Mechanisms of International Trust and Cooperation Under Overlapping Informal Institutions: A Theoretical Consideration

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Abstract: Previous studies have shown that formal international institutions or inter-governmental organizations (IGOs) result in international cooperation on the avoidance of war, the increase of trade volume, and so on. Does this causal link also apply to informal or less legalized institutions? If so, why?

Studies have claimed that even informal IGOs result in international cooperation through such mechanisms as information transmission, normative regulations, and networks. Their explanations fall short, however, because they have not fully considered the issue of trust. The present paper argues that overlapping IGOs, *even those composed of informal organizations*, can result in international cooperation since they provide countries with opportunities to send credible signals and build trust with each other. "Overlapping IGOs" are here defined as those that have a group of common member countries as well as countries that differ (e.g. the European Community (EC), the North Atlantic Treaty Organization (NATO), and the Conference on Security and Cooperation in Europe (CSCE)). Overlapping IGOs can result in international cooperation by offering member countries opportunities to cross-check the credibility of signals sent by a member country involved in multiple IGOs. Since preceding studies have succeeded in identifying causal relations but not causal mechanisms, this study mainly focuses on the theoretical argument surrounding the significance of trust between countries in helping IGOs promote international cooperation.

Keywords: informal international institutions, overlapping international institutions, international cooperation, trust, credible signals, causal mechanisms

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1. Introduction

Previous studies have argued that international institutions or inter-governmental organizations (IGOs)[1] result in international cooperation on issues such as the avoidance of war and the increase of trade volume. In this paper I will attempt to explain that this causal link also applies to informal or less legalized institutions.[2] As an example, many informal IGOs such as the APEC (Asia-Pacific Economic Cooperation), the ARF (ASEAN regional forum, and the EAS (East Asia Summit) exist in the Asia Pacific region. These IGOs have sometimes been labeled "talk-shops" implying their inability to influence international politics. Do these IGOs result in international cooperation? If so, why? This is the research question considered in this paper.

Some studies have claimed that even informal IGOs result in international cooperation through such mechanisms as information transmission, normative regulations, and networks. Given the importance of trust[3] for the realization of international cooperation, however, the absence of this issue in their analyses weakens their theoretical explanations. Even if previous studies have succeeded in showing certain causal relations, they have not succeeded in proposing persuasive causal mechanisms. Hence, this study mainly focuses on the theoretical argument about how IGOs result in international cooperation via trust-building.

The present paper argues that overlapping IGOs, even those composed of informal organizations, can result in international cooperation since they help a country[4] to send credible signals and build trust among countries. Overlapping IGOs, here defined as those which have a group of common member countries in addition to countries that differ (e.g. EC, NATO and CSCE), achieves the above function by offering member countries opportunities to cross-check the credibility of a country's signals across various IGOs.

This paper proceeds as follows. In the next section, the existing studies on the influences of international institutions are reviewed and their theoretical problems are critiqued. In section three, the argument that overlapping institutions can help promote trust, and hence cooperation, among countries is developed further. Next, this argument is illustrated using the case of East Asia. Finally, the conclusion discusses the implications of the argument in this paper.

2. Existing Studies

There are five main lines of arguments about the influences of IGOs on international politics: neorealism, neoliberal institutionalism, constructivism, regime complex, and network

[1]This paper use international institutions and inter-governmental organizations (IGOs) interchangeably.

[2] Whether an IGO is formal or not can be measured by the degree of legalization (Goldstein et al. 2001), for instance. The degree of an IGO's legalization is measured by the degree of obligation, precision, and delegation. "Obligation means that states or other actors are bound by a rule or commitment or by a set of rules or commitments. Specifically, it means that they are legally bound by a rule or commitment in the sense that their behavior thereunder is subject to scrutiny under the general rules, procedures, and discourse of international law, and often of domestic law as well. Precision means that rules unambiguously define the conduct they require, authorize, or proscribe. *Delegation* means that third parties have been granted authority to implement, interpret, and apply the rules; to resolve disputes; and (possibly) to make further rules." (Abbott et al. 2000, 401).

[3] Following Kydd (2005), trust is defined here as a belief that the counterpart is trustworthy, that is, willing to reciprocate cooperation.

[4] In this paper, country and (executive branch of) government are used interchangeably.

analysis.[5] While neorealism negates the autonomous influences of IGOs, the latter four claim that IGOs promote international cooperation. I introduce their arguments and shortcomings in order.

2.1 Neorealism

Neorealism emphasizes survival as the most important national interest because international politics occur under anarchy. Therefore, the distribution of capabilities among countries is taken as the most important determinant of international politics.[6] Under anarchy, nothing but military force prevents a country from breaking international agreements for the purpose of its national interest. Such a situation makes it difficult for countries to cooperate with each other since a country cannot trust its counterpart's intention to cooperate.

Hence, according to neorealism, IGOs cannot force countries to accept nor follow international agreements which deviate from their national interest. Neorealism negates the influence of IGOs on international politics independent from power politics among countries (Mearsheimer 1994). In fact Krasner (1991), which exceptionally argues IGOs from the perspective of neorealism, claims that the content or rules of IGOs reflect the distribution of power among countries. Krasner (1991) does not consider IGOs to have influences autonomous from power politics.

Neorealism is unable to explain, however, why countries have participated in so many IGOs. Given that countries are instrumentally rational under the theory of neorealism, and given that countries do indeed participate in multiple IGOs, then a reason, or a purpose, must exist that explains this participation. Yet, because neorealism negates the influence of IGOs on international politics independent from power politics among countries, the theory indicates that there is no difference in whether or not a country participates in multiple IGOs. A conclusion based on neorealism would thus indicate that IGOs have no influence at all on international cooperation, but leave unaddressed the reasons why countries choose to participate so frequently.

2.2 Neoliberal Institutionalism

The main purpose of neoliberal institutionalism represented by Keohane was to refute neorealism's claim that it is difficult for countries to cooperate since a country cannot trust its counterpart's intention to cooperate. Neoliberal institutionalism argues that even if international politics is under anarchy and countries are rational actors, countries can cooperate with the help of international institutions or regimes.[7] International institutions or IGOs can result in international cooperation by undertaking such functions as hosting forums where countries' intentions are revealed, monitoring whether countries follow an international agreement or defect, and coordinating issue linkages.[8]

[5] There are studies that consider IGOs as causal factors and those that consider IGOs as outcomes. Because this paper is in line with the former, the main focus here is on the former. Some might suspect that considering IGOs as causal factors includes the endogeneity problem (von Stein 2005). Although each individual IGO should be established intentionally, overlapping IGOs as a whole cannot be thought to be constructed intentionally from the beginning. Hence, the present paper exploring overlapping IGOs can be thought to be free from this problem.

[6] Waltz (1979), Mearsheimer (2001).

[7] Keohane (1984); Chayes and Chayes (1998), Young and Levy (1998), Simmons (2000), Gartzke, Li, and Boehmer (2001), and Pevehouse and Russett (2006).

[8] For issue linkages, see Davis (2004).

The above argument applies to formal IGOs but not to informal ones. Assume that one IGO monitors member countries' behavior and this monitoring function is detailed in its rules, while another IGO does not. In this case, the former IGO is formal or legalized, while the latter is not. When the monitoring functions of an IGO are weak, a country cannot know for sure whether its counterpart is cooperating, and this leads to the country's mistrust of its counterpart. Thus, informal IGOs become unreliable[9] and cannot encourage a country to trust that its counterpart will cooperate.

It is thus difficult for neoliberal institutionalism to explain why informal IGOs result in international cooperation. Because there are far more informal IGOs in the world than formal ones, explanations with only the latter in mind cover limited phenomena. Can even informal IGOs help build trust among countries? If so, why? Neoliberal institutionalism cannot answer these questions.

2.3 Constructivism

Constructivism emphasizes the normative influences of IGOs rather than interest-based influences. According to constructivism, IGOs promote international cooperation through changing the identities and norms held by the member countries and having member countries share common norms.[10] As such changes in identity or norms induce a change of preference from hawkish to dovish, for instance, the member countries come to cooperate without the fear of their counterparts' defection. Moreover, constructivism claims that even informal IGOs promote international cooperation because normative or ideational change is realized by persuasion, which does not necessarily require formal IGOs.

The argument here—that if the norms and preferences held by a country clearly change into cooperative ones, its counterpart may come to trust the country and consider cooperating with it—is certainly valid. The problem, however, is *how* the counterpart knows for sure that the country's norms and preferences have changed and that the country has become trustworthy. The change of a country's preference and whether or not its counterparts trust this change are two very different things. Even Wendt (1992), a leading constructivist, implies that for a change in a country's identity and preference to be believed, some unilateral and costly behaviors are necessary. That is, the change in identity or norm cannot be believed automatically. Without further explanation of how IGOs can facilitate belief of such changes by other member countries, we cannot understand sufficiently why informal IGOs promote international cooperation via normative influences.

2.4 Regime Complex

Neoliberal institutionalism and constructivism have offered explanations about the autonomous influence of formal IGOs on cooperation among countries. They have not succeeded in explaining those of informal IGOs, however. One of the limitations of these studies comes from the fact that they have focused exclusively on the influences of individual IGOs, and overlooked the co-existence of multiple, overlapping IGOs. The influence of the co-existence of multiple IGOs may be more than just the aggregation of the influences of each IGO. Therefore, it may be fruitful to explore this point.

[9] Downs, Rocke, and Barsoom (1996).

[10] Deutsch (1957); Finnemore (1996); Johnston (2001); Russett and Oneal (2001).

There are two kinds of arguments exploring the influences of the co-existence of multiple IGOs: regime[11] complex and network analysis. The former, regime complex describes a situation in which multiple IGOs are involved in the same issue. For instance, with regard to the issue of human rights, the Vienna Convention on the Law of Treaties, the United Nations, the World Trade Organization, and Regional Trade Agreements (Hafner-Burton 2009) are each a venue where human rights issues can be raised. Regime complex arguments tend to focus on countries' behavior, or forum shopping. Forum shopping describes countries' strategic selection of an international organization through which to seek their goals among multiple choices (of IGOs). Returning to the example of human rights, in order to have a foreign country protect the human rights of its people, the European Union has multiple choices (IGOs) as described above (Hafner-Burton 2009).

According to previous studies, a regime complex can be thought to promote international cooperation (better than a single IGO) by increasing the reputation cost of not complying with international agreements, and by offering many forums for international cooperation.[12] However, as Drezner (2009) pointed out, the existence of multiple IGOs may privilege great powers at the expense of weaker states. This is because utilizing multiple IGOs requires considerable expenditure of resources including monetary resources, legal knowledge and technical expertise related to the issue area at hand. What regime complex yields, thus, may be power politics rather than rule-governed politics. It follows that, as in the case of neorealism, IGOs do not have influences autonomous from power politics.

2.5 Network Analysis

An increasing number of studies have sought to grasp the influence of the co-existence of multiple IGOs by applying network analysis developed in sociology.[13] Previous studies applying network analysis to international politics have argued that networks of IGOs have two kinds of influence.

First, the network ties a country has within a network of IGOs (such as centrality and structural equivalence in the network) determine the behavior of the country.[14] A country occupying a position of high centrality within a network is expected to have large influence on international politics. Countries occupying structurally similar positions in a network are predicted to behave similarly. This first type of argument is adequate for explaining the difference or similarity between countries, but not at explaining international cooperation.

Second, some studies based on network analysis have argued that networks of (even informal) IGOs result in international cooperation by decreasing transaction costs and providing communication channels between IGO member countries. Two countries can cooperate when they are co-members of an overlapping set of IGOs. The more IGOs to which two countries belong simultaneously, the more likely they are to cooperate. Other studies also argue that belonging to a network of IGOs can serve to create social capital for members, building trust among countries. The fields of international cooperation examined by network analyses range from war avoidance (Russett and Oneal 2001; Dorussen and Ward 2008) to trade (Ingram, Robinson, and Busch 2005), and statistical analyses have supported those claims in their analyses.

[11] Regime, institution, and IGO can be considered interchangeably.

[12] For an overview of regime complex analysis, see Alter and Meunier (2009).

[13] Granovetter (1985), Uzzi (1996), for instance.

[14] Hafner-Burton et al. (2009).

These studies based on network analysis have the same defect as constructivism. They do not explain persuasively the causal mechanism between networks of IGOs and international cooperation via trust.[15] First, why can networks of informal IGOs provide communication channels through which member countries can come to trust each other? Aren't they just "talk-shops" where only "cheap-talk" occurs? Especially in the field of security, where countries cannot trust easily, we need further explanation of why these "talk-shops" can enable countries to send credible signals. Second, the role of offering communication channels can be undertaken not only by IGOs but also by bilateral meetings, for instance. Since the influences claimed by network analysis can be achieved by measures other than IGOs, the explanation is not convincing.

2.6 Summary

Previous studies have not provided adequate explanations of the influence of informal IGOs on international cooperation. First, neorealism argues that the effectiveness of IGOs are not autonomous from power politics. Regime complex arguments also reached similar conclusions. Second, studies utilizing neoliberal institutionalism and constructivism have not offered convincing explanations of the connection between informal IGOs and international cooperation mainly due to the lack of consideration of the issue of trust. Moreover, they have focused on the influences of each single IGO but not those of the co-existence of multiple IGOs. Third, although studies utilizing network analysis have explored the influences of the co-existence of multiple IGOs, they have also not considered the issue of trust sufficiently. Furthermore, the causal effects claimed by network analysis can be achieved through measures other than multilateral IGOs. Thus, all the previous arguments have not proposed persuasive causal mechanisms linking informal IGOs and cooperation. This is mainly because they have not considered in depth how informal IGOs can bring countries to trust each other. In summary, they have succeeded in showing a causal relation, but not in providing a persuasive explanation of the causal mechanism between informal IGOs and international cooperation. This is what the next section tries to make clear.

3. Argument

Uncertainty about a counterpart's intention is one of the main obstacles to international cooperation. Therefore, to achieve significant cooperation between and among countries, the presence of trust is one of the most important conditions, and one that can be difficult to build. Trust, following Kydd (2005), is defined here as a belief that the counterpart is trustworthy, that is, willing to reciprocate cooperation. A counterpart may have incentives to hide or misrepresent its true preference. That is, a counterpart sending a signal that it is willing to cooperate may think it will gain some benefit by deceiving. If a country mistakenly trusts its counterpart, the trust may lead to its counterpart's defection and may lead to a disastrous outcome. Thus, a country cannot trust its counterpart easily. Problems such as the Prisoner's dilemma and the Security dilemma, which make international cooperation difficult, arise due to the lack of trust. Therefore, it is only when a country can credibly convey to its counterpart that its intention for cooperation is real that international cooperation becomes possible. As such, the research question on the link across informal IGOs and cooperation is equivalent to asking whether informal IGOs help countries send credible signals or messages about its intention and why.

[15] Snidal (2008).

Under what conditions can a country's signals through words or deeds be credible? We can think of at least three such conditions. First, when a signal is such that it will lead to a severe punishment if it turns out to be a lie or bluff, the signal becomes credible. Secondly, if the content of a signal makes it costly for a sender to send out the signal, the signal becomes credible. And thirdly, a signal tends to be credible when it is made under circumstances in which others can easily know whether the signal is a lie or not.

The following subsection explains the first and second conditions under which signals become credible. The subsection that follows explains how overlapping informal IGOs help a member country send credible signals and become trustworthy through the third condition.

3.1 Conditions Leading to Credible Signals

The first condition is that when a signal is such that it will lead to a severe punishment if it turns out to be a lie or bluff, the signal becomes credible. Under such conditions, countries would not send false signals nor misrepresent their preference so as to avoid severe punishment. Thus, signals sent in such a condition can be credible. This condition is what Fearon (1997) calls "tying hands." A country can send credible signals by tying hands, creating audience costs that they will suffer *ex post* if they do not follow through on their words.

Assume that a country threatens its counterpart with attack if the counterpart does not comply with its demands. This threat creates an audience cost for the threatening country or government. If the counterpart does not comply with the government's demand and the government does not follow through on its threat (its signal), it suffers from criticism for the lack of action and loses its political support.[16] Thus only countries or governments that are resolved to follow through on its words would send such signals. Under this condition, the signal can be considered credible.

The second condition under which a signal becomes credible occurs when the content of a signal makes it costly for a sender to send out the signal. This condition is what Fearon (1997) called "sinking costs." For instance, when a country tries to show its intention to protect its ally in the case of another country's attack, it can send a credible signal by taking actions such as mobilizing troops that are financially costly *ex ante*.[17] Only countries or governments that are resolved to protect an ally will be able to send such signals. Such signals can be considered credible. Whereas the signal itself is not difficult to send in the first condition, it *is* in the second condition. This second type of condition can also be created with participation in formal IGOs such as the NATO.

These first and second conditions are similar in that they enable countries to differentiate between credible and non-credible signals by judging the potential or actual cost of signals. This is because costly signals are more likely to be sent by countries resolved to abide by their stated intentions, as explained above. Moreover, while the above logical arguments have been mainly applied to confrontational international bargaining, they can also be applied to cooperative bargaining.[18] As Kydd (2005) argues, a country must send costly signals in order to reassure a counterpart and cooperate with it, just as it must in order to threaten or deter a counterpart.

In sum, making signals costly either *ex ante* or *ex post* has been thought to be critical

[16] The political consequences are greater for democratic regimes than non-democratic.

[17] See also Morrow (2000).

[18] Ishida (2008).

conditions for signals to be credible. Under anarchy, however, IGOs cannot create large audience costs in the same way that occurs in domestic politics. This is because governments need international support much less than domestic political support for re-election. Informal or less legalized IGOs also seem unable to make member countries send *ex ante* costly signals. Informal IGOs seem to allow member countries to just make "cheap-talk." Therefore, in order to explore how informal IGOs make signals credible, I move to the third condition for making signals credible.

3.2 Informal IGOs Lead to Credible Signals

How can informal IGOs help countries send credible signals about their intentions? The present paper argues that informal, overlapping IGOs enhance the credibility of signals sent by countries through the establishment of circumstances conducive to the third condition described above[19]; i.e., the signal will be more credible under circumstances in which the signal, if in fact false, would easily be revealed to be so.

Once again, I define overlapping IGOs to be a set of multiple IGOs with a group of common member countries as well as countries that differ. For instance, EC, NATO and CSCE can be considered a group of overlapping IGOs since they share many member countries in common, but also have member countries that do not belong to one or more of the other organizations (e.g. U.S. and Russia). Some countries (e.g. Germany and the U.K.) though participate in all of the overlapping IGOs, and are what I refer to as core member countries.

In modern international political arrangements, more often than not a country belongs to multiple IGOs. A country belonging to multiple IGOs cannot avoid sending signals through the various organizations and run the risk of sending incoherent signals through the following two mechanisms. First, a country sends different representatives to different IGOs. The differences in representation range from differences in the level of representatives (e.g. president or prime minister versus a minister) to differences in the representatives' field of specialty (e.g. defense versus foreign policy). Changes of government may also result in a change of representatives. Owing in part to the differing roles they assume at certain levels of representations, different representatives may have different preferences and thus send different signals.

Second, while a group of IGOs may overlap in its member countries, the membership breakdown of each IGO will differ; one IGO may include a country with greater power whereas another IGO may not. It is possible for a signal sender to alter its signal content from one IGO to another, resulting in inconsistent signal content. For instance, in an IGO with powerful member countries such as the U.S., a signal-sending country may be tempted to counter the powerful member or worry about that member's reaction, while in another IGO without a such a member the country may not.

Inconsistent signals sent by a country across IGOs will be revealed because its counterpart can cross-check the signals put out by the country. *Only when* the signals by a country are consistent across the IGOs can the country be trusted by its fellow members.[20]

In a group of overlapping IGOs, this cross-checking function becomes more available to core member countries than non-core member countries. This is because core member

[19] The argument by Shultz (2001) can be thought to be in line with this condition.

[20] Please note that the point here is not just the number of times signals are made but also the change in audience to which signals are sent across IGOs. For just the number of times could be also achieved through bilateral meetings.

countries, by definition, have more opportunity to receive signals from other core members across IGOs. Therefore, core member countries can easily cross-check signals sent by the other member countries in multiple IGOs. As such, if signals sent by the members across IGOs are consistent, core members will tend to trust each other more than non-core members.[21] In this way, the existence of overlapping IGOs contributes to trust-building among core member countries. Thus the following proposition is derived: core member countries in overlapping IGOs can trust and cooperate with each other even if the IGOs are informal ones.

The causal mechanism of the role of IGOs explained above is different from that claimed by network analysis in that it explains how IGOs help build trust. IGOs play this important role by offering opportunities to cross-check signals delivered by core member countries. Furthermore, signal cross-checking requires the existence of multiple IGOs in which multiple countries, including both core and non-core members, participate; it cannot be undertaken through bilateral meetings.[22]

4. An Illustrative Case: Overlapping Informal IGOs in East Asia

In order to illustrate the plausibility of this paper's argument, this section introduces the example of overlapping IGOs in East Asia.[23] A case study is an appropriate method for the present study since the primary difference between preceding studies and this study lies in the causal mechanism rather than causal relation.[24]

One of the reasons for choosing this case is the type and the number of IGOs in the region. As shown in Figure 1 below, the overlapping IGOs in East Asia include the ASEAN Regional Forum (ARF), Asia-Europe Meeting (ASEM), Asia-Pacific Economic Cooperation (APEC), ASEAN +3 (China, Japan, and South Korea), ASEAN +1 (with countries such as China and Japan), and the East Asia Summit (EAS). This regional arrangement permits us to check the present paper's argument on overlapping informal IGOs. First, the region provides us with a large number of overlapping IGOs containing set of core member countries—the members of ASEAN (the Association of Southeast Asian Nations), China, Japan, and Korea. Second, as is well-known, IGOs in East Asia are so informal that they are often called "talk-shops". The degree of obligation, precision, and delegation of IGOs in the region are very low. Acharya (2001), for instance, explains the informality of IGOs centered around ASEAN as the "ASEAN way." Thus, this regional situation offers the best material to illustrate my argument on the influence of overlapping, informal IGOs.

Another reason why this region was chosen as a case study is that the region has peaceful international relations although the region is not theoretically and historically predicted to have peaceful international relations. First, theoretically, there are few democratic countries, so democratic peace theory does not explain peaceful relations in the region. Second, little unity exists among countries in the region in terms of religion, language, stage of development, and so on. Third, historically,

[21] Some might counter-argue that a signal-sending country can misrepresent its signal across overlapping IGOs because it knows in advance that its signal can be cross-checked. This counter-argument is persuasive *only if* we assume that a country or a government is unitary. As in the first mechanism, this paper does not assume so.

[22] Moreover, the amount of what a country can know about what its counterpart signals is limited if it does not participate in IGOs to receive signals face to face. Thus, a mere network or series of bilateral meetings is not enough.

[23] In this paper, East Asia includes so-called Northeast Asia and Southeast Asia.

[24] Mahoney (2007), George and Bennett (2004), Brady and Collier (2004).

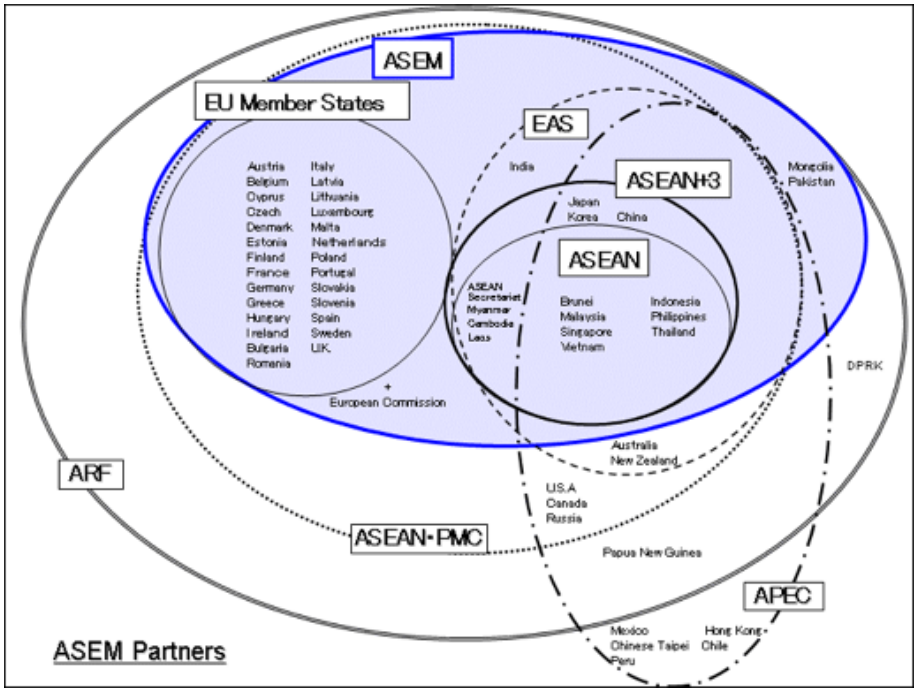

Figure 1: Overlapping IGOs in the East Asia
(Source: Website of the Ministry of Foreign Affairs of Japan)

the region has had many territorial disputes. China and Southeast Asian countries, for example, have experienced disputes on many issues such as the Spratly islands. Finally, there has been a change in the distribution of power among countries due to the rapidly rising power of China, which raises the probability of conflicts according to realism. In 1980's and 90's when the U.S.S.R. and the U.S. lowered their presence in Southeast Asia, China took some of the Spratly islands from Southeast Asian countries such as Vietnam and Philippines by force. Such history has made Southeast Asian countries mistrust China, and this mistrust is thought to be difficult to rectify.[25] As alternative explanations such as realism and democratic theory cannot explain why the region has peaceful international relations, East Asia's security is a suitable case for showing the influence of overlapping IGOs.

Some existing studies make clear that IGOs such as the ARF have resulted in trust and international cooperation among countries in this region. If the ARF[26] has changed the preference of China towards cooperation, as Johnston and Evans (1999) and Acharya (2001) argue, the IGO must be desirable to all the countries in the region. However, this is not the case. On one hand, East Asian countries think, at least to some extent, that they have succeeded in persuading China to behave peacefully through IGOs such as the ARF, and trust that China now prefers peaceful solutions over military force.[27] On the other hand, the U.S. and Australia are dissatisfied with the ARF in its informality.[28] However, preceding studies based either on realism, neoliberal institutionalism, constructivism, or network analysis have not offered a persuasive answer as to the source of their dissatisfaction.

[25] Johnston and Evans (1999).

[26] The ARF is an IGO on security with the objective of "foster(ing) constructive dialogue and consultation on political and security issues of common interest and concern" (cited from the website of ARF), which has been dealt with by quite a few previous studies.

[27] Katsumata (2009).

[28] See Yuzawa (2006, 788-790), for instance.

Following the argument of this paper, we can understand that the U.S. and Australia (but not East Asian countries) are dissatisfied with the ARF partly because they are not core member countries of the overlapping IGOs.[29] For instance, security problem between China and Southeast Asia countries has been discussed across the overlapping institutions such as ARF, ASEM and ASEAN+3 where the U.S. and Australia have not participated. That is, East Asia countries (but not the U.S. and Australia) can cross-check signals sent by China. In fact, throughout the IGOs, China has consistently shown a positive attitude towards peaceful solutions of disputes between China and ASEAN countries.[30] As the U.S. and Australia are not core member countries and do not share as many IGOs with other countries as East Asian countries, they do not receive credible signals, resulting in mistrust. This lack of trust leads them to claim the necessity of more formal IGOs, which would force countries such as China to make costly signals (the second condition for making credible signals). Thus, the dissatisfaction held by the U.S. and Australia can be understood when one takes the issue of trust into consideration.

5. Conclusion

Do informal institutions or IGOs result in international cooperation? Preceding studies such as neoliberalism, constructivism and network analysis have answered yes and have shown the causal relation empirically. Yet, they have not explained the causal mechanism persuasively. The present paper demonstrated that we can explain the causal mechanism persuasively by 1) considering the influence of the co-existence of multiple IGOs rather than that of a single IGO, and 2) taking the issue of trust into serious consideration. The lack of consideration on these two points is the reason why previous studies cannot explain the research question theoretically.

To illustrate the validity of my argument, the brief example of the overlapping informal IGOs in East Asia was introduced. It implied that informal overlapping IGOs allow core member countries to trust each other more than non-core member countries, as postulated by my argument.

Before concluding the paper, let me clarify what this paper does *not* claim. The paper's argument does not imply that preceding studies have been wrong. Preceding studies and this study are not contradictory but rather complementary. For instance, I do not negate the argument of constructivists that IGOs promote international cooperation through a change in the norms and preferences held by member countries. What this paper has attempted to do is to fill in the gap with a specific causal mechanism. For this purpose, I introduced a causal mechanism through which IGOs allow a change of a member country's norm or preference to be believed by other member countries.

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