aggregation or representation failures that lead states to underestimate domestic levels of support for institutional change.<sup>50</sup>

The expectation of serious negotiations along a discrete timeline can also lead to the creation – at least on a temporary basis – of new bureaucratic structures and interests that can affect the political balance nationally and internationally. In addition to new information, therefore, the launch of task forces or new bureaucratic processes can generate new actors that have a stake in global discussions and domestic preference formation. These actors influence the preference clarification process and may serve on national delegations to international meetings. They provide assessments and briefing materials that can add considerable impetus to wider efforts to renew institutional structures. Political leaders, furthermore, will often observe negotiations from the sidelines until the likelihood of an agreement seems high. When a deal seems likely, high-level political actors may jump on the bandwagon to add political weight and, perhaps, take credit.<sup>51</sup>

Convergent expectations, therefore, can reshape fundamentally the information environment and the balance of political support for institutional reform. Actors are willing to bear substantially heightened transaction costs to realize change because they expect others to do so. It is this expectation that makes major political and analytical

<sup>49</sup> See also, Fomerand 1996, 370; Haas 2002, 75.

<sup>50</sup> For a discussion of such mobilization, see: Moravcsik 1999, 283–284.

<sup>51</sup> Former United States National Security Advisor and Secretary of State Henry Kissinger, for instance, would not participate directly in negotiations unless he thought that there was a better than 80 percent chance of success. See: Sebenius et al. 2018, 79.

investments in bargaining processes a welfare-improving proposition. To a far greater extent than existing theory allows, this is a question of timing. It is a central contention of this book that the moments of institutional flux described by analysts of critical junctures and exogenous shocks are characterized by the type of convergent expectations described above.

### **Convergent Expectations at the Negotiating Table**

The preceding analysis has highlighted the coordination dilemmas posed by gradually emerging change in incentives and the critical role of convergent expectations in realizing institutional change. I now show how and why the arrival of convergent expectations increases the likelihood of change in international institutions. The injection of information and analysis, as well as the mobilization of latent political forces, can reshape the negotiating setting. Bargaining theory illuminates the impact of these factors on the likelihood of institutional change. First, new information and the mobilization of political forces can influence the intensity in which states hold their preferences for particular institutional alternatives.<sup>52</sup> New information can uncover the extent of the incentives associated with swiftly adapting institutional structures to new realities. The mobilization of latent social forces can give actors a domestic political stake in change efforts. The strength of preferences is a vital factor in the consummation of issue linkages, a vital means of achieving joint gains in talks. To entertain linkages, actors must conduct a comparative assessment of the importance that they attach to each potential agenda item. Actors may be willing to make concessions on one issue in order to obtain them on another that they regard as more important. In this scenario, both sides leave the bargaining table better off.

A second way that the bargaining setting is impacted by new information and mobilization is the clarification of preferences. With conscious scrutiny, states may find that they have definite attitudes toward risk or strongly held forecasts related to unknown future contingencies. They may realize that they discount the future in favor of short-term gains (or the reverse). Similarly, they may value symbolic

<sup>52</sup> It is also conceivable that the intensity of preferences can diminish. States may conclude that they are less vitally interested in an issue than previously thought.

achievements, precedents, or ideological coherence.<sup>53</sup> The shape of states' preference functions cannot be discovered without analysis and transaction cost-intensive domestic deliberations that open the door to intergovernmental agreements that were not previously achievable. "Dovetailing differences" in risk attitudes, forecasts concerning unknown future contingencies, and time preferences can provide the building blocks for joint value creation and cooperative dealmaking. States may, for example, build agreements to share risk, thereby adding value for others that are risk averse. More risk acceptant states may seek concessions in other areas. In another scenario, states that value current, more than future, gains may make concessions on long-term aims in favor of more immediate benefits. If preferences remain latent, these means of expanding the payoff pie may well have gone unnoticed.

As information accumulates on the bargaining position of other actors, dealmaking opportunities come into view that were not previously seen. New information also helps states to update and sharpen their probabilistic estimations concerning the range of scenarios possible in talks. They can, in many instances, rule out certain negative outcomes, thereby effectively solving what can be termed the "can of worms problem," where states avoid reopening institutional rules and procedures to negotiation for fear of ending up worse off than they were before. While this process may also lead states to rule out some very optimistic bargaining outcomes, prospect theory suggests that states weigh potential losses more heavily than prospective gains.<sup>54</sup>

The third and perhaps most important implication of convergent expectations at the negotiating table is that they help to overcome bargaining failure. In talks that lack a clear and temporally distinct endgame, as is the case with current reform efforts surrounding the UN Security Council, states can be caught in the temporal equivalent of what James K. Sebenius terms the "negotiator's dilemma."<sup>55</sup> In the negotiator's dilemma, all sides would benefit from value-building, integrative bargaining. By sharing information on preferences and engaging in a relatively open manner, states push the Pareto-frontier outward and, as a consequence, enjoy superior agreement possibilities. If either side succumbs to the temptation to withhold critical information or to misrepresent their true preferences, however, the more

<sup>53</sup> Fisher et al. 1991, 74.    <sup>54</sup> Levy 1997, 87–112.    <sup>55</sup> Sebenius 2002, 241.

cooperative side can be exploited in negotiations. It is this risk that often leads to suboptimal outcomes that fail to maximize joint gains. This dynamic increases the probability of bargaining failure in the face of achievable gains or Pareto-inferior agreements.

A temporal divergence of expectation works in roughly the same manner. In this version of the negotiator's dilemma, states must decide *when* to engage integratively – exchanging information openly and making concessions. Absent a focal time frame, bounding the scope of talks, negotiators face difficulties in sequencing their concessions. Concessions made could be pocketed by the other side without reciprocity. The emergence of a focal time frame for talks adds coherence to this process, allowing actors to move progressively beyond posturing toward their true bottom line. This increases the probability that states will identify common ground and maximize joint gains. By specifying and solidifying their preferences, furthermore, states conduct the types of analysis necessary to create value in talks. The capacity to do so is especially important in achieving institutional change, since it is in these contexts that many states possess a veto over possible amendments. The ability to expand the payoff pie, all things being equal, makes successful negotiations much more probable. In addition, agreements that bring value to all sides are more likely to be durable.

### Achieving Institutional Change

International actors face great difficulties coordinating large, non-incremental institutional change, leading to a status quo bias and suboptimality. Part of the coordination challenge is baked into institutions themselves, which incentivize states to orient their behavior in relation to a long shadow of the future. Even as global material and ideational conditions shift, opening up incentives to adapt institutional arrangements, many of these changes are progressive and provide no obvious coordination point in time to galvanize institutional bargaining.

Coordination difficulties are made more severe by the high transaction costs involved in altering institutions, both at the national and international levels. Institutions exist to reduce short-term transaction costs, but the willingness of international actors to assume them in the immediate term is vital to realizing change. Substantial, coordinated

political and analytical investments by a large proportion of the institutional population provide vital information about the state of the world and illuminate essential features of the bargaining context. Convergent expectations can facilitate the mobilization of latent social forces that influence the national and international political setting. Coordination also gives structure and coherence to negotiating processes, allowing actors to overcome temporal dimensions of the negotiator's dilemma.

Convergent expectations are critical to altering institutional structures through the clarification of state preferences. By recognizing the intensity of their preferences, states can assign an appropriate value to possible institutional bargains, enabling issue linkages. As states develop a fuller appreciation of the shape of their preference function, including risk attitudes and time preferences, they are better able to dovetail differences to achieve joint gains. The capacity to expand the payoff pie is particularly crucial in bargaining contexts replete with veto points, such as those associated with altering institutional rules and procedures. In this way, the capacity to create value in negotiations enables institutional change.

By assessing the potential ramifications of temporal coordination problems and giving greater emphasis to processes of national preference clarification, this assessment sets out very different expectations than existing theoretical accounts. Rather than assuming that temporal coordination is driven mainly by the presence of incentives to realize change, the preceding account finds that coordination problems constitute a more important barrier to change than previously recognized. It suggests that actors' willingness to assume high transaction costs varies over time. The prospect of convergent expectations opens the possibility that political and analytical investments in change processes may bring returns, opening the door to institutional transformation. Thus, the achievement of coordination – a temporal convergence of expectations – is a necessary condition for punctuated change.

This does not imply that the presence of incentives to alter institutions is a secondary factor in explaining change. Quite the contrary. The presence of such incentives constitutes one of two independent variables considered in this analysis. As will be presented in detail in Chapter 2, the benefits of change rest heavily on the strength of available institutional alternatives compared to the status quo. At the same time, it suggests that, even in the presence of such incentives,

states may have difficulty coordinating to realize beneficial change. Focusing attention on the question of why the timing of change does not seem to correspond closely to the emergence of change incentives, the preceding analysis finds that superior agreement possibilities are frequently available. Given the lags between exogenous shifts and institutional change, this presumption is not an unreasonable one. The accumulation of cooperative potentialities is a common feature of institutional life and is a necessary condition for temporal coordination problems to matter.

Although the preceding discussion has concentrated on material incentives for change, it complements the assessments of analysts focused on social factors in institutional development. These accounts assume that the arrival of new principled ideas or a norm cascade will typically precipitate the coordination of actor expectations necessary to produce change. I problematize that assumption. Instead, I suggest that the mobilization of intellectual, normative, and ideational resources may be predicated to a great extent on convergent expectations. The types of advocacy and intellectual investments that generate normative transfigurations are made easier when convergent expectations take hold. This is consistent with the conclusions of John W. Kingdon, who finds that policy windows serve as a catalytic force for policy entrepreneurs and give rise to greater receptivity among decision-makers to consider policy alternatives. Rather than producing coordination, therefore, the development of new norms and ideas is stimulated heavily by coordination. There is, moreover, an interplay and synergism that develops when ideas are under active debate, helping to refine their content. Widespread dialogue and consideration within public discourses contributes to normative development.

The preceding assessment also suggests that a much broader set of players impact change processes than is conventionally assumed in global politics. Existing accounts tend to focus on the role of a hegemon or hegemonic subgroup as the driving force for change. The emphasis on coordination among a broad set of players is the antithesis of the hegemonic approach. The empirical evidence outlined in this book supports this concentration, demonstrating how convergent expectations among diverse actors influence change processes. Such an approach holds special interest in a period when global power is becoming more diffuse. In what Joseph S. Nye terms, “the other global

power shift” of our times, a broad spectrum of actors have moved to the international fore, transforming world politics.<sup>56</sup> By explaining how diverse players coordinate to realize institutional change, this book provides an enriched and policy-relevant perspective on factors affecting change today.

### **Structure of This Book**

To conclude this chapter, I provide a summary of key findings. In this book, I examine the relationship between gradually accumulating incentives to alter institutions and actors’ capacity to achieve coordination as a means of capitalizing on those incentives. Could the presence of temporal coordination dilemmas – and their resolution – explain patterns of change in global politics? Could such factors account for the puzzling patterns in the timing of change described at the beginning of this chapter?

In the ensuing chapters, I show that the emergence of a temporal convergence of expectations, often triggered by the arrival of a conspicuous, unique, definite time frame, helps to explain patterns of continuity and change in international institutions. I term these moments Temporal Focal Points. I test the theoretical framework through a detailed case study of the record of continuity and change in United Nations environmental institutions. As we will see, the institutional problems caused by gradual exogenous shifts that progressively created incentives to revise environmental institutions took a puzzlingly long time to address. The optimal time for agreement on big institutional changes would appear to be earlier than occurred. The power of the three focal junctures that saw significant change in UN environmental institutions – 1972, 1992, and 2012 – was derived from the fact that they were seen as highly conspicuous, catching the eye of all relevant actors. These highly visible phases eased coordination and facilitated change.

In Chapter 2, I develop and formalize the arguments outlined in this introductory chapter. I begin by showing how the situation facing global actors resembles a stag hunt game, where players can realize beneficial institutional change if they are able to coordinate their political and analytical investments in institutional change efforts.

<sup>56</sup> Nye 2020.

Since the number of relevant actors in international institutions is so large – spanning hundreds of distinct domestic and international, governmental and nongovernmental, organizations – coordination is an undertaking of enormous complexity. Achieving a genuine coordination in behavior is not as simple as adding a subject to the intergovernmental agenda or scheduling a meeting. Actors must invest scarce resources in institutional diagnostics and opt to communicate their underlying interests to other parties in a relatively open and transparent fashion. If players act cooperatively when others do not, they risk ending up significantly worse off than they would have been had they not done so.

The risk-dominant nature of status quo institutional arrangements leads states to linger at inferior, payoff-dominated equilibria longer than would be predicted by pure versions of rational choice institutionalism. Since collective action on festering institutional deficiencies is predicated on a coordination of expectations at discrete points in time, actors face a classic assurance problem. Although each could achieve a better outcome if they could rely on others to act in concert with them, they face important risks in this endeavor. It is the risk-dominant character of this situation that makes change problematic, contributing to a status quo bias in institutional life. The key is reaching a temporal convergence of expectations: a point in time when all actors believe that others will behave in a certain manner. The emergence of conspicuous, unique, definite temporal signposts eases the process of coordination by providing a prominent phase along the temporal continuum where this belief can take hold. After detailing the role of two main independent variables, I discuss the principal pathways through which large-scale institutional change occurs. The chapter then specifies observable implications of the theoretical framework presented and concludes with a discussion of research design and case selection. This sets up the empirical investigation to follow.

To probe the plausibility of this theoretical framework, I undertake a detailed empirical investigation of the record of change in United Nations environment institutions from 1963 to the present. While I devote extensive attention to the entire period, my empirical chapters center on four main phases: the 1972 UNCHE, the 1982 United Nations Environment Programme Governing Council Session of a Special Character (UNSSC, or the “Nairobi conference”), the UN General Assembly’s response to the release of the 1987 report of the

World Commission on Environment and Development (WCED, or the “Brundtland report”), and the 1992 United Nations Conference on Environment and Development (UNCED, or the “Earth Summit”). In Chapter 7, I supplement these detailed historical treatments with an assessment of the post-UNCED period. The diversity of the cases over time contained within this book allows for significant variation in values “assigned” to the independent variables, aiding causal inference.

Chapter 3 analyzes the Stockholm conference and the years immediately preceding it. The early 1970s represented a period of transition in UN environmental institutions. Mounting global environmental problems in the decades prior to 1972 had led to an ad hoc accretion of institutional measures within the United Nations system. While the need to address major defects in extant institutional arrangements had existed for at least a decade, actors faced sharp coordination dilemmas. Leading developed countries feared that, if they bargained cooperatively with developing countries, they risked the rise of environmentally damaging pollution havens in the global South. Developing countries feared that cooperating with industrialized countries could lead to the rise of environmentally motivated nontariff trade barriers and green conditionality in the provision of development assistance. Although all sides had much to gain from international cooperation in the environment field, this strategic dynamic hampered greatly efforts to institute new rules and procedures that could address planetary decline.

The inertial drift in UN environmental affairs persisted until 1972, when UNCHE emerged as a highly conspicuous focal juncture, or Temporal Focal Point. Though the Stockholm conference was initially seen as a relatively low-level technical affair, it quickly gathered momentum and provided a focal time frame that enabled a temporal convergence of expectations among actors, North and South. The conspicuousness of the Stockholm moment was enhanced by a string of prominent environmental disasters that occurred in the years leading up to the conference. Growing environmental concern was crystallized by UNCHE’s entrepreneurial Secretary-General, Maurice Strong. As the conference neared, actors engaged cooperatively in the search for institutional alternatives that met the changed problem-setting. The result of the conference was dramatic institutional change. The Stockholm action plan and declaration provided a number of

recommendations and principles that set out the basis for global environmental governance going forward. The conference also resulted in recommendations that led to the creation of UNEP by the UN General Assembly in December 1972.

Chapter 4 focuses on the decade after the Stockholm conference. In that period, UNEP compiled a mixed record in the promotion of global environmental cooperation. As the tenth anniversary of UNCHE neared, UNEP's Executive Director, Dr. Mostafa Tolba, spearheaded a UNEP "Session of a Special Character" (UNSSC) to regain the impetus of the Stockholm conference and address institutional defects that had become apparent between 1972 and 1982. The 1982 Nairobi conference became a highly conspicuous moment in UN environmental politics. The conference brought a period of intense focus on global environmental despoliation and on the weaknesses of post-Stockholm organizational measures. There was a large proliferation of institutional diagnostics and a heightened intensity in intergovernmental negotiations. UNSSC, therefore, constituted another Temporal Focal Point in the UN environmental sphere.

Although organizational limitations motivated members of the African group – led by Kenya and Tunisia – to propose institutional change at the Nairobi conference, underlying conditions had not changed significantly between 1972 and 1982. Lead states, including the United States and United Kingdom, maintained that existing institutional measures were, on the whole, sufficient to meet the scale of global environmental problems. Though some developing countries called for an operational mandate for UNEP, other developing countries were wary of the implications of institutional change for their sovereignty. While the Kenyan conference contributed to a temporal convergence of expectations among actors, no substantive basis for institutional change existed. States lacked an incentive to revise institutional arrangements. Despite the scheduling of a multilateral conference, a coalition sufficient in size and composition could not be built to secure institutional change. Existing institutional measures continued to represent states' best response to the global environmental problem structure in 1982.

The years following the Nairobi conference saw significant shifts in international conditions, as the Third World debt crisis greatly exacerbated environmental problems in the Global South. Chapter 5 assesses the implications of these shifts for UN environmental governance.

While environmental challenges, such as poor sanitation and local pollution, were present in parts of the developing world well before the debt crisis, mounting financial troubles caused countries in Latin America and Africa to accelerate environmental exploitation as a means of servicing unpayable external debts with export earnings. The massive shift in aggregate net resource transfers from South to North through the 1980s had serious environmental consequences.

The national and international economic decision-making structures that drove planetary decline were increasingly singled out as the chief cause of mounting environmental problems. Environmental institutions that focused primarily on cleaning up the ecological messes created by decisions taken within other institutions or branches of government were unsuitable for the new problem-setting. As external conditions shifted progressively, the World Commission on Environment and Development, which was formally established in December 1983, was deliberating. Noting the changed international problem-setting, the commission, chaired by Gro Harlem Brundtland, followed an “alternative agenda” that focused heavily on the economic drivers of environmental deterioration. The “Brundtland report,” titled *Our Common Future*, popularized the concept of sustainable development and, among many other things, proposed a series of far-reaching reforms that would institutionalize sustainable development within the United Nations system.

The Brundtland report was presented to the UN General Assembly in October 1987. The ensuing negotiations centered on ensuring adequate follow-up on the commission’s recommendations. Some states, led by Norway, sought to set in motion a detailed bargaining process to precipitate institutional change then and there. These efforts encountered problems. While the General Assembly recognized sustainable development as “a central guiding principle of the United Nations, Governments and private institutions, organizations and enterprises,” follow-up mechanisms lacked coordination. This was because countries, North and South, faced important risks in embracing sustainable development. Developed countries risked being obligated to assume an onerous financial burden in the pursuit of sustainable development, a still vague concept that could be operationalized as a developing world license to pollute and to exploit their natural resources. Developing countries feared green conditionality and unjustified intrusions on their sovereignty.

Institutional change did not therefore occur in 1987. A review of states' bargaining positions shows that all sides were broadly supportive of the Brundtland Commission recommendations. Though receptive, deep caution won the day. All sides faced important risks if they embraced the sustainable development formula at the General Assembly. Temporal coordination problems were at the root of actors' slow embrace of the WCED proposals. None wanted to limit their flexibility or compromise their bargaining position in subsequent negotiations. There was, furthermore, ambiguity concerning the timeline for institutionalizing sustainable development within the UN system. Some expected follow-up negotiations to begin immediately, while others focused instead on a notional – yet still unconfirmed – multilateral conference in 1992. A temporal divergence of expectations was the enemy of purposeful negotiations in 1987. Instead of serious bargaining, states postured, unwilling to approach talks cooperatively.

Chapter 6 begins with a brief examination of the institutional deficiencies highlighted by the Brundtland Commission. The coordination problems that prevented serious bargaining in 1987 persisted into the early 1990s, when preparations for the United Nations Conference on Environment and Development began to intensify. The “Earth Summit” in Rio de Janeiro, Brazil, quickly became a conspicuous, unique moment in time that greatly influenced state behavior. The conference took on an unparalleled prominence, generated by growing public awareness of global environmental problems, the twentieth anniversary of the halcyon days of the Stockholm conference, and the efforts of the UNCED secretariat. The Rio conference became a Temporal Focal Point in UN environmental politics.

The approaching conference provided just the stimulant needed for states to address the institutional recommendations of *Our Common Future*. A series of intensive formal and informal negotiations occurred in 1991 and early 1992 that established a consensus on significant institutional reforms. Sustainable development became the guiding principle for the recommendations of the Rio action plan, called “Agenda 21,” and the principles contained in the Rio declaration. Organizational measures were also altered, launching a UN Commission on Sustainable Development and providing a new mandate for the World Bank-operated Global Environment Facility. Most of these proposals were shaped by the institutional change recommendations of the Brundtland Commission.

The realization of institutional change in 1992 is so compelling because it brings the power of coordination – and Temporal Focal Points – into sharp relief. Between 1987, when the Brundtland Commission recommendations were first considered by states, and 1992, underlying conditions had not changed significantly. Existing institutional arrangements, including UNEP, were widely viewed as incapable of arresting the progressive deterioration of the world environment. Many of the ideas that formed the basis for institutional change in 1992 were derived from the 1987 Brundtland report. The main difference between the WCED and Rio cases was that, in the latter instance, states had a clear temporal focus that allowed them to reach Pareto-improving agreements. The conference added a powerful impetus to talks. The approaching Earth Summit provided a temporal point of focus for actors in their efforts to reach agreement, easing coordination problems. All saw the Brazilian conference as the time to alter institutional arrangements. They invested the necessary analytical resources in the process and made the concessions required to finalize a settlement in time for the June 1992 gathering.

Chapter 7 brings the discussion forward from UNCED to the time of writing, examining the period running from 1993 to 2021. The style of the empirical analysis in this chapter is different in character from that seen in Chapters 3–6, focusing almost exclusively on an application of the theoretical framework at the level of comparative statics. Absent the extensive available archival documentation used to enable a detailed process-based evaluation of institutional change negotiations, I focus instead on an assessment of outcomes.<sup>57</sup> This approach increases the number of observations of the independent variables and heightens confidence in my theoretical propositions. The chapter first examines the period running from 1993 to 2002, culminating in an assessment of the 2002 World Summit on Sustainable Development, held in Johannesburg, South Africa. While incentives to alter institutions were present, divergent temporal expectations led to the preservation of the institutional status quo.

Institutional problems – and the incentives available to address them – persisted through the first decade of the 2000s. This situation

<sup>57</sup> Many archives follow a thirty-year rule for the release of diplomatic documents, meaning that the documents that could inform analysis of the post-UNCED period are simply not available for public consultation.

changed as momentum built toward a Temporal Focal Point: the 2012 United Nations Conference on Sustainable Development, held in Rio de Janeiro. Convergent expectations around “Rio+20” led to the swift adoption of a series of significant institutional changes, including a suite of measures to strengthen UNEP, discontinue the failing Commission on Sustainable Development, create the High-level Political Forum on Sustainable Development, and establish a process to articulate the Sustainable Development Goals. The chapter then discusses the period since 2012, analyzing key developments in UN environmental affairs.

The concluding chapter summarizes the key findings contained in the preceding chapters, highlighting the theoretical implications of this book. The Conclusion assesses the extent to which the theoretical framework outlined in Chapter 2 hold up through the case studies contained in Chapters 3–7. The chapter ends with a discussion of some promising theoretical avenues opened up by this framework and policy implications of my analysis. It surveys the global environmental and political context at the time of writing, underlining incentives to reform current UN environmental institutions and the presence of temporal coordination dilemmas. It concludes by assessing the potential for the arrival of a Temporal Focal Point in the current context.

## Conclusion

This chapter highlights some puzzling features of the record of major changes in international institutions. States face important challenges in altering institutions, particularly when incentives to revise cooperative structures accumulate gradually. In addition to reaching agreement on a particular institutional alternative, therefore, actors must first reach a convergence of expectations to address accumulating incentives at one point in time. In addition to detailing the nature of these coordination dilemmas, this chapter summarizes the principal empirical findings of this book. In the next chapter, I provide a more detailed theoretical discussion of these issues and set out the rationale for case study selection and data collection.