Title: **Hobbes's Dilemma and the Liberal Quest for World Order** - Robert Keohane

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Speakers:

S1 - Tim Haughton

S2 - Robert (Bob) Keohane

S3 - Nicholas J. Wheeler

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S1 OK, ladies and gentlemen, for those of you who don't know me my name is Tim Haughton and along with my colleague, Isabelle Hertner, I'm the co-convener of the POLSIS departmental seminar series. This particular event is a joint event with the Institute for Conflict, Cooperation and Security which is directed by my colleague, Nick Wheeler. Just to say a couple of things about forthcoming events whilst we have such an excellent turnout, that the next two departmental seminars, the first is on the 12th of November in which we have three of the rising stars of the study of the European Union – Sarah Binzer Hobolt from LSE, Chris Bickerton from Cambridge and Nat Copsey from Aston – talking about EU, the State of the Union. And on the 19th of November we have an event just looking at 25 years after the 1989 Revolutions with Michael Bernard from University Florida and our own Graham Timmins. I would emphasise that everyone is welcome to come along to those two particular seminars as well and in addition there is an ICCS seminar on Monday the 10th November. Geoffrey Hosking from University College London is going to talk about Russia and the West since 1991. It gives me great pleasure today to introduce

our speaker, Bob Keohane. I will just say that Bob Keohane probably has a CV that all of us would love to have. From his doctoral studies at Harvard under the great Stanley Hoffman onwards he's held a number of particularly impressive posts up to his current post at Princeton University at the excellent Woodrow Wilson Centre, probably the best concentration of expertise on international politics in the world – apart from the University of Birmingham obviously! To give you an idea of the measures of esteem that Bob Keohane is held within, I'll just mention one thing, the Skytte Prize which is sometimes described as the kind of Nobel Prize for political science. It's only ever been awarded to 20 scholars. Bob is one of the recipients, to give you a sense of the company that he's within, people like Juan J. Linz, Robert A. Dahl and Arend Lijphart, so the real best scholars have been awarded that particular prize. Bob is particularly well known for his work on international relations. His book, 'After Hegemony', was described by one of my senior colleagues who said to me that if students are only to read three books on international politics during their entire studies of International Relations, 'After Hegemony' should be one of those three books. But, I would just emphasise that his expertise stretches much further than that. He co-edited a very important book, 'Designing Social Enquiry' which looks at how you should go about conducting research, which I strongly recommend many of you to look at. Or indeed a super article 'Political Science as a Vocation' which for any doctoral students in the room I would encourage you to read that because it really does lay out what you need to do to be a successful researcher in political science. Now when I was in contact with Bob about what he would talk about here, he came back and offered seven possible talks, so we had to have a bit of to-ing and fro-ing to discuss which of these seven talks that he would deliver. In the end we agreed on this particular one. I think it's appropriate for a number of reasons. Not just because actually not too far away from here some of the key battles of the English Civil War took place at Edge Hill and Naseby and we all know that the English Civil War was very important in the

generation of Hobbes' thinking in his great work, 'Leviathan'. But secondly and more importantly, the foundations of all political science are the great texts of political thought. It's an absolutely integral part of what we do. We can't be political scientists unless we have read and understood the great works of political thought, like Hobbes. So for that reason, but for many others, I'm delighted to introduce to you all Bob Keohane who will deliver his speech. And after Bob has delivered his speech, Nick will act as a kind of discussant for about ten minutes or so and then we will open up for a Q&A. So please welcome Bob Keohane.

[APPLAUSE]

S2 Thank you very much Tim, I appreciate the introduction and it's good to see Nick Wheeler, my old friend, here. I haven't seen him in a number of years. Whenever I receive an introduction like that though I have to warn you not to be too impressed by honoraries and awards. There's a sort of semi-random distribution here and I will tell a story that illustrates that. I think it's a true story, looking through my father's diaries and he was an honest man. This is an American story but it's generally appropriate. There was a man named Robert Maynard Hutchins who was later President of the University of Chicago but he was Dean of the Yale Law School at aged 28 and as you might imagine he was very bright and somewhat arrogant and he as Dean of the Yale Law School hosted William Howard Taft who was a former US President and at the time, a Chief Justice of the US Supreme Court. Taft was a Conservative, Huchins was a Radical. Taft was a very distinguished man of later years, weighed 350lbs and he had a presence to him. So Taft comes to Yale and he says 'well Mr Hutchins, I assume that at Yale you teach the students that all judges are fools', which Hutchins says very quickly 'No, Mr Chief Justice. At Yale we teach our students to find that out for themselves'. So you're to find

out for yourself whether I'm a fool or not and not to take anybody's word for it that I'm not.

So the talk is entitled 'Hobbes' Dilemma and the Liberal Quest for World Order'. Many of you have read part of Hobbes' Leviathan; probably very few of us. I'm not sure I have read all of it, it's a huge book, and if you have it then you should because it's the most compelling justification for authoritarian rule that I know. Hobbes is usually read in a domestic context. There's an argument that anarchy is so horrible that obedience to an authoritarian Government is justified, as long as that Government protects people's lives. At the domestic level, what I call Hobbes' dilemma, is dilemma facing people who would prefer to be autonomous; they don't want to be subordinate to authoritarian rule, but they face great uncertainty and a high probability of sudden death, unless they submit to a sovereign which actions they cannot control. One side of the dilemmatherefore is that there's no security without government That's Hobbes' big lesson. The reason is that people are self-interested. They seek power and glory and they're fearful of one another. All of these motivations can lead to violence. Hobbes was only right about this. Modern anthropology has demonstrated that stateless societies have much higher rates of death from warfare than the societies' mistakes.

The other side of the dilemma can be expressed as follows: because people are self-interested and power-loving, unlimited power for a ruler implies a predatory oppressive state. For the same reasons that we need the ruler, we have to expect the rulers' not going to be a benign lovely person either. Hobbes was willing to accept this side of the dilemma and in fact advocated authoritarian Government but most of us today are not. Hobbes' dilemma is highly contemporary. It has faced people recently in Bosnia, Libya and Mali. Should one submit to an authoritarian Government that by and large offers protection to its citizens in return for submission, but is likely to exploit and oppress its

citizens? Or should one nevertheless seek autonomy, even at great risk to one's self? Look at Libya. They were under Gaddafi's ruthless dictatorship for forty years and now they're in a state of nearly Hobbesian Anarchy. Now Hobbes leaves little doubt of his choice. One must submit to avoid what he calls 'the war of all against all', otherwise "the life of man is solitary, nasty, brutish and short".

Rousseau disagreed with Hobbes' solution to his dilemma and took a radical approach. The idea of community was small and self-sufficient, but Rousseau's approach is then feasible in the globalised society, what might have worked for the Switzerland of the 18th and 19th centuries. He had in mind a Switzerland of the 18th or 17th centuries. Adam Smith writing partly in response to Rousseau said that the division of labour is at the heart of prosperity and 'the division of labour depends on the extent of the market'. In other words, Rousseau's solution would condemn everyone in the world to poverty, even if it could succeed politically because a small self-sufficient community wouldn't necessarily be poor. Without both domestic and international exchange there is less division of labour and therefore less prosperity worldwide. So we have a real set of dilemmas here, not easily solved. To anyone who's been exposed to political liberalism, Hobbes solution to his dilemma also seemed unsatisfactory. But Liberals, unlike Rousseau, have a viable answer. Locke, Montesquieu and the American Founders argued that there's another option that gets around Hobbes' dilemma. Neither submission to authoritarian rule nor retreat into a largely mythical small democracy. The solution is constitutionalism and the division of powers in which 'power checks power'. In Federal's number 10, James Madison the great American political theorist and I would put him up with Hobbes and Locke as a great political theorist, argues that larger publics with representative Government can avoid what I'm calling Hobbes' dilemma. He says 'extend the sphere and you will make it less probably that a majority of a whole will have a common motive to invade the rights of other

citizens. Make it a larger country, make it larger and more diverse'. And if such a common motive exists, it will be more difficult for those who feel it to discover their own strength and act in unison with one another. So the solution is not Rousseau's little community but a larger community, a larger and more diverse community with institutional objects and balances. Long experience however has shown that it's difficult to establish such a republic, the people must be willing to submit to constitutional restraints, and they must not be divided in permanent factions on the basis, for example, of religion. Indeed there must be pluralism with different groups of people working together on different issues. There also needs to be a measure of trust on the part of each group that others will also abide by the constitutional restraints when they are in power. And we have seen many civil war situations and new democracies which haven't met that standard. As … showed 20 years ago, it's rare for new democracies to get this right the first time around. More frequently there's at least one lapse in the populism, look at authoritarianism – look at Russia today – before stable democracy emerges. Rarely it comes round the first time.

Naively, the American public and American leaders often think otherwise and are therefore surprised by aversions to authoritarianism, whether in some of our Asian allies in the 1960s and 70s, Latin America in the 1970s, countries of the Arab Spring a couple of years ago, or Russia today.

So this is the domestic story of how to respond and how to develop. The story of constitutional liberalism, its promise and the difficulty of actually fulfilling that promise. But my focus this afternoon is on international politics, so I'm putting that aside and looking at the international dimension. When turning from domestic to world politics, the first horn of Hobbes' dilemma remains the same. There is no security without government. International relations are prone to conflict and war, as a result of human self-interest, pervasive

uncertainty and the result and desire as Hobbes put it for power after power, generating destruction and death. The war of all against all, Hobbes' war of all against all, is tempered by the protection offered by the sovereign state, but war is always a possibility since there is nothing to prevent it. And even though everyone knows that war is costly, they still occur. There's a lack of full information about others' intentions, their behaviour or because of the inherent difficulties of the incredible commitments in world politics, even if there's not a vicious dictator seeking to expand.

The situation gets worse when taking a counter-authoritarian rule. The rule about what Keynes called 'madmen in authority'. My purpose is political movements that seek regional or even world domination. Groups and individuals motivated by extremist and … religions such as ISIS, isolated leaders and countries with nuclear weapons and charismatic but highly aggressive intellectual leaders such as Adolf Hitler. Think about the Bolshevik Revolution, ISIS, Al Qaeda, North Korea and Hitler's Germany. The source of threat are diverse but genuinely frightening. War is an ever-present possibility, only mitigated by the protection of what has been called the hard shell of a nation state. Hobbes took comfort from this hard shell. He said 'basically we don't have to worry too much about this anarchy in world politics and international politics because if we can have a strong state, we can keep the enemies out'. And of course he was allegedly born prematurely on the night of the Spanish Armadas defeat off the coast of England in 1588. But unlike in Hobbes' time, weapons can penetrate well inside nation states, so that old hard shell is less protected than it was and nuclear weapons, the fear of nuclear war, was one realisation of this but of course 9/11 certainly demonstrates this point, if it needed demonstrating at all.

So the milder but still unattractive version of this existential nightmare is a world dominated by defensive autocrats, seeking to hold onto

power despite frequent popular unrest. Such protective sovereignty involves a number of authoritarian states, defensive in orientation but armed to the teeth against potential aggressors. If you think of the Soviet Union and China in the late 1960s, they fought a border war. This solution also fails to provide decent conditions of life. War remains an ever-present possibility, either from miscalculation or because some of these defensive authoritarian states turn aggressive. And even if there's peace, the resulting barriers to change the goods or people block the realisation that decent conditions of … life, especially in the globalised contemporary environment. Adam Smith's argument that prosperity acquires a division of labour, requires a large market, makes this option look pretty bleak.

But at a global level, the second horn in Hobbes' dilemma vanishes. It cannot be predatory authoritarian global rule because there's never been a world state and there's no prospect of one. In other words, on the classic so-called realistic count, there is no dilemma simply an existential situation of an ever-present possibility of conflict, what Kenneth Waltz refers to as anarchy and Waltz's theory of international politics would be on my list of the three books that everybody in international relations should read, despite my disagreement with a large part of it. So we shift from a concern with Hobbes' dilemma, what I will call Hobbes' or Waltz's existentialism. One possible way to avoid Hobbes' existentialism at the international level is to deny his view of human nature and to put one's faith in what I would call in other words 'the liberalism of progress'. In this view, human nature either is benign or it's subject to radical improvement. Much American liberalism and some British liberalism has taken this view. If everyone only sought life, liberty and the pursuit of happiness and did not define these goals and opposition to others, the liberals on progress will be valid. The next step internationally would be to argue that democracy isn't necessarily peaceful and so Americans led by Woodrow Wilson who gave his name to the school at which I teach, who sought a world safe

for democracy – his phrase – had taken that line. Inconveniently for this thesis however, the United States is one of the most war-prone states of the last century. Between 1913 and 2013, the United States has been involved in two world wars and two other major wars in Korea and Vietnam that cost hundreds of thousands, probably millions of lives. It has invaded Iraq twice and several countries in the Caribbean. It has engaged in military interventions in the Soviet Union in 1919, was heavily involved in the Chinese Civil War and it's still involved military in Afghanistan and now once again in Iraq and Syria. This list does not include covert interventions involving the use of force in Chile, Iran, Cambodia, Laos, Nicaragua and a body of other countries. Next time somebody tells you that democracies are peaceful, think of the United States.

I'm not arguing that all those interventions were wrong. Far from it. In fact, I believe that some were justified and that others, in Vietnam and especially in Iraq in 2003, were not. My point simply is that the unqualified view that democracies are peaceful is ludicrously mistaken. It doesn't pass the laugh test. More plausibly it has been argued that if democracy were universal, peace would follow since democracies do not fight each other. If you look at my list most of those countries that the US was involved in or was fighting against were not democracies. This generalisation has some merit although one has to define democracy in a special and rather peculiar way to make it work. Germany had a working parliament and fair elections in 1914, along with a fairly free press. Pakistan and India had fought three times, which is hard to attribute to Pakistan being under a military Government since they've come close to war when Pakistan was democratic. Finland a democracy, was allied with Germany in World War II and Serbia had a democratic form of Government, as did Bosnia, when they fought in the 1990s. It's true that most US interventions have been under authoritarian regimes or movement, but the regimes that the US attacked in Chile (Allende's) 1973 and in

Nicaragua in the 1980s were arguably more democratic than their opponents, although neither side would have won prizes for democracy. Furthermore, democracy can turn bad, leading to coups and support for authoritarian Government. It's been shown many times; think of the French Revolution leading to Napoleon, the Weimar Republic leading to the election of Hitler in a free election in 1933, a widespread middle class support for military coups in Brazil, Chile and Argentina in the 1960s and 70s, or the widespread support in Egypt right now for a regime which is more authoritarian and more repressive than Mubarak's regime over thrown by the 2011 Revolution. The notion that human nature is improving is implausible in evolutionary theory and the notion that there's an historic architory progress deep in the liberal narrative is surely not proved. As a result, I would not put my faith in progress alone. Faith in progress as a result of improvement in human nature is hard to reconcile what with what we know about human history and genetics. And its implication that war should be disappearing is at odds with the fact that our international wars have indeed declined, as Steven Bicker has shown. The instance's of civil war, it was certainly for the last two centuries an historic high point quite recently in the early 1990s. I think that there has been progress in human history and I think it's progress in certain ways that I'll talk about, but not because human nature is benign or improving. We can hope for the best but we have to take specific institutional action to make our hopes realistic.

In other words, temper the liberalism of progress with what the great political theorist, Judith N. Shklar called 'the liberalism of fear'. Shklar was a refugee from both the Nazis and the Soviets. Her family was chased out of Latvia after the division, after the Nazi/Soviet pact. Her father had been an officer in the White Russian Tsarist army and had to go incognito across Russia to reach eventually freedom in Canada. She knew what fear means. And she said 'no liberal ever forgets that Governments are coercive'. The liberalism of fear is horrified by the

atrocities of Rwanda, Bosnia, Libya and Syria, but unlike the liberals and progress, its view of human nature is not challenged by these terrible events. Nor do they shake its liberalism, its belief in limitations and the powerful which was forged in the Syrian recognition that humans can act in terrible ways. So let me discuss the liberalism of fear.

And this discussion brings us to liberals such as John Locke who saw constitutionalism as helping not only to constrain would-be autocrats but also ordinary people who might, instead of staying on the right path, fall into ditches or get caught in hedgerows (in his phrases). Such constraining institutions would not be necessary if as we so thought, human beings were fundamentally benign creatures. We would only have to liberate our true selves and I've provided some reasons why I do not share such a secular faith. Belief in the possibility of progress and a retention of active fear and autocracy and misgovernment are two sides of the same liberal coin. It's the possibility of progress. From both perspectives we need to understand our otherwise unattractive human passions can nevertheless promote a general good. And this takes us back to Adam Smith. In Smith's world view – and by the way, if you haven't read Adam Smith's Wealth of Nations, read it and don't believe anything you hear about it because they're almost all caricatures. He's very a very deep and sophisticated thinker and his caricature is this naïve believer that markets always work. Smith said in a famous phrase 'because power is more important than opulence, we need the state and a state can trump markets'. So in Smith's view, progress is generated by a desire for comfort, even luxury and by greed. So progress comes out negative human emotions and sentiments; greed the desire for comfort. In Locke's view, fear can be introduced by constitutional constraints. So the combination of a belief in the possibility of progress, not automatic progress, and continual fear of both autocracy and war and it's a combination of Smith and Locke on the one hand and Hobbes on the other, provides

the basis for realistic but forward looking liberalism. James Madison is the American father of such a realistic liberalism, as opposed to a naïve liberalism I criticised, but has deep roots for the English utilitarianism like Hobbes and the French thought. Neither Madison nor Smith indulged in the more utopian dreams of the liberalism of progress, even though potential gains from trade combined with advancing technology made it possible for all economies to prosper simultaneously. A Hobbesian desire for power after power gets in the way. So does greed. People often seek to gain distributional advantage, not by being more productive, by gaining control of public policies in order to capture rents. Nevertheless, economic protectionism has been shown to be bankrupt and the institutions of liberal democracy have limited or have not eliminated those excessive rent seeking. Smith and Madison would not be fully satisfied but they will be gratified by the partly successful institutionalisation of their ideas.

Progress it seems to me, and I do believe there is progress under some conditions, is to principally develop institutions, including the state and multilateral intervention. I don't think we're getting better as a race or as a species, but institutions can be improved. Indeed the liberals on progress, liberals on fear, both have a need for institutions. Smith's liberalism calls for institutions to promote exchange. He wants the state around. Shklar's liberalism calls for institutions to control human vices and those individuals among us whose vices are more dangerous than others. For those institutions to be morally acceptable they must rest both on humane beliefs and have substantial mutual trust. The mafia's not better than anarchy. People that live under either find themselves impaled on one horror or the other of Hobbes' dilemma. And those people condemned to an existential reality of war and destruction are even worse off.

In domestic societies, the people defined in some way, come together to create the benign constraints that limit both themselves and their rulers. There's a Harvard graduation ceremony every year. The President celebrates the legal scholars who've graduated from the Law School by saying that these are people who crack the wise restraints that make men free and make people free. There needs to be what Benedict Anderson calls an imagined community, or as Karl Deutsch referred to as 'we feeling' among the people who come together. That is socially perceived politics. You can't just get a group of people together randomly to make a state out of them or a republic out of them. But when such beliefs prevail in a geographical area, the people have the capacity for example through successful revolution, to create a constitutional state. They can enforce their rules on themselves. At the domestic level this can solve Hobbes' dilemma which I think the United States solved with the constitution. But the international situation is different because there are no real prospects of a universal state, democratic or not.

So I turn once again and come back to the international sphere because we've seen that institutions can provide an escape for Hobbes' dilemma at the domestic level, at a constitutional level. Do they also help us escape from the accidental reality of war and threaten war at the international level? My answer is yes, so here I depart from realists in the first half of this talk. Now I depart from it. They have to do so differently, not through a social contract among members of a coherent public as in a domestic state, but through the development of institutions as a result of repeated interactions among separate social groups, typically organised in states. So it's not the constitutional solution, it's the repeated interaction solution. It's reciprocity. In game theory, as some of you surely know, there's a famous game called Prisoners' Dilemma. Two alleged burglars are caught and put in separate rooms and unlike the situation in America now at least, they are not informed of their right to be silent. Each is told that if he

confesses and testifies against the other one, or refuses to confess, he'll get a light sentence. But if he does not confess and is convicted to the testimony of his partner, the judge will throw the book at him. Both prisoners know that the police do not have sufficient evidence to convict them but they also cannot communicate with each other. The solution of this game is that both prisoners confess and they both receive substantial jail sentences so they're much worse off than if they had both stonewalled the police. It's a paradox. They get a worse outcome than they could have received if they had both had refused to talk. That is, if they had cooperated. But they are driven to behave in this way by the combination of self-interest and inability to make credible promises to each other. Neither knows what the other is going to do or can promise not to confess to the other one. Both prisoners are better off confessing in a single play situation, no matter what the partner does. If I confess and the other partner doesn't confess, I get off entirely and he goes to jail for a long term. If I confess and the other partner also confesses, we both get some jail sentence. But the worst outcome is if I don't confess and he confesses because then I'm sentenced for a long time and he goes free. And so once the prisoners who aren't of course necessarily rational figure this out and they're interrogators are bound to inform them of this, they will confess. That is they will fail to cooperate with each other. You can think of a situation of two hostile states facing one another. When each side sees large advantages to striking first, maybe it's a nuclear situation or some other situation which is advantageous to strike first like 1914 on the Western Front, and uncertain of the other side's intentions is high. Both states may wish to avoid war but the worst outcome for either of them is to be attacked by the other first. So both have incentives to attack first and the more they think that a war is inevitable, the higher those incentives are.

So what changes this bad outcome? First, if the two parties can credibly communicate their benign intentions they can achieve a better

result. If the two prisoners could cleverly promise not to rat on the other one, they will be more likely to be released or acquitted. It is hard however to ensure credibility though when the temptation to defect is to great. Indeed, one of the functions of the mafia or similar organisations for criminals, is that it makes such promises credible. The stool pigeon may get out of jail but he doesn't survive very long. So that changes the pay-off function for confessing. It makes it negative. At the international level, guarantees by great powers or formal treaty pledges to international organisations composed of great powers to perform the same function. It now becomes irrational to renege because the cost of reneging has been raised by this promise. The second way to change the outcome beyond making credible assurances and getting credible assurances is to have repeated play over a long period of time. So as some of you probably know, the solution – the prisoner's dilemma which leaves this bleak outcome of no cooperation in a single play case leads typically to cooperation in the indefinite play case. We're going to play each other three times a day indefinitely. For the rest of your life you're going to play with your partner, the prisoner. In each play of the game a man can win $10 by reneging on a promise. So his partner gets nothing, instead of cooperating and winning $6. But if the other player plays tit for tat on the second move, she will renege and will keep doing so as long as her opponent keeps reneging. $10 plus zero indefinitely is a lot less than $6 for a very long series of plays. So where as on a single play of the game it's rational to renege, get the large pay off for a repeated play game. If your opponent's playing tit for tat, if she retaliates against the action, you're much more sensible to cooperate. And one major thing, the multilateral institutions do, is to ensure repeated play. Look at the Security Council, issues of lobbying Korea, Suez, the Congo, Cuba, Libya, Iran and Syria, have arisen. On each issue some great power wants action; others may be reluctant. Cooperation is promoted – not always assured but promoted – by the knowledge on the part of reluctant participants that they may want help from the Security Council

on some unknown future issue and by the desire to avoid a reputation for obstructing peace.

So now we can see why institutions are so important. They can both increase the credibility of commitment and make reputations matter more. More generally, they reduced a sense of uncertainty that tempts states to engage in unnecessary conflict. Think about arms control treaties, reducing fear of first strike by an enemy, or trade organisations reducing fear of sudden protectionist measures by a trade partner. Institutions also reduce uncertainty and increase credibility by lowering the cost of negotiating agreements. Consider the great depression of the 1930s and the great recession of 2008/9 which was pretty bad although it was much milder and shorter than the Great Depression. Much was similar about the period before the crash. Bubbles in stocks and real estate, over-optimism by banks that became over-committed and a lack of effective regulation by Governments. But the period after the crash, after 1929 and after 2008, looked very different. One difference is that policy makers had better ideas of how to react and made fewer errors in the more recent crises. But an equally important difference was that institutions for cooperation were almost absent in 1929. There were essentially no international institutions for financial cooperation. The closest they came was an informal relationship between the US central bank and the Bank of England. But the institutions were well developed in 2008. The countries in the G8 and the G20, met quickly after the Layman Brothers' crash and acted together to expand their money supplies in the large fiscal deficit - even Germany at that time – pumping money into their banks and into their economies in general. Although the results of the actions were far from optimal, the chain reaction collapses that turned the recession of 1929 and 30 into the Great Depression for ten years, were avoided largely because institutions were available to facilitate cooperation.

At the global as well as the international level, we need institutions to make mutually beneficial cooperation possible, to prevent both war and depression. Such cooperation does not assume benign human nature and does not involve altruism. Neither the assumption of benign human nature or the assumption of altruism are essential or even important in theorising international cooperation. Cooperation arises not from harmony but from discord. It arises from different views, conflictual views. Cooperation is the process of reconciling conflictual interests and views. It's not a process of simply blessing harmony. If there were harmony you wouldn't need cooperation. We don't need cooperation in any major country to drive on the correct side of the road. As long as it's common knowledge that in Britain you drive on the left and in the US you drive on the right, everybody has an interest in driving on the correct side. We don't need to cooperate. That's harmony. But most situations in world politics an amount of cooperation is needed – it's not harmony, they have a potential or real discourse, a difference of interest and they need cooperation to reconcile. And we'll be talking in the question period about climate change is a classic case where there is discord. It's not harmony. If there were harmony we would have solved the climate change problem or at least be moving towards it. As it is, we're not because there are conflicting interests and it's a public goods problem. But if institutions structure incentives properly they provide incentives for independent self-interested states to cooperate with one another in resolving Hobbes' dilemmas at an international level. They provide a setting that provides relevant information, enhances credibility and through repeated play and reputation, gives them the ability to cooperate.

But the invention and operation of institutions is not the end of the story. Institutions are subject to pressure from states. An institution can even be used to counter other institutions, what Julia C. Morse and I have called in a recent paper 'contested multi-lateralism'. I'll talk a little bit about the contestation of multi-lateralism. Having celebrated

multi-lateralism I want to talk a little bit about its contestation. There are three criteria to define a situation as involving contested multi-lateralism. First, as a multi-lateral institution within a defined issue area, with a mission and a set of established rules and institutionalised practices. Secondly, to satisfy with the status quo institutions, a coalition of actors, whether members of the institution or not, shifts the focus of its activity to a challenging institution with different rules and practices. This challenging institution can be either pre-existing or new and the rules and practices of the challenging institutions conflict with the rules of practices of the existing ones. Right now we have an interesting case of this, a new case of this, with a so-called BRIC Bank that is Brazil, Russia, India, China, South Africa, who have founded at least nominally a bank which will compete with and contest the practices of the World Bank. So this is a classic case of contested multi-lateralism. They're not satisfied with the World Bank's procedure, they're setting up their own bank. To what extent this is a ploy to get more influence in the World Bank and they seriously will set up a large institution that actually makes large loans of their own money, remains to be seen. But this is a classic case of contested multi-laterally. So it always involves the use of either an established or a new multi-lateral institution to challenge the status quo institution, but the outcome of the challenge is open-ended. They're not assuming that they'll succeed or fail. Challenges can collapse without long term impact, they can lead to fundamental changes in institutional practices or they can generate new institutions.

In the short time I have available I'm just going to give one striking example of contested of multi-lateralism from Europe. Europe is a continent which we Americans think you're part of but I'm always hearing you're outside of Europe, so you guys are in limbo maybe. But anyway, let's talk about Europe and it's about money laundering in European law. Even before the attacks of September 11, 2001, the security council had passed resolutions designed to restrict money

laundering as a means of aiding terrorist groups. The Security Council was trying to restrict to limit terrorism and found that terrorism had to require financing and that one of the few points of leverage the rest of the world seemed to have against this was to try to cut off the flow of finance to terrorist groups. After the attacks these measures were stepped up. So it evoked a mandatory provision of Chapter 7 as you know. The Security Council can act in a persuasive way in Chapter 6 or in a mandatory way on Chapter 7 which requires states to act; it doesn't give them a choice. It used the mandatory provisions of Chapter 7 of the UN Charter in Resolutions 1267 and 1373, to require states to impose strict measures that prohibit actions that could facilitate money laundering for terrorists. And it set up a financial taskforce, a very elaborate arrangement, that has enacted various measures to make these requirements operational various states are on the light grey, dark grey or black list and there can be negative consequences for being on the worst part of those lists. Very negative consequences, bigger banks may be cut off at the limit or cut off from international funding and your economy ceases to exist in a normal way.

Now the Security Council established these strict money laundering procedures and established a committee of the council involving all the members of the council but acted in secret to decide on which individuals and groups would have their bank accounts frozen. And they relied on the United States and the United Kingdom intelligence services to tell them which people were the bad guys. At this point they agreed to a substantial list of people whose accounts were frozen and they were frozen suddenly, as you can imagine. You probably wouldn't want to freeze somebody's account and then give them a month's notice that there will be no money in the account. They were frozen overnight and with no warning. All of a sudden, some people woke up and went to the bank or tried to access their account and it was frozen. Of course if you're running a business that would be rather

devastating. But the Security Council's money laundering principles conflicted with the domestic and European and indeed with the US rule of law principles. There was no provision for warning and there was no provision for appeal, which was more surprising. If your bank account was frozen, you could in principle go to your own state, state of nationality, and get them to go to the security council but Sweden in 2002 pushed for the removal of three Somali born Swedish citizens who were added to the sanctions list after 9/11, and failed. So it probably wouldn't work very well. So arguments about due process then in this regime, called the 1267 Regime after the Resolution, became part of a broader discussion in the UN about the need to incorporate human rights principles in the global counter-terrorism and cooperation, yet it will not surprise you that they didn't get anywhere. The United States and Great Britain were resolved to go after terrorism, regardless of a few little problems of law and justice. Those Governments' policies were determined by their defence and intelligence divisions, their homeland security divisions which were getting more and more powerful in the wake of 9/11 and so the Security Council for many years didn't modify their regime despite protests by countries like Sweden and Denmark which despite what you might think do not run the world. And although a UN body concluded in 2005 that 'the many legal challenges to the measures in Europe and the United States pose a serious impediment to the success of the sanctions regime', the security council made only minor adjustments to it and until the European Court of Justice in the famous Kahdi case challenged it. So Kahdi was a – is, still alive - Kahdi is a Saudi citizen who lived in Italy and had a bank account there and found his bank account was closed without his knowledge suddenly and instead of just accepting it or going back to Saudi Arabia, he sued in the European legal system. He sued in the European Court of Justice in 2004. He lost in the first instance but in 2008, having reached the European Court of Justice, he won. Now this was difficult because the UN charter says that the Security Council rules cannot be overridden

by any other international body or international law. They are flatly superior to any others and that's a flat statement; there's no way round it. Except, the European Court said 'we can't strike down the security council regulations, we don't have jurisdiction over the security council, but we can say they can be enforced in Europe and they can't be enforced in Europe because violate European notions of due process, which the Germans especially have pushed in the last twenty years to reinforce and strengthen in Europe. At this point the whole sanctions regime was put at risk. Obviously that hole would wipe out the whole sanctions regime. If you couldn't enforce it in Europe you'd lose it, so if you were a terrorist in Syria, you can just buy a plane ticket to Italy or France or the UK. So Kahdi's case led then to a process of major institutional reforms but it was a very slow process. The Security Council at first changed its procedures a little bit and the court that let Kahdi off said it was not nearly enough. And then there was a change of administration in the United States and eventually in 2010 the Security Council under pressure from the European Court agreed to the appointment of ombudsman person. For the first time in nine years there was some due process arrangement. If your bank account was frozen, at least you knew who to go through, what phone number to call, and you could get a hearing from the ombudsman person and she had the right – she's a Canadian judge – had the authority to delist people and instead of requiring a unanimous vote to delist you, which is impossible to get, a unanimous vote is now required to reverse her delisting – also impossible. So essentially she has the authority to act and as of the end of 2013 at least, she had been delisted 26 people and in October 25th, 2012, this story has a happy ending, the Security Council declared that the assets freeze, travel ban and arms embargo that formerly applied to Kahdi was no longer in effect. Now the EU court wasn't satisfied and so Kahdi was free. He was satisfied but the EU court has hung onto it like a tiger so the case is still in general, the issue is still alive as to whether the Security Council has acted well

enough. The court wants a court, not this ombudsman person, a real court, a real appeals court, to get due process.

But the Kahdi case for my purposes made clear that the tensions between global governance, … Security Council and democratic rule of law principles. The Security Council relied on financial sanctions but the system lacked any built-in checks and balances. So the great powers, especially in the United States, saw to dictate the system which put prevention and terrorism far above protection of individual rights on a scale of values. Privileging security over rights was inacceptable for the European court of justice and the struggle I've just described ensued. The dilemma here is that advancing otherwise worthwhile objects, that is combating terrorism in all of our interests, through global institutions conflicted with core values of liberal democracy as interpreted by the court. So multi-lateralism was not integrated in one system as the article 25 of the UN charter suggested, or a hundred but contested.

Now I'm going to conclude. I've been speaking tonight with three perspectives in mind, from political philosophy, political science and policy analysis. Political philosophy entails deliberation about moral values. Science involves devising hypotheses and testing them rigorously. This can be in social science as well as in international sciences, although in a different way. Policy analysis involves applying the lessons from science and the wider ethical insights of political philosophy, to contemporary problems. As students of political philosophy, as a major objective of students of world politics, should be understanding how to overcome Hobbes' dilemma at the global level. When is governance necessary and what principles would make it legitimate? Because after all, in the Kahdi case it was legitimacy that was an issue. From the court's point of view and the security council regulations were not legitimate because they failed to meet the rule of law principles. As positively for scientists, we need to continue to

analyse the conditions under which different forms and levels of governance are feasible. Now there are so many international organisations. This task includes not just understanding the conditions in which international organisations form and operate, but those in which they can test each other's practices. As practitioners of policy science, we need to offer advice about how institutions for global governance should be constituted. This advice must be realistic, not romantic. It must begin with real people, not with some mythological beings of higher moral capabilities. But they also need to recognise and seek to expand the scope for reflection and normative principles that reflected individuals may espouse. Mistakes in this mission are high for the world. If global institutions are designed well they will promote human welfare. But if we bundle the job, the results could be disastrous. Either oppression or ineptitude will likely lead to conflict and a new fragmentation of global politics. Effective and humane global governance arrangements are not inevitable. They will depend on human effort and on deep thinking about politics. Only if those of us, everybody in this room who study world politics, rise to that challenge will we be doing our part to secure a secure future for current and future generations. Thanks for listening and Nick, I look forward to comments.

[APPLAUSE]

S3 Thanks very much Bob, that was great. I'd like to begin my short remarks by echoing Tim's warm words of welcome to you. It's great for me to see you again and indeed to welcome to Birmingham one of the IR greats. I'd also like to register the fact, as Tim noted, that 2014 marks the 30th anniversary of this wonderful book. I first read this as an undergraduate a long time ago! It's a towering book, 'After Hegemony; Cooperation and Discord in the World Political Economy' and the core things, Bob, that you developed in that book thirty years ago resonate I think very strongly with your lecture today. You provided a highly

thoughtful and engaging response to what you call ‘the first horn of Hobbes’ dilemma at the global level’, which I would summarise is whether human societies can be secure in relation to other groups beyond their state in the absence of an over-arching Government. The question that all students of security and cooperation must answer is can there be international and global security without a world Government? Bob considers that there’s no realistic prospect of achieving world government. Now, as many of you know, there has been a resurgence of interest in this idea in the writings in recent years of as varied a group of scholars as Alexander Wendt, Campbell Craig, Dan Deudney and those who look to more cosmopolitan visions of global governance. The fear that sovereign states cannot indefinitely co-exist with nuclear weapons without global catastrophe and the growing fear that growing climate change is out of control, drive this growing interest in the possibility of a world state. But it goes back of course to people like John Herz writing in his wonderful 1959 book, ‘International Politics in the Atomic Age’, when Herz speculated about whether humanity could survive ultimately without new forms of political governance above the sovereign state level.

Leaving aside the wisdom or otherwise of the apocalyptic message of the world government crowd, I want to briefly respond to your paper by offering a framing that conceives the challenge of international cooperation as a level of analysis problem. Just as Kenneth Waltz famously – and I would certainly agree on the 1979 book being on the list but I’d always want to put the 1959 book there, ‘Man of State and War’ – so that’s four for the desert island I think! Just as Waltz classically framed war as a level of analysis problem, I want to suggest that we can think of cooperation in terms of three images or levels. The first image refers to human nature and the proposition that humans are naturally cooperative and that progress can be relied upon at the international level if we can only harness our potential as social beings, with capacities for empathy and sympathy. Evolutionary theory and the

latest findings in neuro-science which I'm increasingly finding myself reading on the social brain, lends some important support to this hypothesis. But as Steven Pinker, a book that Bob's already mentioned, shows brilliantly I think in his book which I would strongly commend to all of you to read, 'The Better Angels of Our Nature', if there are key elements in our psychological make-up that predisposes to cooperate and trust, there's no escaping what Pinker calls those inner demons which have been with us from the beginning of our evolutionary journey and which remain with us. Little wonder then that Bob finds little encouragement at this level for his core claim that the condition of international anarchy, the absence of an over-arching world sovereign, does not condemn us to Hobbes' depiction of life in the state of nature as nasty, brutish and short.

So what about the second image then? Waltz saw this of course in terms of the proposition that the internal nature of states decides their propensity for war and peace. He dismissed this argument in the 1959 book 'Man of State and War' and again in the 1979 book 'Theory of International Politics', for ignoring the uncomfortable reality that all types of states have fought wars. And Bob is equally dismissive. Democracy, the political system he focuses on is, as he says, not necessarily peaceful as the list of US wars with non-democracies shows. He's a little gentler on democratic peace theorists core claim that democracies do not fight one another, even if they do spend a fair bit of time fighting non-democracies, but rightly draws our attention to cases such as Germany in 1914 and India and Pakistan in the 80s and 90s which pose major problems for the theory. And even if inter-state war was in historic decline, Bob reminds us that millions have perished as the conflicts in Iraq, Syria, Mali, the DRC and Libya remind us today, continue to perish in wars that are fought inside the borders of nominally sovereign states.

This brings me to the third level of cooperation, the international level. The path breaking contribution of After Hegemony in my view was how Bob took realist assumptions about anarchy and states as rational egoists to generate a conclusion about the possibility for inter-state cooperation that challenged the traditional realist claim that cooperation was doomed under anarchy, or at best short-lived, because it was rooted in rational egoism. The reason for Bob's optimism on this score is his belief, which we've heard again this afternoon, in the potential of international institutions and thirty years later, he retains that bedrock conviction in the possibilities of institutions to tame our inner demons and release the potential of our better angels.

In explaining how institutions help us to escape Hobbes' dilemma at the international level, Bob draws on the example of the prisoners' dilemma game. What makes the game so fascinating for students of cooperation across the decades since it was first invented in the late 1940s, is that it always pays a rational egoist to defect against the other player in a single shot game. But as Bob and many others have argued, the pay-off matrix changes markedly if we play the game over and over again. In his book, the Evolution of Cooperation, also published in 1984, the game theorist Robert Axelrod devised an ingenious computer tournament where he pitted invited programmes for playing a business dilemma against each other using an iterated version of the game so that each programme played the other programmes over and over again. The winning programme, submitted by the veteran peace researcher, Anatol Rapaport, was called Tit for Tat. Its rules were simple; always start cooperatively, only defect if defected against and always begin cooperating again if another player, after defecting against you, initiates a new cycle of cooperation. Bob argued in his paper today that reputation matters and when we are interacting with others over a long period of time, there is as Bob argued a strong premium on acting cooperatively to secure our interests. Actors care about their reputations because they know they

are playing again and again. What Robert Axelrod called ‘a long shadow of the future’ and this is where institutions become so important because they reassure players that each will practice a politics of reciprocity.

I’ll leave others to pick up on Bob’s intriguing idea that institutions might contest amongst themselves for legitimacy and the implications this has for cooperation. But let me leave you with two points that I’d be very interested to hear Bob’s thoughts on and others. First the role of identity and cooperation. Bob’s argument rests on the assumption that cooperation is possible among rational state egoists; those who only see others as means to their own ends. But is cooperation deepened and perhaps ultimately more enduring if we relax that assumption? Are human identities reducible to rational egoism? I think not and Bob’s discussion of reciprocity and empathy in his 1984 book opens up a much richer space for thinking about how changing the identities of the players changes the possibilities of cooperation. Second, the question that Bob’s paper leaves me asking is what gets cooperation going in the first place? How do states overcome the security dilemma generated by living in anarchy, especially states that see themselves as dealing with implacable foes. Or are some conflicts of interest simply inescapable and unbridgeable? Bob recognises that the temptation to defect increases as the stakes rise and this is where institutions come under great strain. But what about the temptation to defect in an adversarial relationship where one side tries to initiate cooperation? Can institutions help here or does a cooperative move on the part of one side in an adversarial relationship require the prior growth of trust? And if so, how does that trust get built between two enemies?

In Axelrod’s prisoners’ dilemma tournament, the cost of defection is losing points if you meet a defecting programme. In the world of international politics it’s the risk of being exploited and perhaps even

attacked. After all, if Axelrod had run his prisoners' dilemma tournament as a knock-out competition, then Tit for Tat would have been eliminated from the tournament the first time it met a defector. There would have been no second round. It was for these reasons I think that

John Mearsheimer claimed in 1994 in an article on international security which Bob responded to, called the False Promise of International Institutions, but Bob and those who had developed with him what Bob coined a few years later after publishing this book 'the neo-liberal institutionalist approach', Mearsheimer claimed that they were offering false promises as to the potential of institutions to tame the self-help and power politics world that Mearsheimer seems as endemic to a condition of international anarchy and that it was not possible to sustain mutually beneficial forms of cooperation in the way that Bob and others had argued.

I think it's clear from this afternoon's lecture and indeed the last thirty years work that Bob has contributed to our field, that Mearsheimer is wrong on this, as in many other things. And I say that with someone who has great respect for John and his work.

Bob's shown us this afternoon the importance of institutions in mitigating the dangers of international politics coming to resemble Hobbes' depiction of the state of nature and the importance, not only in terms of a research programme going forward but also in terms of the policy making challenges that this throws up, that for all of us to think more creatively about how we can strengthen the institutions that we have and to build new ones so that we can hold off the forces of chaos that are out there and which feel increasingly like they are starting to engulf us. Thank you very much.

[APPLAUSE]

END OF RECORDING