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ABSTRACTS

EXPLAINING COOPERATION UNDER ANARCHY: HYPOTHESES AND STRATEGIES

By K. A. OYE

What circumstances favor the realization of mutual interests in the absence of centralized authority? And through what strategies can nations foster the emergence of cooperation by altering the circumstances that they confront? Elementary game theory suggests three sets of conditions that serve as proximate explanations of the incidence of cooperation and discord: (1) Payoff Structure: Mutual and Conflicting Preferences; (2) The Shadow of the Future: Single-play and Iterated Games; and (3) Number of Players: Two-Person and N-Person Games. Each of these three attributes of context may be subject to willful modification. Nations may create the preconditions for cooperation through strategies to alter payoffs, lengthen the shadow of the future, and reduce the number of actors required to realize limited mutual interests.

The Game *Theory* OF INTERNATIONAL POLITICS By D. SNIDAL

Game theory is elaborated as a *theoretical* approach to international politics by contrasting it with metaphorical and analogical uses of games. Because it embraces a diversity of models, game theory is especially useful for capturing the most important contextual features of the international system that affect prospects for international cooperation. Through a discussion of the relation among and extension of different game models, the versatility and scope of game-theoretic approaches to international relations are demonstrated. Special attention is paid to the empirical issues of international politics which are raised by game theory and are analyzed in other articles in this symposium.

FROM BALANCE TO CONCERT: A STUDY OF INTERNATIONAL SECURITY COOPERATION By R. JERVIS

International anarchy and the security dilemma make cooperation among sovereign states difficult. Transformations of balance-of-power systems into concert tend to occur after large antihegemonic wars. Such wars undermine the assumptions supporting a balance-of-power system and alter the actors' payoffs in ways that encourage cooperation. The logic developed in "Cooperation under the Security Dilemma" holds: largely because of the increased costs that will be incurred if the grand coalition breaks up, states have greater incentives to cooperate with each other, fewer reasons to fear the consequences of others' defections, and fewer reasons to defect themselves. Cooperation is further facilitated by mechanisms that increase each state's ability to see what others are doing, and to gain "timely warning" of the possibility that the others will defect.

WHY COOPERATION FAILED IN 1914 By S. VAN EVERA

World War I arose from six remarkable misperceptions that swept through Europe before 1914. Europeans exaggerated the efficacy of offensive military strategies and tactics; overestimated the hostility of neighboring states; falsely believed that strength and bellicosity could intimidate opponents; exaggerated the economic value of empire; believed that war itself was beneficial; and taught themselves a mythical nationalistic history. These misperceptions fostered expansionist foreign policies and bolstered arguments for preemptive and preventive war. They also precluded resort to Tit-for-Tat strategies to achieve cooperation through reciprocity. All of the problems discussed in this collection of essays—perverse

payoff structures, short shadows of the future, and large numbers of players—were created or exacerbated by these misconceptions. This case suggests that peace can require political action projects to control malignant misperceptions, although history warns that such projects will not succeed easily.

ARMS RACES AND COOPERATION

By G. W. DOWNS, D. M. ROCKE, and R. M. SIVERSON

States interested in reducing the level of arms competition with a rival can employ a variety of strategies designed to promote cooperation. We examine the ability of three important strategies—unilateral action, tacit bargaining, and negotiation—to reduce the intensity of arms races motivated by different patterns of preferences and complicated by different sources of uncertainty. The latter include strategic misrepresentation, imperfect intelligence, problems of interpretation, and problems of control. Examples are drawn from 19th- and 20th-century arms races that did not result in war.

TRADE WARS:

A COMPARATIVE STUDY OF ANGLO-HANSE, FRANCO-ITALIAN, AND
HAWLEY-SMOOT CONFLICTS

By J. CONYBEARE

Three trade wars are examined using variable-sum game theory. The Anglo-Hanse trade wars (1300-1700) are explained as an iterated Prisoners' Dilemma that failed to evolve into cooperation due to transaction costs, rent seeking, and economic recession. The late-19th-century tariff war between France and Italy is a case of an asymmetric trade war that illustrates the danger to a weak country of provoking a trade war with a strong country, with the result that the former is forced to make major concessions. The Hawley-Smoot conflicts of the 1930s are cited as an example of the cooperation-inhibiting effect of publicness in trade negotiations.

THE STERLING-DOLLAR-FRANC TRIANGLE:

MONETARY DIPLOMACY 1929-1937

By K. A. OYE

The late interwar years encompass a full spectrum of international monetary conflict and cooperation. Why did Great Britain, France, and the United States cooperate in some periods and not in others? First, the transience of monetary cooperation and conflict is explained in part by inherent characteristics of gold exchange and floating monetary systems. Second, environmental changes—swings between prosperity and depression, between peace and the threat of war, and between monetary orthodoxy and inflationist heresy—altered the strategic setting confronting the central monetary powers. Third, the actions of governments both followed from and shaped the circumstances that they confronted. Through strategies of composition across issues and decomposition across time and actors, nations deliberately fostered the emergence of cooperation by altering the context of monetary diplomacy.

BANKERS' DILEMMAS:

PRIVATE COOPERATION IN RESCHEDULING SOVEREIGN DEBTS

By C. LIPSON

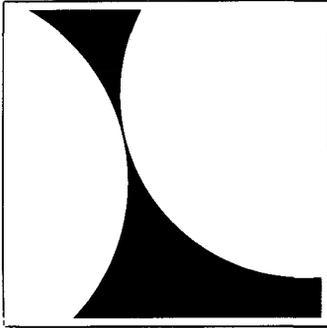
Cooperation among creditors has been the foundation of international debt arrangements and is critical to preserving the value of foreign capital. Such cooperation is inherently difficult because every debt rescheduling involves hundreds of banks worldwide, each with its own financial interests. Nevertheless, large money-center banks have been able to devise common negotiating positions and conclude rescheduling agreements. Their cooperation is based partly on their extensive daily interactions, which permit both reciprocity and retaliation.

iation. In addition, most large banks are permanent fixtures in international capital markets; their ties to other banks and foreign borrowers could be jeopardized if they obstructed a rescheduling. Smaller banks, which lack these international ties, are more apt to hold out from joint arrangements. To secure their agreement, creditor committees (composed of large banks) rely on their domestic ties to these smaller institutions, which is occasionally reinforced by support from central banks.

ACHIEVING COOPERATION UNDER ANARCHY: STRATEGIES AND INSTITUTIONS

By R. AXELROD and R. O. KEOHANE

Cooperation and discord in world politics are explained to a considerable extent by the three factors discussed in the Introduction: mutuality of interest, the shadow of the future, and the number of players. Yet the context of interaction, perceptions, and strategies is also important. Issues are linked to one another through multilevel games, which may be compatible or incompatible. Whether reciprocity constitutes an effective strategy depends both on linkages among issues and on the institutions within which negotiations take place. Perceptions are always significant and often decisive. Decision makers often actively seek to change the contexts within which they act by linking issues, trying to alter others' perceptions, establishing institutions, and promoting new norms. This finding suggests the importance of linking the upward-looking theory of strategy with the downward-looking theory of regimes.



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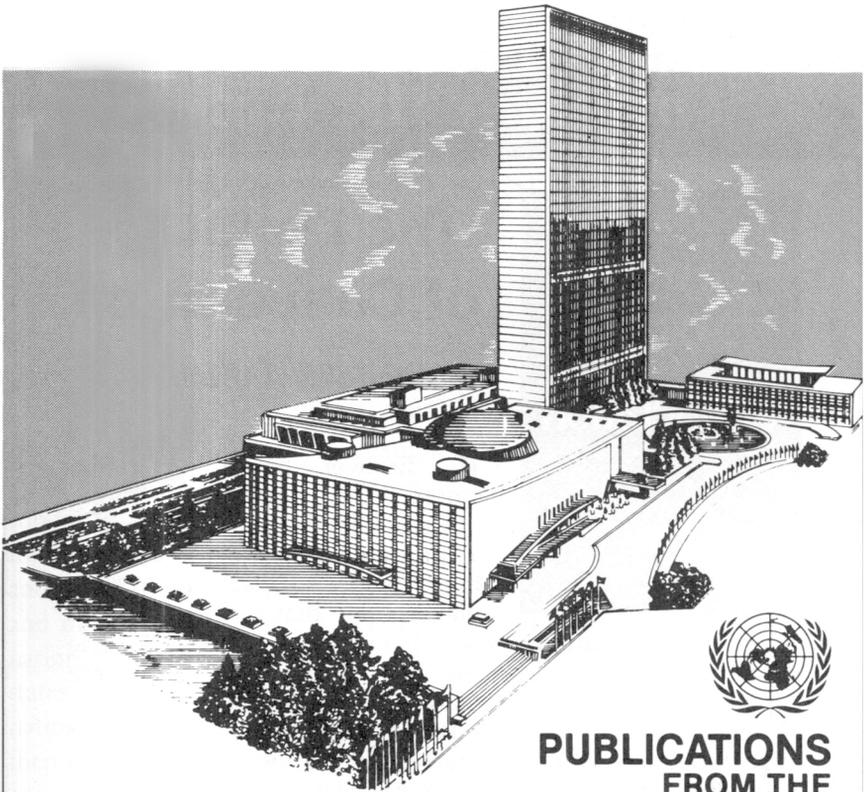
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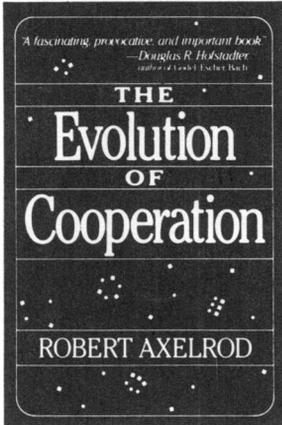
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