

The International Win-Set: Boundaries for Influence

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Abstract

In line with the structural realist school in international relations, this paper argues that while being considerable, the power domestic actors have in the foreign policy sphere is bounded by international constraints. The argument proceeds by extrapolating the concept of a 'win-set' constraint from the Robert Putnam's 1988 two-level model on negotiation onto a decision structure of foreign policy actors. Hence it explains the unusual strength of domestic influence in the U.S., relative to other states. Through the use of applied game theory and the case studies of the Kennedy Administration's response to the Cuban Missile Crisis and the Bush Administration's response to the Israeli 'Operation Defensive Shield', this research attempts to demonstrate how domestic groups exercise influence within the boundaries created by the international power structure.

Keywords

AIPAC; Cuban Missile Crisis; Domestic Actors; International Win-set; Rational Actor Model; Structural Realism; U.S. Privileges

Introduction

There is no doubt that domestic actors influence American foreign policy. Domestic actors, in this sense, refer to organized groups of people within the United States who seek some personal interest in a change of U.S. foreign policy. While some heads of state are more or less isolated from electoral pressures of congress, diplomatic actors within democracies are almost always either elected by the public or appointed by elected officials. This exposure subjects foreign policy decisions made by those heads of state to the ebb and flow of both majority opinion and the financial leverage of strong domestic actors. Even autocratic leaders are still dependent on the financial backing of powerful domestic interest groups (Hill, 2010: 224). However, the extent to which domestic actors have control over foreign policy is contested. It is a radical proposition to say that the strength of a favorable domestic group is the primary determinant of a policy outcome. While domestic groups have considerable, and sometimes concerning, levels of influence, their preferences must still be balanced with those of the state in an international incentive structure. This paper will attempt to investigate this balance by first explaining the calculus of an international win-set, then by discussing the means by which domestic groups operate within this constraint. It will accomplish this by examining unique U.S. privileges and delving into two cases: the Kennedy Administration's response to the Cuban Missile Crisis and the Bush Administration's response to the Israeli 'Operation Defensive Shield'. Overall, I hope to argue that domestic groups exert influence proportional to their economic strength *within the boundaries* created by an international structure.

Review of the Literature

At the core of international relations is the economic assumption of state rationality. Mearsheimer describes a rational state as:

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

Notable in this definition is both a consideration of both the actor's choice and the resultant choices of other players, as well as endogenized long-term consequences. Waltz's structural realist school suggested a game with several actors, each of whom could make choices bounded by interests and limits of an international 'structure' (Waltz, 2001). The most rational action by each individual would be that within its constraint whose outcome maximized the interests of the state it led. When Kenneth Waltz used the Rational Actor Model to analyze decisions of political actors, he brought with him assumptions from Rational Choice Theory in economics that have been critiqued and re-examined for the latter half of the 20th century (Waltz, 2010).

One of the most popular critiques of the Rational Actor Model came from Herbert Simon, who argued that the translation of theory to reality came with restrictions on the capacity of actors to make ‘theoretically’ rational choices. Because it is almost never possible for an individual to know the full series of consequences created by their decision, they may only act rationally within the boundaries of their limited foresight. A modification of Rationality, Simon’s *Bounded Rationality* sought to find the most rational outcomes within the boundary of limited information (Simon, 1955).

Modern critics, such as Jonathan Kirshner in *The Economic Sins of Rationalist IR Theory*, notice that actors ‘bring’ their cultural backgrounds and individual experiences into their respective models. Contrary to homogenous consumer groups in economics, individual actors in foreign policy dilemmas use *different* economic models from each other (Kirshner, 2014: 169). While Kirshner refers to historical timelines that construct value structures, this complexity can also take place between individuals within the same state. For example, one administration in the U.S. might prioritize preponderance, while another chooses peace. Such a heterogeneity would allocate utility differently. For the pro-preponderance actor, ensured hegemony might increase utility by 100, but for the pro-peace actor, only by 50. Taking these differences into account changes a cost-benefit analysis based on the preferences of the actor, and allow for *a range of optimal outcomes*. Of course, one might extrapolate these values to be rational and irrational decisions themselves. For example, preponderance might be more effective than peace in the satisfaction of U.S. interests. However, the limited capacity of individuals to foresee outcomes, argued by Simon, often causes actors to substitute individual values for the foresight they lack. This paper follows the rationale of Kirshner, assuming that values can allot for diversity *between* actor choices and that those choices *can be* influenced by domestic actors, but that those choices will still fall within the structural constraints initially suggested by Kenneth Waltz. However, because this paper evaluates real-world cases with the restriction of limited information, it relaxes the assumption that actors have, as Mearsheimer described, long-term foresight and certainty of actor responses.

In ‘Diplomacy and Domestic Politics: The Logic of Two-Level Games’, Robert Putnam outlines a two-level bargaining model in which states negotiate agreements in terms of ‘win-sets’, or sets of policy outcomes that either an international opponent or domestic constituency would find agreeable. The negotiator seeks to find viable solutions within the ‘overlap’ between demands by the opposition party and those made by domestic groups at home (Putnam, 1988: 433-459). However, this model is also useful in other foreign policy choice games. Any state action subject to foreign policy consequence operates within a similar, if less formal, constraint. If policy is evaluated in terms of (a) the extent to which it contributes to state interests and (b) the extent to which it imposes costs on the state, there exists a threshold beyond which policy becomes too costly to pursue, no matter

the domestic influence. Therefore, domestic groups exert strong influence contingent on their chosen policy falling within the constraints of a foreign policy ‘win-set’. Within these boundaries, there exist plausible arguments that each of the policy options encompassed best advances state interest.

Considering this bounded constraint, it appears implausible that domestic groups in the U.S. would have as much influence as they do, as their policy choices still must fall within these boundaries. However, U.S. privileges allot it a ‘larger’ range of plausible policy choices than other states. Consequently, proportionally more of U.S. foreign policy is subject to the push and pull of domestic interest than the policy of its international counterparts.

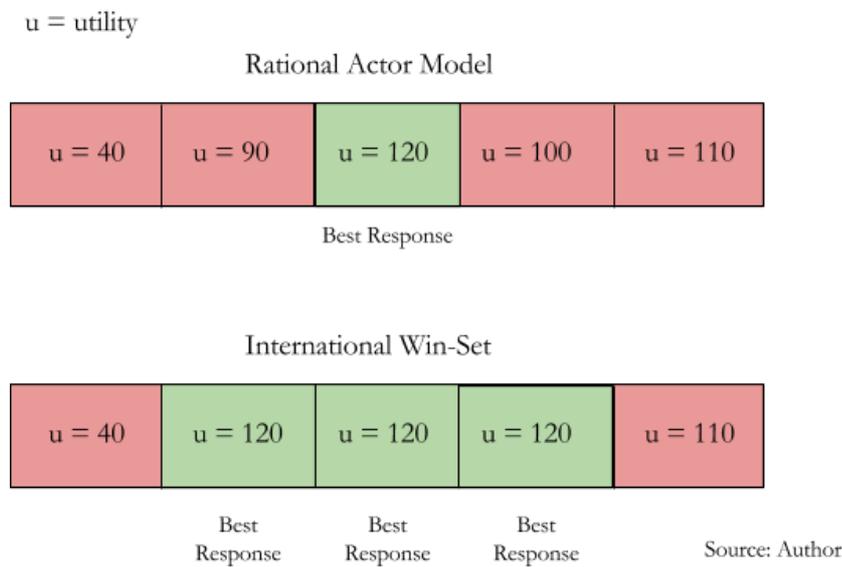


Figure 1. Model 1 of International Win-Set

The top half of the model presents a series of decisions available to an actor in a foreign policy dilemma. Rational options are presented in green, irrational options in red. The second model presents a similar set of options, this time with the assumption that utility is variable, based on pre-existing value differences both of individual belief and cultural background. The volatility of actor preference causes prior ‘suboptimal’ choices to merit utility not before offered by the ‘optimal’ choice, and therefore opens up more than one rational option. The set of all rational options is the international win-set.

These privileges date back to the U.S. position of leverage following a military victory in World War II. During the Bretton Woods conference in 1944, Harry Dexter White cemented the U.S. dollar as the reserve currency by tying its value to the gold standard. When the Bretton Woods system fell in 1971, the dollar remained the reserve currency through the twentieth and into the twenty-first century. The international value of the dollar encouraged any state who wished to avoid a liquidity

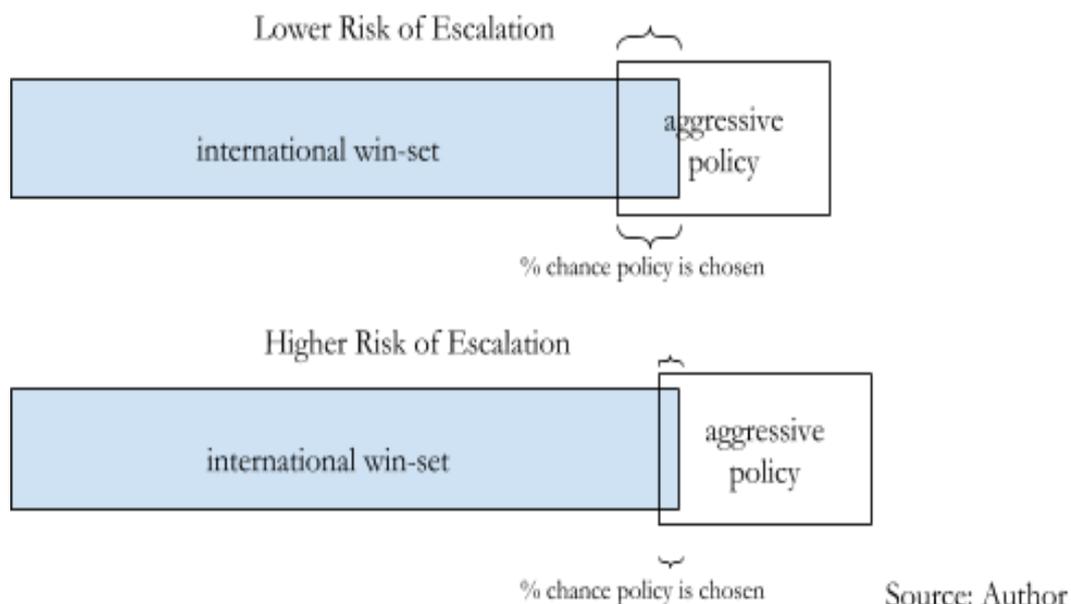
crisis to store reserves of the currency in its national bank. The constant demand for dollars allowed the United States to borrow without concern, passing its adjustment burdens onto allied states in its security apparatus (Mastanduno, 2009: 134). Such exorbitant borrowing privileges allow policymakers to bypass the political cost of austerity, pushing those costs onward to future generations. While future costs already are subject to a discount factor in cost-benefit decisions, the current administration also understands it will likely not be the actor undertaking those costs. This dramatically reduces the disincentive of fiscal cost on the decision-maker.

In addition to economic resources, the cost of policy choices in terms of diplomacy is relatively more crippling for a state which does not enjoy military supremacy. For example, South Africa struggled to negotiate with international partners on the continent during apartheid, the racism underlying the policy not lost on African heads of state (Hill, 2010: 227). The consequences for South Africa of such loss in international opinion, especially from a continent which hosts so many of its trading partners, were of such magnitude to pressure a change in domestic policy, regardless of domestic interests. A similar circumstance for the United States, the loss of international support in response to its 2003 intervention in Iraq, was costly, but relatively less crippling. The U.S. was able to sacrifice international opinion without concern for loss of security and even undertake large economic costs by invading Iraq unilaterally (Schmidt and Williams, 2008: 193). The U.S. is much less dependent on its relationship with Middle Eastern states than South Africa on its African peers. U.S. military supremacy also provides it leverage in many of its alliances because so many states are dependent on its security (Mastanduno, 2009: 133). The decreased cost of many policy endeavors expands the number of ‘contestable’ policy options for the U.S., and increases the size of its international win-set. Therefore, the job of determining which of the now many policy options in this constraint will be implemented often falls in the hands of domestic interest groups.

The Cuban Missile Crisis exemplifies the pull of domestic interests within the constraint of the international win-set. In October 1962, President Kennedy made a public statement that the United States would not tolerate the presence of ‘offensive weapons’ in Cuba. Weeks later, intelligence discovered IL-28 bombers on the island, and the president was forced to take action (Graham, 2010: 120).

Stephen Krasner outlines six policy options available to the Executive Committee of the National Security Council (EXCOMM), the secret group of advisors to president Kennedy, in response to the crisis — do nothing, leverage diplomatic pressure, perform a secret approach to Castro, invade, implement a surgical airstrike, or construct a naval blockade (Krasner, 1972: 170). The ‘secret approach to Castro’ option was abandoned early on because Castro did not have control of the missiles, leaving five alternatives remaining. The diplomatic options were politically unviable

for President Kennedy, who was under political pressure from Republicans to be more assertive, and whose decision to not follow his previous statement would undermine confidence in both him and the democrats who pledged him their loyalty. An upcoming election made this a politically precarious situation (Allison and Zelikow, 2010: 119). However, the assertive options — invasion and surgical airstrike — ran the risk of prompting a response from the Soviet Union in Berlin, and a forced reactionary response of nuclear engagement.



Graph 2. Model 2 of International Win-Set and Aggressive Policy

The Cuban Missile Crisis is an ideal case of U.S. constraint by concrete international interests. Military supremacy and borrowing privileges could not excuse the state from the consequences of a nuclear war — the interest in avoiding escalation was absolute. Yet, there was still debate about whether to perform an airstrike. Why was this the case? The decision about whether to engage assertively was a game of risk in which the worse outcome involved escalation, whereas the better income would mean the ‘backing down’ of the Soviet Union and a grand display of power for President Kennedy. If, alternatively, the case had been that EXCOMM was sure the Soviet Union would escalate the crisis, there would be no room for discussion. An escalation toward nuclear war is against U.S. interests, and no sane leader would prioritize political capital at the expense of nuclear conflict. It was the ambiguity about whether this outcome would play out that encouraged debate. The extent to which the decision was encompassed within the international win-set could be said to have increased as the likelihood that aggressive action would cause escalation decreased.

The top half of the model presents a foreign policy dilemma with a low risk of escalation. In this case, the choice to enact escalation policy is more tempting, as he or she receives absolute gains

in political utility on a low-risk wager. The ‘% chance policy is chosen’ is therefore slightly higher than in the latter model, in which risk of escalation is higher. In this case, the incentives to pursue the policy decrease. An interpretation is that the percentage risk of escalation pushes the policy choice out of the international-win set. The percentage risk of non-escalation remains safely within the win-set. The actor, without information about whether the outcome will or will not remain in the win-set, gambles accordingly.

However, EXCOMM soon decided that the threat of nuclear escalation was too great to perform a surgical airstrike or invasion. The ‘domestic’ interests therefore played within the confines of the three remaining options — do nothing, exert diplomatic pressure, or construct a naval blockade. The domestic incentives for President Kennedy pushed him toward the third option, a naval blockade. Therefore, while domestic pressure certainly guided the president’s actions, he still had to operate within the confines of the international structure.

Another example of a situation in which domestic interest groups had questionable influence to guide policy away from U.S. interests was the push and tug between the American Israel Public Affairs Committee (AIPAC) and the Bush Administration during Operation Defensive Shield (ODS) in 2002. AIPAC’s domestic influence is multifaceted. Its strategic campaign donations make its support a necessity in order to win an election, both for a majority of congressmen and the president. Candidates often compete for AIPAC’s resources, attempting to outdo each other’s enthusiasm for pro-Israel policy. The absolute necessity for politicians to frame their rhetoric in support of Israel also directs the national conversation away from potential criticism (Mearsheimer, 2007: 152). Operation Defensive Shield was a response to a Palestinian suicide bombing on Passover Seder which killed 30 Israelis (Mearsheimer and Walt, 2007: 208). The attack, although condemned by Arafat, undermined any trust Israel had in the Palestinian Authority as a negotiating partner. ODS involved an attempt to create ‘facts on the ground’ and assert ownership of populous territories in the West Bank, including the largest military occupation since the 1967 Six-Day War and the construction of a wall within the territories.

Almost all international actors considered the response vastly disproportionate to the attack. U.S. concern for loss of international favor prompted Secretary of State Colin Powell to depart for Palestine and attempt to reconcile peace terms between Israel and the Palestinian Authority. This decision subjected the secretary to ten days worth of aggressive response from domestic sources. Neoconservatives in the media strongly condemned his actions, members of congress across parties vocalized their lack of support, and a shift in the balance of power within the White House tilted heavily against Powell, who had before enjoyed a position of leverage. Several days later, President

Bush reluctantly vocalized support for ODS, and, three months later, allotted Israel \$200 million to aid in the effort against terrorism (Mearsheimer and Walt, 2007: 210).

It first appears as though domestic politics won against U.S. interests. While the U.S. certainly cares about Israel, the sacrifice of international rapport and the goodwill of the entire Muslim faith seem a heavy cost at which to support its ally unconditionally. Within the policy community, there was near-consensus that support for ODS was against U.S. interests (Quandt, 2005: 398). However, there are plausible arguments that such unconditional support for Israel is in line with U.S. interests. This possibility, combined with the relatively small costs the U.S. endures from unpopularity, mean that radical pro-Israel policy falls within the state's international win-set. In the Rational Actor Model, this outcome would likely have been 'suboptimal', attesting to the failure of the model to account for the complexities that make up real-world decisions. The contestability of a claim that a policy is against U.S. interests ought to contribute to its place within the range of policy choices, even if there is more evidence to the contrary.

Eisenstadt and Pollock argue that there are several ways our alliance with Israel actually upholds U.S. interests, in addition to value-based ideas of supporting a fellow democracy. The primary argument is that a close trade relationship with Israel stimulates innovation in the U.S. because of the relationship between both states' prosperous technology sectors (Eisenstadt and Pollock, 2012: xii). While there is a forced equivalency here between securing a trading partner and unconditional support for an ally, the relative economic benefits of Israel's support relative to that of other Arab allies is still worth taking into consideration. Eisenstadt and Pollock's stronger argument is that many U.S. allies — i.e. Egypt, Saudi Arabia, and Jordan — did not alter their relationship with the U.S. in response to ODS, or to past pro-Israel maneuvers (Eisenstadt and Pollock, 2012: 5). The persistence of U.S. allegiances with Jordan and Saudi Arabia factor into the 'low-cost calculus' of U.S. decision-making. Saudi Arabia and Jordan are both on the lower hand of leverage in their U.S. relationships — Saudi Arabia in terms of economic aid, and Jordan in terms of access to trade agreements. The predicted 'costs' of U.S. controversial support for Israel are therefore, as demonstrated earlier, lower than they would be for a less powerful state. Eisenstadt and Pollock also attribute unfavorable opinion of the U.S. to other policy choices. For example, Anti-American sentiment arises in Iran from the placement of the corrupt and extraordinarily unpopular Shah in 1941, and in other states from support of autocratic rulers and the invasion of Iraq (Eisenstadt and Pollock, 2012: 7). Taking this into account, the consequences of unconditional support are not so drastic.

With this being said, there is still a need reconcile the apparent truth that the Israel lobby was at odds with the preferences of foreign policy actors in the administration — President Bush and

Secretary Powell were both described as ‘reluctant’ to support ODS. Would the U.S. have been able to resist AIPAC influence in a ‘less contested’ case where the calculus of international interests were more absolute? To answer this hypothetical, we can look to the Cuban Missile Crisis — it was not in Kennedy’s domestic interest to pursue a diplomatic solution, and outside the boundary of viable international policy to escalate the conflict with an airstrike. In such a case, Kennedy was pushed into a median position, a reconciliation between structural international interests and domestic influence. Therefore, if the benefits of supporting ODS had *not* been contestable, as was the case in the Cuban Missile Crisis, Powell would likely have been guided to a similar compromised position, perhaps a vocal condemnation of Palestinian terrorism without a \$200 million financial contribution.

It is worth addressing a question which arises from a conclusion that the U.S. win-set is so large — that is, if the international structure has so weak a hold on U.S. policy choice, why even mention international structure at all? There are two reasons why acknowledging the existence of an intact U.S. incentive structure is necessary. The first is that not all cases fall within its boundaries. A choice in absolute conflict with U.S. interests will be unavailable to domestic groups. The second reason is that just because the U.S. is currently so loosely constrained, does not mean it will be so in the future. Privileges the U.S. enjoys are not guaranteed. Eventually, the U.S. will have to make reasonable spending decisions and undergo austerity. It also will not always be facing actors in a relationship of absolute military supremacy. Acknowledging the existence of such restraints is therefore a useful means to evaluate the importance of maintaining such U.S. privileges.

In general, the pressure on President Kennedy to take military action during the Cuban Missile Crisis, and AIPAC’s influence on our foreign policy are some of the most extreme cases of domestic influence. Even such radical examples, while challenging the boundaries of the U.S. international win-set, still remain within it. The ease with which domestic interest groups can dip their toes in policy is a consequence of the U.S. position of power and privileges in the world. However, just because we *can* pursue a policy, doesn’t mean we should. The notion that domestic groups have as much decision-making power as they do means that other parties, such as academic specialists, do not. The conclusion that policy is within the interests of the state should not be the only prerequisite for a policy to be enacted. Other secondary concerns such as whether the policy contributes to a better world, or the values prioritized, should be considered before the satisfaction of powerful minority groups.

Within the Academic Framework

It is of concern, however, that adjustments to the structural realist model which suggest such a diverse array of options for U.S. foreign policy erode the explanatory use of rational choice. Rather, with such an empowered hegemonic leader, rational choice theory provides little predictive power.

The research here presented therefore directs attention to a boundary on rational choice theory's applicability. The array of rational choices that lie within the framework of the U.S. win-set is now vast, including outcomes which provide disproportionate benefits to a single domestic group, even at an overall cost deficit to the state. As such, domestic political theory is necessary to fill the explanatory role which international relations theory cannot. The economic politics of domestic political influence, an economic question in terms of capital, and a sociological question in terms of social appeal, is perhaps now, under hegemonic leadership, a more useful predictor of foreign policy.

In the Trump Era, this trend is even more apparent. The administration's foreign policy, its trade policy in particular, appears to follow little rational choice. The Trump Administration is a vessel which expresses the interests of a key domestic group within the boundaries of a privileged, hegemonic international win-set – the pursuit of protectionist policy for the disproportionate interests of displaced industrial workers. Anyone who wished to predict foreign policy outcomes in the 2010s would have been better suited to look at patterns of structural unemployment and sociological distrust of authority than in the rational choice models of large states. If such variations exist within the rational actor model, what does this now say about Mearsheimer's claim that states "consider the preferences of other states and how their own behavior is likely to affect the behavior of those others states" when the U.S. is not subjectable enough to the actions of its consequences to, in many cases, even other state preferences into consideration? Is the U.S. even a 'rational actor' in the structural realist sense? The U.S. is still acting rationally, but within constraints so flexible that the concerns that typify structural realism no longer predict its policy outcomes. Therefore, while these seemingly irrational U.S. foreign policy choices are in fact rational, the growing number of rational outcomes decreases the usefulness of structural realism to predict outcomes. The integration of other means of predicting policy must be used to evaluate the most likely outcome within a state's international win-set.

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