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The Rational Actor Assumption in Structural Realism

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In the first chapter of his book *Theory of International Politics* Kenneth Waltz shows how different academic works attach diverging meanings to the same word. In result, "discussion and argument about many important matters … are made difficult or useless because the participants are talking about different things while using the same term" (Waltz, 1979, p. 11). This paper tries to show that the same problem exists in the use of the rationality or rational actor terms in structural realism.

Rationality is widely mentioned in the works of neorealist scholars. Many of them consider it one of the central assumptions of their studies. Here it is argued that despite such extensive use of the expression, structural realists have different understandings of it. The study also claims that the primary reason for those differences is directly connected to the extent neorealist scholars emphasize the role of structural constraints.

The essay consists of two main bodies. The first part tries to show that some of the most influential structural realists understand the rational actor assumption differently. The second section compares these understandings with the perception of rationality used in neoliberal institutionalism. With the help of that comparison it showcases the reason of having different meanings of rationality in structural realism.

Exploring Different Rationalities

Kenneth Waltz, the founder of structural realism himself, does not include the rational actor assumption in his analysis. He states, "The theory requires no assumption of rationality… The theory says simply that if some do relatively well others will emulate them or fall by the wayside" (p. 118). In his article named*Reckless States and Realism*, John Mearsheimer discusses this issue extensively. In particular, he argues that Kenneth Waltz limits the explanatory power of his theory by excluding the rational actor assumption. This debate is destined to fail, as Mearsheimer and Waltz do not use the same meaning of rationality in their works. A detailed review of the mentioned article and Waltz's book *Theory of International Politics* illustrates that difference.

Rationality is one of the five core assumptions of Mearsheimer's theory, which he defines in the following way in his book *The Tragedy of Great Power Politics*:

The fifth assumption is that great powers are rational actors. They are aware of their external environment and they think strategically about how to survive in it. In particular, they consider that preferences of other states and how their own behavior is likely to affect the behavior of those others states, and how the behavior of those other states is likely to affect their own strategy for survival. Moreover, states pay attention to the long term as well as the immediate consequences of their actions (Mearsheimer, 2001, p. 31).

This definition includes many generic terms and can be interpreted in different ways. It is not precise enough to showcase what Mearsheimer means when he claims that states are rational actors. A better understanding is reached when observing how he uses the definition to develop his arguments in the above-mentioned*Reckless States and Realism* article.

Throughout his article Mearsheimer differentiates rational and irrational states by using rhetoric demarcations. In

particular, he calls the former "strategic and smart" and the latter "foolish and reckless." He states, "… there will be occasional cases where great powers behave foolishly, but not like in Waltz's world where they often behave that way" (Mearsheimer, 2009, p. 246). Such a dichotomous presentation of rationality is the central component of the meaning that Mearsheimer attaches to the term. Hence, either states are rational, or they behave foolishly or recklessly. As Waltz excludes rationality from his analysis, Mearsheimer argues, "reckless states are commonplace in Waltz's world" (p. 251).

Kenneth Waltz does not have such a clear-cut understanding of rationality. During an interview to Theory Talks he said, "I do not even know what "rational actor" means empirically" (Schouten, 2011, p. 8). Therefore, it is not surprising that there is no definition of the term in the book *Theories of International Politics*. One needs to have a closer look into the analogies that Waltz makes in the sixth chapter of the book in order to understand whether he agrees with Mearsheimer's definition or not.

In this chapter, Waltz uses examples of simple unregulated systems to show how structure imposes particular behavior. Those examples raise a vital point on collective rationality, where "all are collectively better off" if they cooperate. However, Waltz argues, "… pursuit of individual interest produces collective results that nobody wants… " (pp. 107-108). Later he states that "world-shaking problems cry for global solutions," but states like the individuals in his examples make decisions that are "sensible within their narrow contexts even though they know that in making such decisions they are bringing about a result that most of them do not want" (pp. 108-109). In short, Waltz argues that states face a collective action problem.

If Waltz agreed with Mearsheimer on the meaning of rational actor assumption and used it in his theory, he had to argue that this is the way smart, strategic states behave, whose decisions are based on long-term calculations. It is hard to raise questions about collective rationality and at the same time claim that rational actors pursue their narrow interests. However, this does not mean that by excluding rationality from his studies Waltz considers states foolish and reckless. He argues that the international system makes states pursue their narrow interests, so "the problem is not in their stupidity or ill will" (p. 110).

It becomes evident that unlike Mearsheimer, Waltz considers rationality a more complex phenomenon that can be approached from different angles. Therefore, he argues, "one can define rationality only within narrow settings" (Schouten, 2011, p. 8). He also states that a separate theory of foreign policy is needed to deal with that issue (Waltz, 1986). When showcasing that there is no single overall definition of rationality for Waltz, it becomes evident that he and Mearsheimer do not approach the term in the same way.

The absence of common understanding of rationality is not limited to these two scholars. Defensive and offensive realists do not share the same meaning of the term when using it in their studies. This is especially evident when comparing Mearsheimer's approach to that of Stephen Van Evera and Charles Glaser.

In his book *Causes of War: Power and the Roots of Conflict* Stephen Van Evera (1999) uses Robert Keohane's definition of rationality. According to the latter,

states are unitary rational actors, carefully calculating costs of alternatives courses of action and seeking to maximize their expected utility, although doing so under the conditions of uncertainty and without necessarily having sufficient information about alternatives or resources to conduct a full review of all possible courses of action (Keohane, 1986, p. 164).

Van Evera does not claim whether most of the states are rational or not. Instead, he shows that in an anarchic system rational states have more room to maximize their utility and do not need to be as competitive as Mearsheimer argues. Both of them claim that rational states make cost-benefit calculations, but they end up making different conclusions. If Mearsheimer states that wars can be an outcome of rational calculations, Van Evera believes that "misperceptions are a common cause of war and provide a strong explanation of past wars" (1999, p. 9).

Van Evera also shares Jack Snyder's (1991) argument that uncertainty does not always lead to competition. In

certain conditions, rational states would choose to cooperate considering the high rate of risk. For instance, if the outcomes of an armed race are uncertain, it is less risky to exercise arms control as opposed to continuing the armed race. These defensive realists argue that rational states would choose the first option.

A disagreement between offensive and defensive realists over the way rational actors behave can also be observed in Charles Glaser's (2010) book *Rational Theory of International Politics*. Like Mearsheimer, Glaser uses rationality as one of the core assumptions of his analysis. They also provide similar definitions of the term. However, both of the definitions are very general and are not enough to argue that the authors share the same meaning of rational actor assumption. In fact, a closer look into their works shows that their perceptions of the term are different.

The difference becomes evident when observing the approach to "worst case scenarios" in these works. Mearsheimer argues,"[rational] states worried about their survival must make worst-case assumptions about their rival's intentions" (2001, p. 45). Glaser disagrees with him by stating, "a state should not base its strategy on worst-case assumptions. Doing so is inconsistent with standard criteria of rational decision making because the state fails to give proper weight to the benefits of cooperation that would result if its adversary is security seeker" (2010, p. 154). The key point of this disagreement is that the rational actor in Mearsheimer's theory is primarily concerned with the costs of a failed cooperation, and the costs of competition are sidelined. Glaser's rational actor does not have this attribute, which makes it possible to argue that the authors do not share the same understanding of the rational actor assumption.

In a nutshell, various neorealist scholars use the rational actor assumption quite often; however, they do not perceive the phenomenon in the same way. Waltz thinks that there is no general definition of rationality. As for offensive realists and their defensive counterparts, they do not agree on how cooperative rational actors are.

Why Are They Different?

So from where do these differences come? This section tries to answer that question by comparing the above-discussed perceptions of rationality with that used in neoliberal institutionalism. It is illustrated how drawing parallels with rationalities used in structural realism and neoliberal institutionalism helps to understand the main reason for the discussed variations.

One of the central factors of the definition of rationality that neoliberal institutionalists use is utility maximization. This can be seen in Keohane's definition of the term presented in the first chapter. By stating that states are rational actors, which do a cost-benefit analysis to maximize their utility, neoliberal institutionalists rely on a game theoretical approach to the term. To a great extent, this is due to the works of Robert Axelrod, who uses game theoretical models to explain international cooperation (Axelrod & Hamilton, 1984).

In 1985, he co-authored an article with Robert Keohane named *Achieving Cooperation under Anarchy: Strategies and Institutions,* where it is clearly presented how game theory is used to construct the arguments of the neoliberal institutionalist theory. The key difference of this approach is that here rational actors are concerned with absolute gains. A simple game theoretical model can give a clear illustration of this difference.

Table 1. "Battle of Sexes" Game Model

		B: X	B: Y
A	X	2,1	0,0
A	Y	0,0	1,2

This table presents a so-called “battle of sexes” game model, where there are two Nash equilibria (2,1 and 1,2). If A plays X, B will do the same, as in that case it will get higher utility (1>0). This is how a rational actor behaves according to neoliberal institutionalism. In contrast, structural realists would argue that if A plays X, B will play Y because in an anarchic system a rational actor is more concerned with relative rather than absolute gains.

Of course, this is a very simplistic presentation of the debate between those theories and leaves out many vital aspects. However, it helps to understand a central feature of the differences regarding the rationality assumption. The model shows that neoliberal institutionalists highly emphasize the role of the utility maximizing character of agents. In contrast, neorealists stress the constraints of the international structure, where the options to exercise the rational behavior of utility maximization is limited. In one case a game theoretical reductionist perspective is dominant with its rationalistic attribute of the agent while the other heavily relies on a systemic viewpoint.

In his book *Ulysses and The Sirens: Studies in Rationality and Irrationality*, Jon Elster argues that these two approaches are alternatives to each other. He states that the structuralist approach denies the importance of rational choice and provides the following explanation:

In an extreme version this would mean that the constraints (by the structure) jointly have the effect of cutting down the feasible set to a single point; in a weaker and more plausible version that the constraints define a set which is so small that the formal freedom of choice within the set does not amount to much (Elster, 1979, p. 113).

Hence, stressing the role of one approach leads to weakening the position of the other. This is what structural realists and neoliberal institutionalists have been doing, which becomes evident when observing their debate.

For instance, structural realists would argue that the above-presented game model is misleading and should be replaced with prisoner’s dilemma, which is more representative to the international system. Here they put forward a more constrained system, where the choice of the actor to exercise its rationality is limited. As a counterargument, neoliberal institutionalists claim that even in an international system with characteristics of prisoners dilemma cooperation is possible in case of iterated games (Lipson, 1993; Axelrod & Keohane, 1985); therefore, the structural constraints that neorealists talk about are exaggerated.

To put it simply, structural realist and neoliberal institutionalist studies are weighted towards different sides of the “rationality-structure” spectrum. A more moderate version of this variation is also apparent in neorealism, which is the

main reason for the differences mentioned in the first part of the essay.

Waltz and Mearsheimer are the most prominent structural realists, who put much emphasis on the constraints of the system. In Waltz's purely deductive approach attributes of the agents, including rationality, are left out. This is why he does not even try to understand what the term rationality stands for. As for Mearsheimer, he also stresses the systemic constraints, which in his theory leave states very limited choices: they can behave either "strategically" or "foolishly." In Mearsheimer's system rational states have no choice but to make their calculations based on worst-case scenarios.

Defensive realists do not emphasize the role of the system that much. This is the reason Glaser argues that rational states do not need to behave according to worst-case assumptions. In his theory, the systemic constraints are not that strong in order to eliminate any substantial cooperation. Therefore, Glaser argues that rational states are more cooperative than Mearsheimer thinks. The same can be said about Van Evera's approach; it is not surprising that he prefers to use Keohane's definition of rationality.

The illustration of the rationality-structure spectrum is the central factor of this essay, as it shows that putting different emphases on the role of the systemic constraints axiomatically leads to varying understandings of the rational actor assumption.

Conclusion

Recently many works have been written in the discipline of International Relations on the rational actor assumption. However, one matter that has not received much attention is the question whether those who talk about rationality share the same meaning. In its two bodies, this paper tries to address that issue. It comes to the conclusion that different structural realist scholars have varying understandings of rationality in their theories. Thus, it is misleading to state that rational actor assumption is something they have in common.

A careful observation shows that the perceptions of neorealist scholars regarding the rational actor assumption are directly related to the role they give to systemic variables. While they have put much effort into clarifying their versions of the anarchic system the rationality phenomenon has been relatively sidelined in their debates, which led to a misleading impression of a shared understanding of rationality.

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