

Chapter Two

Actors and Levels of Analysis of International Relations

The principal actors in IR are the world's governments. Scholars of IR traditionally study the decisions and acts of those governments in relation to other governments. The international stage is crowded with actors large and small that are intimately interwoven with the decisions of governments. These actors are individual leaders and citizens. They are bureaucratic agencies in foreign ministries. They are multinational corporations and terrorist groups. But **the most important actors in IR are states.**

- State actors

A **state** is a territorial entity controlled by a government and inhabited by a population. A state government answers to no higher authority; it exercises *sovereignty* over its territory—to make and enforce laws, to collect taxes, and so forth. This sovereignty is recognized (acknowledged) by other states through diplomatic relations and usually by membership in the United Nations (UN). The population inhabiting a state forms a *civil society* to the extent that it has developed institutions to participate in political or social life. All or part of the population that shares a group identity may consider itself a *nation*. The state's government is a *democracy* to the extent that the government is controlled by the members of the population. In political life, and to some extent in IR scholarship, the terms *state*, *nation*, and *country* are used imprecisely, usually to refer to state governments. (Note that the word *state* in IR does not mean a state in the United States.)

With few exceptions, each state has a capital city—the seat of government from which it administers its territory— and often a single individual who acts in the name of the state. We will refer to this person simply as the “state leader.” Often he or she is the *head of government* (such as a prime minister) or the *head of state* (such as a president, or a king or queen). In some countries, such as the United States, and most presidential states, the same person is head of state and government. In other countries, the positions of the president or royalty, or even the prime minister, are symbolic. In any case, the most powerful political figure is the one we mean

by “state leader,” and these figures are the key individual actors in IR, regardless of whether these leaders are democratically elected or dictators. **The state actor includes the individual leader as well as bureaucratic organizations** such as foreign ministries that act in the name of the state.

The **international system** is the set of relationships among the world’s states, structured according to certain rules and patterns of interaction. Some such rules are explicit, some implicit. They include who is considered a member of the system, what rights and responsibilities the members have, and what kinds of actions and responses normally occur between states.

The modern international system has existed for only 500 years. Before then, people were organized into more mixed and overlapping political units such as city-states, empires, and feudal fiefs. In the past 200 years the idea has spread that *nations* —groups of people who share a sense of national identity, usually including a language and culture— should have their own states. Most large states today are such **nation-states**. But since World War II, the decolonization process in much of Asia and Africa has added many new states, some not at all nation states. A major source of conflict and war at present is the frequent mismatch between perceived nations and actual state borders. When people identify with a nationality that their state government does not represent, they may fight to form their own state and thus to gain sovereignty over their territory and affairs. This sub state nationalism is only one of several trends that undermine the present system of states. Others include the globalization of economic processes, the power of telecommunications, and the proliferation of ballistic missiles.

The independence of former colonies and, more recently, the breakup into smaller states of large multinational states (the Soviet Union, Yugoslavia, and Czechoslovakia) have increased the number of states in the world. The exact total depends on the status of a number of quasi-state political entities, and it keeps changing as political units split apart or merge. The UN had 193 members in 2013.

The population of the world’s states varies dramatically, from China and India with more than 1 billion people each, to microstates such as San Marino with 32,000. With the creation of many

small states in recent decades, the majority of states have fewer than 10 million people each, and more than half of the rest have 10 to 50 million each. But the 17 states with populations of more than 80 million people together contain about two-thirds of the world's population.

States also differ tremendously in the size of their total annual economic activity— **Gross Domestic Product (GDP)** —from the \$15 trillion U.S. economy to the economies of tiny states such as the Pacific island of Tuvalu (\$36 million). The world economy is dominated by a few states, just as world population is.

A few of these large states possess especially great military and economic strength and influence, and are called *great powers*. The most powerful of great powers, those with truly global influence, have been called *superpowers*. This term generally meant the United States and the Soviet Union during the Cold War, and now refers to the United States alone.

Some other political entities are often referred to as states or countries although they are not formally recognized as states. Taiwan is the most important of these. It operates independently in practice but is claimed by China (a claim recognized formally by outside powers) and is not a UN member. Formal colonies and possessions still exist; their status may change in the future. They include Puerto Rico (U.S.), Bermuda (British), Martinique (French), French Guiana, the Netherlands Antilles (Dutch), the Falkland Islands (British), and Guam (U.S.). Hong Kong reverted from British to Chinese rule in 1997 and retains a somewhat separate identity under China's "one country, two systems" formula. The status of the Vatican (Holy See) in Rome is ambiguous, as is Palestine, which in 2012 joined the Vatican as the UN's only *nonmember observer states* . Including such territorial entities with states brings the world total to about 200 state or quasi-state actors. Other would-be states such as Kurdistan (Iraq), Abkhazia (Georgia), and Somaliland (Somalia) may fully control the territory they claim but are not internationally recognized.

- Non-State actors

National governments may be the most important actors in IR, but they are strongly influenced by a variety of **non-state actors**. These actors are also called *transnational actors* when they operate across international borders.

First, states often take actions through, within, or in the context of **intergovernmental organizations (IGOs)** —organizations whose members are national governments. IGOs fulfil a variety of functions and vary in size from just a few states to virtually the whole UN membership. The Organization of Petroleum Exporting Countries (OPEC), the World Trade Organization (WTO), military alliances such as NATO, and political groupings such as the African Union (AU) are all IGOs.

Another type of transnational actor, **nongovernmental organizations (NGOs)**, are private organizations, some of considerable size and resources. Increasingly NGOs are being recognized, in the UN and other forums, as legitimate actors along with states, though not equal to them. Some of these groups have a political purpose, some a humanitarian one, some an economic or technical one. Sometimes NGOs combine efforts through transnational advocacy networks. There is no single pattern to NGOs. Together, IGOs and NGOs are referred to as international organizations (IOs). By one count there are more than 25,000 NGOs and 5,000 IGOs. .

Multinational corporations (MNCs) are companies that span multiple countries. The interests of a large company doing business globally do not correspond with any one state's interests. MNCs often control greater resources, and operate internationally with greater efficiency, than many small states. They may prop up (or even create) friendly foreign governments, as the United Fruit Company did in the "banana republics" of Central America a century ago. But MNCs also provide poor states with much-needed foreign investment and tax revenues. MNCs in turn depend on states to provide protection, well-regulated markets, and a stable political environment.

Various other non-state actors interact with states, IOs, and MNCs. For example, the terrorist attacks since September 11, 2001, have demonstrated the increasing power that technology gives terrorists as non-state actors. Just as Greenpeace can travel to a remote location and then beam video of its environmental actions there to the world, so too can al Qaeda place suicide bombers in world cities, coordinate their operations and finances through the Internet and the global banking system, and reach a global audience with videotaped appeals. “Global reach,” once an exclusive capability of great powers, now is available to many others, for better or worse.

Some nonstate actors are *substate actors*: they exist within one country but either influence that country’s foreign policy or operate internationally, or both. For instance, the state of Ohio is entirely a U.S. entity but operates an International Trade Division to promote exports and foreign investment, with offices in Belgium, Japan, China, Canada, Israel, India, Australia, and Mexico. The actions of sub state economic actors— companies, consumers, workers, investors—help create the context of economic activity against which international political events play out, and within which governments must operate.

In this world of globalization, of substate actors and transnational actors, states are still important. But to some extent they are being gradually pushed aside as companies, groups, and individuals deal ever more directly with each other across borders, and as the world economy becomes globally integrated. Now more than ever, IR extends beyond the interactions of national governments.

Both state and nonstate actors are strongly affected by the revolution in information technologies now under way. The new information-intensive world promises to reshape international relations profoundly. Technological change dramatically affects actors’ relative capabilities and even preferences. Telecommunications and computerization allow economics, politics, and culture alike to operate on a global scale as never before.

Nonstate actors are non-sovereign entities that exercise significant economic, political, or social power and influence at a national, and in some cases international, level. There is no consensus

on the members of this category, and some definitions include trade unions, community organizations, religious institutions, ethnic groupings, and universities in addition to the players outlined above. The bulk of the newly industrialized countries (NIC)-Eurasia Group discussions centered on organizations and individuals which are truly “nonstate,” or which perform functions not typically associated with national governments in advanced Western economies:

□² *Multinational corporations* are enterprises that manage production or deliver services in at least two countries. The traditional multinational is a private company headquartered in one country and with subsidiaries in others, all operating in accordance with a coordinated global strategy to win market share and achieve cost efficiencies. A significant portion of the discussion, however, centered on the relatively recent “multinationalization” of *state-owned enterprises* such as Russia’s arms-export monopoly Rosonboronexport or Chinese oil company CNPC, which as state entities may or may not share the same incentives and goals as their private counterparts.

□³ *NGOs* (nongovernmental organizations) are organizations that are private, self-governing, voluntary, nonprofit, and task- or interest-oriented advocacy organizations. Within those broad parameters there is a huge degree of diversity in terms of unifying principles; independence from government, big-business, and other outside influences; operating procedures; sources of funding; international reach; and size. They can implement projects, provide services, defend or promote specific causes, or seek to influence policy. Discussion briefly touched on the contradiction-in-terms *Government Operated NGO (GONGO)*, which may be set up by governments to garner aid money or promote government interests.

□⁴ *Super-empowered individuals*—persons who have overcome constraints, conventions, and rules to wield unique political, economic, intellectual, or cultural influence over the course of human events—generated the most wide-ranging discussion. “Archetypes” include industrialists, criminals, financiers, media moguls, celebrity activists, religious leaders, and terrorists. The ways in which they exert their influence (money, moral authority, expertise) are as varied as their fields of endeavor. As bounded by seminar participants, this category excludes political office

holders (although some super-empowered individuals eventually attain political office), those with hereditary power, or the merely rich or famous.

There are far more shared interests between NGOs and super-empowered individuals (driven by normative agendas) than between either of them and multinationals (driven by a quest for profit and growth). At the same time they do not exist in isolation from each other; for example, NGOs may censure, lobby, or advise multinational corporations and super-empowered individuals may head a multinational or an NGO.

What is “New” About Nonstate Actors?

Influential nonstate actors are not a new phenomenon: the Hanseatic League monopolized trade on the Baltic Sea between the 13th and 17th centuries, the highly powerful East India Company was founded in 1600, European haute finance was a major contributor to the relative peace of the 19th century, and the Red Cross dates to the 1860s. What differentiates and shapes contemporary nonstate actors, however, is an unprecedented operating environment. The end of the Cold War meant that military and security issues no longer automatically dominated the economic and social ones that are the benign nonstate actors’ stock-in-trade; globalization has made financial, political, and technical resources more widely available (and constrained the developed world’s ability to make the rules); and technology and the growth of a global popular culture provide new opportunities for rallying support and getting messages across.

For **multinational corporations**, the most important change is the breaking down of the old model of multinationals headquartered in developed countries, with subsidiaries in the developing world taking orders from them. Today a growing number of multinationals (many of them state-owned enterprises) based in emerging market countries—particularly China, India, Russia, Brazil, Mexico, and Turkey—have become powers in their own right. This dynamic, reminiscent of such mercantilist constructs as the East India Company, has been instrumental in shifting corporate power away from the Organization for Economic cooperation and development(OECD) countries:

□[≡] Multinationals from China, India, Russia and other emerging-market states are offering “pariah states” that the United States would prefer to isolate an alternative source of investment that weakens the political and economic leverage of Western governments. For example, Indian energy firms are investing in Burma and Cuba, and have growing ties with Venezuela, while Chinese state-owned enterprises are investing in Iran, Sudan, Burma, and Zimbabwe.

□[≡] Emerging market-based multinationals are increasingly merging with or acquiring developed-world companies, as well as buying up other Western assets and sometimes gaining access to sensitive technologies in the process;

□[≡] The bulk of the world’s gas and oil reserves is now controlled by emerging market-based multinationals owned by or in close alignment with their home governments.

NGOs have prospered from both the growing (but primarily Western) emphasis on human, vice national, security—which raises the stock of the social and humanitarian issues in which many NGOs have unique expertise—and the involvement by billionaires in social issues.

□[≡] In contrast to traditional charitable NGOs (which tend to be characterized by small staffs, close-to-the-bone funding, and tactical outlook), the “philanthropic capitalist” (Bill Gates, George Soros, Richard Branson) charities that have emerged since the turn of the century espouse exceedingly ambitious goals and have vast fortunes at their disposal.

□[≡] Since 2001, advocacy NGOs that work transnational issues such as the environment, public health, migration and displacement, and social and economic justice have received greater visibility and influence thanks to increased public demands for action in such areas. With national governments frequently ceding the handling of these issues to NGOs, they have been allowed to encroach upon turf that had traditionally belonged to states.

□[≡] Traditional NGO networking, information exchange, and initiation of global campaigns has been exponentially enhanced by use of the internet. Changes in global politics, economics, and

society have generally (with a few exceptions noted below) enhanced the **super-empowered individual** phenomenon:

□[≡] **Industrialists** can exercise considerably more influence in global markets because their assets and leverage are now internationally diversified in ways that old-style entrepreneurs such as Andrew Carnegie (constrained by the regulatory power of the US Government) could not have achieved. The same dynamic has also enabled **international criminals** to diversify assets and escape the jurisdiction of those who would put them out of business.

□[≡] Globalized media have allowed **entertainers** to replace artists and intellectuals as leaders in shaping global public opinion. Bono, for example, has raised global consciousness about the plight of Africa, while Mia Farrow has been instrumental in pressuring China over its relations with Sudan by drawing linkages between Darfur and the 2008 Beijing Olympics.

□[≡] **Anarchists** and **terrorists** from Guy Fawkes to Mohammed Atta have carried out violent attacks that resonate across borders. But the ability to transmit information via the internet and other global media has exponentially increased the speed with which their example inspires others. Technological advances also have put ever more powerful weapons into the hands of individuals and small groups.

At the same time, globalization has actually hurt a handful of super-empowered individual archetypes. As technology and legal reforms make markets more diverse and liquid, no one **financier** can dominate corporate finance as J.P. Morgan once did. Similarly, in an age of myriad choices in television, print media, the film industry, and the internet, **media moguls** cannot hope to earn the same market share or exercise the same public influence as that of William Randolph Hearst. The web has also in many cases lowered the profile of **political activists** whose energy and indignation are expended in relative privacy over the internet instead of on the streets.

Nonstate Actors and the State

The impact of nonstate actors is context-dependent, however. The roles they play, and the influence they exert, depend upon political, economic, and social context. As a basis of comparison, the NIC-Eurasia Group seminars divided the world into three categories—weak states, modernizing states, and developed/post-industrial states—and found that most categories of nonstate actors have far more freedom of movement both in weak and in developed/postindustrial states than in modernizing ones.

Weak states tend to be former colonial holdings that never made the transition to viable nationstate. Such governments as exist struggle to provide order to society, and will often resort to force in an effort to do so. Ethno-religious and tribal factionalism predominate over nationalism. Examples include Afghanistan, Somalia, Lebanon, Congo, and a host of others.

□[≡] Depending on the country in question, “bad” sub-state actors (e.g., the Taliban, Hezbollah, al- Qaida, the Islamic Courts Union) may seriously challenge the central government; multinational corporations, including state-owned enterprises from modernizing states, may provide lucrative deals that enable weak governments (particularly in resource-rich countries) to resist international demands for political and economic reform; and NGOs may substitute for governments in the areas of sustainable development; health and nutrition; and civil, political, and human rights.

Modernizing states, encompassing 80 percent of the global population, remain entrenched in the classic state system: firmly sovereign (bristling at any real or perceived external interference in their domestic affairs) and defining national security in terms of force. Nationalism is often an instrument of state power, and unruly minorities are suppressed. Such states tend to be centralized and highly bureaucratic, with the national government involved in management of the economy. Such states can be either democratic or autocratic; prominent examples include Brazil, Russia, India, and China (the “BRICs”).

□[≡] These states habitually view foreign nonstate actors as a threat to national sovereignty, and may attempt to neutralize them by banning them outright; regulating them; and/or creating their

own “nonstate” look-alikes such as government-operated NGOs to further state goals. This is not to say that they always exert absolute control: NGOs that have been allowed to operate within a country as social safety valves may end up as forces for political or social change, and super-empowered individuals may have an influence on the most sovereignty conscious country’s domestic and foreign policies. Generally, however, modernizing states are the least hospitable ground for nonstate actors.

Developed/post-industrial states have moved beyond the absolutist model of state sovereignty found among modernizing states. Nationalism exists, but the state is increasingly out of the business of creating and maintaining a national identity. Within this world the distinction between domestic and foreign affairs disintegrates, so that mutual interference and surveillance among states becomes the norm. Borders between states are increasingly unguarded, and force is rejected as a means of settling disputes. The members of the European Union are exemplars of the states in this category.

□² A majority of the most influential *multinationals*, *NGOs*, and *super-empowered individuals* originate in, or operate from, the developed world. This is because many of the factors that empower them—communication and information technologies, globalized finance and commerce, and the global elite—are functions of developed countries. They therefore tend to carry developed-world values, morals, and ideas (e.g., free markets and human rights). All three types of nonstate actors are highly engaged in developed-world politics, economics, and culture. Although their relationship with national governments may be somewhat adversarial, they have significant influence on policy formation and may even be employed by states as a means of outsourcing foreign policy.

Levels of Analysis

Facts do not speak for themselves; they must be interpreted. If we are to move beyond a recounting of the events to an interpretation of them, we need **theory**. Theories may be based on different levels of analysis and on different assumptions about the nature of international relations. The most common taxonomy in the field refers to three levels of analysis – international, domestic/state, and individual. On what level should analysis focus? In one sense,

the answer is a given for the study of international relations. The forum is the international arena in which states are the core actors. Yet the state is not necessarily the appropriate level at which to focus analysis. The behaviour of states in the international arena may be best explained as the outcome of domestic political processes among groups or institutions within states, or by the behaviour of specific individuals within those groups or institutions.

The level-of-analysis approach was introduced by Kenneth Waltz in his study of the causes of war (Waltz 1959). Waltz searched for the causes of war at three different levels of analysis: the level of the individual (are human beings aggressive by nature?); the level of the state (are some states more prone to conflict than others?); and the level of the system (are there conditions in the international system that lead states towards war?). We can study foreign policy or IR in general at these same three levels of analysis:

- The systemic level (e.g., the distribution of power among states; their political and economic interdependence);
- The nation-state level (e.g., type of government, democratic or authoritarian; relations between the state apparatus and groups in society; the bureaucratic make-up of the state apparatus);
- The level of the individual decision maker (his/her way of thinking, basic beliefs, personal priorities).

- The System Level Analysis

One possibility for theory is to focus exclusively on the *international political system*. Such an approach presumes that domestic politics can be safely ignored in explaining state behaviour. For example, **realists** tend to focus on changes in the **balance of power** among states as a property of the system's **anarchic** structure.

Theories at the systemic level explain foreign policy by pointing to conditions in the international system that compel or pressure states towards acting in certain ways, that is, to follow a certain foreign policy. Therefore, systemic theories first need to say something about the conditions that prevail in the international system; they then need to create a plausible connection

between those conditions and the actual foreign policy behaviour of states. The various theories of the international system are not in full agreement about the conditions that primarily characterize the system. Realists focus on anarchy and the competition between states for power and security; liberals find more room for cooperation because of international institutions and a common desire by states for progress and prosperity. For many social constructivists, the goals of states are not decided beforehand; they are shaped by the ideas and values that come forward in the process of discourse and interaction between states.

So different images of the international system lead to different ideas about how states will behave. But, even if we agree on one of these theories, it remains complicated to get from the general description of the system to specific foreign policies by states. Let us focus on realism; it proclaims a post-Cold War resurgence of great-power competition in an anarchic world where states compete for power and security. This would appear to be accurate in the broad sense, for example, that US foreign policy 'is generally consistent with realist principles, insofar as its actions are still designed to preserve US predominance and to shape a post-war order that advances American interests'.

But how exactly does anarchy and self-help in the system lead to a certain aspect of US foreign policy? For neorealist such as Kenneth Waltz or Stephen Krasner the basic factor explaining state behavior is the distribution of power among states. With a bipolar distribution of power, the two competing states are compelled to 'balance against' each other and thus to become rivals: Britain was bound to balance against Germany in the First and Second World Wars because Germany was the one state that had the potential to dominate the continent and thereby pose a threat to the British Isles . . . Realism is less analytically precise when the international system is not tightly constraining. A hegemonic state, for instance, does not have to be concerned with its territorial and political integrity, because there is no other state that can threaten it.

In the absence of constraints, the balance of power will be less helpful in understanding the leading state's foreign policy. According to Stephen Krasner, 'it may be necessary to introduce other arguments, such as domestic social purpose or bureaucratic interests. A realist explanation always starts with the international distribution of power but it may not be able to end there. In

the post-Cold War world, the United States is by far the predominant power. Therefore, the US is not particularly constrained by other states or groups of states in the system.

Even in cases where the balance of power is tightly constraining, however, assumptions need to be made about what it is that states want when they compete with other states. An important distinction here is between defensive and offensive realists. Defensive realists take a benign view of anarchy; states seek security more than power. Offensive realists, such as John Mearsheimer, believe that states 'look for opportunities to gain power at the expense of rivals, and to take advantage of those situations when the anticipated benefits outweigh the costs. A state's ultimate **goal is to be the hegemon** in the system'. For defensive realists, states are generally satisfied with the prevailing balance of power when it safeguards their security; for offensive realists, states are always apprehensively looking to increase their relative power position in the system. It is clear that different foreign policies can follow from adopting either the defensive or the offensive assumption.

For realists the systemic distribution of power among states is the most important level for analyzing and explaining foreign policy. According to Kenneth Waltz: The third image [the systemic level] describes the framework of world politics, but without the first and second images there can be no knowledge of the forces that determine policy; the first and second images [the level of the individual and the level of the nation-state] describe the forces in world politics, but without the third image it is impossible to assess their importance or predict their results.

- The State Level Analysis

A second possibility for a theory of international relations is to treat the behaviour of states as the consequence of *domestic politics*, the behaviours of domestic interest groups or domestic political institutions. States are the nominal actors in the international system, but national behaviour is determined by the action and interaction of bureaucracies and legislatures, political parties, business and union lobbies, and other advocacy groups.

A comprehensive explanation of foreign policy would have to include the level of the nation-state as well as the level of the individual decision maker. One approach is to examine the relationship between a country's state apparatus and domestic society. For some realists, this relationship is important because it assesses the ability of a government to mobilize and manage the country's power resources.

Foreign policy is made not by the nation as a whole but by its government. Consequently, what matters is state power, not national power. State power is that portion of national power the government can extract for its purposes and reflects the ease with which central decision makers can achieve their ends.

According to this argument, the United States may be a very powerful nation, but national power may not be at the ready disposal of the government. For long historical periods, the US was a 'weak state' facing a 'strong society'. Consequently, the government was unable to conduct an expansive and more assertive foreign policy that matched the actual power resources of the country.

This realist analysis indicates that it is not sufficient to examine the overall or systemic distribution of power. It is also necessary to examine the connection between a country's government and its society in order to properly assess the government's ability to mobilize and extract resources from society for foreign policy purposes (e.g., military expenditures, foreign aid). Unlike realists, liberals believe that individuals, groups, and organizations in society play an important role in foreign policy. They not only influence or frustrate the government; they also conduct international relations (or 'foreign policies') in their own right by creating transnational relations that are an important element in international interactions between countries.

Sociological liberals argue that international relations conducted by governments have been 'supplemented by relations among private individuals, groups, and societies that can and do have important consequences for the course of events'. *Interdependence liberals* note that international relations are becoming more like domestic politics, where 'different issues generate different coalitions, both within governments and across them, and involve different degrees of

conflict. Politics does not stop at the water's edge'. According to these liberals, then, it is too narrow to consider foreign policy as exchanges between state elites from different countries; the complex networks of relations between societies must enter the picture as well.

Another important liberal theory of foreign policy stems from *republican liberalism*. The claim is that foreign policies conducted between liberal democracies are more peaceful and law-abiding than are foreign policies involving countries that are not liberal democracies. This can be seen as a liberal theory of foreign policy: liberal democracies are based on political cultures that stem from peaceful conflict resolution. That leads to pacific relations with other democracies because democratic governments are controlled by citizens who will not advocate or support wars with other democracies. With processes of democratization having been taking place in many countries since the end of the Cold War, there is a renewed intense debate about the liberal theory of **democratic peace**. Some critics claim that on the one hand early processes of democratization may lead to more, rather than less, conflict in the country; other critics argue that there are serious flaws in the theoretical logic, according to which liberal democracy leads to more peaceful behavior in foreign policy.

We should thus take note of a general difference in the approach of realists and liberals when it comes to foreign policy analysis focusing on the nation-state level. Realists most often see the state (i.e., the government) as a robust, autonomous unit, capable—at least most of the time—of extracting resources from society and imposing its will on society. Therefore, the analysis of foreign policy should first and foremost focus on government of the state.

Liberals, by contrast, most often see the state as a relatively weak entity which follows the bidding of strong groups in society. Foreign policy reflects and follows the preferences of different combinations of groups and individuals in domestic society. Foreign policy analysis should therefore concentrate on how different groups in society not only influence, but even preside over, the formulation of foreign policy. In both cases the relationship between state and society plays a role in the analysis of foreign policy; but the *realist approach is state-centered whereas the liberal approach is society-centered*.

One major example of corporations influencing government is what President Eisenhower called ‘the military industrial complex’ in his farewell speech in 1961. Eisenhower said: In the councils of government we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military industrial complex. The potential for the disastrous rise of misplaced power exists and will persist. We must never let the weight of this combination endanger our liberties or democratic processes. In 2002, James Fallows claimed that ‘the military–industrial complex has returned to the situation that worried Eisenhower: it doesn’t matter whether weapons are used (or usable) as long as they are bought. The military budget is, of course growing rapidly’.

The foregoing approaches at the nation-state level of analysis focus on different types of relationships between the state (government) and society. The approaches to which we now turn focus on the decision-making process within the state apparatus. They call into question whether decisions made by states are really based on ‘rational choice’. **According to rational choice, states are able to correctly identify foreign policy challenges and to make the best possible decisions in terms of benefits and costs, taking into account the goals and values of the state.** This is the **Rational Actor Model (RAM)** of decision making in foreign policy. Is this really the way states make decisions or is it more complicated than that?

The ‘bureaucratic politics’ approach rejects the idea of bureaucratic decision making as a rational process. Decision making in bureaucracies is much more a process in which individuals compete for personal position and power: ‘the name of the game is politics: bargaining along regularized circuits among players positioned hierarchically within the government. Government behavior can thus be understood . . . not as organizational outputs, but as results of these bargaining games’. A study by David Kozak and James Keagle (1988) has identified the core characteristics of the bureaucratic politics model.

Critics of the bureaucratic politics model claim that it goes too far in its non-rational view of bureaucratic decision making. Some scholars argue that decision making during crisis is less prone to bureaucratic politics because such decisions would be made at the top level by a few key decision makers with access to the best available information.

That brings us to the 'groupthink' approach. The term was coined by psychologist Irving Janis to describe a process by which a group arrives at faulty or irrational decisions. Janis defined groupthink as follows: 'a mode of thinking that people engage in when they are deeply involved in a cohesive in-group, when the members' strivings for unanimity override their motivation to realistically appraise alternative courses of action'. When groupthink occurs the group fails to consider alternative ways to arrive at the best possible decision. When decisions are affected by groupthink, the following shortcomings occur: the objectives are not precisely defined; alternative courses of action are not fully explored; risks involved in the preferred choice are not scrutinized; the search for information is poor; the information is processed in a biased way; and there is a failure to work out contingency plans. Janis identified eight primary characteristics of groupthink. Several major instances of groupthink involving United States foreign policy are identified by Janis: Pearl Harbor (the US naval commanding group believed that the Japanese would never risk attacking the US; the admiral in charge joked about the idea just before it happened); the Bay of Pigs invasion (the President Kennedy group convinced itself that Castro's army was weak and its popular support shallow; objections were suppressed or overruled); the Vietnam War (the President Johnson group focused more on justifying the war than on rethinking past decisions; dissenters were ridiculed). According to Janis, it is possible to devise a number of remedies that will avoid the negative consequences of groupthink and enhance the capabilities of groups for making better decisions. The usefulness of knowing about groupthink is not only to better explain misguided foreign policies; it is to know how to avoid them next time.

- The Individual Level Analysis

Finally, the behavior of states in international affairs can be treated as the consequence of the *actions and interactions of individuals*, such as heads of state. In this conception of international relations, national behavior may reflect either the particular choices of powerful individuals or the collective consequences of numerous individual choices. In either case, however, understanding how states behave in international affairs requires attention to individual interests, habits of thought, or world views.

Just as bureaucracies or small groups may not always make decisions based on the RAM of decision making, this applies to the level of the individual decision maker as well. Human beings have limited capacities—cognitive constraints—for conducting rational and objective decision making. According to Ole Holsti, the cognitive constraints on rationality include limits on the individual's capacity to receive, process, and assimilate information about the situation; an inability to identify the entire set of policy alternatives; fragmentary knowledge about the consequences of each option; and an inability to order preferences on a single utility scale.

Every individual acquires during the course of development a set of beliefs and personal constructs about the physical and social environment. These beliefs provide him with a relatively coherent way of organizing and making sense of what would otherwise be a confusing and overwhelming array of signals and cues picked up from the environment. These beliefs and constructs necessarily simplify and structure the external world.

A recent analysis suggests several ways in which human cognition (i.e., the process of acquiring knowledge by the use of reasoning, intuition, or perception) and policymaker beliefs matter. These effects can be expanded as follows:

1. *The content of policymaker beliefs*; an early study in 1951 characterized the belief system of the Soviet Communist elite as an 'operational code' consisting of 'philosophical beliefs' steering the diagnosis of the situation, and 'instrumental beliefs' framing the search for courses of action. Stephen Twing (1998) has explained how American cultural myths and traditions helped structure the world views and decision making styles of John Foster Dulles, Averell Harriman, and Robert McNamara during the Cold War. Robert Axelrod and others studied the 'cognitive complexity' of international decision making by tracing the influence of foreign policy beliefs in relation to specific issues.

- 2 *Organization and structure of policymaker beliefs*: the belief systems of policymakers can vary; some are coherent and comprehensive while others are fragmented and sketchy. The latter type is prone to 'uncommitted thinking': decision makers who are 'beset with uncertainty and sitting at the intersection of a number of information channels, will tend at different times to

adopt *different* belief patterns for the same decision problem'. Jimmy Carter, for example, was prone to 'uncommitted thinking', while experienced American foreign policy advisers such as Zbigniew Brzezinski and Cyrus Vance displayed coherent belief systems.

3 *Common patterns of perception (and misperception)*: there are several ways in which perception patterns can lead to biased views; one is the creation of a stereotype image of the opponent. Ole Holsti (1967) showed how John Foster Dulles held a hostile image of the Soviet Union during the Cold War, 'regardless of changes in Soviet behavior. Dulles rejected information that was inconsistent with his "inherent bad faith image" of Moscow'. Engaging in wishful thinking is another source of bias. During the Vietnam War, American policymakers were convinced that the US could not lose the war; that overconfidence led them down the path of increased entanglement and difficulty in South East Asia.

4 *Cognitive rigidity (and inflexibility) for change and learning*: deeply held images and beliefs tend to be resistant to change. In a review of Henry Kissinger's foreign policy beliefs, Harvey Starr demonstrated very considerable stability in their content over a lengthy period. When core convictions do change, they are most likely to do so following big shocks and setbacks. Mikhail Gorbachev's 'new thinking' emerged in a period of severe Soviet political and economic crisis. American leaders' image of Japan changed dramatically after the attack on Pearl Harbor. American elite views of the United States' role in world affairs were strongly affected by the Vietnam War.

When we study the general effects of systemic structures or domestic pressures on decision makers, the usual assumption we make is that of rationality, as emphasized by Robert Keohane: 'The link between system structure and actor behavior is forged by the rationality assumption, which enables theorists to predict that leaders will respond to the incentives and constraints imposed by their environments'. The literature on human cognition and belief systems raises important questions which should increase our skepticism about the rationality premise in foreign policy analysis:

Because the existence of threats depends on the perceptions of individuals and societies, we need to incorporate the **psychological dimension** of threat perception and identity formation into our more structural analyses . . . The growing attention given by neorealists to perceptual variables, the examination by neoliberals of the role of ideas, and the social constructivist focus on identity, all suggest that models operating at other levels of analysis could be strengthened by incorporating work operating at the psychological level.

Generally, there is no consensus among scholars over the most appropriate level of analysis. This can be easily illustrated by a brief overview of debates about the causes of **war**. Some scholars argue that the underlying causes of war can be found in the structure of **power** and **alliances** in the international system or in the way that structure changes over time. Others trace the roots of war to political, economic, social, and psychological factors internal to the state. Some liberal theorists argue that liberal democratic states are inherently peaceful whereas authoritarian states are more warlike. Some radical scholars argue that war results from the tendencies of **capitalist** states to expand in search of external markets, investment opportunities, and raw materials. War has also been traced to attempts by political leaders to solve their internal political problems through the adoption of hostile foreign policies, on the assumption that external conflict will promote internal harmony. Some theorists argue that war results from **misperception**, the effects of stress on **crisis** decision-making, bureaucratic rigidities, and other flaws in the decision-making process which prevent the selection of those policies that are most likely to advance the **national interest**. Others insist that decisions for war are based on very careful cost-benefit calculations incorporating interests, constraints, and uncertainties.

There are good reasons to pay attention to the levels of analysis. They help to orient our questions and suggest the most appropriate type of evidence to explore. Despite the absence of a consensus in the field about the priority that should be given to different levels, and indeed whether or not they can be clearly distinguished from each other, the choice may vary depending on the particular issue under examination.

International System and its Characteristics

Anarchy and Sovereignty

Sovereign states began spreading worldwide, and with the collapse of colonialism in the 20th century they are now the sole form of polity on Earth. The Charter of the United Nations restricts intervention and prohibits attacks on the “political independence and territorial integrity” of member states. The principle of *supreme authority within a territory* was something that most rulers before Westphalia lacked, and that all modern states claim.

What do we mean by “supreme authority”? Authority is not simply a matter of coercion that is, using force or the threat to use force to get someone to do something. Rather, it is *the right to command and be obeyed*. For example, while the state possesses a monopoly on the coercive use of power and can therefore ensure obedience of its subjects by means of force, its authority is derived from some widely accepted source of *legitimacy*: natural law, divine mandate, or a constitution. *Supreme authority then means that the holder of sovereignty is superior to all other authorities under it, and is perceived as legitimate by its subjects.*

In modern times, sovereignty is almost inextricably bound with **territoriality**. Groups of people are now defined by their residence within some particular boundaries which may have little to do with their identities. A state’s boundaries may not include all members of a particular, say ethnic, group. However, the state’s authority only extends to those members that happen to live within its borders. Conversely, *the state may encompass many diverse groups with separate identities, and yet its authority extends to all of them just because they happen to live within its borders*. As we shall see, the lack of close correspondence between territorial membership and identity derived from other sources is a frequent cause of instability today.

Hence, the **modern state system** consists of entities called *states* that have legal standing as sovereign in their territories. *There is no authority above the state within its boundaries, and similarly, no other entity can legitimately dictate a state’s activities*. For example, within a state, the system of authority is one of **hierarchy**: if we write a contract, we are bound to abide by its terms. If one of us fails to do so, the other can take the matter to court, a higher authority that can demand adherence to the agreement to an extent much greater than the contracting party itself. The court’s decision can be appealed to an even higher authority, until the process reaches the

highest one: the Supreme Court, whose decision is then final because it is the entity that the Constitution invests with ultimate legal power, and the Constitution is the source of all authority in this country.

No such mechanism exists internationally in the sense that no entity can legitimately coerce a state, a condition of **anarchy**. In this context, “anarchy” refers primarily to two features of the state system: (a) *lack of central authority*, and (b) *possible use of force by any member*. In principle, there is no authority that exercises sovereignty over states, and hence there is nothing to compel them to abide by agreements and rules that they do not wish to abide by. All states are equal. Furthermore, each one can resort to the use of force in pursuit of its goals. There is no entity that possesses the monopoly on the coercive use of power. (It is worth noting that international law permits only state use of force, other entities, e.g. pirates, terrorists, etc., are seen as illegitimate. Also, note that both features of anarchy are absent domestically: there usually exists a higher authority and we cannot legally use force.)

Sovereignty, however, is polite fiction. Although all states are in principle equal before international law, some are more equal than others. While it is true that anarchy is largely a self-help system, the enormous discrepancies in resource endowments of various states make some of them far more able to pursue their interests than others, even when this pursuit involves interference in the supposedly sovereign spheres of others. While there is no official central authority that controls states, many are subjected to various degrees of informal, but no less tangible, influences that greatly diminish their sovereign status. Moreover, this is not a recent phenomenon, but is long-standing tradition that has been around from time immemorial and that no amount of fantasy can wish away. Much of what we shall do in this class will involve studying the **hierarchical** relationships between strong and weak states, and the interactions between roughly equal states or groups of states (blocs).

So, where do these various relationships come from? Let’s think about states in the world system by analogy with people in some group living on an island with no contact to the outside world. That is, these people have no authority above themselves. Naturally, people will vary in terms of

their abilities: some will be stronger, smarter, or more cunning than others. Everyone wants to live well and prosper, for which some amount of cooperation is necessary.

The problem is now obvious. Suppose I am a small and not terribly bright person and I need to build a fence to house my pigs. You are a pretty strong guy, so I come and ask you to help me. You, not being altruistic, demand something in exchange, so I tell you I will plow your field. I do it but when the time comes for you to help with the fence, you refuse to abide by the terms of our contract. What do I do?

We live in a state of anarchy, and there is no authority that I can call upon to make you live up to your promises. In addition, since I am much weaker, I cannot force you to do it myself. Even worse, I have revealed that I am helpless, and the time when you will come and take my pigs away is probably not too far off. Unless I find a way to (a) compel you to come to terms, and (b) defend my pigs against you, I can expect to live a life that is “*nasty, brutish, and short.*” I have several options at this point. First, I can arm myself, barricade my dwelling, and prepare to fight you off. But this may not work because you are much stronger to begin with, and you will probably anticipate such an attempt and prepare yourself. Since I am not too bright, I cannot expect to outwit you. Second, I can call upon several others like me, and we can form an alliance for the purpose of fending you off, and perhaps even compelling you to do things that neither one of us separately could. This may work until you lay an ambush for each of us separately and dispatch us, destroying the alliance. Third, I can go to someone who’s even stronger than you and ask him to extend his protection to me. Of course, in exchange I will have to do certain things for him, but at least I won’t be physically harassed.

In the end, what I really want is **security** to use my wealth as I see fit, free of outside interference. We can say that this is precisely what each state pursues: an ability to create and consume wealth in a way it wants. (For now we shall abstract away from who the “it” refers to: a dictator, an elite, or the polity.) Security then refers to the extent that the state cannot be coerced to do what it does not want to do. This concern with security pervades international relations. From our analogy, we know that there are several ways states can choose to pursue security under anarchy. First, they can build up their capability to defend themselves or force others to do

what they want. In this, they must decide on the **guns versus butter** trade-off because the time and resources spent building up arms are time and resources not spent on alternative opportunities to create wealth. Second, they can create **alliances**, which is yet another method to enhance their capabilities, this time by aggregating them instead of building them up. Third, they can form **hierarchical relationships** with stronger states. These can range from protectorates (e.g. a state retains its sovereignty in all matters except defense), to informal empires (e.g. a state relinquishes sovereignty in other, usually economic and trade, matters), to formal empires, in which the state relinquishes sovereignty completely and is absorbed into the stronger state. All these are strategies for the pursuit of security.

➤ The Structure of the International System

With each state's power balanced by other states, the most important characteristic of the international system in the view of some realists is the *distribution* of power among states. Power distribution as a concept can apply to all the states in the world or just the states in one region, but most often it refers to the great power system.

The *polarity* of an international power distribution (world or regional) refers to the number of independent power centers in the system. This concept encompasses both the underlying power of various participants and their alliance groupings.

- Uni-polar System

When a single state dominates the world like the USA did in the post early 1990s when the Soviet Union disintegrated. This system is also called hegemony.

- Bi-polar System

An understanding of international relations that stresses the existence of two major centres of power (or poles). These will usually consist of a number of states who have aligned themselves to two particular powers. The **Cold War** is understood as an era marked by bipolarity.

A *bipolar* system has two predominant states or two great rival alliance blocs. IR scholars do not agree about whether bipolar systems are relatively peaceful or warlike. The U.S.-Soviet standoff seemed to provide stability and peace to great power relations, but rival blocs in Europe before

World War I did not. For **neo-realists** like Kenneth Waltz, bipolarity constitutes the most stable system of international relations.

- Tripolar systems

This system is with three great centers of power, which are fairly rare, owing to the tendency for a two-against-one alliance to form. Aspects of tripolarity colored the “strategic triangle” of the United States, the Soviet Union, and China during the 1960s and 1970s. Some scholars imagine a future tripolar world with rival power centers in North America, Europe, and East Asia.

- Multi-polar System

A **multipolar system** typically has five or six centers of power, which are not grouped into alliances. Each state participates independently and on relatively equal terms with the others. In the classical multipolar balance of power, the great power system itself was stable but wars occurred frequently to adjust power relations.

FIGURE 2.4 Power Distribution in the International System

