

5th Edition

Bruce Bueno de Mesquita

Principles of **INTERNATIONAL POLITICS**



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To the memory of Abraham and Clara Bueno de Mesquita, A. F. K. Organski, William H. Riker, and Robert Jackman. They were master mentors and exemplars of lives well lived. They taught me to reflect on how our world works for which I am forever in their debt. Though I can no longer turn to them for counsel, still I listen for their whispers on the wind.

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Los Angeles | London | New Delhi
Singapore | Washington DC



FOR INFORMATION:

CQ Press

An Imprint of SAGE Publications, Inc.

2455 Teller Road

Thousand Oaks, California 91320

E-mail: order@sagepub.com

SAGE Publications Ltd.

1 Oliver's Yard

55 City Road

London EC1Y 1SP

United Kingdom

SAGE Publications India Pvt. Ltd.

B 1/I 1 Mohan Cooperative Industrial Area

Mathura Road, New Delhi 110 044

India

SAGE Publications Asia-Pacific Pte. Ltd.

3 Church Street

#10-04 Samsung Hub

Singapore 049483

Acquisitions Editor: Elise Frasier

Production Editor: Laura Barrett

Copy Editor: Megan Markanich
Typesetter: C&M Digitals (P) Ltd.
Proofreader: Stefanie Storholt
Indexer: Kathleen Paparchontis
Cover Designer: Karine Hovsepian
Marketing Manager: Jonathan Mason
Permissions Editor: Adele Hutchinson

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Printed in the United States of America

Library of Congress Cataloging-in-Publication Data

Bueno de Mesquita, Bruce, 1946-

Principles of international politics / Bruce Bueno de Mesquita. — 5th ed.

p. cm.

Includes bibliographical references and index.

ISBN 978-1-4522-0298-3 (pbk.)

1. International relations. I. Title.

JZ1242.B84 2014

327.101—dc23 2012038576

This book is printed on acid-free paper.

12 13 14 15 16 10 9 8 7 6 5 4 3 2 1

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Preface

I am most excited about the fifth edition of *Principles of International Politics* as it represents the fulfillment of my dream to provide a readily understood, better way to study and practice international politics. This edition provides a holistic investigation of international affairs, completely reorganized, rewritten, filled with up-to-date examples—ranging from the Arab Spring to the latest efforts to solve global warming—and even with new main themes—*War, Peace, and World Order*—intended to emphasize the breadth of its theoretical perspective. It provides a focused approach that develops the logic and evidence behind international security concerns (war), international political economy concerns (peace) and interest in improving the quality of people's lives around the world (world order)—always tying these issues back to the way in which domestic political interests and divisions shape what happens in international affairs. This edition provides a detailed look at how international organizations work and a new chapter to examine the problems and prospects in achieving significant progress on global climate change through global international agreements. It also offers a careful, new evaluation of international law and domestic political interests and how they influence respect for human rights, as well as exploring central issues, especially globalization and its ties to domestic politics, and how these concerns shape global trade in goods, services and money. I also offer a close look at foreign aid policy; efforts to spread democracy and to stymie terrorism; and how, in each case, domestic politics create unintended and undesirable consequences.

The book's changes are the consequence of advances in our knowledge coupled with the incorporation of the thoughtful feedback that many of you who have taught from or studied from this book have offered me. Because of your insights, this new edition is not merely a rearrangement and update of material. It has been rewritten from the ground up. It is, in essence, a nontechnical explanation of the selectorate theory and contending alternative

theories as applied to all aspects of international affairs, examining in each case the strengths and weaknesses of approaches ranging from realism and its offshoots to constructivism and associated ideas. More so than any other introductory international relations text, this volume emphasizes how intertwined and inseparable domestic and international politics are. It shows that so many standard ideas, such as the importance of the balance of power or the benefit of global agreements, are overrated and lead to bad policy decisions. I believe we now know enough and have amassed sufficient evidence and compelling logic to conclude that we can safely move beyond structural theories and much received wisdom to examine what is actually consistent with logic and with the current state of evidence. This book strives vigorously to do just that while keeping the explanation of logic and evidence easy to follow and exciting to probe and discuss in class.

The great attraction in writing this textbook is that through its pages I gain the opportunity to give students their first exposure to international affairs and to shape how they think about international events for the rest of their lives. Today's students are our future leaders in government, business, and academia and so must be well informed not only about the facts of history but also about ideas that will guide their thinking. I have tried to present students with a view of international relations grounded in the scientific method, anchored in history and current events, and focused on a unified theoretical theme. I hope instructors will steer their students to the history appendix to be read in tandem with the introduction to the book. That way, students will begin to gain both an idea of how to think about international affairs and a common grounding in the essential trends and developments in history over the past 500 years right up to the present day. It is, after all, ideas and history that shape today's international environment.

I have used theory to explore important policy questions and to challenge intuition. Through chapter-opening, entertaining quizzes focused on surprising insights and through serious, probing evaluations of critical issues, the fifth edition urges all of us to rely on logic and evidence rather than opinion or personal predilections in forming and evaluating foreign policy.

International relations too often are studied as if they were divorced from daily politics or as a scattershot sampling of competing ideas and conjectures. It frequently is presented as a mysterious subject that depends on wisdom without the assistance of science, rather than as a subject amenable to the scientific method. And all too often it is treated as if events were

unpredictable when they can be predicted and explained through the judicious application of analytic tools, logic, and empirical rigor. This book gives students those tools and logic.

THE APPROACH

Principles of International Politics is unique in its theoretical focus across every aspect of international relations; its attention to logical, empirical, and analytic rigor; and its historical sweep. Central among my convictions is that international politics is a product of the normal pulls and tugs of domestic affairs and that leaders (not nations) make policy decisions and do so to maximize their prospects of staying in office. Their decisions, therefore, are strategic, taking into account expected responses by adversaries and supporters and designed to maximize the leader's (not the state's) welfare. I call this view the strategic perspective. The quest for personal political power guides policy choices, and the cumulative effect of policy choices gives rise to what we call the international system. Therefore, domestic politics, foreign policy, and international politics are inextricably linked. We cannot make sense of international relations without considering all three.

As the theoretical backbone, the strategic perspective—especially in its selectorate guise—is always at the core of each explanation and comparison within the book, whether I discuss contemporary terrorism, trade and currency policies, global warming, human rights abuses, or the emergence of the modern sovereign state during the High Middle Ages. At the outset, the fifth edition introduces Arrow's impossibility theorem and implications from it to demonstrate why there either is no such thing as "the national interest" or, if there is, why we *cannot know* that we have correctly identified it. This new material alone represents one of the most important lessons a student can learn about why so many seemingly odd choices are made in international political life. But the fifth edition does much more. Building on the ideas behind Arrow's theorem and related insights, I explain why terrible leaders who bankrupt their countries, steal foreign aid, and oppress their citizens persist in office for a long time, whereas leaders who provide peace and prosperity are frequently ousted. The empirical regularities known as the democratic peace are explained, as is the role of power in the initiation and escalation of disputes. The book explores at length trade sanctions; pressures for trade protectionism; the links of these sanctions and pressures to domestic

political considerations; and issues of international law, international organizations, and the role that “We, the People” play in shaping foreign aid policies or nation building and their unfortunate consequences for many of the world’s poorest and most oppressed. I suggest why North Korea or Iran could sensibly oppose international pressures to abandon their nuclear programs and why a global problem, such as climate change, is not best solved through global solutions. Students learn why and how unwanted trade wars can occur and the conditions in which economic sanctions are likely to be effective or ineffective. I take them through a careful examination of globalization, with clear arguments about who the winners and losers are likely to be from free trade. I explore paths to war and peace, as well as questions about the functioning of international organizations, international law, and the promotion or abuse of human rights. Nation building, military intervention, and innumerable other topics are related to the volume’s theoretical framework.

The fifth edition sets out competing arguments and evaluates both their logical coherence and empirical reliability, frequently combining historical examples with nontechnical summaries of statistical evidence. It sets out an assessment of constructivist, realist, and liberal theories, all the while employing the strategic perspective to compare and contrast to these other perspectives. Through these comparisons, I seek to bring coherence to a topic that is often seen as overwhelming. In this new edition, I have tried to make even the most demanding concepts readily accessible and interesting to beginning students by offering many illustrative applications in each chapter and by writing in a more easily understood style. A key component of the book’s new accessibility is to introduce very early on the scientific method and the ways in which it can be used to sort out logically and empirically compelling explanations of events from casual reasoning or wishful thinking. I concentrate most of the essential technical material, in mostly nontechnical form, at the beginning of the book, where it is interwoven through a series of ongoing examples. Readers are thus exposed from the start—and in an intuitive way—to selectorate theory and a set of other game-theoretic tools that they then see applied to and developed in the subsequent issues discussed in the book. At the same time, I have attempted to make the book meaty enough so that students will want to return to it long after they have completed the introductory course. This should be a book to keep and use as a ready reference guide to seemingly puzzling developments in the

international arena.

METHODOLOGY

My primary purpose in writing this book is to provide students with a better understanding of international relations. The book teaches students how to use sophisticated analytic tools, making them accessible, easily understood, and easily applied to today's problems and crises. These "tools" include spatial models, the median voter theorem (and how it relates to estimating security), win sets, expected utility calculations, noncooperative game theory, and Bayes' rule. These methods are illustrated with a single, extended example concerned with the international dispute over North Korea's nuclear ambitions but also applied to a richly diverse set of other issues and questions. In this way, students get to see from the start how analytic methods and careful thinking can help tease out subtle implications of alternative approaches to major foreign policy problems, and they can even experiment with ways to solve such problems. Although the ideas are sophisticated, they require only skills possessed by beginning college students to be understood. I have worked from the assumption that readers have had no prior exposure to international relations, statistics, or model building. Additionally, to ensure that the methods are easy to understand and apply and that their relevance is apparent, the book has been classroom tested in a host of different institutions, from large state schools to small private colleges and two-year community colleges. I have incorporated feedback from students into every aspect of the presentation.

Students are taught to look beneath international problems to find the small set of key factors that contribute to cooperation or conflict. They gain exposure to problems of collective action and the difficulties of monitoring and sanctioning international misconduct, as well as to the problems that arise in trying to coordinate international interactions and deal with the distribution of valuable, scarce resources. They learn to distinguish between private goods, public goods, club goods, and common-pool resources and how each of these creates its own set of distributional, informational, and coordination problems and solutions. In each case, they are also guided toward means to resolve these problems, learning to recognize the difference between cheap talk and meaningful statements, between commitment problems and ways to design institutions to ensure commitment, and between

wishful thinking and reality.

ORGANIZATION AND PEDAGOGY

The book is organized so that the introduction and fourteen subsequent chapters follow a natural sequence for use in either a semester or quarter system. The fifth edition builds on the objectives of its predecessors while offering a more comprehensive understanding of essential insights into how to think carefully about international politics. It is organized into four large sections: (1) foundations, consisting of the introduction and [chapters 1 through 4](#); (2) war, investigated in [chapters 5 and 6](#); (3) peace, which occupies [chapters 7 through 11](#); and (4) world order, consisting of the final three chapters.

The introduction discusses alternative views of international politics and explains how problematic it is to think about states as rational, unitary actors. By developing Arrow's theorem with lots of supporting examples, it squarely challenges the common belief that states pursue their national interest. [Chapter 1](#) builds on the lessons in the introduction to explain how to use logic and evidence through the scientific method to study and understand international relations. [Chapter 2](#) offers an account of the book's central focus on the strategic perspective and the selectorate theory in particular, emphasizing how domestic politics, rather than national interest, shapes international interactions. [Chapters 3 and 4](#) then provide all the analytic tools needed to think more deeply and carefully about international affairs. These chapters combine well with the book's appendix, which provides a common base of historical knowledge for the readers and for use to generate additional, historical examples for classroom exploration. [Chapter 4](#) examines structural theories of war while [chapter 5](#) reprises that subject from the strategic vantage point. [Chapter 5](#) introduces a greatly simplified audience costs model that allows students to compare the expected results in crises when domestic politics are irrelevant (as in realist and liberal theories) from when they are relevant (as in audience cost models and the selectorate theory) to see which offers a more cogent understanding of crisis bargaining and escalation. Throughout these chapters, in addition to their thorough examination of realist and liberal theories, the book also offers extended discussion and evaluation of the constructivist approach and suggests ways to link constructivism with the strategic perspective, emphasizing their

complementarity.

[Chapter 7](#) opens the peace section by addressing how international organizations work, or don't work and why. It delves into the collective action and free rider problem with a very simple and very generally applicable model and with numerous examples that highlight why good intentions often do not translate into good outcomes. [Chapter 8](#) takes the lessons learned up to and including [chapter 7](#) to investigate global warming. It highlights why global problems often do not have global solutions and concludes with a suggested partial improvement in the treatment of global warming by looking realistically at the sort of deal that the United States and Brazil—two of the four largest greenhouse gas emitters—could strike. [Chapter 9](#) then turns our attention to another global blight: violations of human rights. It looks at the meaning, limitations, and strengths of international law and the domestic and international politics behind human rights policies. Here we see a carefully developed counterpoint between the expectations of constructivist theories, the selectorate approach, and empirical reality. [Chapters 10 and 11](#) examine trade policy. [Chapter 10](#) explores the domestic politics behind free trade or fair trade (protectionist) approaches while [chapter 11](#) looks at the same trade issues in the context of globalization and its winners and losers. These chapters introduce important concepts from economics such as comparative advantage, the production possibility frontier, opportunity costs, and supply and demand to tease out how different international and domestic circumstances shape international exchange. The chapters also offer original statistical assessments of the consequences of alternative trade policies for income inequality and for the welfare of workers and investors in rich countries and poor countries. Students may be surprised at the difference between partisan rhetoric and reality on the ground. In the final section, we look in [chapter 12](#) at foreign aid policy to extract lessons about who benefits and who is harmed by foreign aid, what its purposes are, and how it may influence the prospects of revolutions such as we saw during the Arab Spring. Taking the lessons from [chapter 12](#) to heart, we turn in [chapter 13](#) to an investigation of terrorism and its links to poverty and aid-donor policies. We examine whether commonly adopted anti-terrorist approaches reduce or increase terrorism, and we explore a game theoretic model that provides considerable insight into the difficulties in resolving terrorist threats, whether in the Middle East or at home. Finally, [chapter 14](#) applies all that we have learned to understand why efforts at

nation building and declarations of interest in spreading democracy throughout the world almost always fail and how we might improve the chances of success. Every chapter is full of timely examples, reflections on historical developments from various theoretical perspectives, and carefully explained insights from the most recent research.

Because historical examples, concepts, and techniques are interspersed throughout, always in mutual support of each other, the book can readily be taught from a variety of perspectives. The instructor can emphasize events; ideas; hypotheses; historical analysis; formal analysis; or statistical analysis as suits his or her style, needs, and preferences.

To facilitate learning, the fifth edition offers a number of pedagogical features and enhancements. Each chapter begins with an outline of the major ideas and arguments of the chapter (the Overview section) and ends with a summary that highlights the major points, helping to set up the discussion and bring it to a logical conclusion. Following the Overview section, every chapter has a brief, entertaining quiz in the Assumptions Check section. I say *entertaining* because these quizzes are designed to ask big questions for which most people think they know the answer, and the answer they think they know is incorrect or incomplete. These quizzes are intended to initiate thinking about how to think about international issues in a subtle and nuanced way. As I have learned in my own classroom experience, they are a handy way to introduce ideas about selection effects; sampling bias; counterfactual reasoning; reverse causality; and strategic, endogenous choices. Each of the quizzes is followed by answers printed at the chapter's end. I encourage instructors and students to explore these questions and contemplate the implications of alternative responses.

Because the book introduces students to many new and important concepts, students will find those *key concepts* boldfaced in the text. There is also a well-refined, extensive glossary of key terms and ideas at the end of the book so that students can spend their time learning ideas rather than memorizing terms. The book also has two indexes (subject and author)—both of which serve as valuable guides for students who want to explore the field further or begin to do bibliographic or original research.

As in previous editions, the theoretical arguments and historical and contemporary examples are accompanied by an array of figures, charts, tables, maps, and images. These include substantial, contextual captions that allow the illustrations and figures to stand alone as summary statements of

important ideas. In addition, Try This boxes found throughout each chapter pose questions that students can solve by applying concepts introduced in the book. (Some of these are picked up in the student workbook, *Applying the Strategic Perspective*, as problem sets.) Everything has been designed to stimulate students' interest and understanding and encourage students to continue their investigation of international relations while having fun with the subject and filling them with *aha* moments as they listen to news reports or take other courses where the ideas here will provide an *aha* perspective.

A UNIQUE TEACHING AND LEARNING PACKAGE

More than ever, students and adopters will find excellent support for these diverse approaches in the ancillary materials that accompany the text, including the student workbook, the companion website for students, and the instructor's resources that are available for download. The superb student workbook—*Applying the Strategic Perspective*—thoroughly revamped for the fifth edition by Professors Alejandro Quiroz Flores and Anna Getmansky, provides detailed coverage and more extensive problem sets than in earlier editions. New problems early in the chapters help beginning students work through some of the nuts-and-bolts aspects of the strategic perspective—everything from learning to create and interpret symbolic expressions to helping identify independent and dependent variables. At the end of each chapter, students who wish to do so are able to stretch their capabilities with more complex problems in the Extensions section.

Students will find a host of resources available to them on the companion website at <http://bdm.cqpress.com>. Brief chapter summaries and questions for review help guide student learning by identifying and clarifying key concepts in each chapter. An interactive Flashcard feature enables students to study and review key terms and tells them where each is located in the text. Online quizzes feature multiple-choice and true/false questions to allow students to self-test and report scores to instructors. Exercises for each chapter provide students and instructors with opportunities to practice basic problems either alone or in class. Finally, Walk Throughs allow students to explore difficult problems in an interactive setting, helping them see how to conceptualize and solve significant international relations problems tackled in the text and the supporting materials.

Students and instructors interested in my online policy forecasting

software for classroom use can register for free at www.predictioneersgame.com. Just click on the game tab, click on “Access the online game here,” register for the student version, and once authorized (I do this almost daily; if there is a delay, send me an email at bbd2@nyu.edu and I’ll get on it right away), read the online training manual and you are ready to go. This software is similar to that used by the US government in making major foreign policy decisions and by large corporations in dealing with significant policy choices. Simplified for easy use and interpretation, students can use the Predictioneer’s Game to explain and predict current international problems, whether these involve issues of international political economy, security studies, or anything else.

A full set of instructor’s resources is available for download at www.cqpress.com/prof/Ancillaries-Download.html. These include the following:

- A comprehensive test bank with more than 400 multiple-choice and short essay questions created by Anna Getmansky. The test bank is available in Word and WordPerfect formats as well as fully loaded in Respondus, a flexible and easy-to-use test-generation software that allows instructors to build, customize, and integrate exams into course management systems.
- A set of 280 PowerPoint lecture slides and a full set of Walk Throughs from the web, written and edited by Anna Getmansky for the fifth edition, for use in lectures and to help ease class preparation.
- All of the tables and figures from the fifth edition textbook and workbook in .pdf format and PowerPoint slides for classroom presentation.
- An instructor’s manual with “at a glance” lists of topics and methods, discussion of key topics and arguments, lists of important points to bring up in class, discussion questions, and links to relevant topics in the book.

ACKNOWLEDGMENTS

Principles of International Politics is my effort to explain a way of looking at international relations and reshape how the subject is taught. If it succeeds in doing so, the credit belongs to those who have helped me along the way. A textbook provides a unique opportunity to express thanks not only to those who helped with the book at hand but also to those whose teaching, inspiration, and guidance shaped the way I think. It is my pleasure to take this

opportunity to thank them here.

This book was inspired by Kenneth Organski, my teacher, mentor, and friend. Without his urging, it surely would not have been written. To be fair, Ken tricked me into writing the book, but that is another story. This was to have been a joint effort by Ken and me, but the tragic terminal illness of his daughter and then his own sudden death precluded that collaboration. How I wish I had his wisdom, insight, and elegant turn of phrase to share with you throughout this book. He is missed by all who loved him. And to have known him was to have loved him.

William Riker's shadow will be found on every page of this book. The principles of international politics are every bit as much an expression of his understanding of politics as they are of mine. Never have I known a more profound thinker. His was truly the intellect of a once-in-a-century man. I hope my effort does some small justice to his memory.

My parents, Abraham and Clara Bueno de Mesquita, survived Hitler; fled their homelands; and spent fruitful, successful, and rewarding lives in demanding times. They ensured that my sisters, Mireille Bany and Judy Berton, and I had every opportunity for fulfillment. Their lessons and their aspirations inspire me still. Every day I hear their wisdom as whispers on the wind.

Teachers leave incredible marks on our lives. I wish to express my gratitude to my most important classroom teachers, too many of whom are no longer with us: Henry Morton (Queens College), Richard Park (University of Michigan), Solomon Resnik (Queens College), Donald Stokes (University of Michigan), Phyllis Taylor (third grade), Lionel M. Yard (Stuyvesant High School), and many others inspired me to want to teach. To touch the lives of students as they have done is one of life's remarkable accomplishments.

I have benefited from the counsel of many colleagues who, of course, cannot be held accountable for my failure to heed all of their advice. Certainly the advice I did take has improved my effort in shaping this fifth edition. While I cannot mention everyone who counseled me through the original development and subsequent revisions of *Principles of International Politics*, I especially want to thank D. Scott Bennett, William Clark, Youssef Cohen, Mark Crescenzi, Andrew Enterline, Alejandro Quiroz Flores, Erik Gartzke, Anna Getmansky, the greatly missed Robert Jackman, David Leblang, Douglas Lemke, Rose McDermott, the much-missed Fiona McGillivray, Cliff Morgan, James Morrow, Glenn Palmer, Alexander

Rosenberg, Shanker Satyanath, Randolph Siverson, Kiron Skinner, Alastair Smith, Detlef Sprinz, Allan Stam, Douglas Van Belle, and the anonymous reviewers, all of whom provided especially insightful and useful guidance. Their comments inspired many of the changes you see here. Additionally, Ethan Bueno de Mesquita provided invaluable assistance in the development of the fifth edition's treatment of terrorism. Some among those who gave generously of their time and counsel have been students of mine; I have been the student of all of them. Although they are too numerous to name, I thank all of my students, who, over the years, have suffered through my efforts to identify and explain the principles of international politics as I see them.

CQ Press has been an author's dream publisher. Randolph Siverson first suggested this project to Brenda Carter, director of CQ's college group. I thank him for doing so. Brenda persuaded me that CQ was the right way to go, and I have never regretted the decision. I told her at the outset that I hoped to write a text with a point of view and that I was more interested in making my viewpoint clear than in writing a "garden variety" text. She and the rest of the CQ Press team never wavered from their commitment to that vision. My editor for the first edition, Charisse Kiino, did absolutely everything right to make the original book turn out as well as possible and much better than I could have done on my own. She has continued to be a source of inspired support. This edition has been overseen by Elise Frasier, who is a delight to work with and who brings her keen ideas and insights to every aspect of the book. I am also extremely grateful to Nancy Loh, who was instrumental in photo selection and general design issues; Laura Barrett, who took on production responsibilities as the production editor; and Megan Markanich, who copyedited the manuscript, significantly improved its clarity and accuracy, and saved me from embarrassing errors. This superb team has provided inspired ideas for conveying information and concepts through maps and figures; they have helped me to tighten arguments, write more clearly and succinctly, clarify ideas, and ensure internal logical consistency across the volume. They are second to none in the quality of their advice, editing, creative insight, and in the tremendous charm and good humor that they have brought to this project. I cannot imagine working with better people. Wow, what a team! I thank you all.

Both the Wilf Family Department of Politics and the Alexander Hamilton Center for Political Economy at New York University provide me with all the support one could hope for when researching and writing a book. I thank

New York University in all its facets for its continued support and encouragement.

My final and greatest debt belongs to my family, who has been a constant source of support and patience. My wife, Arlene, sacrificed many a beautiful weekend or evening out to make it possible for me to complete this project on schedule, and still, we always managed to make it to the opera on time. I cannot sing her praises sufficiently. She makes everything work out successfully! I am most grateful not only to Arlene but also to Erin, Jason, Ethan, Rebecca, Gwen, Adam and my grandchildren Nathan, Clara, Abraham, Hannah, and Izzy for making life fulfilling.

PUBLISHER'S ACKNOWLEDGMENTS

CQ Press would like to thank the following reviewers:

Renato Corbetta, University of Alabama at Birmingham;
Tobias Hofmann, College of William and Mary;
Moonhawk Kim, University of Colorado;
Douglas Lemke, Pennsylvania State University;
Michael Lerma, Northern Arizona University;
Rose McDermott, Brown University;
Layna Mosley, UNC Chapel Hill;
Amanda Murdie, University of Missouri;
Stephen Quackenbush, University of Missouri;
Mark Souva, Florida State University;
Allan Stam, University of Michigan;
Bannseng Tan, CUNY-Hunter College; and
Laron Williams, University of Missouri.

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Bueno de Mesquita is counted by *Foreign Policy Magazine* as one of the top 100 global thinkers. In 2007, he won the DMZ Peace Prize for contributing to the advancement of peace on the Korean Peninsula. He has received numerous other professional awards and is a former Guggenheim Fellow, recipient of the Karl Deutsch Award, and a member of the American Academy of Arts and Sciences and the Council on Foreign Relations. He was

president of the International Studies Association in 2001 and 2002. Bueno de Mesquita is also extremely proud of being the recipient of New York University's Golden Dozen Award given annually to its top dozen teachers.

Introduction



Leaders in democracies, like President Obama, generally get elected by winning support for their domestic policies but then they must go ahead and formulate foreign policies whether they were selected on that basis or not. Here we see President Obama campaigning among prospective Hispanic voters with whom his immigration policies gave him a significant edge over his Republican rival, Mitt Romney. With their support, he has won a second term in which he will need to confront economic and security problems all around the globe, many of which were not high on the list of priorities of his voters. All of international affairs is shaped by domestic political considerations.

OVERVIEW

- We begin the study of international **politics** by outlining an

approach to the field that differs from traditional ones: we focus on leaders and their **constituents**, not **states**.

- Arrow's theorem provides an explanation for why talking about the **national interest** or states as **unitary actors** is problematic and prone to important policy errors and mistaken explanations of patterns of international interactions.
- National leaders are thought here to be motivated by personal, not national, interests. Their foreign policy decisions are constrained by **domestic politics** as much as they are by forces external to the nation.
- Yet, whatever their policy **preferences**, leaders must coordinate their foreign policy actions with other leaders and rivals, both domestic and foreign.
- The study of **international relations** may best be understood as the individually motivated strategies that shape war, peace, and world order.

Assumptions Check

Before we even get started, let's take a moment to have fun with some facts. Try answering the next five questions. They will give you a peek into how to think about international politics:

1. It is a fact that about 70 percent of the time when a country with allies is attacked, the allies don't come to their partner's aid. With this fact under your belt, which do you think is more likely?
 - a. Alliances are unreliable.
 - b. Alliances are reliable.
2. Protecting American workers from unfair foreign competition (in which foreign goods are sold more cheaply than their cost) _____.
 - a. increases employment in the United States
 - b. decreases employment in the United States
3. When power is balanced between rivals, war is _____.

- a. more likely
 - b. less likely
 - c. neither more nor less likely
4. If we had a worldwide agreement to reduce greenhouse gas emissions, then we would see _____.
- a. significant compliance and a significant decrease in greenhouse gas emissions
 - b. significant compliance and little decrease in greenhouse gas emissions
 - c. little compliance and little decrease in greenhouse gas emissions
5. Giving government-to-government foreign aid _____.
- a. improves the quality of life for the poor in poor countries
 - b. decreases the quality of life for the poor in poor countries

Okay, we've had some stuff to think about. The rest of this book is about establishing why these answers are the right answers, and we'll see lots more puzzles and solutions besides.

See end of chapter for answers.

International politics is about war, peace, and world order. These three categories may seem straightforward enough, but they are fraught with complications. Everyone says they are against war and for peace, yet war happens (although with less frequency than in the past) and the peace of ordinary citizens in places like North Korea, Zimbabwe, or Cuba is no bed of roses. Everyone says they want an orderly, predictable world, yet the world of international affairs looks messy and even chaotic. Questions about the causes and impediments to war, peace, and world order frame three important sections of this book just as they form the major subjects of international politics, and, for that matter, of all politics. But before we can tackle those topics, we need some ways to organize our thoughts about them, which we acquire in this first, foundations section of the book. Then we can analyze why things happen the way they do whether the subject is war, peace, or

world order.

We examine really carefully what the causes and consequences of war are. In doing so, we recognize that war and lesser uses of force reflect a breakdown of peace, but they can also represent the necessary foundation for establishing an enduring peace. War is a poor way to settle differences, but the peace imposed by Hitler surely would have been even worse. War is, indeed, hell, but sometimes it is not possible to justify peace over war. So being for peace—who isn't—and being against war is not quite the same thing.

There are two really big questions about war that need to be answered. First, why do wars happen? After all, if belligerents knew how a war will turn out, they could always strike a deal beforehand that gives both sides the same results as they will get from fighting, and they could avoid the bloodshed and destruction of combat. Second, are there winners and losers in wars, or is everyone a loser? Here we will see that while war has many losers often there are a few winners and those few winners tend to be government leaders. We will see that too often national leaders don't seem to mind putting their people at risk for their own personal political gains. The implications behind the answers to these two big questions can sometimes be powerfully unsettling—as we will see.

After sorting through questions about war, we evaluate international affairs during times of relative peace. Here it is useful to recognize that war and peace are a continuum and not two completely distinct circumstances. During relatively peaceful times, governments can put more energy into thinking about the policies they will follow to foster **trade** and to stimulate business and industry at home. Of course, the policies that advance business at home may be at odds with the policies that promote trade and so government leaders have to work out how much they wish to emphasize one means to promote prosperity at the expense of the other. And sometimes solving problems about trade-offs in times of peace are the causes of subsequent wars.

Peacetime also offers the opportunity to shore up friendships or forge shared interests among former adversaries in the hope of promoting future peace and prosperity. It is a time to establish laws and **norms** of conduct to secure the prospects of continued peace but also to address differences that might lead to future conflict. During periods of relative peace, there is an enhanced opportunity to encourage respect for fundamental **human rights**

and **civil liberties** and equally, by some, an opportunity to resist pressure to adhere to norms of good conduct toward other nations and one's own citizens. Some governments duck hard problems by turning responsibility for them over to international, multilateral organizations like the United Nations, the International Monetary Fund, or the Asian Development Bank, and sometimes these organizations come up with compelling ways to address hard problems. When they do, it can prove easier for the leadership in any country to go along with externally suggested norms than it is for them to establish those norms at home in the first place. We will try to understand when **international organizations** can help promote the very peace and order that individual governments have failed to impose, and we will try to understand when and why such efforts, as with global warming thus far, have failed.

Peace and war both provide time to lay the foundations for world order. Between some idealized notion of peace and some extreme circumstance of war lies the realm of world order in which carrots and sticks, rewards and punishments, development and **nation building**, alliances and cartels are all used to structure daily interactions and to provide solutions—for better or worse—to fundamental foreign (and domestic) policy questions.

DOMESTIC POLITICS SHAPE INTERNATIONAL POLITICS

Most explanations of international politics assume that states are the central players. I disagree. I contend that decision makers are the main players and that to understand their policies in the international arena we must evaluate how their actions are colored and shaped by the domestic politics and economics of their country. I will offer what I hope you will agree is compelling logic and evidence for the claim that domestic politics shapes international politics. If we persist in the dominant mode of thinking that views *states* as actors, pretending that what happens inside them is not important, we will find that international politics appears convoluted and sometimes even perverse, and we will make really big errors in promoting incorrect solutions to pressing foreign policy problems. If we look within states at their domestic circumstances, then much of what now seems confusing will fall into place.

Consider that variations in how free people are in different countries markedly influences governmental trade and security policies, as well as virtually all quality of life indicators. Freer countries, with few exceptions, outperform more autocratic states on just about every measure of peace and prosperity. Freer countries—meaning more democratic countries—just about never fight wars with each other and just about always are more open to **free trade** than more dictatorial regimes. Yet for all the positive effects of freedom within a country, we will see that sometimes these very internal freedoms act to jeopardize the extent to which a government tries to advance freedom elsewhere in the world. For instance, the two greatest powers in the contemporary world—(1) the United States and (2) most of the countries that collectively make up the European Union—routinely declare themselves in favor of freedom while doing little to advance it. In fact, just about every president of the United States, at least since Woodrow Wilson (1913–1921), has claimed he is committed to the spread of freedom, democracy, and self-determination. Yet, as we will see, American presidents have largely failed to fulfill the promise of freedom, democracy, and self-determination even when the opportunity has landed in their lap. Although international pressures may make the pursuit of democratic nation-building hard, domestic pressures to promote policy **compliance** from foreign governments may be more significant in deciding whether a hostile foreign democracy is preferable to a docile foreign dictatorship.

Lest you think this is an overly cynical view, reflect on the fact that President Barack Obama ordered his UN ambassador in 2011 to **veto** Palestine's bid for recognition as a sovereign state worthy of UN membership. Does this mean that the United States is against Palestine's quest for statehood? The US government has repeatedly, in administration after administration, said it favors the creation of a Palestinian state under the right conditions. Does this mean that the president personally is against Palestine's quest for statehood? He personally declared the opposite in Cairo on June 4, 2009, when he said, "[T]he situation for the Palestinian people is intolerable. America will not turn our backs on the legitimate Palestinian aspiration for dignity, opportunity, and a state of their own."¹ Does it mean that a Palestinian state in the United Nations undermines US security? Does it mean that a vote for Palestine might alienate critical swing voters in an American presidential election? Does it mean that the United States values Israel's interests over Palestine's? Does it mean that Palestine's freely,

democratically, competitively elected government is not worthy of representation in the United Nations even as dictatorial, oppressive North Korea's is? Answering these questions can be hard, even painful, but answering them also compels us to think about what motivates important foreign policy choices.

Each of these questions points to a deeply different way to think about international affairs, ranging from some notion of the national interest determining what "states" do to some notion of an individual leader's interests driving what that leader does in the name of her or his state. This book is squarely in the camp of those who think that all politics—international and domestic—is about leaders doing what they believe best advances their personal interests. Sometimes, and under some methods for choosing leaders, a leader's personal interests will coincide with what most of her citizenry want, making it hard to tell a leader's interests apart from what we might think is the national interest. But other times what "we the people" want and what a leader does will be radically different, and then it will be easier to tell whether leaders are concerned about their own political well-being or the welfare of the state and people in whose name they govern. Learning how to tell the difference between leader interests and citizen interests is tricky, depressing, and hugely informative. Indeed, doing so is central to understanding international politics and, in fact, all of politics.

To understand why telling the difference between leader interests and the "national interest" is tricky, we need to learn to systematically evaluate what individuals want and how to translate those individual wants into some meaningful notion of the national interest or the general welfare. You may be surprised to know that translating individual desires into some transparent accounting of the national interest can be profoundly difficult and that knowing whether or not we have done so is, in fact, impossible. Let's see why.

POLICY AND RATIONALITY

Whether we think of international affairs as the consequence of state actions or individual actions, we must make some **assumptions** about how actions and objectives are chosen. Surely we can agree that actions are chosen in the hope that they will advance the chooser's objectives, but exactly how that happens is a trickier issue. If, for instance, we think cultural concerns

dominate what people desire, then we must assume that people act on their culturally learned preferences. The same is true whether we assume that internal **power** arrangements, leader incentives, **national security** concerns, or pretty much anything else dictates what people, decision makers, or states want and what they do to achieve their desired ends. The alternative to making assumptions that tie actions to desires is to think of people making choices blindly, without regard to what they want—almost like dust drifting randomly up and down in the wind. I dismiss the idea of people as dust particles moving chaotically as in Brownian motion and prefer, instead, to think of each and every one of us as purposive, intent on trying to do what we each think is best for ourselves.

Fortunately, if we analyze people as doing what they think is best for them—and, of course, they could prove to be mistaken in their **beliefs**—then we have a straightforward way to think about the relationships that tie individual objectives to individual actions. That straightforward way is to assume that whoever (i.e., individual citizens, leaders) or whatever (i.e., states, international organizations) makes choices, makes those choices rationally. Standard accounts that treat states as the important players in international affairs routinely assume that states are rational actors. Thus, the commitment here to the assumption of **rationality** is nothing new or out of the ordinary; it is standard practice. I depart from much international relations thinking, however, in that I treat individual decision makers rather than whole states as rational. As we will see, this makes for some very important differences.

Rationality, unfortunately, has taken on lots of colloquial meanings that have little to do with how I (and many others) use that term so let me lay out what rationality does not mean as I use the term and then explain what it does mean at least for me. An otherwise superb study by the historian H. A. Drake (2000) states concisely common misconceptions or caricatures of rational actor models—at least in the way that phrase is used by people who study politics or economics from a rational actor point of view. Drake writes the following:

In its purest form, the Rational Actor approach presumes that such a figure [as the Emperor Constantine about whom Drake wrote] has complete freedom of action to achieve goals that he or she has articulated through a careful process of rational analysis involving full and objective study of all pertinent information and alternatives. At

the same time, it presumes that this central actor is so fully in control of the apparatus of government that a decision once made is as good as implemented. There are no staffs on which to rely, no constituencies to placate, no generals or governors to cajole. By attributing all decision making to one central figure who is always fully in control and who acts only after carefully weighing all options, the Rational Actor method allows scholars to filter out extraneous details and focus attention on central issues. (2000, 24)

Drake's description highlights a fundamentally different view of rationality than the one taken here or adopted by many economists. For instance, Drake argues that to be rational one must undertake "analysis involving full and objective study of *all pertinent information and alternatives*" [emphasis added]. Such a study would surely be irrational. A rational person, as thought of here, considers alternative courses of action only up to the point when they conclude that the expected cost of continued study of information and alternatives is equal to the expected benefit. If the cost of searching out more information is expected to exceed the benefits from such a search then it is time to stop searching. Just ask yourself, would you spend \$1.00 to earn 25 cents or even 99 cents? Of course not! You are better off keeping your dollar than knowingly ending up with less. Naturally, you might spend a dollar to have a *chance* to earn extra money—that is part of why people buy lottery tickets or invest in education, like you are doing—but it doesn't make sense to inflict costs on yourself when the value of the expected return is smaller to you than the cost.

Drake also portrays rationality as imposing the view that there is a solitary decision maker who decides what to do and who is completely free to ignore the views of advisers, constituents, and everybody else. This is equivalent to the common assumption that states are unitary actors with nothing pertinent going on inside their borders that might influence the choice of actions. To be sure, a rational actor does what he/she/it *thinks* best advances his/her/its interests, but for the sorts of problems we will learn about, a rational political actor is not free to choose without considering the consequences of those actions, including how others are expected to react. The fundamental problem for rational politicians is to work out what is the best action to take given not only their own preferences but their beliefs about the expected actions and desires of others, including friends and foes. We

will see more carefully how important this distinction is when I introduce **game theory** in [chapter 4](#) as a way to think about the strategic interplay that characterizes international affairs. Now, however, let's define what is minimally required to say that a person is rational. These criteria will be applied throughout this book and can be usefully applied whether you are thinking about international politics, deciding where to have dinner with some friends, or doing something as mundane as buying a loaf of bread.

In its simplest, most minimalist form, rationality requires very few assumptions about how people make choices. Each chooser is assumed to have complete and transitive preferences and he or she acts on them. Completeness means that any individual faced with choices, say between alternatives x and y , can say "I prefer x to y " or "I prefer y to x " or "I am indifferent between x and y ." For example, every rational person who is asked to choose between spending an extra \$1 billion on defense or on unemployment benefits can link these alternatives with a relation of preferences by saying, "I prefer to spend an extra \$1 billion on defense over spending an extra \$1 billion on unemployment benefits" or "I prefer to spend an extra \$1 billion on unemployment benefits over spending an extra \$1 billion on defense" or "I am equally happy to spend an extra \$1 billion on defense or on unemployment benefits, I don't favor one over the other." "I prefer" is sometimes denoted as $>$ and "I am indifferent" is denoted as $\approx$.

Transitivity adds one more burden to anyone who can be said to make rational decisions. Suppose a person is asked to choose between spending an extra \$1 billion on defense or on unemployment benefits or on education (or, for that matter, not spending an extra \$1 billion on anything). Completeness requires that our hypothetical rational individual can state preferences between each pair of these choices. Transitivity imposes a limitation on those preferences. In particular, if a person making a choice, let's name her Ann, prefers spending \$1 billion more on defense over unemployment benefits and prefers spending \$1 billion more on unemployment benefits than on education, then transitivity requires that Ann prefers to spend \$1 billion more on defense than on education. Using $>$ to mean prefer, transitivity requires that for any choices x , y , and z , if for Ann, $x > y$ and $y > z$ then $x > z$. That's a pretty minimal requirement that just asks people to have coherent preferences. Consider what can happen if this is not true.

Imagine that Ann is a lobbyist who has \$60 million to spend on trying to influence Congress's choice among policies x , y , or z . Furthermore, imagine

that Ann has intransitive preferences so Ann's preferences look like this: $x > y > z > x$. For the sake of argument, imagine that by spending \$20 million on lobbying Ann can persuade enough members of Congress to switch their votes so that Ann can influence whether x , y , or z is chosen. At the time Ann becomes energized to try to influence Congress the existing congressional policy is y . Given that Ann wants x over y , we can see that Ann will happily spend \$20 million of her \$60 million lobbying budget to shift Congress's policy away from y and to x . Now, with Congress prepared to vote for x , Ann realizes that she can and should spend \$20 million of her remaining \$40 million to convince the Congress to favor policy z over x since, after all, she likes z better than x ($z > x$). But seeing that z is about to become the new policy, Ann is unhappy. She doesn't like z as much as she likes y ($y > z$). So Ann allocates \$20 million, her entire remaining budget, to a lobbying effort to alter the congressional vote so that it favors y instead of z . Having launched a successful lobbying effort, Ann now finds herself just as unhappy with the Congress's policy as she was at the start (remember she started by lobbying to switch the policy from y to x)—only now she has no money left with which to persuade Congress to switch from y to x . It is evident that with intransitive preferences, Ann will have spent her lobbying budget and will have accomplished absolutely nothing. Intransitive preferences make it impossible for a person to do what they believe is in their best interest because they do not have a coherently defined interest.

The assumption of rationality is a starting point for constructing **theories**. The rationality condition sets out the theorist's view of how people are likely to select actions given their motivations or preferences; it says nothing about the content of those preferences (Zagare 1990; Jackman 1993). Rational choice models are models of action. They predict what people are expected to do depending on what their individual preferences are and depending on the constraints they face, such as, for instance, the choices of other people. The precise assumption about what actors prefer varies from theory to theory. Sometimes critics mistakenly believe that the assumption of rationality means that self-interested actors must want to maximize their income or wealth, a condition commonly (but certainly not universally) assumed in models of individual or firm behavior in market economics but uncommon in political science rational actor models, even oligopoly models of international relations (Powell 1993, 1999).

International relations models vary in what they assume as the ultimate

goal or set of goals of their actors. These goals may be national security; national power; personal wealth; control over international rules, norms, or policies; personal power; survival in office; decision-making discretion, or a host of other possibilities. The actors may be individual citizens, elites, leaders, states, nongovernmental organizations (NGOs), international governmental organizations, multinational corporations, or many other entities. Thus, the assumption of rationality neither limits the goals to be studied nor the identity of the actors pursuing those goals. It only limits how actors choose actions given their desires and beliefs.

I have stipulated the assumptions of completeness and transitivity as the minimal requirements for rational behavior. Later we will add more constraints to establish more demanding definitions of rationality, but these two requirements will always be there. And with these two minimal requirements in place, we can move on to think carefully about what might be in the national interest and why that concept proves wanting when we talk about international relations and foreign policy. This is important to do because there is a great divide between those who think of states as rational, unitary actors and those who think of international politics being shaped by the pulls and tugs of both domestic and foreign political actors. The national interest, as we will see, is easily—but perhaps not meaningfully—specified if we assume states are rational unitary actors. Such an assumption means that states, and not any individuals within a state, are the holders of complete and transitive preferences and that the state acts on them. The national interest, then, is pretty much whatever the state—a solitary, dictatorial decision maker—chooses it to be. But if there are political divides within a state—and when aren't there?—then the idea that the state reflects the national interest requires that the state implements some rule for adding up individual preferences to figure out what is in the collective, national interest. As we will see, it turns out to be *impossible* to pick a rule that we can be assured will routinely and accurately aggregate and translate our individual desires into a meaningful specification of the national interest. That is, we will see that we can almost never be confident that we have a way to go from what lots of individuals want to what “We the People” want. Knowing that should profoundly alter how we think about international politics.

IS THERE A NATIONAL INTEREST?

Two central tenets behind most studies of international relations are that there is a national interest and that states pursue that interest. Different people propose different core contents for the national interest. Hans Morgenthau ([1948] 1978), the father of modern realist thinking, thought that the highest interest of any state was to increase its power in the world so that it can get others to do what it wants even if they prefer doing something else. Kenneth Waltz (1979) introduced **neorealism** as a friendly amendment to realism. Neorealism argues that states are first and foremost interested in their prospects of survival. Therefore, neorealist states always take whatever actions they can to make themselves more secure against foreign threats. Sometimes that can even mean giving up some power to gain security (Niou, Ordeshook, and Rose 1989)—contrary to Morgenthau's realist view. Liberal and neoliberal thinkers, like Robert Keohane and Joseph Nye (1972, 1977), agree that states have overriding interests but for them the premier interest is to achieve prosperity within secure borders. A. F. K. Organski (1958), the founder of **power transition theory**, maintained that states sought control over the rules and norms governing international interactions and that power and growth were the critical paths to such control. Others offer still other principles that dictate what states want and what, therefore, serves their purported national interest.

The very fact that different analytic perspectives emphasize different interests as the core behind any state's national interest should alert us that there is something really problematic here. If, after all, there is a national interest and all states share it then we might reasonably think that everyone ought to agree on what it is. Yet the debates among realists, neorealists, liberals, neoliberals, power transition theorists, hegemonic power theorists, and many others make clear that there is not a consensus on what the national interest is or ought to be or that it might vary from state to state. These differences raise a legitimate concern about how we can know what the national interest is, but that concern, troubling though it is, turns out to be relatively minor. There is a much bigger concern called Arrow's (1951) impossibility theorem.

Arrow's theorem teaches us that when a group of people must choose among three or more alternatives no rule or voting system that meets some basic fairness criteria can be designed to guarantee that it can take each decision maker's complete and transitive preference ordering into account and create a group ranking that is also complete and transitive and that

represents the will of the group. Because no rule can assuredly work in all cases, we can never really know whether the policy the rule chooses is actually in the general interest. Since the theorem applies whether we are talking about the people living in a state, or its voters, or committee members, club members, or any other social grouping its application is universal and its implications extremely serious.

Before explaining Arrow's fairness criteria and what Arrow's discovery means for the idea of a national interest, let's first talk about how we might go about defining intuitively what we mean by the national interest. Personally, it seems sensible to me to think of a foreign policy as being in the national interest if it is supported by at least a majority of the people and preferably by a large majority. Unfortunately, as we will see, such a simple notion of the national interest, while appealing in its effort to reflect what almost everyone wants, just doesn't work. Let's start with an illustrative example that highlights how little we can infer about the national interest even if we know or observe correctly that a supermajority favors a particular foreign policy, say maximizing national security.

Consider two very important areas of foreign policy: (1) national defense and (2) trade. Defense spending is at the heart of acquiring security against foreign threats. Trade policy is critical to shaping national prosperity, including, therefore, the ability to afford adequate defense. Now let's imagine that the American electorate is (for simplicity's sake) divided into three equal-sized camps. In reality, there are surely many more factions than that in American politics or pretty much any country's politics. More factions will only exacerbate the problem I am about to demonstrate. Assume that the first faction consists of those who favor a protectionist trade policy (high **tariffs**—essentially a tax—to keep foreign goods from competing with American-made goods in the United States) and who also support a larger defense budget to protect the United States from foreign threats. The tea party movement, which gained prominence within the ranks of the Republican Party in 2010, fits this description rather well. In [figure I.1](#), this set of preferences is labeled as TP (trade protectionists) and DH (defense hawks). The second group, denoted TF (free trade), DM (defense moderates) is made up of those who are pro-free trade (i.e., no restrictions on goods imported to the United States; TF) and those who believe current defense spending is about right so they are defense moderates (DM). Many centrist, independent voters fall within this camp. The third group is made up of trade moderates

(TM) who believe the US government has the right balance between tariffs and free trade but believe that defense spending is too high (defense doves, or DD) and needs to be cut. Many liberal Democrats fit this description. Each group is in favor of maximizing national security, being convinced that doing so is in the national interest. They just disagree about what policies best accomplish this goal.

Each faction prefers any mix of defense and trade policy closer to its gray dot in figure 1.1 than to the status quo. That range of preferred policies can be easily identified by drawing an arc (or circle) through the status quo point and making sure that the center of the arc is the faction's most preferred policy mix. Then the radius of the arc is exactly the distance from the faction's preferred policy—its gray dot—to the status quo.² For instance, the green area shows all of the policies that reflect the overlap between the policies preferred by both TM/DD and the TP/DH factions. We know this because the green area is in each faction's arc, showing that each prefers the policies represented by the shaded area over the status quo.

FIGURE I.1 What Is in the National Interest?

