

KEY CONCEPTS

anarchy 129	neorealism 117
balancing 127	offense dominance 127
bandwagoning 126	pareto optimal, pareto inferior outcome 143
bipolar systems 126	prisoners' dilemma 142
Bretton Woods Agreement 140	public/collective goods 137
collective action 136	realism 125
defense dominance 127	regimes 120
free riders 138	relative and absolute gains 126
fungibility of power 124	security dilemma 126
grim trigger strategy 146	self-help system 129
hegemonic/dominant state 140	shadow of the future 142
hierarchy 134	structural perspective 117
liberalism 117	tit-for-tat 146
Marxism 117	unitary actors 126
multipolar systems 126	
Nash equilibrium 143	



CHAPTER 5

INTERNATIONAL POLITICS FROM GROUP AND
DECISION-MAKING PERSPECTIVES

OBJECTIVES

- Group and decision-making approaches to international relations, unlike structural views, pay considerable attention to the influence of domestic politics on foreign policy and international politics.
- Government bureaucracies, for instance, play an important role in implementing policies, and individual bureaucrats may have an interest in tilting policy in directions they support.
- Because leaders have less expertise than their advisers or than specialized government agencies, leaders have a difficult time monitoring the advice they receive to ensure that it is not distorted to favor the views of their advisers.
- Strategic policymakers can use the structure of a situation to tease out information that helps them at least partially monitor and sanction self-serving advice they receive that is not consistent with their own objectives.
- The strategic perspective focuses attention on the ways domestic politics and international politics interact to shape national policy and draws attention to how the welfare of leaders and the welfare of the state (the national interest) may differ.
- Constructivism provides a potential complement to the strategic perspective. It offers a way to understand where people's preferences come from; the strategic perspective offers a way to predict and explain the actions people take, given their preferences.

In Chapter 4 we looked at theories of international relations that are based on a structural perspective. In this chapter we discuss theories that are based on group and decision-making perspectives. Whereas the structural perspective maintains that factors external to individual nations give shape to foreign policy decision making, the group and decision-making perspectives assume that factors internal to individual states are the keys to understanding international relations. According to these theories, individual and group interests within each nation shape the foreign policy choices that, in aggregate, create the structure of the international system. Individual decision makers, interest groups, bureaucracies, and government institutions set policies for dealing with classes of international events while seeking to avoid personal political risks. These individuals and groups all influence the foreign policy decision making of their nations' leaders. All

of the perspectives addressed here, then, are, to a greater or lesser extent, concerned with how individuals make choices.

THE BUREAUCRATIC, OR INTEREST GROUP, PERSPECTIVE

The **bureaucratic, or interest group, perspective** highlights the importance of bureaucracy and local interests in shaping international affairs. This perspective, characterized by the study of public opinion, interest groups, and bureaucratic organizations and politics within each nation, is oriented more toward explaining specific foreign policies than it is toward accounting for global, macro-level, systemwide phenomena.¹ Most notable among the theories attached to this perspective are those concerned with **organizational roles, principal-agent problems, and standard operating procedures.**²

Interest group approaches focus on power and interests within individual states rather than on the aggregate characteristics of the attributes of all states. Organizational confusion and bureaucratic infighting are core ideas in understanding decision making. The narrow, selfish interests of competing, influential groups shape policy choices. In consequence, idiosyncratic foreign policies emerge from an environment characterized by

bureaucratic and organizational inertia or competition and petty interests. An emphasis on minimizing costs and maximizing individual objectives leads to decision making devoid of concern for the national welfare. Because internal politics rather than external constraints take center stage in interest group approaches, notions about international regimes or norms of conduct are not given serious attention. International relations is simply a muddling-through process in which narrow, local interests dominate thinking and motivate actions. Indeed, the very concept of a “national interest” is hotly contested by adherents of the interest group perspective.

Figure 5-1 sketches the fundamental characteristics of theories of international relations oriented toward organizational, bureaucratic, interest group politics. It highlights activities *within* states, the very features given short shrift in structuralist theories of the sort depicted in Figure 4-1.

At the same time, Figure 5-1 makes clear that these approaches greatly discount the importance of conditions outside a nation’s boundaries, treating these as lesser elements in the formation of international affairs. Such theories are concerned more with predicting and explaining national foreign policy actions than with understanding the international consequences of those actions. Bureaucrats and interest groups look for ways to maximize their own expected welfare with scant regard to the larger international consequences of the choices they advocate. Their personal well-being (that is, their expected utility) does not depend on the success or failure of foreign policies, except, perhaps, in extreme cases where their state (and, therefore, their employer) ceases to exist. Thus, international affairs are simply the unintended consequence of national actions, as depicted in Figure 5-1.

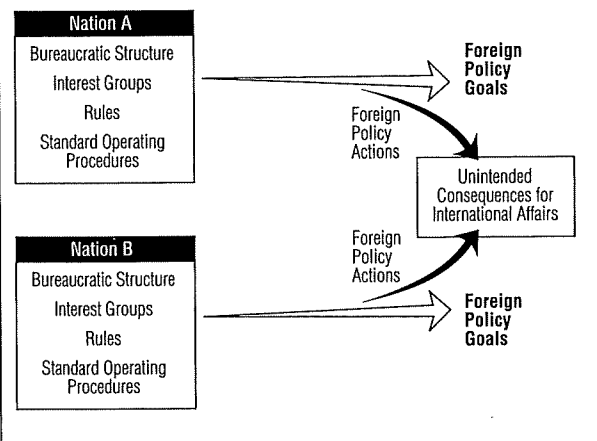
While structural theories are primarily concerned with the abiding elements of the international system (that is, the domain of international politics), bureaucratic, interest group theories are concerned with national choices and national actions that vary from country to country (that is, the domain of foreign policy). Structural theories and interest group theories, then, are separate, independent, complementary perspectives designed to explain the two major elements of international affairs. In fact, this is precisely how most students of international relations think of the two. Foreign policy and international politics are usually studied as two separate domains, each important, but each largely independent of the other. I take exception with that viewpoint.

ORGANIZATIONAL ROLES IN FOREIGN POLICY

For those who believe that international affairs is the consequence of organizational influences within each state, government organizations such as the Department of State, the Department of the Navy, the Office of Management and Budget, and the House of Representatives are central players in the formation of foreign policy. Each of these domestic institutions has a particular set of objectives to fulfill. None is primarily concerned with the national interest as that term is understood by structuralists. That is, none is charged with the responsibility of making the nation *as a whole* better off. Instead, the secretary of the navy, for example, is interested in enhancing the visibility and importance of the navy and in promoting national well-being through its activities. Perhaps the secretary’s main objective is to expand the size of the department’s budget.³ The secretary of state and the minions attached to the Department of State are interested in keeping the navy and other offices in the Department of Defense out of foreign policy decisions as much as possible. The State Department wants to monopolize foreign policy decision making and maximize its share of the federal budget. Indeed, the leader of any government office has an interest in maximizing his or her role in government affairs, sometimes even if that means making inefficient decisions from the national perspective.

Examples of such organizational or bureaucratic competition are extraordinarily commonplace in government, even when the decisions that are made involve fundamental

FIGURE 5-1
Bureaucratic and Interest Group Approaches
to International Relations



Bureaucratic and interest group theorists maintain that international relations is a muddling-through process that reflects the narrow self-interest of domestic groups. Selfish agents and bureaucratic standard operating procedures dominate foreign policy decision making, rather than strategic calculations about the success or failure of the state.

aspects of the national welfare. After fifty-two American diplomats and government employees working in the U.S. embassy in Tehran, Iran, were taken hostage in 1979, President Jimmy Carter decided to launch a rescue effort. The mission involved a mixed bag of soldiers from different branches of the U.S. armed forces operating under a chain of command that included army, navy, and air force officers. The effort was scrubbed after two of the American helicopters involved suffered mechanical failure and another collided with a C-130 transport plane that was also part of the mission. In fact, the navy helicopters involved were being flown under army command and were not properly equipped for the mission at hand. Designed for operation over water, the navy helicopters lacked adequate air filters for effective operation across the sand-filled expanse of their flight path over Iran.

There has been speculation that Carter launched the rescue mission in an effort to buoy his falling popularity and save himself politically.⁴ However, his inexpert handling of the competing branches of the armed forces left him with a compromise solution that involved many factions and no one in charge. As a result, the effort failed and Carter's popularity plummeted further. The United States was made to look inept, causing its military reputation to suffer in the international community. The Americans remained prisoners of the Iranian government until Ronald Reagan took office on January 20, 1981.

Although it is unfortunate that narrow organizational interests prevail over broader concerns with the national welfare, we must recognize that such interests often do take precedence. No matter how idealistic we would like our leaders to be, the fact is they are motivated by their own self-interest. Sometimes they can better serve that interest by promoting the importance of the agency or department they head up than by taking a

back seat to some other government bureaucracy. How, after all, can leaders of an organization fulfill their ambition to rise to greater prominence or influence without drawing attention to their unique leadership qualities? Such qualities are not well displayed by staying in the background, sublimating one's own interests to some broader conception of the national good. And to sacrifice one's organization for the greater good probably means losing the support of those key decision makers who are needed to advance one's career. As a result, the self-interest and ambition of bu-

reaucrats and others who are not directly accountable for the success or failure of foreign policies can place the nation at risk.

This type of pressure—choosing between the welfare of the nation as a whole and the welfare of individual political interests—was apparent during the 1993 debate in the

United States over the North American Free Trade Agreement (NAFTA) between Canada, Mexico, and the United States.⁵ Many members of Congress who opposed NAFTA admitted to journalists off the record that they thought a free trade arrangement with Mexico and Canada would be good for the U.S. economy. As a report in the *New York Times* explained, "Most opponents profess anxiety about NAFTA's impact on the local economy. But in private, some admit that their opposition owes more to calculations of political survival than to judgments of economic merit" (November 16, 1993, A26). Their votes against the agreement are readily explained: constituencies they relied on for reelection included concentrations of workers in industries that were expected to be harmed by competition with cheap (although less productive) Mexican labor. Although these members of Congress realized that growth of the Mexican market would in fact benefit millions of workers across the country, they feared the adverse consequences of NAFTA on their own electorally powerful constituents. In effect, they voted to keep their jobs rather than to improve the national welfare.

Congress passed NAFTA by a narrow margin. A structuralist might say that bureaucratic and individual considerations were supplanted by the national interest. But adherents of the interest group point of view would disagree. NAFTA passed, they would argue, because President Bill Clinton staked his reputation on its success. In fact, Clinton made numerous side deals with members of Congress to insulate them from NAFTA's adverse consequences. For example, he imposed environmental restrictions that ensured protection of some workers from Mexican competition because Mexican businesses could not meet those environmental requirements and still remain cost effective. After the president promised to protect citrus growers in Florida, they switched their position on NAFTA just one day before the vote. The president made similar promises to wheat farmers. Clinton gradually forged a coalition that was just big enough to win.⁶ He gave away only as much as he needed to in order to prevail. Once he had enough votes, he stopped making side deals. NAFTA did not pass because of the national interest alone but because lots of individual political payoffs were made to protect specific members of Congress. In effect, Clinton gave up bits of the national interest to gain approval of a modified, watered-down NAFTA.

In a similar vein, it appears that President George W. Bush's decision in 2002 to support a 30 percent tariff on imported steel was designed to enhance his and Republican reelection prospects. Steel workers and other union members strongly supported Bush's opponent, Al Gore, in the 2000 presidential election. That election was basically a tie. Bush appears mindful that both Nixon and Reagan pursued trade protectionism in their campaigns for second terms and successfully weakened the hold of the Democrats on labor votes and improved their prospects of reelection. If that was the motivation for Bush's steel tariff, then he, like Democratic members of Congress from auto-manufacturing districts, was allowing foreign policy to be shaped by domestic considerations rather than his own expressed view of the national interest in free trade.

Locate a military installation near where you live. In what way does its location reflect national security concerns, and in what way does it reflect the clout of local politicians? Could the military installation do its job as well, or better, if it were located elsewhere? Has a military installation been closed near where you live? What are some of the common reasons given for closing military bases? What are the community arguments against such closings? How much does politics or economics play into decisions to keep or close a military base?

Ultimately, as noted in Chapter 4, President Bush was compelled to abandon the steel tariffs he instituted when faced with adverse rulings by the WTO and the threat of retaliatory tariffs from Europe, Japan, and elsewhere. It is widely speculated that the union vote in Pennsylvania in the 2004 presidential election went strongly against Bush as a result of this decision. While in the 2000 election Bush took about 36 percent of the labor vote in Pennsylvania, in 2004 that percentage was closer to 31 percent. The difference may well have been the decisive factor tipping the state into Kerry's camp by a 51 percent to 49 percent margin.

Nongovernment interest groups share many of the features of government bureaucracies and organizations. They too act in their own self-interest when lobbying, coercing, or otherwise influencing foreign policy decision making. Interest group leaders, like their government counterparts, want to keep their jobs and advance their ambitions. As such, they do not exhibit any overarching concern for the national welfare. This, presumably, is why leaders of the United Automobile Workers union opposed NAFTA and pressured members of Congress with automotive industry-dependent constituencies to oppose the agreement. Automobile workers feared that NAFTA would encourage U.S. automakers to move their assembly operations to Mexico, where cheap labor is available. For them, NAFTA represented a real threat to their job security. Opposing it, then, was entirely consistent with their self-interest. Rust-belt steelworkers, likewise, face job losses because the steel they produce is more expensive to buy than is some specialized steel made in Europe and in Japan. Steelworkers, like autoworkers, support trade protection not because of its demonstrable beneficial effects for the nation (see Chapter 13), but because tariffs are good for them. Tariffs almost certainly are not good for most of the rest of us.

PRINCIPAL-AGENT PROBLEMS

One of the central aspects of bureaucratic organizations is what we call the principal-agent problem. A **principal** is a person in charge who must delegate some tasks to underlings. An **agent** is the person who acts on the principal's behalf, collecting information, implementing policies, and evaluating performance. Of course, one person's agent may be another person's principal. For instance, the president of the United States is an agent of the American electorate. The electorate is the principal. The president's performance on the job is evaluated by the principal—the electorate—who decides whether to reelect the president or to choose a different person to hold that office. The president's cabinet members, however, are agents of the president. An easy way to think about the distinction is to identify who is the boss and who is the subordinate in a given relationship. The subordinates are generally agents and the boss is generally the principal.⁷

Principals seek agents who will faithfully execute the principal's wishes. There are several problems with this, however. First, the reason a principal needs an agent usually is that the principal does not have the time and expert knowledge to deal with every issue

that comes up. For example, it is unlikely that the president or members of the cabinet, or even their immediate subordinates, know enough to coordinate successfully the details of a humanitarian relief effort in places like Rwanda or Somalia. Consequently, high-level government officials must rely on the specialized knowledge of lower-level agents to formulate the specifics of a policy. This means that the agent has considerable influence over the process. If the agent's objectives or beliefs about what action is best are not exactly the same as the principal's, then the agent is in a strong position to tilt choices away from the principal's precise goals, shaping policy to fit more closely with the agent's objectives rather than with the principal's.

Second, agents are selected to do many tasks. Naturally, they will not share exactly the same preferences and goals as their principals across the full range of those tasks. Although a principal can punish an agent for failing to follow instructions (for example, by reducing an agent's pay or even firing an agent) a potent problem remains. How does a principal know that an agent has shifted implementation of a policy away from the principal's true interests and toward the agent's? Because the agent has private knowledge in the form of expertise that the principal does not have, the principal cannot easily identify which outcomes are most likely on a given issue. As such, it is difficult to evaluate an agent's performance. Monitoring what an agent does is itself a difficult task that must rely on yet more agents or redundant bureaucracies. The principal often just does not have enough specialized knowledge to reach a reliable conclusion about how well the agent is performing.⁸

The president, for instance, relies on the Office of Management and Budget (OMB) to assess the economic consequences of alternative policies. The economists and other officials within OMB have their own beliefs about what constitutes good economic policy. Their beliefs, including their judgments about how best to frame the economic questions they are asked to address, can shape the answers they provide to the president. The Congress of the United States has become sufficiently distrustful of OMB's assessments that it has set up its own agency to evaluate the budgetary consequences of alternative policies. The Congressional Budget Office (CBO) is designed to provide independent economic assessments. And yet the members of the CBO, no less than the bureaucrats in OMB, are agents with their own agendas and interests. Neither the members of Congress nor the president and his staff have enough personal expertise about economics to judge the accuracy of OMB or CBO claims. The picture is further clouded by the fact that many private interest groups and individual economists frequently provide the government with their own, often contradictory, claims about the social, political, and economic consequences of alternative policies. Not surprisingly, the principals have a hard time sifting through the information and determining whether their agents are truly pursuing the principals' goals or altering them to stay in line with the agents' goals.

The problem is all the greater when the president relies on information provided by international bureaucrats such as officials of the United Nations or World Bank. These

individuals are not directly beholden to the U.S. president for their jobs. International matters requiring reliance on the bureaucrats of international bodies leave foreign policy decision makers even more vulnerable to being misled into pursuing policies that are not really in line with their views. Should the president trust the advice of international environmental watchdog groups or multinational corporate executives about how best to negotiate clean air legislation across the U.S.-Canadian frontier? The United States exports pollution in the form of acid rain to Canada. Environmental interest groups, presenting themselves as agents of U.S. well-being, have urged the U.S. government to impose stiff fines on industrial polluters, especially southern utility companies, as a way to reduce the flow of acid rain to Canada. At the same time, corporate executives contend that little harm is done in Canada by the highly dissipated effluents of U.S. factories and power plants. Each interest group purports to speak on behalf of the interests of the American public on a consequential international economic issue. Each provides persuasive evidence for its perspective, and each is an interested party that stands to benefit from having its point of view integrated into foreign and domestic policy. Naturally, the president, lacking independent information on this complex subject, finds it difficult to formulate an economically (if not politically) wise policy.

On national defense issues the problems are at least as complex and vulnerable to influence by self-interested bureaucrats as are economic issues. Imagine how difficult it is to evaluate the cost of a new submarine or bomber. Congress and the president lack the expertise to evaluate alternative submarine or bomber designs, or even to assess what the exact capabilities of such weapons should be. Although companies such as General Dynamics and Tenneco possess expertise when it comes to designing submarines, they also cultivate a strong self-interest. Each wants to get the contract, and each wants the contract to be large. Meanwhile, the navy has its own opinion of what a submarine should be capable of and how much it should cost. But the navy also takes the view that a new submarine is more important for the national defense than is, say, an air force bomber. Not surprisingly, the air force and companies that might make a bomber, such as Lockheed Martin, also have a viewpoint, and it is one that favors bombers over submarines. And the complexity goes on. Whose advice should Congress or the president rely on? Filled with uncertainty, these principals must make choices based on potentially biased information from self-interested agents.

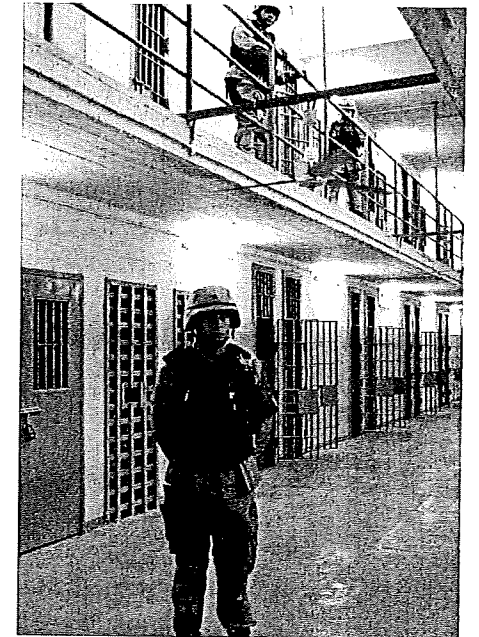
Finally, the principal's problem is made still more complicated by the fact that many foreign policies have, at best, uncertain consequences. During the 1990s, for example, the governments of Western Europe and the United States were repeatedly confronted with the need to determine a policy to deal with conflict in the former Yugoslavia. No one could be sure whether military intervention would resolve the situation, stabilize the situation, or lead to a quagmire that would bog down U.S. and European troops indefinitely. Under such circumstances, it is especially difficult for the principal to separate out legitimate advice from the agents' private interests. In such an environment, even princi-

pals dedicated to the national interest cannot be sure that what they do will enhance that interest, whatever that may be. They are to some degree at the mercy of agents who may be hard to control and whose interests may diverge from those of the principal.

The difficulties created by the conflicting interests of principals and agents are dramatically and depressingly brought home by the treatment of Iraqi prisoners held by the U.S. military at the Abu Ghraib prison. Some of the prisoners were thought to be individuals suspected of committing "crimes against the coalition," a few were suspected leaders of the insurgency who possessed significant intelligence information, and many were common criminals and innocent Iraqis picked up in military sweeps.⁹

Many of the prisoners held at Abu Ghraib were subjected to humiliating abuse and torture sufficiently outside the norms of accepted conduct that several court martials have resulted from the revelation of their treatment. Still, it remains unclear whether the decision to torture and humiliate these prisoners was made by American military guards at Abu Ghraib; by Brigadier General Janis Karpinski, who was in charge of military prisons in Iraq; Lieutenant General Ricardo Sanchez in his capacity as senior military commander in Iraq; or by officials in the Department of Defense, perhaps even Donald Rumsfeld, the secretary of defense. It is clear that Secretary Rumsfeld obtained copies of photographs taken by American soldiers abusing prisoners at Abu Ghraib long before they became public through the efforts of Seymour Hersh in a series of articles published in the *New Yorker* magazine. All evidence points to the conclusion that President Bush—ultimately the principal relative to Secretary Rumsfeld, General Sanchez, General Karpinski, and all other U.S. soldiers and intelligence officers in Iraq—did not know about the torture of prisoners or receive copies of the photographs documenting the abuses until several months after the prisoner abuse occurred.

The abuse and torture of prisoners at Abu Ghraib apparently was intended to extract intelligence that could help the U.S. military in Iraq. Thus, the torture was undertaken to advance the mission of the military and the Department of Defense. Little (or no) consideration apparently was given to the broader implications that such torture would have on the president's or America's reputation around the world and especially in the Middle East. At a time when U.S. political leaders espoused the idea of bringing freedom and



U.S. soldiers standing guard in Baghdad's Abu Ghraib prison, a key locus for the torture and humiliation of Iraqi prisoners in the aftermath of the 2003 war in Iraq, are a reminder of how easily and devastatingly the president's agents can choose policies and tactics contradictory to those of their principal or to the broader interests and objectives of Americans.

democracy to Iraq, their agents in the military seem to have ignored those goals when they conflicted with the narrower interests of the armed forces in extracting intelligence from prisoners of war. This classic principal-agent problem thus far has led only to the court martial of American prison guards at Abu Ghraib and to the reassignment of General Karpinski, but has yet to reach higher. Had the story not been broken in the mass media, it is likely that the principal—the president and the American people—would have remained ignorant of the actions of their military agents.

Despite the problems inherent in detecting violations of the principal's interests by agents, a principal can still partially discipline the behavior of agents so that they do not wander too far from the interests of the principal. This is done by taking advantage of institutional constraints and information about policy preferences.¹⁰ Consider the simple principal-agent problem depicted in Figure 5-2. The figure shows a line, or continuum, that defines the range of policy options available to a decision maker who is contemplating an arms control arrangement with a foreign government. The principal might support full bilateral disarmament, no arms control agreement at all, or any degree of arms control in between. Points along the line show the most desired policy from the perspectives of the principal, the principal's agents, and the foreign leader. These most desired policies are called **ideal points**. By definition, each actor likes the policies closest to his or her own ideal point best.

Let's denote the foreign leader and her ideal point as point F. The principal and his preferred treaty terms can be designated point P. Point Q is the current arms control policy between the two countries (that is, the status quo relationship). The black bar in the figure depicts the range of treaty terms that P likes better than Q. Since P already has Q as a policy for certain, he is interested only in changes that will improve the policy from his point of view. Thus, P prefers all treaty terms to the left of Q and opposes all of those to the right of Q. The other party to the treaty, F, is not as willing as P to accept bilateral disarmament, but she is willing to reduce arms below their current level. F will not accept any terms outside the light gray bar.

Now let us think about three possible agents, called A1, A2, and A3. We will label the preferred treaty terms of each agent

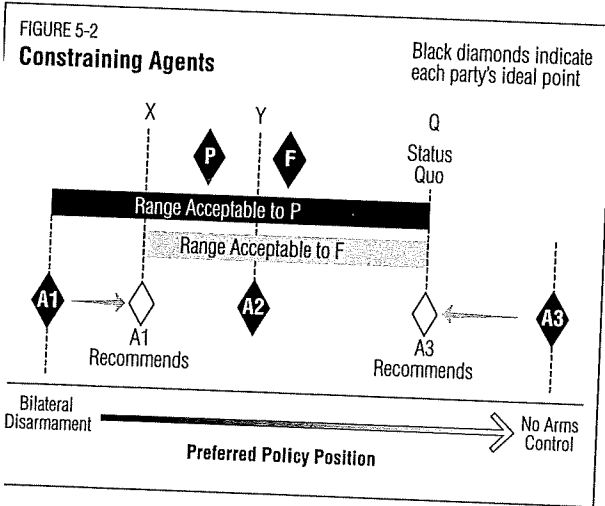
with these names on the policy continuum. As we can see, A1 favors bilateral disarmament, A2 supports some reductions beneath current levels, and A3 wishes to remove all arms control restraints.

We will assume in this example that P does not know the preferred arms control arrangements of A1, A2, and A3; nor does he know F's ideal point. By implication, then, P does not know the range of treaty terms between points P and F that F will accept in replacement of Q. This is information known only to F and, through their foreign policy expertise, to A1, A2, and A3. Because they have each made a careful study of F's policies (something that P has not had the time or inclination to do), A1, A2, and A3 are called upon by P to help determine an appropriate proposal to offer to F. What happens?

If A1 makes a recommendation on treaty terms, we can be certain that she will not recommend her ideal point. Although P would be willing to accept and propose A1's ideal point (it is inside the black bar, meaning it is at least as good for P as the status quo), A1 knows that F will reject the proposal (it is outside the gray bar and thus not at least as good for F as the status quo). Since any further mutual arms reduction agreement with F is better from A1's point of view than no deal at all (the continuation of the status quo), A1 would be worse off by recommending her most preferred treaty terms. The situation has disciplined her to make a more modest proposal: X is a more sensible recommendation for A1 to make. It is the treaty term closest to A1's ideal point that both P and F prefer to the status quo. However, P is unlikely to accept A1's recommendation. P knows that if F's ideal point is to the left of P's, then F would certainly accept either X or P in a take-it-or-leave-it deal, as both points would be an improvement for F over the status quo. If F's ideal point is to the right of P's and to the left of the status quo, then P knows from A1's recommendation that F's preference must be close enough to P's ideal point that X is acceptable to F. Otherwise, A1 would not have proposed X. If F's ideal point is to the right of Q, then no change in the status quo will be acceptable to both P and F. So, P knows that if any of his agents proposes treaty terms to the left of P's ideal point, then P can propose his own preferred treaty terms. In this instance, A1 has no ability to fool P into accepting more extreme terms than P wants, even though P knows neither A1's true preference nor F's.

Agent A2's ideal point lies to the right of P's and to the left of F's. A2 is best off suggesting treaty terms Y, exactly at A2's ideal point. P does not know F's true arms control preference nor, therefore, the range of choices that F prefers to the status quo. Neither does P know A2's true ideal point. So when A2 suggests an arms control treaty with terms Y, P accepts the recommendation and proposes Y to F. Anything farther to the left runs the risk of being rejected by F. Of course, we know that P's preferred treaty would be accepted by F—that is clear from Figure 5-2—but P does not have this information. Thus, A2 is able to steer P toward a more moderate treaty than P prefers. Notice that A2 can get what he most wants, and P cannot tell that A2 has deviated from P's best interest.

A3 wants to terminate the current arms control arrangements with F. To achieve this, he must choose the best of his several options. He could suggest treaty terms that P



Selfish agents who are supposed to represent the interests of leaders or the public have some latitude to distort policy choices, although they do not have an entirely free hand. Leaders can infer information from their agents' biased recommendations and punish those agents who are caught distorting information.

would recommend but that F would reject, such as a point to the left of X. However, if he did this, P would then know that either A3 is not really an expert about F or A3 misled P. In either case, A3's future effectiveness would be diminished. Thus, in this case, A3 does not really have this option. If A3 proposes anything to the left of P's ideal point in an effort to promote a failed negotiation in which F rejects the proposed new agreement, scuttling arms control, thereby advancing A3's policy agenda, P will opt for his most preferred treaty terms, as we saw in our analysis of P's response to A1's recommendation. A3's best option, then, is to propose keeping the status quo. P does not know if F is to the left or to the right of the status quo, nor does P know that A3 is to the right of the status quo. What P can infer from A3's recommendation is that either A3 prefers no deal to a treaty or F does not want a new treaty at all. If the cost of proposing a treaty and having it rejected is high, then P will probably follow A3's advice. If the cost is low, however, then P does not lose in proposing his ideal point.

Our analysis demonstrates that the agents are limited in what they can get away with, even when the principal has no information other than what he is told by the agents. A1 cannot generate a treaty proposal that is farther to the left than P's ideal point. A3 cannot generate one that is farther to the right than the status quo. Only A2 is able to generate a proposal that is not the status quo and that is at neither F nor P's ideal point. It turns out that the agent in the best position to advance his own self-interest is the one whose preference overlaps that which the principal is willing to accept.

If A1, A2, and A3 were all agents of P simultaneously, P would gain additional leverage even though the information conditions remain the same. No agent will propose a solution to the treaty problem that results in an outcome that is contrary to his own interests. That is, an agent who wants to see a deal reached between F and P will not propose maintaining the status quo and no agent who desires the status quo over any treaty will propose treaty terms. Therefore, if A1 proposes anything left of P, A2 proposes Y, and A3 proposes Q, it is a good bet that P will offer his own ideal point as the terms of the arms control treaty. By having redundant agents spread

all over the map, P has increased the odds of receiving reliable information that allows him to maximize his own interests. Even if A1, A2, and A3 each held preferences between P and Q, P would benefit from redundancy. Although he might not realize that he could propose his own ideal point and succeed, he would still pick the recommendation from

those made by A1, A2, and A3 that was closest to his own ideal point. That would be the recommendation of A2. Indeed, one subtle implication of this analysis is that the most effective advisers are those who generally agree with the principal.¹¹

Of the three agents in the example, the one whose advice is most likely to shape P's decision is the one whose ideal point happens to be closest to P's. It is commonly observed that leaders surround themselves with so-called yes-men. These are people who rarely disagree with the principal. A generally held belief suggests that leaders should avoid a circle of yes-men and avail themselves of diverse sources of information.¹² The contention in favor of diverse points of view is that leaders make better decisions when they consider all perspectives. Perhaps it will surprise you to know, however, that decision makers are more likely to avoid serious mistakes if they surround themselves with yes-men.¹³ The reasoning behind this conclusion is worth examining because it contradicts intuition and yet is supported by evidence.

To see how the argument in favor of yes-men works, let's look at the example of Lyndon Johnson during the Vietnam War. As president he received contradictory advice on how to handle the war. As early as 1964 George Ball, the deputy secretary of state but not a Johnson confidant, had urged Johnson to get out of Vietnam. He reiterated this point of view over the succeeding years. In 1968 Clark Clifford replaced Robert McNamara as secretary of defense. Clifford and Johnson shared a long political history, and Clifford was a trusted adviser. But although Clifford had supported the policy in Vietnam in its early years, he ultimately concluded that the policy was a failure and that the United States had to find a way out. Whereas Johnson had largely dismissed the same argument when it came from Ball, he endorsed it when it came from Clifford. Why? The crucial difference was that when Clifford said it was time to get out, he was making what to Johnson was an unexpected and therefore notable statement; coming from Ball, the same statement was not unexpected and therefore not notable. Ball almost always disagreed with Johnson whereas Clifford almost always agreed with him. That Ball turned



President Lyndon Johnson listens intently to his trusted friend and adviser, Clark Clifford. Clifford rarely disagreed with the president, and both men strongly supported intervention in Vietnam at the outset of the Johnson administration. When Clifford's views on U.S. policy in Vietnam changed, however, Johnson was compelled to reexamine his own views.

Consider a recent president, say George W. Bush. In his first term in office there appear to have been serious policy differences between Colin Powell, the Secretary of State, and Donald Rumsfeld, the Secretary of Defense. If Calvert's hypothesis about "yes men" is correct, what might we infer about the president's foreign policy preferences by observing that Powell left office early in 2005 and Rumsfeld stayed on? Can you give some examples of important foreign policy decisions that reversed a leader's earlier policy because a trusted agent disagreed with the principal's earlier policy? Can you find examples in which policy was reversed in response to advice from someone with whom the principal normally disagreed? Why is it harder to find examples of the latter sort?

out to be right is known only through hindsight. But that Clifford was a trustworthy adviser with interests in line with Johnson's was knowable to Johnson during his presidency. Therefore, it is quite logical that Johnson would feel more informed by and responsive to disagreement coming from Clifford than disagreement coming from Ball.

When advisers who generally disagree with a principal offer advice that deviates from the beliefs of that principal, no one is at all surprised. The principal does not learn anything new from the disagreement of someone who typically disagrees anyhow and so will not be responsive. Such an adviser is believed to have a different understanding of the world at the outset, and the adviser's advice does not contradict that prior belief. If, however, an adviser who usually agrees with the principal surprises the principal by disagreeing, then that disagreement cannot easily be chalked up to the fact that the adviser holds significantly different interests. All prior experience supports the view that this yes-man adviser and the principal have the same or similar interests. The disagreement represents consequential new information that requires the principal's careful reflection about the choice to be made.

STANDARD OPERATING PROCEDURES

Governments must find ways of dealing with the sort of competition that characterized the debate over NAFTA or the planning of the Iran rescue mission. As we saw, problems posed by NAFTA were reconciled through the use of side deals or the threat of political punishment. Problems surrounding the Iran rescue mission, however, were never adequately addressed. One way that governments can deal with organizational competition of the sort that affected the Iran rescue mission is to establish standard operating procedures, or SOPs. SOPs are an important aspect of the foreign policy perspective on international affairs. They are designed to help decision makers choose courses of action on both an everyday basis and under the pressures and stresses of crises. Because decision makers and bureaucrats charged with implementing policies cannot take the time to calculate the best response to every situation that arises, SOPs are valuable "off-the-shelf" reactions developed from earlier, careful evaluations of classes of events. By setting out preordained procedures for responding to certain classes of events, SOPs enhance the efficiency of foreign policy decision making.

At the time of the Iran hostage crisis, the United States did not have SOPs in place for rescuing embassy personnel who were taken prisoner. There had been no reason to develop a set at any earlier time. Prior to the events at the American embassy in Tehran, such a violation of international law and international norms of conduct was virtually unprecedented. Thus, the inadequate response of the United States to Tehran's actions is not all that surprising. The failure of the rescue mission is less easily explained. Still, the interest group perspective provides some insight into certain aspects of the failed mission.

There is evidence that planning for the April 24, 1980, mission began as early as the previous November, just days after the hostages were seized. This suggests that ignorance

about the configuration of helicopters and the like, although contributory, cannot tell the whole story of the botched effort. The competing bureaucracies—in this case the various branches of the armed forces—surely could anticipate many of the stumbling blocks associated with alternative rescue strategies. However, knowing that one or another plan would ultimately be enacted, each bureaucracy had an incentive to manipulate the details of that plan to enhance its own interests at the expense of the other branches. Thus, the organizations involved had at least some incompatible incentives. By allowing these incentives to dominate their shared interest in seeing the rescue mission succeed, the competing bureaucracies ended by contributing to that effort's failure and thereby confounded the presumptive national interest in seeing the mission succeed.

Standard operating procedures are typically designed to deal with recurrent problems for which a fairly standardized response can be expected to enhance efficiency. A problem with SOPs is that they can also lead to inefficient responses to complicated situations. This happens because SOPs are not sufficiently flexible to take into account the nuances of unique situations. SOPs suffer from the problem of what is sometimes called bounded rationality.¹⁴

Bounded rationality refers to choosing a course of action without fully taking into account all of the possible alternative responses, their probability of occurring, their costs, and their benefits. Instead, an off-the-shelf SOP is used to facilitate a quick, but possibly flawed, choice about how to respond to a particular situation. Bounded rationality is efficient and fully rational in that it recognizes that searching out information and examining all possible responses can be costly in time and effort. In fact, an exhaustive search of alternatives becomes irrational when decision makers find that the costs of continuing their search have outstripped the expected benefits of finding a better response.

Let us consider a common SOP and how it can benefit or harm foreign policy decision making. The U.S. military, and indeed just about everybody else's military, has rules of engagement. These SOPs provide guidelines for officers in combat zones. Rules of engagement cover such decisions as when it is appropriate or inappropriate to fire weapons, when it is appropriate or inappropriate for a pilot to back off from a confrontation with enemy aircraft, and when it is appropriate or inappropriate to launch an air-to-air missile at a real or supposed adversary. Of course, the rules of engagement are continually updated and adjusted to specific local circumstances, but their broad brushstrokes are well established to reduce the need to make brand new decisions in every circumstance that might arise. This gives some aspects of decision making a rather bureaucratic, routinized cast, but it also diminishes the risk of bad judgments under stressful conditions. SOPs are a way of giving added control to high-level leaders who are far from the scene of the action. At the same time, they take control away from lower-level functionaries, even though these are the individuals actually on the scene. In this way, SOPs reduce confusion about how to respond to a newly arisen circumstance at the expense of