

# Reconceptualising Structural Power: A New Concept Made Out of Sterling Parts

Written by Andrej Pustovitovskij

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ANDREJ PUSTOVITOVSKIJ, DEC 18 2016

The inquiry into the concept of power, its impact and underlying processes can be regarded as one of the central concerns of the discipline of International Relations (IR): hardly any approach of IR can claim explanatory power without addressing the question of the ontology of power at least implicitly (cf. Waltz 1986). Moreover, the way in which power is conceptualized and thus understood determines the conception of international relations as an empirical phenomenon (cf. Berenskoetter 2007). By presenting a new concept of structural power, this paper will offer a way to include the structural level into the analysis of power in IR. The purpose of this article is to redefine the term structural power. The inclusion of the concept of the Outside Option (OO) as well as of adjusted and modified concepts of goods and needs, will be at the center of this redefinition.

### The Concept of Power in IR Theory Today: Past and Present Problems

#### *Realism*

Power has an influential vanguard role in IR. This is true for Realist theory as well as interdependence theory and the analysts of structural power and it makes the refinement of this concept essential. Realism is the predominant school of thought in this discipline. Typically, neorealists define power as the amount of capabilities that a state possesses and can employ in order to pursue its interests in the international system. The military and economic capacities of an actor define its power (cf. Waltz 1979, Gilpin 1981, Walt 1991). However, a number of studies (Guzzini 1993, Zakaria 2009, et al) have shown that an increase in hard power does not guarantee an actor's ability to enforce its interests in the international arena (cf. Hagström 2005: 16ff.). Analyses of negotiation processes show that one actor's excess of resources cannot comprehensively explain the outcome of a negotiation. Rather, negotiation itself is the most crucial *modus operandi* of decision making and implementation of preferences in international relations. In this context, the mere possession of general capabilities is less determining than the capacity to offer the specific resources that are valuable to the negotiation partner in a particular situation (cf. Zimmermann 2007). Yet, the attempt to resolve this *paradox of unrealized power* (cf. Baldwin 1979) within Neorealism is problematic. Supplementing the fundamental significance of resources by contextual or relational as well as constructivist components serves to ultimately undermine Neorealism (cf. Legro / Moravcsik 1999: 12ff.).

The apparent need for this supplements show that there can be no *a priori* statement regarding power without consideration of the system formed by relations and ideational factors (e.g. images), a fact which led to the rise of neoclassical realism[1]. These two aspects constitute the key components of the relational definition of power, which was prominently shaped by Robert Keohane and Joseph Nye with their pivotal work *Power and Interdependence* (1977).

#### *Interdependence Theory*

Based on the assumption that international relations are characterized by mutual (inter-)dependencies, Keohane and Nye claim that power is not solely derived from the capabilities of actors but also from the relations between actors, which in turn are marked by interdependence. The power which arises from

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interdependency influences the actors' capabilities. Any interdependent relation is defined by the needs and goods of the actors involved. Constitutive of different degrees of interdependency are the costs which would be imposed on an actor in the case of the relation's breakdown. The extent of these opportunity costs depends on the options for *policy adjustment* that an actor can dispose of when the relation ceases to exist.

Thus, the concept of power is closely linked to the concept of policy adjustment. The latter term, however, is vague – its nature is political-empirical rather than theoretical. Part of the problem is that policy adjustment comprises two levels of analysis, the international as well as the domestic. Yet, the concept of policy adjustment does not allow for an explicit conceptual differentiation of the mechanisms that constitute the adjustment process. The inclusion of the domestic level, together with a conceptual differentiation between both levels of analysis, would facilitate the application of the idea of policy adjustment. Moreover, it would make it possible to explain changes in complex interdependencies through changes in the actors' needs.

Another inherent shortcoming of the interdependence approach, a tautology mentioned by David Baldwin, concerns the conceptualization of power “...as deriving from patterns of asymmetrical interdependence between actors in the issue-areas in which they are involved with one another. [...] The difficulty with this position is that patterns of interdependence are defined in terms of two basic dimensions, one of which is the relative power resources of the actors. Thus, to some extent, at least, distributions of power resources are being ‘explained’ in terms of distributions of power resources.” (Baldwin 1980: 500f.)

Baldwin himself suggests a possible way of avoiding this tautology in connecting dependency and power. “Thus A’s ability (potential power) to make B go without oil can serve as the basis for A’s influence on B with respect to other activities. Saudi Arabia, for example, might use its ability to make Japan reduce its oil consumption as the basis for influencing Japan’s position on the Arab-Israeli dispute. The effectiveness of an explicit or implicit threat to cut off Japan’s oil supply unless it withholds support for Israel is likely to be greater if Japan depends on the threat-issuing state with respect to oil.” (Baldwin 1980: 502) Resembling a ricochet, economic dependency is converted into diplomatic influence in this approach, with Japan representing the “wall”.

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Source: Pustovitovskij 2016: 28

At the same time, another shortcoming of interdependence theory becomes apparent: it does not account for the emergence of the interdependent environment as a whole. Although indirect interdependencies involving several actors and their reciprocal impact on each other do not contradict interdependence theory, it is nevertheless challenging to integrate them into the analysis. Only the particular inquiry into one specific interdependent relation after the other renders this possible (like setting a building brick by brick without having the whole construction in mind). Thereby, an ad-hoc environment consisting of single relations between every two actors has to be created. Yet, the actual impact of the environment on the actor does not lie in single interdependencies, but in the environment which emerges from the combination of several interdependencies. As it is not possible to draw theoretical lines regarding the number or nature of relevant interdependent connections between actors, the *entire* environment has to be considered at the ontological level. This is the only coherent way to elaborate the significance of these interdependencies and their role, as well as the role of opportunity costs, as potential power resources.

## *Structural Power Approaches*

The exceptional relevance of the environment for the power potential is the focus of structural approaches to power. They define power in a general sense as deriving from structures that constitute the framework in which actors (are forced to) act. Consequently, the positions of actors can be manipulated through a modification of either the environment or the structures respectively. It is not a coincidence that Caporaso, Bachrach and Baratz criticize the fact that the conception of power in behavioristic approaches neglects the manipulation of an actor's capabilities and options for choice through third parties (cf. Guzzini 2005: 61).

While the concept of structural power rose to prominence through the works of Susan Strange (cf. Ward 1987), there are a number of structural conceptions of power. Whether the third face of power by Lukes, meta-power by Krasner or structural and productive power by Barnett and Duval – these approaches differ substantially in spite of their common dispositional conception of power, as Guzzini demonstrates in his excellent analysis (1995). Overall, however, these structural approaches share the same understanding regarding structure. This includes that the structure:

- defines the relation of actor A to actor B and vice versa (and further actors embedded in the structure), while the position of actor A in this structure is defined by the position of actor B and vice versa
- defines a framework in which actors are embedded and which they cannot easily leave.

This understanding of structure can also be found at the core of Waltz's structural realism. The structure is derived from the distribution of capabilities. It is the frame within which actors act and which they influence directly and indirectly. Waltz's structure contains a blind spot, however. It is limited to a single (predefined) structure which is derived from only one type of problem and is thus ultimately subject to a sole logic of functioning: security. Moreover, other than the redistribution of capabilities, the approach doesn't offer any means to influence the structure without having to open the black box. Subsequently, the problem resulting from the deficits laid out above comes full circle.

One problem within realistic, relational and structural approaches of power is that, they only offer in-depth evaluation of one of the three varieties of power. They can neither fully distance themselves from the other elements, nor include them coherently into the concept of power. Had they done so, they would have been able to show the relationship between resources and structure, structure and relational aspects or relational aspects and resources. This tripartite distinction, that is often related to in literature, seems useful in practice[2] but is problematic from a theoretical point of view.

## **Structural Power: An Actor-Focused Approach**

The approach to structural power being introduced here is an attempt to address the aforementioned shortcomings

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as well as shape crucial considerations of the interdependence theory into an actor-focused model. In doing so, this approach does not seek to explicitly develop a new theory but to present a tool for recording power coherently based on pre-existing descriptive theoretical elements.

The decision for an actor-focused approach is connected to a deficit in interdependence theory. The approach presented here enables us to do two things. Firstly, we can trace the actor's needs at the domestic level. Secondly, we can define the position of actors in the environment which arises from interdependencies and the power potentials of the actors involved.

In order to avoid the tautology mentioned above, we should start from different ontological premises. Here we do not see a single interdependence relation as a determining resource of power. It is assumed from the very beginning that the influence of the relation (A to B) on the power of these actors would only be understandable in an environmental context. This consideration implies that the source of the effect of power in this approach is located outside the respective relation.

## *Introducing Two Analytic Tools to the Study of Structural Power*

In order to provide the new approach with useful tools, the following two steps need to be undertaken. The *first step* will be the environment-based evaluation of resources facilitated by the concept of Outside Option (OO), a key element in explaining outcomes in bargaining theory (cf. Muthoo 2000). The *second step* implies an adjustment and modification of conceptualizing an actor's goods and needs. An adjusted definition of goods and needs provides an operationalization of the domestic level. This allows us to capture numerous subjects of bargaining situations at the international level (and therefore exceeds the primarily economy-driven character of the interdependence theory). Especially bargaining theory approaches have shown that aspects such as *urgency* or the *relevance* of an outcome for the protagonist are crucial in order to explain power. Those variables embedded in the domestic level should find entry into the concept in this way (OO is the exception and is located at the international level).

### *1. Outside Option*

The Outside Option concept is essential for the environment's operationalization in terms of the structure and its indirect effect on single actors or rather their resources. In a zero-sum game, player A can thus strengthen his position vis-a-vis actor B if an outside option (OO) is available in a bargaining situation. This OO (player C) possesses a good that meets the needs of A and is offered under comparable or better conditions. Player C has to be apparent as a (willing and able) OO for B. Since B's perception of C being an OO for A is crucial, it gives A the possibility to bluff. It also allows for a situation where B is aware of C being A's OO, but does not realize A's non-awareness of C being an OO. In these cases, the structural power of A has a nonintentional character (Pustovitovskij / Kremer 2012: 65).

Since a realistic alternative exists, A now possesses (additional) power (e.g. A could play player C off against player B) even if A's resources remain unchanged. Only the specific situational context, namely the emergence of OO, equips A with power. However, C also profits from weakening B in a zero-sum game. This does not require a direct relation or even interdependency between B and C. Rather, actor C (actively or passively) uses a ricochet mechanism to target actor B. Consequently C relativizes (changes the relation, not the "real weight") the impact of B's goods with respect to the weight of B's goods vis-à-vis A.

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As mentioned before, we need to expand the meaning of these two terms in order to explain why the context has impact on the power stemming from actors' resources. We still assume that *goods* satisfy the *needs* of actors. *Goods* are understood as elements that fulfill any need and may be exchanged for other goods. Here this implies that goods can be of *material*, *positional* and *ideal* nature. While resources are understood as anything that an actor can theoretically draw on, a resource becomes a *good*, when another actor expresses a corresponding need for it. Apart from the issue of the availability of goods, the correlation between goods' characteristics and the nature of the actor's needs in the respective constellation is crucial for the goods' *rarity*.

Needs differ from each other regarding their *relevance* and *urgency* (cf. Muthoo 2000, Scheider 2005). *Rarity* (as a quality of goods) is a combination of the relevance and urgency of actors' needs on the one hand and the level of the goods' accumulation among actors on the other hand. An unfavorable combination for an actor (low availability and/or high relevance and urgency of needs) leads to *rarity* of goods. Thus, "rare" does not mean a shortage of goods per se but an extent of demand that is contrary to its availability. From a power-theoretical perspective, rare goods are more important than non-rare goods.

Furthermore, this approach claims a certain ontological flexibility. Here, anyone who may offer a good which satisfies a need is considered to be an actor. The user of the concept of structural power can decide who the relevant actors are. This person may regard states as the only relevant actors or even regimes, NGOs or single individuals as well. It is thus up to the user to decide how to explain the source of preferences and whether a realist, neoliberal or constructivist approach is preferable.

### Structural Power: A New Theoretical Account

The model of structural power presented here perceives structure as a fluid, emergent network of relations between the actors involved. Resources are decisive in this model in so far as they are not only the source for part of the goods, but also the determining factor for the needs of the actors. Structural power now consists of an important relational aspect. Resources are generally of limited value. However, the value of resources here is influenced significantly by the relation between goods, which comprise both an actor's own resources and those of the competitor, as well as their needs, which in turn, in their entirety, constitute a global structure. Structure comprises interdependent *and* indirect relations. It co-determines the quality (i.e. the rarity) of resources and critically influences their value as goods. Structure defines the actors' roles and their importance in the sense of Jeffrey Isaac: "...position A exists only by virtue of its relation to structural position B" (Barnett / Duvall 2005: 53). Accordingly, structural power does not work *per se* but through the *relativization of resources*, akin to the force of a *leverage effect* regarding the weight of an object to be lifted and the energy required to do so. It influences the value of the possessed good in a given negotiation round in a positive or a negative way (cf. Pustovitovskij 2016).

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Source: Pustovitovskij / Kremer 2012: 69

In this manner, none of the three levels or characteristics of power is assigned a superior role in this concept of structural power, whereas their interoperation is clearly outlined. Yet, this approach focuses on the structural character in the sense that the structure constitutes the eventual impact of actors' resources on other actors. Therefore, the two analytic tools introduced here enable the conceptualisation of a structural approach to power that is ontologically accessible and fit for operationalization while being independent of predetermined power structures and resources. Furthermore, through the inclusion of indirect relations (the ricochet mechanism) the tautology addressed by Baldwin can be avoided. This establishes the conceptually coherent nature of this concept of power. The process of influence and its manipulation at the domestic level (e.g. influencing the actor's need by rising / reducing the level of urgency or manipulating the rarity by building cartels) are clearly conceived and are mirrored in the quality of goods and needs at the structural level. These issues now become indispensable to evaluate an actor's power-position inside the structure.

## Notes

[1] Neoclassical realism is a multi-level approach that starts at the level of the international system and works downwards to the individual level of power. While the core of structural realism, the structure of the international system, still plays an important role in neoclassical realism, it also focuses on state behavior. Furthermore neoclassical realism follows classical realism by taking account of the complex connection between state and society (Jones 2016: 203).

[2] But in practice the user will encounter these problems the moment this person tries to distinguish the sources or resources of the different types of power e.g. how is it possible to distinguish the influence of a state's economic power in terms of hard and soft power as it may unfold in the process of negotiations?

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