Comparatively Assess Neo-realism and Neo-liberalism. Whose Argument do you Find the More Convincing and Why?

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Despite the fact that there are some similarities between neo-realism and neo-liberalism, it shall be the differences between these theories that will be the focus of my attention, as it will help me to determine more rigorously which of the arguments is the more convincing. The points of comparison shall be the effects of the anarchical international system, and thus, the extent to which cooperation can be achieved, the importance of relative and absolute gains, the conflict between state capabilities and interests, and finally the importance of institutions and regimes. It is important to note that neo-realism is often also called structural realism, and neo-liberalism neo-liberal institutionalism. As the question prefers to call the theories neo-realism and neo-liberalism, this is what I shall do throughout.

The first thing to consider is the effects of the international system, and what this means for the prospects of cooperation. Lamy asserts that “both [neo-realism and neo-liberalism] agree that the international system is anarchic” (Baylis and Smith 2001, p. 190). I question that the international system is continuously anarchic, and agree with Alexander Wendt, who would claim that there is nothing inevitable about the international system. No matter, the important thing is that neo-realists and neo-liberals agree that the international system is anarchic. The major point of contention is that neo-liberals are sure such a system will not constrain the foreign policy options of the state to simple survival, with neo-realists essentially believing the opposite (ibid). As neo-realists have the idea that man by nature has a restless desire for power (Keohane 1986 pp. 211-212), cooperation becomes more difficult to achieve, because in trying to gain power a state will upset another state in doing so. Neo-liberals agree that states act in their own interests, but have a greater belief in cooperation, for the very reason that “it is in the self-interest of each [actor] to cooperate” (Mingst 2004, p. 64). The situation the neo-liberals put forward is the *prisoner’s dilemma*, a tale of two prisoners who are questioned after committing an alleged crime. Neither prisoner knows what is being said by the other, but if they both cooperate and confess to the crime, their time in prison will be shortened, where if neither confesses the sentence length will be even shorter (Mingst 2004, pp 63-64). However, if one confesses and

the other does not, then the one who confessed will be set free and the one who did not will receive a lengthy jail term. This risk is why both will confess, and thus get a reduced sentence (ibid). However, it was in the interest of each to "have cooperated with each other by remaining silent" (Mingst 2004, p. 64), and thus have received the shortest sentence. This is a scenario neo-liberals use to explain why states would wish to cooperate with each other, with the implication that there is a great risk for states if they do not.

However, neo-realists are certain that cooperation "will not happen unless states make it happen" (Baylis and Smith 2001, p. 190). It is unlikely that states will often "make it happen" because, from the viewpoint of the state, involvement in international cooperation and a strengthening of your own position rarely go hand in hand. For example, in summer 2003Iranrejected the chance to sign an international agreement with 168 states that would "eliminate discrimination against women" because "it was against Sharia law and the constitution" (www.bbc.co.uk). As aforementioned, neo-liberals believe states can cooperate with one another, but "especially with the assistance of international institutions" (Baldwin 1993, p. 117). Neo-liberals believe in the effectiveness of organisations such as the UN Commission on Human Rights, to give an example, as even countries such as China and Russia have wished "to avoid the sting of criticism by the foremost human rights body" (www.un-globalsecurity.org). However, I am deeply sceptical about the overall neo-liberal position on cooperation. Why does theUSadministration refuse to cooperate with theKyototreaty? The answer, to my mind, is because it is not within their interests to do so. This is hardly a unique view, as it is acknowledged elsewhere that George W. Bush "said he wouldn't be ratifying theKyotoprotocol because it could significantly damage the country financially" (www.bbc.co.uk). So we have a clear case of it not being within state interest to cooperate, in this case because it would weaken their state economically. I think neo-liberals lack conviction in claiming that it is always within a states' interests to cooperate, and would have to question whether the prisoner's dilemma is flexible enough to be applied to any given situation, for it does not appear to account for the US policy on Kyoto. They might say that the US are simply not intelligent enough to realise that it's in their interests to cooperate, but the neo-realist focus on power and thus the argument that cooperation is more difficult to achieve appears to have greater credence.

Additionally, following cooperation, we have the debate between the two theories about the importance of absolute and relative gains, with focus on the latter proving a considerable obstruction to cooperation. Neo-realists speak of how vital relative gains are in state considerations, or to put it another way, states "are compelled to ask not "will both of us gain?" but "who will gain more?"" (Mingst 2004, p. 69) As highlighted by Tim Dunne in a recent lecture, this neo-realist philosophy can be seen in mercantilist economics. To illustrate this point, if a state adopted a mercantilist approach they would rather that their own economic growth stood at 3% and rival states at 3%, than that their own economy grew by 5% and their rivals' by 6%. In other words, under neo-realist thought states simply want to gain a

comparative advantage, whatever that may be, ahead of performing very well along with other states. Another example of relative gains in practice sees economic relations being influenced by relative gains, such as "America's forty-year effort to use export controls to weaken soviet military, and at times economic, capabilities" (Baldwin 1993, p. 256). Neo-liberals, on the other hand, are sure states are happy to have any gain for themselves. This is a focus on absolute gains, i.e. "state leaders will accept any accord that makes the state better off regardless of the gain achieved by any other state" (www.ssc.upenn.edu). For example, the Iraqi interim Prime Minister Iyad Allawi happily accepted that "we are better off… without Saddam Hussein", yet at the same timeAmericaprobably gains more from the democratisation ofIraqas "terrorists will suffer a dramatic defeat" (www.bbc.co.uk). It is my belief that neo-realists are right to stress the importance of relative gains; it is true that some states usually gain more than others. At the recent G7 "100% debt relief summit" America could not support the plans to boost aid for developing countries because "it does not work for the United States", with the acknowledgement that "it works for other countries" (www.bbc.co.uk). So there is a clear suggestion thatAmericafelt the plan was not worthwhile because other countries would gain more than themselves, a fine reflection of the neo-realist belief in the importance of relative gains.

The next area of debate is of the respective importance of capabilities (essentially power) and interests. Neo-realists "are likely to emphasise capabilities more than intentions" (Baldwin 1993, p. 7). Clearly, power is of the utmost importance to neo-realists, as the fact that theUSand theUSSRwere the two cold war superpowers "explains the similarity in their behaviour [at the time]" (Baylis and Smith 2001, p. 185). Neo-realists are probably right to point out that you can be more certain of the capabilities of the state than their intentions and interests. When France promised to "veto a second resolution, "whatever the circumstances" Tony Blair "could not at first believe that Chirac had said this" (Seldon 2004, p. 592), such was his surprise that this was the French intention. On the other hand, any assertion about capability "begs two vital questions-"capability to get whom to do what?"" (Baldwin 1993, p. 17) If these questions cannot be answered satisfactorily, then a dent in the crucial neo-realist argument that capabilities help shape state behaviour can be found. Neo-liberals are keen to say how vital intentions and interests are to state behaviour. The notable neo-liberal Stein argues that "capabilities count only insofar as they affect the preferences and intentions of states" (Baldwin 1993, p. 8). I feel that it is essential to point out that it is rather dangerous to assume that states always know exactly what their capabilities are. Mingst describes power as "the ability to influence others" (Mingst 2004, p. 321). Tony Blair being confident of UN support for theIraqwar is a case of a leader not accurately understanding their states' capabilities. His intentions were not adjusted in this case, but it certainly made Blair less certain that committing to war was the right think to do. This clear potential for capabilities to affect the intentions of states supports this argument of states and the neo-liberals. This conviction that capabilities are not important in themselves, only for intentions and interests, is perhaps the most convincing of all the neo-liberal arguments, but I am still convinced more by the neo-realist position. It is true that nobody can ever be entirely certain

of neither intentions nor capabilities, but I certainly feel it is easier to gain an accurate estimation of the latter. This is so because the ability to influence others depends on matters such as economic power, something that is easy to establish in this modern, technological world. Thus, as states will find it more difficult to establish intentions and interests of other states, they will look at other states' capabilities as the crucial component shaping their own behaviour.

Finally, we have somewhat different views on international institutions and regimes. With both of these, there are a clear set of rules for state behaviour (Baylis and Smith 2001, p. 189). While neo-realists have not exactly derided institutions and regimes, they believe that neo-liberals have overestimated their importance and believe themselves that states only "work to establish these regimes and institutions if they serve their interests" (Baylis and Smith 2001, p. 192), not if they do not. With regard to this neo-realist argument, it is worth bearing in mind that the ordering principle of the international system is anarchy (Baylis and Smith 2001, p. 185). Anarchy is defined as "a situation where nobody obeys laws or rules" (Hanks 1993). This may be a somewhat simplistic definition, but it is clear nonetheless that institutions and regimes cannot get round this dominance of anarchy in the international system. The fact that an institution such as the UN could not stop theIraqwar would appear to support the neo-realist argument very well. As I have touched upon earlier, neo-liberals believe institutions and regimes facilitate cooperation, and that institutions "moderate state behaviour" (Mingst 2004, p. 85). Furthermore, neo-liberals believe institutions "make it easier to punish cheaters" (Baldwin 1993, p. 124). This may be true when they are effective, but unfortunately a lot of the time they are not. Not only were they ineffective overIraq, but going back in history, the League of Nations failed "to take assertive action against Japanese, Italian, and German aggression in the 1930s" (Baylis and Smith 2001, p. 56). Any neo-liberal ideas that institutions such as Greenpeace will check the actions of states should be approached with caution. In 1944, "attempts were made to 'de-politicise the international economy," but by 1971 President Nixon abandoned such principles to "strengthen his political position at home" (Brown 2001, pgs 161 and 165). It is far from impossible that institutions such as Greenpeace will operate at the behest of the leading states, and some might say they do currently. I am far more convinced by the neo-realist argument on institutions, because there is nothing that makes me think they will determine state behaviour consistently in the future, for states in the past have dismissed institutions contemptuously.

My overwhelming feeling is that neo-realism is a more convincing argument than neo-liberalism. I feel they are right to assert that cooperation will only occur if sates want it to, and do not agree that it is always within state interest to cooperate. I am certain that relative gains are an important consideration for certain states and cannot be ignored. It appears that states focus on the capabilities of other states because these are easier to measure than intentions. Nor am I convinced that institutions will continue to play a vital role in checking the actions of states. To put it another

way, maybe, as all liberalisms are prone to do, the problem with neo-liberalism is that it focuses on how the world "ought" to be, rather than how it is. In the fragile international climate following September 11th, I happen to believe that neo-realist focus on anarchy as the dominating force in the international system is a more accurate reflection of the world we live in.

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