

Kenneth Waltz convincingly argues that the international system is characterized by persistent anarchy (Waltz 1979). However, inequality within states, gains from trade and the prominence of non-state actors present problems for his theory. This paper investigates each in turn, concluding that while Waltz's edifice may be broadly correct as a description of the international system in 1979, developments in both the distant past and in the forty years since 1979 suggest that his characterization is more limited and contingent in application than Waltz claims in his text.

Waltz argues that international systems are decentralized and anarchic (Waltz p.88). He believes that states are fundamental to the international system, and that the force of states undergirds international organizations. Waltz draws an extended analogy between market economics and international politics, arguing that both employ feedback mechanisms to produce a kind of homeostasis. Writing that "structures emerge from the coexistence of states" (Waltz p.91), he justifies the market analogy by arguing that the international system is fundamentally a "self-help" system, with the implication that states will seek to ensure their own survival.

Waltz differentiates between two different organizational principles: hierarchy and anarchy. Hierarchy is said to involve relations of super- and sub-ordination, implying differentiation, while anarchy entails coordination among a system's units, implying their sameness. On these terms, national politics is hierarchic, with differentiated units performing particular functions, while international politics consists of like units performing the same activities (Waltz p.97). Fundamental to the structure of the system is the distribution of capabilities across the system's units. Waltz is careful to distinguish between individual capabilities (unit attributes) and the distribution of capabilities (a systemic attribute).

For Waltz, the study of international politics grapples primarily with differences of national capability (Waltz p.143). This will be true, runs the argument, as long as inequalities across nations are greater than inequalities within them. An implication of this theory is that as national economies converge and Gini coefficients soar, there may come a time where differences of national capability recede into the background and the inequalities within states become salient factors for international political analysis. As a result, the primacy of the state can be threatened by divisions within it. Consider the example of Greece during the Peloponnesian War. As Thucydides relates, city after city was divided between rich and poor, with the rich supporting Sparta and the poor supporting Athens (Thucydides 3.69 – 3.85). As inequality increases around the world (and particularly in the United States), Waltz's premise that states are the dominant actors can begin to look dubious.

The primacy of states in the international system can be questioned in another way. Waltz accepts that if nonstate actors take on major roles in the system, then structural definitions relying on states will be inappropriate. As support for the claim that states are fundamental, Waltz points to their longevity. He notes: “Few states die; many firms do. Who is likely to be around 100 years from now—the United States, the Soviet Union, France, Egypt, Thailand, and Uganda? Or Ford, IBM, Shell, Unilever, and Massey-Ferguson?” (Waltz p.95). Of these states, the Soviet Union has disappeared entirely, and Egypt, Thailand and Uganda have all enacted fundamental revisions to their constitutions (France also revised its constitution 21 years before Waltz wrote). Waltz misplaces the emphasis – states are not territories, but constitutional arrangements for governing those territories. Egypt has been called by that name for four millennia, but it is ludicrous to argue that this “longevity” is due to the adroitness of its government – it merely speaks to the impossibility of effacing physical space. Thus France has had five republics (and two empires) since 1789. By comparison, the Banca Monte dei Paschi Di Siena has been in continuous operation since 1472. In addition, the most significant international events of the twenty-first century have all arguably been initiated by non-state actors.

Waltz writes that states are “alike in the tasks they face, though not in their abilities to perform them” (Waltz p.96). While this seems broadly correct, it is worth noting that the tasks faced by the United States (and its capabilities) seem more comparable to those facing Apple and GE than those faced by Liechtenstein or Lesotho. Fundamentally, states seem to be a mechanism for making an exclusive claim to the principal factor of production during the past millennium: land. As other factors (talent, entrepreneurship, capital) take on greater prominence, states will either be forced to change the nature of their exclusive claim or will be outmoded by another form of organization.

Recalling Hobbes, Waltz writes that “[a]mong states, the state of nature is a state of war”, associating anarchy with violence. Since both national and international politics are characterized by force, Waltz argues that the difference lies in their different modes of organization for addressing the use of force. (Waltz p.103). As we saw, in the international system, states are forced to rely on “self-help”. Waltz stresses the functional similarity of units in anarchy, arguing that anarchic systems lack opportunities for differentiation because participants wish to avoid dependency (Waltz p.106). States are thus “denied the advantages that a full division of labor, political as well as economic, would provide (Waltz p.107). This is a zero-sum situation, and “[e]ven the prospect of large absolute gains for both parties does not elicit their cooperation so long as each fears how the other will use its increased

capabilities” (Waltz p.105). He writes that as a result “[t]he division of labor across nations...is slight in comparison with the highly articulated division of labor within them” (Waltz p.105).

Waltz analogizes from the theory of the firm to a theory of domestic politics on the basis of the existence of an overriding central authority. He writes that in competitive markets, firms need not worry about the threat of violence because of the presence of a central authority, which allows for differentiation and specialization. He also writes that “[b]ecause of their similarity, states are more dangerous than useful to one another.” On the basis of this understanding, it seems difficult to explain gains from trade. On Waltz’s terms, a genuine world market would seem to be a paradox because of the absence of an overriding central authority – participants ought to be jealously guarding their independence, not engaging in ever-more specialized trade with one another. An implication of Waltz’s theory is that any specialization that occurs must be a result of hierarchy. The efflorescence of exceedingly specialized trade relations over the past seventy years constitutes strong evidence that we do not inhabit a state of anarchy.

The nature of multinational corporations has changed significantly in the last forty years. Waltz claims that multinational firms are merely “nationally based firms that operate abroad” (Waltz p.151). While acknowledging genuinely multinational operations, Waltz observes that most of the top management and shareholders share the firm’s nationality. This is no longer the case. Multinational firms today come far closer to constituting independent power centers without ties to any particular state. Their top management and investors are sourced globally, sales are made globally, and headquarters are determined on the basis of tax law rather than national affiliation. As a result the ties of multinational firms to their states of operation have greatly weakened. This complicates Waltz’s picture by the implication that states are not the only actors that matter. By the mechanism of the bond market, corporations and investors exert more power over states than the great powers can. Turkey, for instance, might fear Russia and the United States but arguably fears the bond market even more (WSJ 2018).

When states act within the anarchic structure of the international system, Waltz argues that the structure will cause actions to have unintended consequences. Rational behavior, given structural constraints, does not lead to the desired result. States are thus in a prisoners’ dilemma vis-à-vis their rivals. Structure dominates intentions. As Waltz puts it, “[t]he only remedy for a strong structural effect is a structural change.” He further points out that while macrotheories of the national economy make sense because there is a unitary actor with responsibility for the system, macrotheories of international politics lack the same practical implications because there is no such overarching actor with systemic

responsibility (Waltz p.110). While this is correct, Waltz implicitly draws on macrotheories of international politics when he characterizes states as forfeiting potential gains from specialization.

Since the anarchic “self-help” position is characterized by a great deal of risk, Waltz explores how this risk might be limited. He proposes that by enmeshing states in a hierarchical order, states could (at some cost) reduce the risk imposed by anarchy (Waltz p.111). However, he argues that this possibility is foreclosed by the difficulty of mobilizing the resources needed to create and maintain the unity of the system (Waltz p.112). As the incipient central authority grows in power, Waltz argues that it will become an ever-more attractive target for states to control. As a result, “[n]o appeal can be made to a higher entity clothed with the authority and equipped with the ability to act on its own initiative” and attempts at world government are doomed to founder (Waltz p.113). The persistence of the use of force in the international system is explained by a credibility argument – threats, to be credible, must sometimes be acted on (Waltz p.114).

Waltz introduces the concept of balance-of-power, arguing that this system will prevail in anarchic orders populated by units wishing to survive (Waltz p.121). Balance-of-power theory predicts that states will seek to maintain their own power through imitation of successful states, and that the military power of relatively weaker states will increase more quickly (or shrink more slowly) than the power of stronger and larger ones (Waltz p.124). As a feature of anarchy, balancing will diminish to the extent that hierarchical structures prevail. The alternative behavior, bandwagoning, emerges when gains are possible for the losers and when losing does not jeopardize their security (Waltz p.126). In an anarchic context where these facts do not prevail, states will seek to ensure their survival by joining weaker coalitions. This means that “states balance power rather than maximize it” (Waltz p.127). The resulting competition forces states to imitate their competitors’ successful practices, producing “a tendency to sameness” among the competitors. Even nonconformist states are socialized over time by mere involvement in the system (Waltz p.128).

Waltz argues that state power is unitary, and that states rely on their combined capabilities to survive. It is thus nonsensical to speak of “economic superpowers” or to otherwise differentiate state capacity (Waltz p.131). Given the inequality of nations, Waltz concludes that the number of consequential states will be small. He further argues that inequality is a spur to peace, because extreme equality is associated with instability (Waltz p.132). Waltz thinks that as the number of major powers increases there is a concomitant increase in the cost of bargaining among them. As a result, structural factors militate in

favor of a small number of major powers at any given time. He concludes that smaller systems are more stable, and that major powers in small systems are better able to coordinate their actions to achieve mutual gains (Waltz, p.136). Waltz argues that interdependence (mutual dependence) among states can make conflict more likely unless the acceleration in interdependence is matched by an increase in central control (Waltz p.138). He argues that the world of 1979 is considerably less interdependent than the world of 1914, and that this makes war less likely.

Waltz does not project his theory farther back in history than the mid-19th century. As a thought experiment, let us see whether Waltz's framework can accommodate events from the more distant past. This is in keeping with the spirit suggested by Waltz's exhortation to seek ever-harder tests for a proposed theory. The first thing we notice as we travel farther back in time is that Waltz tacitly assumes a single world system, containing major powers who must contend with one another. History reveals a multiplicity of systems, each containing its own great powers and resulting in its own peculiar balance. We also notice that unipolar systems are not as rare as Waltz supposes. The Roman empire certainly coexisted with other great powers, but Han China and Arsacid Parthia were both unbelievably remote from the Mediterranean world, and functionally Rome dominated its system for a thousand years without ever generating any balancing activity by the states under its control. The advantages of Roman occupation were so obvious that many states embraced the Roman yoke voluntarily, and even those who did resist were led by Romanized elites (Tacitus 2.88). Finally, consider the states of Mesoamerica and South America prior to the Columbian exchange. In both cases, single unitary actors achieved near-total dominance (the Mexica in Mesoamerica and the Inca in Peru) without any contact with great-power rivals.

We therefore must question whether Waltz's assertion of anarchy is a plausible description of the international system *tout court*. Complications for his theory include the inequality within states, persistent gains from trade and the prominence of non-state actors. Thought experiments applying his theory to different historical contexts leave us uncomfortable, with the nagging worry that something has been left out. We must conclude that although the international system (like the state of nature) may be characterized by anarchy, the benefits of cooperation and specialization are so great as to spontaneously generate hierarchies in a variety of contexts. Anarchy may be fundamental, but whether in nation states or the international system, human beings have proven themselves adept at escaping from the state of nature.

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