

Transcript: Theories of International Relations – Liberalism

A more optimistic and hopeful vision of international politics is painted by what Robert Keohane has called 'neo-liberal institutionalism'. Interestingly, this theory accepts two of the key assumptions that drive the realist approach, namely, that the international realm is anarchic and that the behaviour of states is driven by rational calculations of their interests.

Unlike realists, however, they argue that more meaningful and lasting forms of cooperation are possible under the condition of anarchy. In other words, they suggest that we can achieve global governance even in the absence of a global government. By global governance they mean the network of rules, norms, and institutions that can moderate competition between states, and crucially limit the recourse to violence by states in pursuit of their interests.

Unsurprisingly, given their name, neo-liberal institutionalists are interested in the role that international institutions – such as those we will be looking at in this week's puzzles – can play in mitigating the competitive effects of anarchy.

Neo-liberals build their argument on a number of assumptions: first, they assume that the players will be interacting more than once, and hence there is what theorists of cooperation call a long 'shadow of the future.' Returning to the stag-hunt, why should we assume that this is the first hunt our hunters have been on, and even if we do make that assumption, why then assume that it will be the last? If it isn't the first hunt, then the likelihood is that the hunters will already have cooperated, and norms of reciprocity will be firmly in place, as each hunter will have trusted, despite the initial uncertainty, and as a result, each will have tasted the benefits of hunting deer collectively.

If it is the first hunt, then eating rabbit in a one-off encounter potentially makes sense. But what happens a few days later when the hunter is hungry again? Neo-liberal institutionalists would argue that no one will want to cooperate with a hunter who has defected from a hunt. Reputation matters in hunts as in international politics and a short-term gain becomes a long-term loss if the actors will be interacting over and over again. Given that international politics is, for the most part, defined by continuous rather than one-off encounters, neo-liberal institutionalists argue that it is this more long-term perspective concerned with reputation that pressures states into cooperating, rather than the more short-term survivalist perspective that encourages defection.

For neo-liberal institutionalists, institutions play a key role. By institutions they mean shared habits and practices of cooperation at one end of the continuum, and fully developed systems of governance at the other. Institutions have, to varying degrees, rules for monitoring behaviour like the World Trade Organization (WTO) with its voluntarily agreed dispute mechanism procedures, and formal mechanisms for resolving disputes such as the various organs of the UN (e.g. the Security Council and the good offices of the UN Secretary-General).

Neo-liberals argue that institutions work to facilitate cooperation by increasing transparency and mutual responsiveness, and thereby reducing the uncertainty about the motives and intentions of others that realism argues limits cooperation. Institutions provide increased levels of information that shape the rational calculations which enable actors to assign probabilities to how others will behave. Where this information leads them to believe others share a common interest in long-term cooperation, institutions can work to promote cooperation.

To locate this discussion in the context of the stag hunt, imagine how the possibilities change if communication takes place between the hunters prior and during the hunt? Being able to talk to each other about both the importance of staying at one's post and the benefits of hunting collectively would significantly reduce the risks of defection.

And is anyone else watching the hunters and are they in a position to hold them accountable? In our contemporary world, these discussions about cooperation between allies and adversaries happen in an open forum where many voices speak and where every action is only a second away from a twitter feed.