

# **“Rethinking Neorealist Theory: Order Within Anarchy”**

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It has been more eighteen years since Kenneth Waltz first introduced his structural based "Neorealist" theory of international relations. The purpose of this article is to assess how well this theory holds up nearly twenty years later. Three specific areas of neorealist theory will be examined: the issue of anarchy, the role of international organizations, and the growing international economic interdependence. The discussion will proceed as follows. First, this paper will summarize Waltz's theory of international relations. This will include a discussion of states being security seeking, but not power maximizing. Second, it will examine the issue of anarchy. Specifically, the role played by hierarchies within anarchy. Third, it will analyze the role played by cooperation and international organizations in neorealism. Fourth, the paper will include a discussion of the growing economic interdependence among the world's nations. Lastly, it will reach several conclusions. First, that international anarchy does not prevent an ordering of nations within the international community. Nations can balance against other nations, or they can form hierarchies and balance one hierarchy against one or more rival hierarchies. Second, that there is a role for international organizations in international relations. These conclusions will be proposed in a modified version of Waltz's theory of international relations. This modified theory will be based upon the existence of order within the anarchic international system.

## **Waltz's Theory of International Relations**

Structural realism attempts to explain the nature of international relations by separating the state level, which Waltz defines as composed of units, from the systems level, which is composed of structure. Waltz believes that "[a]t the systems level, we find results; at the subsystems level, causes." (Waltz: 43). Waltz assumes that states are security seekers. He finds that anarchy exists on the international level. Anarchy exists on the first dimension of what Waltz terms structure. Furthermore, Waltz describes power on the state level as being distributed hierarchically, while in the international community it is distributed horizontally. Next, he assumes that security seeking states are composed of units. States as units are the second dimension of structure. As states are security seeking, states tend to replicate each other on the unit level, thus leading to a balancing behavior. Assuming states tend to replicate due to balancing, Waltz concludes that the second dimension structure drops out. The third dimension of structure in Waltz's theory finds that the distribution of capabilities is largely determined by the number of great powers in the international community. Utilizing his simple and elegant theory, Waltz finds that there is a substantial connection between the number of great powers and how states in the international community act and re-act,

such as why states build arms, form alliances, trade, imitate each other, as well as estimate the probability of war among nations.

Waltz's theory assumes that states by their nature are security seeking. That is to say that states are rational actors who seek to assure their own survival. By this assumption, one takes Waltz to mean that states will do anything to assure their survival, but this is not Waltz's point. Waltz clearly states in his book, Theory of International Relations, that states are not assumed to be power maximizers. How can a state be security seeking and not a power maximizer? How can a state guarantee its own security if it can never actually know the true intentions and capabilities of another state? Because states can only have perceptions of another states intentions and capabilities, a state cannot be security seeking and not be a power maximizer. If a state is assumed to be security seeking and international regimes are assumed not to exist, then that same state must logically also be a power maximizer. The truth is that states seek only relative security in comparison to other states. This can be accomplished on one's own and through alliances formed against a common enemy.

### **Anarchy: From Chaos Can Come Order**

Waltz's definition of anarchy is the absence of an international government possessing the legitimate use of force. It is this lack of an international government that forces states to be security seeking. According to Waltz, the major powers balance against each other in order provide this security. In a bipolar world two great powers compete for control and security; whereas, in a multipolar world, multiple great powers compete. But, what happens when a hegemon orders the world or a region of the world? The answer is that balancing will still occur. Did the Soviet Union and the United States not dominate the security and economic interests of their respective spheres of influence during the bipolar cold war world? Did the two states undertake balancing with regard to one another? In truth, neorealism, does allow for the formation of security arrangements in the face of a common enemy, but does this not suggest that some structural order can be imposed on international actors? The conclusion here is that the creation of some order and cooperation among states is possible within an anarchic system. Further, the creation of this ordering among anarchy does not preclude balancing among spheres of influence.

### **Neorealism, Cooperation, and International Organizations**

The security seeking nature of states forces them to be wary of international cooperation and international organizations. For the neorealist, a state will cooperate if state security is not placed at risk. The problem is that it is difficult to guarantee that state security is, in fact, secure; as a result, security seeking states will be concerned about the relative gains made by other states through military and economic cooperation. This concern extends to one's enemies, as well as one's friends. The argument is that today's friends may be tomorrow's enemies. Leaders change and the natures of the relations between governments can also change. This situation can be seen in Russia today: What might have happened if Yeltsin had died as a result of

complications from his recent heart surgery or was too weak to resume his full duties. The resulting power vacuum might have brought a hard-liner to power in Russia. While the United States government may have had cordial relations with Yeltsin, the future direction of the Russian government remains in question, as does its relations with the United States.

I mentioned above that cooperation among states was rational in the face of a common enemy. This represents one of the two instances in which a neorealist will cooperate. The second is when concessions or side payments are made to compensate a government when it enters into an agreement in which one government achieves a relative gain. In these two instances, rational security seeking states can enter into cooperative arrangements with other states.

There has been a great debate between neorealists and neoliberal Institutionalists about the role to be played by international organizations. Neorealists argue that little is to be achieved via international organizations. Neoliberals make the point that international organizations and regimes provide structures and mechanisms for eliminating the problem of states cheating or defecting from an agreement. The belief is that international organizations will foster improved communication between actors. Additionally, the organizational or regime's framework of rules and norms are believed to lock states into the regime. Because of the regime, states become concerned with their reputations. Defecting from a regime might hurt a state's reputation, thus providing states with a disincentive to defect or cheat. The problem for the neorealist is that leaders of security seeking states should be unwilling to have their role as the sovereign dictated or restricted by international organizations and regimes. For this reason, neorealists generally oppose collective security and other forms of international cooperation. This can be seen with the failure of the League of Nations. The United States Senate refused to ratify the treaty because of national sovereignty issues. National sovereignty is also the reason the United States has been unwilling to recognize the World Court.

I find that states will act in their self interests. If this means utilizing an international organization for a state purpose, then so be it. This appears to have been the case of the Gulf War. The United States sought the moral approval of the United Nations to protect Kuwait, thus assuring access to oil. Further, the United States utilized side payments in order to create a coalition force. These side payments took the form of forgiving debt owed by Egypt and other countries. The reason was that the United States needed a number of Arab nations on its side. Additionally, Japan made side payments to the United States to compensate us for the cost of the operation. The reason being that Japan needed access to middle eastern oil. Thus, it can be seen that the United States utilized an international forum and formed international security alliances when it was deemed in its national self-interest.

## **Economic Interdependence**

Neorealism fails to account for much of the economic interdependence among nations. Why should nations trade if relative gains are being achieved? The answer to this question appears to be beyond Waltz's theory of neorealism because it does not focus on power, as defined as capabilities. Waltz seems to indicate that nations should seek to be self sufficient, thus providing for their own security and other national needs. In this manner, a nation would not risk having food, arms, or other resources cut off by an enemy. Additionally, neorealists tend to assign economic interdependence to the unit level. In truth, economic interdependence can affect the intentions and actions of international actors. It seems likely that the United States would go to war if China were to close off Japan's access to the South China Sea. The reason is that the Japanese economy is heavily dependent on middle eastern oil. The United States, meanwhile, is greatly reliant on a strong Japanese economy to purchase United States securities and goods. A shock to the Japanese economy would reap havoc on the United States economy. Therefore, I find that the United States would probably go to war over the South China Sea for the same reason it went to war in the Persian Gulf - economic self interest. It seems that individual hierarchies or spheres of influence should build up trade within their individual blocks. This trade should, in turn, result in a greater independence among states in the block. This increased independence should allow the members of the block to benefit together, such that they can balance as one hierarchy against other hierarchies. This hierarchic benefit from economic interdependence can be seen among the western allies in both Europe and Asia since World War II.

## **Beyond Waltz**

Waltz's Theory of International Relations provides the reader with a consistent theory for the study of the discipline. What Waltz argues is logically reasoned from the premises he assumes. Waltz, in his attempt to develop a parsimonious theory of international relations, assumes away the real world. He acts like the economist who assumes perfect competition. In the real world, while a state of international anarchy does exist, order within anarchy is also possible. States act in an international context. The actions of one state may or may not affect another state.

It is true that Waltz's theory explains a lot based upon the independent variable he utilizes to explain his dependent variable. As a discipline, however, theorists need to move beyond Waltz. It seems that many an international relations theorist has attempted to improve upon Waltz's theory in one way or another. In truth, Waltz's theory needs to be altered and expanded to explain the real world as it truly appears. What I propose is a modified version of Waltz's structural realism. I propose the following. First, I find that the international system exists in a state of anarchy as Waltz asserts. I find, however, that a number of spheres of influence and hierarchies can exist in an anarchic international system. Order in the international community does

not have to be distributed horizontally. Additionally, the number of spheres of influence and hierarchies existing within the international system can vary. A bipolar world could be defined as consisting of two hierarchies or spheres of influence ordered by a hegemon or dominant power. In the case of the post World War II period, the United States and the Soviet Union represented two hegemons or dominant powers heading two different hierarchies or spheres of influence. Therefore, I adopt the independent variable consisting of degree of hierarchy or spheres of influence. This variable consists of low (more nations in each hierarchy) and high (fewer nations in each hierarchy) degrees of hierarchy or spheres of influence. In a bipolar world, a world consisting of two hierarchies or spheres of influence, the number of nations in each hierarchy would tend to be higher than in a multiple hierarchy world in which fewer nations, on average, would belong to each hierarchy or sphere of influence. This assumes a fixed number of nations in the world in which to place into spheres of influence.

Similar to Waltz, I am willing to let the second level of structure, that of domestic factors, to be dropped from the international structure. This is premised on international regimes, alliances, and security arrangements being treated as an organizational dynamic of the hierarchy or hierarchies within the anarchic system. This allows for the balancing behavior of states and of one sphere of influence or hierarchy against another.

Third, I find that Waltz's distribution of capabilities (Waltz's number of great powers) defines my first assertion. I find that Waltz's distribution of capabilities among nations affect whether the international community is fully anarchic or if one or more hierarchies exist in the international arena.

I also make the same assumption as Waltz as to the nature of rational states necessarily being security seeking. I find with Waltz that states are not necessarily power maximizers, but rather hierarchies or spheres of influence seeking to maximize power, while individual states, I would argue, seek relative security. Relative security can exist because, while states do exist in Waltz's anarchic system, this anarchic system can consist of interdependent spheres of influence or hierarchies. While I agree with Waltz's assessment that states are concerned for relative power, I add the caveat that this assumes that relative power assures relative security. It is this combination of relative state security that great powers bring together in the creation and ordering of their hierarchies. The great power will seek to add nations in order to increase power. The power of these nations will tend to be sufficiently less than that of the dominant power of that sphere. As a result, the majority of balancing will be undertaken by the dominant power. This helps the dominant power to assure their own security, while maintaining dominance of the hierarchy for as long as is possible. Additionally, the adding of nations to the hierarchy will continue until the adding of nations no longer acts to increase the hierarchy's power, but instead act as a drain on power capabilities of the hierarchy. The adding of nations can also cease when no more states sharing the common interest are found to exist. The only exception to the adding of

nations beyond the point of diminishing returns occurs when the dominant power is willing to bear the cost of adding the additional state to the hierarchy by increasing its own security requirements. When a hegemon or the dominant power of the hierarchy declines, the likelihood of conflict and war within and between hierarchies may increase. The reason is that actors within that hierarchy may challenge the dominant power for control over the hierarchy or may attempt to split off and organize their own rival hierarchy. This challenge can result in the reordering of the hierarchy and the military and economic arrangements within it. The existing order of the hierarchy will generally linger beyond the hegemon's or dominant power's decline because the benefits accrued from the present ordering will continue to exceed the cost of the challenge.

What this modified theory accomplishes is the following. When there are fewer hierarchies in the international system and more nations in each hierarchy, then there is more likely a higher degree of economic cooperation and interdependence among the nations. When there are more hierarchies in the international system and fewer nations in each hierarchy, then there will be a lower degree of economic cooperation among nations. With regard to the tendency of nations to balance, I reach the following conclusions. First, the fewer the number of hierarchies, the higher the degree of balancing behavior exhibited. Bluntly put, more security alliances are formed. A gain by one side is seen as a loss to the other side. With regard to predicting the probability of war, I reach the following conclusion. I find that with fewer hierarchies comes greater stability through the creation of international regimes, security arrangements, and alliances. With more hierarchies comes greater instability because more great powers seek to influence more states in the international system. This conclusion is consistent with that of Waltz.

When one modifies the assumption of anarchy to include some hierarchic order, or spheres of influence, it then becomes possible to explain the existence and importance of international regimes. This is because the international order can only be fully anarchic, unipolar, bipolar, or multipolar. In each instance, with the sole exception of the fully anarchic system, an individual great power or multiple great powers will seek to dominate the international system. These actors then will order their portion of the international system. Based upon this, I find that states exist in a complex system of interdependence. This interdependence takes the form of a complex web of international regimes, security arrangements, and trade agreements, organized by the dominant power. By building complex security relationships, great powers can enhance their own security and that of the states in their hierarchy. The United States undertook the Marshall Plan in an effort to build-up its European Allies following World War II. The belief was that having stronger allies would assist the United States in its containment efforts against communism within Europe. The building up of our allies in Europe allowed them to acquire the necessary resources to balance against the Soviet Union. This resulted in the hierarchy dominated by the United States having increased power which helped lead to peace during the Cold War. As a result, states do not necessarily need to be power maximizers in order to be

security seekers. The great powers will still provide for their own security, but they will expand their sphere of influence to cover other states in their hierarchy. Further, states can have military protectors. Since World War II, Japan has become a world economic power, but it still lacks the military power to provide for its own security; rather, the United States and its Asian allies are committed to defending Japan from common threats. Clearly, relative security among states may be acceptable when a state is part of a hierarchy that exists in order to deter or fend off another hierarchic order or enemy.

What I am arguing is that it is possible for states in both bipolar and multipolar worlds to exist in a hierarchic state in which security is increased through international trade and security regimes. This does not preclude states from being security seeking or performing balancing functions. Balancing can take place either internally or in combination with one's allies. This is consistent with the record of history through the late part of the 19th and 20th Centuries. In each major war, a state has sought to change the international order by challenging the dominant power. In each instance the dominant power has formed alliances and defeated the challenger. This can be seen in Hapsburg Germany in World War I and Japan and Germany during World War II. The creation of security arrangements in order to defeat the challenging nation does not appear to be contrary to Waltz's theory. States existing in an anarchic international system can be organized into multiple hierarchies by a hegemon or dominant power. When faced with a rival hierarchy or sphere of influence in the international anarchic system, it is then possible for states to form security alliances, enter into international regimes, and trade. The possibility of anarchy consisting of hierarchic spheres adds a new and dynamic dimension to understanding order in the international system within the neorealist way of thinking.

In conclusion, the world as we know it is not always chaotic and unorganized; rather, the anarchic world can be hierarchic in nature. Anarchy does not rule the day in the international world, it only seems that way. Once one understands the possibilities inherent with interpreting the anarchic world in a hierarchic manner, through an examination of spheres of influence, one gains a greater understanding of the international system and the existence of international cooperation, the formation of alliances, and how states can seek relative security without being power maximizers.