

Great Powers Politics: A rational theory of normative motivations, and historical and cultural context

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Contents

1	Introduction	1
1.1	Argument in Brief	4
1.2	Summary of Evidence	7
1.2.1	Answering the Sino-American Puzzle: The past and the future	9
1.3	Contributions to academic research	11
2	Setting up the theory	14
2.1	The setting: Who are the actors, and where does my theory begin?	16
2.2	What are the actors' choices: hedging/revision, competition, and peace.	17
2.3	What we know: Shifting power generates incentives for competition	22
2.4	What we know: Variation in motives, the tragedy of politics and costly signaling.	24
3	My Innovation: Enriching how we understand state-motives	29
3.1	Principles	29
3.2	Historical and Cultural Context	37
3.3	Structuring these insights generates new mechanisms for learning	39
3.3.1	Qualitative Inferences: How Defenders learn about a Challenger's motives	40
3.3.2	How qualitative inferences compliment past costly signaling theories.	45
3.4	Generalizing a theory of historical and cultural context	46
4	Strategic Implications: predictions about the instances and timing of competition	48
4.1	Semi-technical description of how the model is set-up	50
4.2	Using the complete information model to define limited and greedy Challengers	55
4.3	Information problems when the Challenger's motives are tied to principles	56
4.4	What we observe: The informative equilibrium	57
4.5	Why we observe it: Explaining three surprising facts	61
4.5.1	My predictions are different <i>because</i> C's motives are tied to principles: A contrast with realist logic	65
4.6	Theoretical robustness and scope conditions	66
4.6.1	Spirals of mistrust and two-sided incomplete information	66
4.6.2	Fait accompli v. Costless Diplomacy.	67
4.6.3	Tiered preferences	67
4.6.4	Variation in prior beliefs + exposing the volatility of existing results	68
4.6.5	Shifting motives	69
4.6.6	More variation in the number of issues that states care about	70
4.6.7	Dis-junctures and overlap between core interests	71
4.6.8	Structural factors: Rates of shifting power and discount factors	71
4.7	Empirically Testable Expectations	72
4.7.1	Initial assumptions	73
4.7.2	The moment of focus	74
4.7.3	The moment of truth	75
4.7.4	The period of consistency	76

5	Survey Experiment	80
5.1	A scenario-based, elite survey experiment	82
5.2	How theory informs my design.	85
5.2.1	Indicator theories	85
5.2.2	Beyond Indicator Theory	88
5.3	Experimental Vignette	89
5.4	Results and Measurement	93
5.4.1	Predictions about effective diplomacy	94
5.4.2	Predictions about trust in the face of violent demands	95
5.5	Qualitative inferences in text responses.	100
5.5.1	Robustness Checks	103
5.6	Analytical frameworks beyond indicator theory	104
5.6.1	Discussion of Supplementary Results	108
5.7	Summary	109
6	Case Study	111
6.1	Analysis Plan	112
6.1.1	Evaluating my theory on its own terms.	113
6.1.2	My theory and defensive realism	115
6.1.3	My theory, and individualistic theories of irrational trust.	117
6.1.4	The Aggregation Problem: Individual evidence and State Level Decision-making	119
6.1.5	Sources	121
6.2	The Onset to the Moment of Clarity	122
6.2.1	Theoretical Expectations for British assessments at the Onset	123
6.2.2	Assessments of Soviet Intentions June-November 1941	125
6.2.3	Stalin Explains Soviet Intentions	128
6.2.4	Assessment of Soviet intentions following Eden's visit	129
6.2.5	Alternative Explanations	131
6.2.6	Inference	135
6.3	The Period of Consistency	136
6.3.1	Variance between the Foreign Office, Military and Intelligence Services	139
6.3.2	Personal Impressions, face-to-face encounters	143
6.3.3	Inference	147
6.4	The Moment of Truth	147
6.4.1	Understanding Stalin as a Security Seeker and the Inevitable Conflict in Interest	148
6.4.2	Implications for Negotiations between the Western Allies and the Soviet Union	150
6.4.3	The Yalta Agreement and the Optimism that Followed	152
6.4.4	Assessment of Soviet Intentions at the End of Yalta	154
6.4.5	Discussion	154
6.5	Events in Poland and Eastern Europe: February-July 1945	155
6.5.1	British Assessments of the Soviet Union July 1945	157
6.5.2	From Divergence to Consensus: V.E Day to the Iran Crisis	160
6.5.3	The Foreign Ministers Conference at London and Moscow	162
6.5.4	Discussion	165
6.6	The Final Straw: The Iran Crisis and the Turkish Crisis	166
6.6.1	Assessment of Soviet Intentions Following the Iran Crisis	167
6.6.2	The Turkish Straits Crisis	168

6.6.3	Inference	170
6.7	Conclusions	170
7	Medium-n Analysis	174
7.1	Part 1: Summary of approach and findings	175
7.1.1	Predictions about declared principles	177
7.1.2	Predictions about competition and peace	179
7.2	Part 2a: Case vignettes that my theory well predicts.	182
7.2.1	Anglo-American peace	183
7.2.2	Three critical events in the context of my theory	187
7.2.3	Anglo-German Competition.	191
7.3	Part 2b: vignettes for cases that my theory does not neatly predict.	200
7.3.1	Contrasting a supportive and non-supportive case: British and French divergent responses to Prussian unification	200
7.3.2	British Assessments of German Intentions (1890s)	204
7.4	Part 3: My value add to existing explanations.	205
7.5	Discussion	211
8	Modern Sino American Relations	212
8.1	US intelligence estimates of China's intentions.	216
8.1.1	The moment of focus	218
8.1.2	Did this assessment framework persist?	223
8.1.3	The period of consistency: Was the IC right to ignore costly signals?	225
8.1.4	The moment of truth: When did perceptions on China change?	227
8.1.5	The moment of truth: Why did perceptions of China change?	230
8.1.6	Discussion	237
8.2	US Policy towards China	238
8.2.1	Hedging: HW Bush to W Bush	238
8.2.2	The Pivot to Asia	245
8.2.3	Trump and Biden: the sharp turn to competition	248
8.2.4	Discussion	250
8.3	The future: What will happen?	250
8.4	The future: what we should do about it.	253
9	Conclusion	255
A	Generating the assumptions for my theory	272
A.0.1	Sampling Frame	273
A.0.2	First Wave:	273
A.0.3	Second wave	274
B	Formal justification for theory	276
B.1	Set up	276
B.1.1	Calibrating the parameters	279
B.2	The strategic dynamics	279
B.2.1	Complete Information	280
B.2.2	The reassurance problem.	285
B.3	Motives tied to principals	288

B.3.1	The coordination problem (babbling equilibrium)	288
B.3.2	Informative equilibrium $J = 3$	289
B.3.3	Informative equilibrium: 9-issue model	292
B.3.4	More complicated type spaces: 9-issue model	295
C	Chapter 5: Experimental Evidence	297
C.1	Sampling Procedure	297
C.1.1	Two distinct samples:	297
C.1.2	Solicitation:	298
C.1.3	Response Rates	300
C.1.4	Sample Inclusion Questions	301
C.2	Did the subjects pay attention	302
C.2.1	Attention Checks	302
C.2.2	Meta-data	302
C.3	Dissociating Bandaria from real cases	303
C.4	Balance tests in Summary Statistics	304
C.5	Regression Analysis	306
C.6	Text Responses	307
D	Chapter 6: Case study	315
E	Chapter 7: Medium-n analysis.	316
E.1	Case Selection	316
E.1.1	Possible Defenders	318
E.1.2	Possible Challengers	321
E.1.3	Identifying Rivalry Dyads	323
E.1.4	“New” Rivalries and Terminations of Rivalries	323
E.1.5	Face Validity: Comparison to Other Datasets	324
E.1.6	Face validity: Expert review.	325
E.2	Coding Variables	327
E.2.1	Dependent Variable: Cooperative or Competitive Strategy	327
E.2.2	Mediating Variable: Appeals to Principles	330
E.2.3	Independent Variables	332
E.2.4	My Independent Variable: Consistency between principles and actions	332
E.2.5	Alternative Independent Variables	334

1 Introduction

Over the last decade, the United States has realized that China “*has become a revisionist power.*”¹ As the 2018 National Security Strategy explains, “*China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation, long-term strategy, it... seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future.*” As a result, the US has decided to treat China as a major rival, and compete with China at almost every opportunity. It was not always this way. When the Cold War ended, the US was deeply uncertain about China’s strategic intentions. In the two decades that followed, the US’s China strategy is best described as cautious hedging that left open the possibility of either a rivalry or a stable peace.

Looking back, critics want to know why it took so long to recognize that China was our adversary, and turn from hedging to competition? They argue that hedging was a mistake and the blame lies with two kinds of national security elites. Some argue that policy-makers ignored a well established finding that shifting military power inevitably drives great powers into security competition (Allison, 2017a). In their view, policymakers should have turned to competition during the 1990s; when they first realized that China’s rise was inevitable. They argue that this mistake was especially egregious because policymakers hastened China’s rise by promoting economic integration.

Others argue that hedging was prudent because intelligence reports were uncertain about China’s strategic intentions. After all, competition is tragic, and the benefits of economic integration are large. These critics fault the intelligence community for failing to warn despite clear indicators that China’s intentions were vast. As Congress has pointed out, the intelligence community closely watched as China rapidly militarized, built offensive weapons, instigated crises against Taiwan and Tibet, consolidated authoritarian rule and brutally suppressed democratic movements. However, the intelligence community did not revise its estimates of China’s intentions until about 2011 (Schiff, 2020).²

¹This was published by an [Anonymous \(2021\)](#) author in a Carnegie Endowment Report. This symbolizes how serious Sino-American competition is. In 1947, George Kennan anonymously published a similar article, which many view as the beginning of the Cold War.

²Schiff’s criticism echoes more extensive criticisms found in a 2020 House Select Committee on Intelligence report

If two-decades of hedging is a policy or intelligence failure, it is a common failure that dominates the historical record. Since Carr (1945), scholars have justifiably obsessed over a handful of great power cases such as the World Wars, the Anglo-American peace, the Cold War, the Great Game, Russo-Japanese war, and the rise of German antagonism. We obsess over these cases because they all inexplicably start out the same way as Sino-American relations: A status quo power (a Defender) tolerates slow revisions of the status quo in the hopes of achieving a lasting peace with the revisionist power (a Challenger). In some cases, the Defender realizes that the Challenger is a rival and a lasting peace is impossible. This realization triggers a switch from hedging to competition. In others, great powers achieve a stable peace following limited concessions. Both endings only come after the Challenger has had significant time to consolidate its forces and extend its economic and military influence through its region.

Take three examples from the decline of Britain. In 1932 British elites were uncertain if Hitler was a “madman” bent on world domination, or if he sought limited objectives. Some worried as Hitler rapidly militarized, orchestrated the assassination of the Austrian Chancellor, and took the Rhineland (Wark, 1985). But competition did not come. Instead, Hitler allayed Britain’s fears through diplomacy. He argued that militarization was necessary to take a few valuable concessions but promised that his intentions were limited. Only after Hitler violated the Munich Agreement did British elites infer that Hitler held expansive aims. British elites updated their beliefs because they believed Hitler’s demands for Czechoslovakia were different from his demands in Austria and the Rhineland; and therefore a more informative signal of Hitler’s aggressive intentions.

Five years later, this pattern repeated. Following a week-long diplomatic meeting at Yalta, Churchill concluded that “poor Neville Chamberlain believed he could trust Hitler. He was wrong. But I don’t think I’m wrong about [trusting] Stalin.”³ British and American elites remained optimistic that long-term cooperation was possible as Stalin installed communist governments in Romania, and Poland. However, they inferred Stalin’s aims were vast following the Iran Crisis (1946). Finally, consider a case that ended in peace. In 1823 president Monroe declared that the United States would remove European powers from the Americas over the next century. This demand for 20% of the world’s land mass was followed by one of the fastest rates of economic

“The China Deep Dive: A Report on the Intelligence Community’s Capabilities and Competencies with Respect to the People’s Republic of China.”

³Nicholson Diaries, 27 Feb 1945. Discussion about Soviet strategic intentions.

growth in human history, and rapid militarization.⁴ The US exploited its power to instigate crises in Alaska and then Venezuela. As early as 1830, Britain predicted that the US would rapidly expand its influence and eventually exclude Britain from the Americas. But competition never came. Instead, the British conceded at Venezuela, then Alaska, before forging a special friendship and lasting peace in 1907 (Schake, 2017).

There is a historical pattern here that puzzles researchers. As power transition scholars expect, Britain understood that shifting military power would cause tension (Organski and Kugler, 1980; Powell, 1999). But against their prediction, Britain did not select competition when power shifts were most rapid.⁵ As defensive realists expect, British elites closely monitored each Challenger's costly military actions to draw inferences about their intentions (Glaser, 2010; Kydd, 2005). But against defensive realist predictions, British elites remained hopeful as each Challenger invaded territory, undermined status quo norms and institutions, and built large offensive militaries. In fact, Britain was reassured by each Challenger's costless diplomatic promises as the Challenger used costly military actions to revise the status quo. As a result, hedging lasted an inexplicably long time.⁶

This pattern leads us to a broader research question that can shed light on Sino-American relations:

When do status quo powers realize that a Challenger's interests are so incompatible with their own, that they shift their strategy from hedging to competition?

My analytical bet is that we can better answer this question if we enrich how we conceptualize state motives. I do that in two steps. First, I develop a new way to conceptualize state motives that celebrates the rich historical and cultural context that surrounds each state. Second, I develop the analytical tools to analyze strategic interactions between states that hold these richer motives, and generate systematic predictions about patterns of competition and peace.

⁴US started with a modest military, allowing for a rapid increase. US militarization increased again in absolute spending after the Spanish-American War.

⁵Specifically, in the Anglo-American case, or in the years where power shifts were most rapid in the other cases.

⁶Ango-German policy is often labeled appeasement. As I explain later, appeasement is a variant of hedging at the level of detail that I study.

1.1 Argument in Brief

I theorize that a Challenger’s specific foreign policy objectives depend on a combination of their intrinsic foreign policy motives—which I call a principle—and their historical context. For example, states that prioritize ethno-nationalism (one principle) covet different concessions than states that prioritize security, prestige, uniting historical borders, or some other principle. Depending on the principle, the specific territories, institutions and normative issues that they care about the most depend on their history and culture. For example, states that want to restore their historical borders care about territories they historically controlled. I do not assume that a Challenger can be motivated by a single principle (e.g. security or greed). Rather, I assume that Challengers can be motivated by one of many principles, and each principle implies that the Challenger holds a specific set of core interests. I assume that Defenders are uncertain about the Challenger’s true principle. Thus, they do not know which, and how many, core interests the Challenger holds. However, Defenders have a lot of information about the Challenger’s history and culture, and can use that information to learn the Challenger’s true principle over time.

By appreciating that there are many reasons that states can hold limited aims, I illuminate new information problems, and new mechanism for forming threat perceptions in world politics. I call these mechanisms *qualitative inferences*. They are *qualitative* because Defenders update their beliefs about the Challenger’s motives based on how specific demands (a demand for Austria, not Poland) correspond to a principle, and not the scope of these demands or rates of militarization (scope e.g., a demand for half, not three quarters of Austria). Like existing signaling theories, when Challengers make costly demands for a specific issue they reveal that they care about that issue (eg [Kydd, 2005](#)). But unlike other signaling theories, the inference that the Defender draws about the scope of the Challenger’s motives depends on the specific issue that the Challenger signaled that it cared about. My theory explains that Defenders can observe Challengers take costly military actions and infer that the Challenger’s strategic intentions are more expansive, or more limited (or no change at all) than the Defender previously thought. What the Defender infers hinges on the historical context that surrounds what the Challenger hopes to achieve from costly actions.

This insight helps us understand puzzling intelligence estimates of China. For example, American policy-makers believe that inferring “Chinese intentions is the single most difficult and impor-

tant task we face.”⁷ For decades, the CIA could not assess China’s long-term motives with high confidence. However, they could easily assess that Taiwan provided China with enormous historical and nationalistic benefits but fewer security benefits.⁸ When China first instigated a crisis over Taiwan, the CIA made inferences about China’s long-term motives based on its understanding of what principles could drive China to contest Taiwan.⁹ From this inference, the CIA extrapolated to assess other territories and international institutions that China would and would not contest in the future.¹⁰ The CIA’s future estimates were moderated through this understanding. Thus, the intelligence community was not alarmed by China’s coercive behavior over Tibet, or Taiwan in the 1990s, or China’s decision to brutally suppress those who protested the communist party because all of these actions were consistent with a nationalists motivation.

As we shall see, the intelligence community revised their estimates circa 2011 because they could not explain China’s actions in the context of China’s declared nationalist aims. For many, China’s military deployments surrounding the South China Sea raised concerns. On the surface, China’s actions in the South China Sea are no more militaristic than China’s deployment during the 1995 Taiwan Straits Crisis. But analysts drew different inferences from each once they accounted for China’s historical and cultural context.

Of course, the US and China are locked in a strategic dynamic. We know that revisionist powers face strategic incentives to understate the scope of their intentions (Jervis, 1978). We believe that these incentives make costly signaling difficult, and render private diplomacy useless. Can qualitative inferences survive in the complex strategic environment of world politics? If they can, what do they mean for patterns of competition in a strategic setting?

In chapter 4, I develop a strategic theory that captures how threat perceptions form and change given the unique incentives to misrepresent that arise during great power rivalries. Drawing from an analysis of several formal models that represent a reassurance game (Powell, 1996, is somewhat close.), I argue that rivalries can unfold in one of two ways: delayed competition or delayed peace. While the top-line result is simple, a detailed look at my qualitative signaling mechanism explains four of the most puzzling aspects of how great powers forge rationalist threat perceptions, and how

⁷Quote from interview with former CIA Director for Analysis, Mark Lowenthal.

⁸Special National Intelligence Estimate (100-12-58) *Probable Developments in the Taiwan Straits Crisis*, p1.

⁹SNIE (100-4-59) *Chinese Communist Intentions and Probable Courses of Action in the Taiwan Strait Area*

¹⁰SNIE (13-3-61) *Chinese Communist Capabilities and Intentions in the Far East*.

these threat perceptions influence patterns of competition, hedging and peace. I can explain: (1) why Defenders are reassured by the Challenger’s early diplomatic promises that the Challenger’s motives are limited; (2) why Defenders are willing to make many repeated concessions even as the Challenger makes violent demands, takes territory, rapidly militarizes, or seeks to undermine the Defender in other ways; (3) punctuated (rather than gradual) changes in Defenders’ beliefs about the Challenger’s strategic motives; and (4) why some cases end in competition following a specific demand while others end in a stable peace.

The mechanism works as follows. Early on, Challengers with expansive and limited aims face different incentives. Challengers with expansive aims value many issues, thus they care less about which concessions they receive first. However, they want to under-state the scope of their motives to avoid competition for as long as they can. Challengers with limited aims each value a different (and specific) set of issues. They want to coordinate to receive valuable concessions first. Unlike past coordination theories (Trager, 2011), the Challenger’s diplomacy reveals a principle (e.g. Nationalism) that motivates her demands, and not a list of issues she claims to care about (Taiwan, Tibet, Uganda). Because diplomacy appeals to a reason for revision, it sets an expectation about the total set of issues that the Challenger will want as the interaction unfolds. By locking in this expectation, Challengers can exploit diplomacy to partially overcome incentives to under-state the scope of their motives for many periods.¹¹

How the Challenger justifies her demands at the beginning has important implications for patterns of competition later on. Each principle implies that the Challenger cares about specific issues and territories. Once she has captured those issues and territories, she either makes another demand and reveals her initial justification was dishonest, or accepts the status quo. Challengers with expansive aims make another demand and the Defender infers that their motives are more extensive than originally claimed. This revelation triggers competition.

Applying the logic to Anglo-German bargaining, Hitler used diplomacy to explain he was motivated by nationalism, and therefore would only demand Germanic territories (in addition to violating certain human rights norms, etc). This message was costless, but it altered how the British interpreted Hitler’s future behavior. The British did not update their beliefs following the Austria (1934) and Rhineland (1936) crises because the British knew that Germans lived in these

¹¹The lock-in is strategic. There is no cost from norms (Goddard, 2018), or audiences (Kertzer and Brutger, 2016).

territories, and realized that these demands were consistent with Hitler’s declared motives. However, when they observed Hitler demand the Slavic parts of Czechoslovakia, they assessed that this was outside what ethno-nationalist Hitler would seek. Thus, they ruled out that Hitler would stop once he captured territories populated by Germans. This, realization drove them to competition.

1.2 Summary of Evidence

I support my argument with a multi-method research design. I leverage a survey experiment with national security elites, archival research about Anglo-Soviet relations at the onset of the Cold War, cross-case medium-n analysis of critical great power cases.

Chapter 5 reports evidence from a survey experiment with 93 real-world national security elites. Subjects include members of the intelligence community, diplomats, and Congressional Staff that work on foreign policy issues. In the experiment, subjects are given a war game exercise where they are asked to assess the strategic intentions of an emerging threat. I randomly assign whether the Challenger claims to be motivated by either security from foreign threats, or nationalistic aims. I then randomly assign whether the Challenger fights for an issue that is salient for security or nationalist reasons. Consistent with my theory, I show that almost all subjects coordinate their expectations about what the Challenger would want if it held limited aims based on the Challenger’s randomly assigned, costless diplomatic statements. I show that subjects who observe the Challenger invade a territory that fits their declared principle do not infer that the Challenger’s aims are expansive. This verifies my argument that the logic of costly signaling is conditional on principles, and historical and cultural context.

More broadly, I use the elite sample to understand the general analytical frames and indicators they use to evaluate the intentions of their rivals. I find that they use a diverse range of indicators in different ways. However, they typically interpret information by tying the Challenger’s actions and attributes to principles.

Chapter 6 reports an analytic narrative of a critical but under-studied case: British assessments of Soviet motives at the onset of the Cold War. The case draws from primary source research from four different archives, as well as several historical accounts about British perceptions of the Soviet Union. Consistent with my modeling assumptions, I show that British elites began deeply uncertain about Stalin’s intentions. In 1940, there was wide conjecture that Stalin could be motivated by

many different principles. Consistent with my theory, British elites believed that the missing piece of missing evidence was a statement from Stalin about what motivates Soviet foreign policy. I show that British analysts converged on an assessment framework following Foreign Minister Eden's visit to Moscow in 1941; in which Stalin explained to Eden that he was motivated by security from foreign threats. British analysts quickly exploited their knowledge of Russia's history, as well as the strategic landscape that surrounds Russia to develop a list of territories that fit Stalin's declared aims. For the next seven years, British elites interpreted Stalin's actions based on whether they fit Stalin's declared principle. Consistent with my theory, British elites remained optimistic about Stalin's intentions as he orchestrated a coup in Romania, and installed a communist government in Poland because they believed these actions fit Stalin's declared aims. However, they realized Stalin's aims were vast following the Iran Crisis because they could not understand how controlling Iran was necessary for Soviet security.

I also use the case to illustrate how my theory compliments theories of bureaucratic or domestic politics that suggest state preferences are the aggregate of micro-preferences. For example, [Schub \(2023\)](#) argues that elite factions vary in their hawkishness. He suggests that there is a best (rational) assessment, and that elites deviate from it depending on their institutional affiliations or lived experiences. These deviations are not irrational. Rather, they are responses to individual level preferences, and training. I do not dispute that individuals and domestic institutions (like the military) may deviate from an optimal baseline. What I will show in my analysis of British elites that assess Stalin's motives is that my theory provides a better rational baseline than realism and the bargaining framework around which these deviations fall. Consistent with [Schub \(2023\)](#) I find that Foreign Office staff are often more optimistic than military staff about Stalin's motives. But I can also explain how both camps start off reasonably optimistic that cooperation is possible and then both revise their assessment that Stalin's aims are vast.

Chapter 7 tests my behavioral predictions about the timing of competition and peace through a medium-n analysis of great power relations since 1850. My central prediction is that competition will come shortly after the Challenger takes an action that cannot be explained by her declared principles. However, if the Challenger does not take an inconsistent action, competition will not come. Consistent with my central prediction, I find that competition comes within three years of the Challenger's first inconsistent action in 12/14 cases. I use four case vignettes to illustrate

how my theory applies in a wide variety of historical and cultural contexts, and clarify how I conceptualize my variables. Finally, I show that my theory contributes to explaining patterns of competition and peace because it well explains the cases that theories of power struggle to explain. I show that a broader framework that incorporates my motives-based theory and Powell's theory of shifting military power explains patterns of competition and peace in all cases.

1.2.1 Answering the Sino-American Puzzle: The past and the future

In chapter 8, I first analyze the history of US intelligence and policy towards China; and then make policy recommendations about the future.

First, I show that US intelligence estimates of China closely follow the logic of my theory. Following Kissinger's secret visit to China in 1970, the intelligence community wrote up an assessment framework that assumed China would pursue nationalist ambitions if it was motivated by limited aims. Consistent with my theory, the intelligence community provided a detailed analysis of China's history and culture, and extrapolated from that analysis about what China would want if it held limited aims. Consistent with my theory, they did not revise their estimates in the 1990s and 2000s because China's choices to consolidate autocratic power, instigate crises over Taiwan and Tibet, and invest heavily in offensive weapons fit China's declared nationalist ambitions. I use a novel survey of over 200 China-watchers (i.e. US national security elites that study China) to show that US estimates of China's motives changed suddenly circa 2011. Using additional, long-form interviews with the most senior intelligence officials at the time, I find that these estimates suddenly shifted because analysts could not explain China's costly military actions as serving a limited aims principle.

Second, I examine US grand strategy towards China in the post-Cold War period. I find that the each president chose a strategy that follows what my theory expects. My theory explains why presidents from different parties, and with different world views and experiences, reliably followed the same China policy. It explains why HW Bush, Clinton and W Bush hedged against China before 2008. It also explains why president Biden continued president Trump's highly competitive China policy. My theory also sheds light on president Obama's Pivot to Asia policy. As we shall see, this policy received an unusual amount of criticism. While many of the details remain secret, my theory sheds light on the tensions in Obama's thinking. I leverage new elite interviews; and an

analysis of memoirs and public reports to explain his choices.

At the end of the chapter I make predictions about the future of Sino-American relations. The American public wants to know if recent Sino-American competition is a permanent rivalry that will lead to a second Cold War, or a temporary rift that we will soon resolve. Existing research suggest two reasons to be hopeful. First, [Allison \(2017b\)](#) argues that the source of conflict is shifting military power. But if China's rate of growth declines, then the source of this tension will decline. There is some hope given China's recent lack-luster economic performance, and China's vulnerabilities to even limited technical sanctions. Second, leadership changes buttressed with inter-personal interactions can mend these fences. Thus, as Biden and Xi meet, they may be able to reconcile these differences.

On this question, I have grim news: Sino-American competition is here to stay. It will likely intensify in the coming years and persist for decades. In the past, American policymakers wanted to work through crises because they believed that long-run cooperation was possible. Now they believe that China's long-term motives are vast; and long-term cooperation is not possible. This assessment has filtered to policy-makers leading to a strategic shift to competition. Since the shift to competition is driven by a new assessment in China's motives, and not a single crisis, the United States is unlikely to turn back. While this prediction is grim, it is important because it calls on the United States to craft a comprehensive regional strategy to contain China. This call is largely consistent with efforts of the Trump and Biden Administration, but demonstrates that more can be done.

I also reckon with other questions that extend slightly beyond my theory, but which my theory informs. Notably, the American public also wants to know if competition is likely to boil over into World War Three? Indeed, [Allison \(2017b\)](#) argues that if pressures to compete intensify that war is as good as inevitable. On this question, a small extension of my theory and some insights from work on crisis bargaining holds good news. The threat of nuclear escalation and the deep connections with third party states that both China and the United States hold mean that war is unlikely.

Putting it together, my theory suggests that we have entered into a new Cold War that will likely dominate US foreign policy over the next century. But unlike the last Cold War, we will not start from a position of strength. Differences between the world today and the world in the 1950s,

and China and the Soviet Union are deeply concerning. The longer we wait to re-orientate our society to meet this challenge, the worse off we will be.

1.3 Contributions to academic research

The cases that interest me involve complex strategic dynamics that unfold over years. Consistent with scientific practices, existing scholarship isolates different dynamics within each case to better understand their independent affects. This has led to rigorous research into power transitions (Powell, 1999; Organski and Kugler, 1980; Edelstein, 2019) costly signaling (Kydd, 2005; Glaser, 2010), constructivist accounts about the sources of state preferences (Finnemore, 1996a; O'Neill, 1999) and theories about the indicators that states use to form threat perceptions (Yarhi-Milo, 2014; Jervis, 1989b), how states develop reputations from repeated interactions (Schelling, 1957; Dafoe, Renshon, and Huth, 2014), and the coordinating role of diplomacy (Trager, 2016, 2010; Joseph, 2021).

I provide the connective tissue that links these areas of research together. To do it, I develop a theoretical tool (a model) that integrates salient aspects of each of these research agendas into a single theoretical framework. My model includes two notable features that help me fit these different research agendas together to predict overarching patterns of competition and peace. First, I developed my modeling assumptions using interviews with national security elites (see Appendix A for details). The interviews were designed to mimic problem driven research (Lake and Powell, 1999). In them, I asked elites what choices they consider when they think about grand strategy against an enduring rival. The choices I allow states to make in the model, and the prior beliefs that I assume states hold, reflect elite answers. Of course, this is not the only way to construct a theory and there may be dynamics that I miss (see Paine and Tyson, 2020, for review). But my hope is that a model that assumes choices that elites think they can make, will illuminate strategic dynamics and predictions that generalize across cases.

Second, I develop a technique to operationalize and systematically study historical and cultural context in a model that includes a trust problem (Jervis, 1978), cheap-talk diplomacy (Trager, 2011), costly signals (Kydd, 2005) and dynamics akin to shifting power (Powell, 1999). Consistent with constructivist logic, I show that unique historical and cultural context can explain why cases unfold differently (Hopf, 1994; O'Neill, 1999). But I also argue that there are commonalities across

the contexts of different cases that I can utilize for systematic predictions.

Putting it altogether, my theoretical approach yields three payoffs for academic research into international security. First, the model helps distil nuanced, case-specific variation down into a relatively simple predictions about patterns of competition and peace. I show that almost all cases start with a long (but predictable) period of hedging in which the Defender tolerates the Challenger's revisionist demands. I then explain when and why some cases eventually devolve into competition and others end in peace. Explaining this pattern is useful because rationalist scholars have long puzzled over delayed competition (Schweller, 2004; Organski and Kugler, 1980) or peace (Rock, 2000; Kennedy, 1976) in the face of rapidly shifting power or repeated violent actions. My framework supports both as rational behaviors.

Second, I show how important strategic dynamics for one set of scholars explains puzzling variation for another set of scholars. For example, I argue that a combination of historical context and diplomacy explains why some costly military action will engender mistrust and cause competition and other costly military actions have little impact. I also argue that variation in motives explains when rapidly shifting power will leads to competition straight away, or when it will lead to competition after a while, or when it will lead to peace. I also argue that knowledge of a rival's history determines when intelligence analysts and other elites will voice their threat perceptions as a function of military signals and when they will voice their threat perceptions as a function of personal interactions. I also argue that the strategic incentives that surround competition explain why specific normative values, such as nationalism, heighten tensions in some cases but promote peace in others (Powers, 2022; Jackson and Morelli, 2011; Mylonas, 2013). In each of these examples, my theory not only shows that these different literatures are connected, it explains exactly when and how the features of one moderate the predictions of the other. The model shows that we can only resolve these puzzles if we consider all of these specific dynamics as part of a holistic strategic process.

Third, the model clarifies the extent to which these different literatures provide scope conditions on each other. For example, I show that if power shifts extremely fast, or if the Defender starts out certain that the Challenger's motives are expansive, or if the Challenger's history and culture imply that even their limited aims are enormous, then that factor alone will dominate the others. Different still, I show that if states avoid diplomacy, then peace will fail even if power shifts slowly

and the Challenger likely holds limited aims. But I also show that one feature only dominates the others in extreme ranges. In most empirical cases, the conditions are moderate and all of the factors studied by scholars play an important role.

2 Setting up the theory

I was motivated to write this book by a modern policy problem: why have Sino-American relations unfold the way that they have, and how will they unfold over the next decade? To address these questions, I need to analyze the strategic setting at the heart of Sino-American relations. But what type of interaction is it? Scholars of international security describe Sino-American relations as one example of a great power rivalry. Many compare it to Anglo-German (1900s, 1930s), Anglo and Franco-Prussian (1850s) Anglo-American (1900), Russo-Japanese (1880), Anglo-Russian (1800s) and American-Soviet (1940s) relations. Most researchers agree that these cases are similar because they involve a repeated interaction between two states who contest (at least some) normative issues and territories, and who can exploit coercive actions to achieve their objectives.

Beyond that, there is wide variation in the variables that scholars decide to include in (and omit from) their theories. At the broadest levels, scholars emphasize commitment problems (Powell, 1999; Schultz and Goemans, 2019) or information problems (Glaser, 2010). At a more specific level, some focus on the role of shifting power or power parity (Organski and Kugler, 1980; Powell, 1999); reassurance and militarization (Haynes and Yoder, 2020); or irreconcilable differences (Huth and Russett, 1993), domestic politics (Schultz, 2001); or institutions and norms (Goddard, 2018). Some focus on war specifically (Fearon, 1995), others focus on competition broadly (Braumoeller, 2008; Kydd, 2005; Waltz, 1979).

I accept that each of these variables contributes to patterns of competition and peace. But an important thing to note is that many of these contributions complicate the choices that states can make (e.g. whether states can militarize or not), or structural factors (whether power will shift or not). From my perspective, these past variables characterize the strategic setting, and generate the core tensions that great powers face. My goal is to generate the strategic tensions that existing scholars have identified in a simple way. Once I do that, I can characterize the important role that historical and cultural context, and diverse motives play in explaining patterns of competition and peace.

In this chapter, I use features of these theories to characterize the strategic setting that I study. In summary, I study a great power rivalry between a revisionist Challenger and a status-quo

Defender. My theory starts when the Defender first realizes that the Challenger will soon have repeated opportunities to revise the status quo over the coming years (or decades). The interaction then unfolds over a revisionist phase where the Challenger is given repeated opportunities to demand one more concession, or stop and accept the status quo. Broadly speaking my assumptions generate the two core tensions identified in research on enduring rivalry. First, the Challenger's opportunity for revision generates a commitment problem for the Defender that is akin to the problem of shifting power. Each time the Challenger demands a concession, the Defender chooses between making that concession in the hope that the Challenger will soon stop, or turning to wide-spread, strategic competition. Second, uncertainty about the Challenger's motives creates a trust problem. The Challenger can only take concessions and avoid competition if she can convince the Defender that she will soon stop. But violent actions may signal that the Challenger's motives are more expansive. Given these tensions, I want to explain (1) why some cases end in competition and others end in peace; and (2) in cases that end in competition, what explains the timing of competition in that case?

To be clear, my answer will not appear in this chapter. In chapter 3, I outline my conceptual innovation: Challengers can be motivated by many different principles (e.g. ethnic-nationalism, restoring historical borders, security, regional hegemony). The principle that motivates the Challenger determines the specific, tangible objectives that the Challenger wants to achieve. After I develop this idea conceptually, I provide a structured way to analyze its implications for how Defender's draw inferences about the Challenger's motives.

In chapter 4, I informally describe the results of a formal model that embeds my theory of state-motives from chapter 3 into the strategic setting described in chapter 2. The strategic theory takes seriously the pressures for conflict generated by shifting power, and the Challenger's incentives to understate the scope of her intentions. But my novel conceptualization of state-motives illuminates new predictions about the instances and timing of competition in spite of these pressures. I argue that great power rivalries can unfold in one of two ways: delayed competition, or delayed peace. Which way the rivalry unfolds ultimately depends on the scope of the Challenger's motives. If the Challenger holds limited aims the rivalry ends in peace. If the Challenger is a greedier type, the rivalry ends in competition. The proximate cause of conflict is the Defender's beliefs. If the Defender is sufficiently confident that the Challenger's aims are vast, he selects competition.

The mediating variables are the choices (diplomatic messages and territorial demands) that the Challenger makes, and how these choices influence the Defender's beliefs. My theory explains how Challengers exploit early diplomatic statements to justify their revisionist demands. I find that these cheap-talk statements help overcome a coordination problem, and can lead to trust and cooperation in the face of violent demands.

2.1 The setting: Who are the actors, and where does my theory begin?

I theorize about a repeated interaction between two states: a Challenger (C, she) and a Defender (D, he). The Defender is a status quo power. He benefits from the existing international order, the distribution of territories and normative issues, and his sphere of influence. The Challenger had a limited say in how the international order was constructed. As a result, she has at least one issue, and possibly many more, that she wants to revise if given the opportunity.

Most of the issues that the Challenger could contest are controlled by third-party states, or are otherwise outside the Defender's sovereign control (such as the design of international institutions). Nevertheless, the Defender benefits from the existing order, and will lose something with each revision ([Sartori, 2005](#)).

Before the interaction starts, the Challenger and Defender enjoy stable relations where they benefit from cultural, commercial, and political exchange ([Powell, 1993](#)). However, they recognize that they have different visions about the world that they want to live in. Their differences do not cause tension because the Challenger is unable or unwilling to revise the status quo.

The rivalry begins when the Defender first realizes that the Challenger will have repeated opportunities to revise the status quo in her favor over the coming years (or decades). In many cases, the Defender's fear of revision is driven by shifting economic or military power ([Organski and Kugler, 1980](#)). However, the Defender's fear of revision could also be driven by a power vacuum in the Challenger's region that creates an opportunity for a long-standing power to dedicate resources to foreign policy expansion (the end of the Cold War), or the Defender's decline ([Friedberg, 2010](#)). Since great powers vie for influence over third-party states, the Challenger could exploit increasing soft power brought on by shifts in economic interdependence, expanding diaspora populations, or by regional states adopting the Challenger's cultural practices or political philosophy. Finally, the Challenger's abilities may not change at all. It is possible that a Challenger has chosen not to

exploit its power for a long time, but regime change has caused the Challenger to alter its foreign policy preferences.

2.2 What are the actors' choices: hedging/revision, competition, and peace.

I assume that the Challenger and Defender independently select their grand strategies. However, the international relations between them at any moment in time depend on the interaction between the grand strategies that each selects. I focus on three broad categories of international relations that arise from these grand strategic choices: revisionism/hedging, competition, and peace. In what follows, I characterize these different phases of international relations, and the choices states can make to shift them from to the other.

I assume that the strategic interaction starts in a revisionist phase. This phase is tense because the Challenger is taking territory and overturning norms and institutions at the Defender's expense. Despite that tension, both states employ grand strategies that focus on coordination and exchange. The Challenger's strategy involves piecemeal revisions to the status quo. Even though the Challenger is extracting concessions at the Defender's expense, she tries to reduce the risk of military conflict with the Defender. Substantively, the Challenger reduces this risk in two ways. First, she targets third-party states where the Defender has no explicit commitments. Second, the Challenger promotes institutions that subtly and indirectly undermine the Defender's global position. For example, China has promoted the Shanghai Cooperation Organization and One Belt One Road as institutions to promote sovereignty, enhance regional security against non-state threats, and increase trade in a manner consistent with global principles. These goals sound consistent with US-led institutions. But American analysts believe that they subtly undermine US Liberal values. Third, the Challenger seeks to avoid tensions through public and private diplomacy. On the public side, the Challenger will likely make public statements that promote the Defender's overall view of World Order, but make clear that certain aspects of it are unfair.¹² On the private side, the Challenger will often discuss her revisionist plans with the Defender. Of course, this diplomacy is cheap-talk. Scholars debate whether it is pro-formative or meaningful (see [Trager, 2016](#)). I will return to this point later. The important point is that the Challenger's pacific diplomacy is a

¹²China characterized its policy as hiding its power and biding its time and a peaceful rise are both attempts to use public diplomacy in this way.

common feature during the period of hedging.

The Defender's strategy during the revisionist phase is characterized by cautious hedging. On the one hand, the Defender's actions promote integration and stability. The Defender engages the Challenger through trade and cultural exchange, and may even promote economic and diplomatic integration. The Defender is even complicit in the Challenger's revision. The Defender may de-commit from an alliance over a third-party that the Challenger wants to influence, acknowledge the Challenger's legal claim over a contested territory, or sign an institutional agreement that supports the Challenger's normative preferences. By removing himself from a contentious position, the Defender gives the Challenger the opportunity to coerce third-party actors or build institutions while avoiding the possibility of direct conflict. As a result of this coordination, and given that the Defender can choose where to deploy forces and keep commitments, the Defender has some say in the order of concessions that the Challenger gets.

On the other hand, the Defender continues to arm so that he will be in a favourable position if he wanted to compete with the Challenger. The Defender maintains active intelligence to better understand the Challenger's intentions and abilities, and a strong military to make coercive threats if competition becomes necessary.

This description well fits US grand strategy towards China between 1990-2012. Supportive analysts often describe the US strategy during this period as cautious hedging, or accommodation (Medeiros, 2005). Critical analysts describe it as appeasement or, worse, inaction. While inaction may not be a fair characterization, it still fits the spirit of my argument because the US strategy involved leaving open the possibility of achieving a stable peace with China, and also prepared for a competition contingency. Historians have also characterized British strategy towards the United States (pre-1904), Russia (pre-1907), Germany (pre-1938) as appeasement (Rock, 1989; Kennedy, 1989), among other notable cases. Each Challenger-Defender in these cases had a highly nuanced grand strategy. But they all fit hedging/revision as I define it.

The decision to coordinate during the revisionist phase is a choice that both states make. Thus, either state can end this phase by unilaterally changing its strategy. The outcome of interest in my book is when states change their grand strategy and thereby bring about the end to the revisionist phase.

Since their strategies during the revisionist phase are different, the options they have to end the

revisionist period are also different. The Challenger can end the period of revision by deciding that she is willing to live with the status quo, and peacefully integrate into a world order. Substantively, Challengers that stop revision agree to spheres of influence, re-join global institutions, sign an arms control agreement, or form alliances and stronger trade agreements with the Defender. The Anglo-Russian Agreement (1907) forged at the end of the Great Game, the special relationship forged between Britain and the United States (1906), and Germany's commitment to world order (1990) all represent cases where Challengers had the opportunity to make additional demands and decided instead to bind themselves to international institutions, de-militarize, or allow for intrusive monitoring in a way that ended their revision.

The prospect of a stable peace is attractive to both states because it allows them to benefit from commercial and cultural exchange, and share the burden of maintaining world order that benefits both of them. It also allows them to avoid the cost of competition with each other. In fact, one reason that the Defender is willing to tolerate the Challenger's initial revision, is that he hopes that the Challenger will eventually accept peace (Waltz, 1979; Glaser, 2010).

The Defender can end the revisionist phase by turning to strategic competition. Theoretically, the main difference between competition and hedging is the Defender's policy objective. When the Defender hedges, his goal is to reach a lasting peace with the Challenger some time in the future but remain prepared in case competition is necessary. The Defender is willing to tolerate short-term revision because his primary interest is in long-term peace. By contrast, when the Defender competes, his goal is to thwart the Challenger from making future revisions, and otherwise undermine the Challenger's political and foreign policy objectives. The Defender has no intention of reaching a period where the Challenger peacefully integrates into world order as the Defender has built it.¹³

My focus on variation in strategic goals clarifies why my theory is different from those that debate US grand strategy. These scholars usually assumes the outcome that the US wants to achieve as fixed, then explain how either restraint, selective engagement, etc helps achieve that policy goal (Posen, 2014; Art, 1998; Brooks, Ikenberry, and Wohlforth, 2013). I am interested in explaining when states change their strategic goals.

¹³In the context of a prisoner's dilemma, competition represents the Defender pulling the grim trigger where he promises to compete in future periods. Once this happens, the Challenger's best choice is to always compete.

Another difference between competition and hedging involves how the Defender reckons with uncertainty. When the Defender is hedging, he is concerned about spirals of mistrust. Therefore, when a crisis erupts, the Defender is often willing to coordinate with the Challenger so as to avoid a crisis ruining their broader relationship. This follows because the Defender hopes that the Challenger has limited aims and long term peace and stability are possible. When the Defender is competing, he believes that the Challenger has expansive interests. The Defender's goal is to stop the Challenger's advances in a specific crisis. Thus, the Defender wants to convince the Challenger that he is highly resolved to fight in a specific crisis, and whether the Defender's intervention could stop the Challenger's advances.

This difference helps clarify how the scope of my theory fits with realism and crisis bargaining theory. Once the Defender decides to compete, the game devolves into a dynamic studied by crisis bargaining scholars (Schelling, 1980; Sartori, 2005; Fearon, 1995). In it, the threat of escalation to war is imminent, states face incentives to overstate their resolve to fight at every opportunity, and the Defender hopes the Challenger wants less than what she claims. The period of hedging represents the setting studied by realist (Glaser, 2010; Waltz, 1979). In it, the Challenger faces incentives to under-state her long term strategic aims to avoid competition. If great power interactions are characterized by a prisoner's dilemma (Kearney, 1979; Kydd, 2005), then competition represents the Defender pulling the grim trigger where he promises to compete in future periods.

Loosely speaking, the observable policies that correspond with competition include comprehensive sanctions designed to cripple the Challenger's economy, efforts to isolate the Challenger from international institutions, the forward deployment of forces to regions the Challenger could contest (Soviet Containment), an increase in strong defense commitments (e.g. alliances) that prevent the Challenger from expanding into nearby states (such as the construction of NATO), supporting insurgents in the Challenger's sphere of influence, covert actions that target regime change, or major war (World Wars), or a combination of these policies.¹⁴

These indicators are loose because the specific tools that the Defender utilizes will not neatly correspond with his grand strategic objectives. One reason is that Defenders face frictions that

¹⁴To be clear, states locked in strategic competition could cooperate on some issues. For example, and as Robert Zoellick has recently argued, it is plausible that the US and China could sign arms control agreements, or agree on the laws of the sea and still be rivals. Related, the US and Soviets cooperated on arms control during the Cold War. The point is that their main strategic intent is to prevent the other from future advances and undermine their international position.

cause a long lag between the Defender's decision to compete, and policies that reflect that choice. It can take years to mobilize forces, or re-orientate funding that is already obligated to other regions or military assets. Competition often involves building new institutions and alliances, or re-negotiating with existing partners. Working with third-party states takes time. In many cases, firms are responsible for trade with, and technology transfers to, the Challenger. The Defender's government cannot always stop its own firms from executing these lucrative deals. Even if they can, firms lobby hard to slow the pace of change so that they can amortize their losses.

A second reason that policy choices are loose indicators is that Defenders face issue-specific and situation-specific concerns that cause variation in crisis behavior (Schelling, 1957). When competition is the Defender's strategic objective, the Defender may still stay out of a crisis if the Challenger is likely to win it and the costs of intervention are large. Instead, the Defender will dedicate its energies where it can more effectively thwart the Challenger. But even when hedging is the Defender's strategic objective, he may intervene against the Challenger in the rare cases that the stakes are very large. This explains, for example, US choices to commit to Taiwan during the 1990s.

One might ask, why focus on variation in grand strategic choices, and not the sexier and easier to measure outcome: war and peace? There are three answers. First, wars do not always coincide with grand strategic orientations given how modern scholars code them. Thus, focusing on these more specific events leads to unusual coding decisions in the most important cases. The most important example is the Cold War.¹⁵ This was one of the most expensive and intense periods of competition in world history. The US and the Soviets fought proxy wars in Vietnam, Korea, Angola and Afghanistan. They also harmed each other through covert actions, and economic sanctions. They also engaged in highly inefficient arming. The aggregation of these costs over 50 years exceeded the costs of the Second World War. However, theories that treat war as the outcome code the Cold War as peace.

Second, if we hope to understand modern Sino-American relations, it is critical to contrast Cold War style competition broadly (rather than major war specifically) with peace as the outcome of interest. The reason is that the US and China are very unlikely to engage in a direct major war

¹⁵There are other examples, many scholars code the Fashoda crisis as a war between France and Britain because it involved fatalities. But Anglo-French relations during this period were cooperative.

because both the US and China have large nuclear arsenals and enormous armies (Waltz, 1990). However, Cold-War style Sino-American competition will be enormously costly. If we want our theories to explain why the US shifted from a long period of hedging during the 1990s, to the current state of competition, then we want theoretical models that help us to explain the difference between hedging and competition.

Third, my conceptualization of strategic competition allows me to speak to, and clarify, the most closely related academic research. Notably, certain realists, and power transition theorists motivate their studies with cases that end in war. However, they acknowledge that their theories do not explicitly predict the timing of wars. Rather, they argue that their theories explain the conditions under which the risk of major war is heightened (see, for example Organski and Kugler, 1980; Glaser, 2010; Waltz, 1979). But it is not exactly clear why a heightened risk exists. In my theory, the shift to competition heightens the risk of war in historical cases because the Defender forward deploys forces to territories that the Challenger may contest, expands his alliance portfolio, engages in increased risk-taking behavior, takes other actions that harm the Challenger such as covert operations or sanctions, and deliberately diminishes trade and institutional inter-dependencies. Thus, we can think about strategies of competition as a conscience choice on the Defender's part to select into a high chance of major war.

2.3 What we know: Shifting power generates incentives for competition

Scholars argue that power shifts against the Defender causes tension (see Gilpin, 1988; Organski and Kugler, 1980; Powell, 1999). In these theories, the Defender's logic is as follows. If I compete today, before power shifts against me, I have the greatest chance of victory. However, I will be forced to pay the enormous cost of competition (or war), and must forgo the gains of economic collaboration. If I wait, I can defer the costs of competition. However, as power shifts I will be weaker and will be forced to fight from a worse position.¹⁶

What does this tension mean for patterns of competition and peace? Powell (1999) and others (Debs and Monteiro, 2014; Bas and Coe, 2016; Powell, 1999) argue that the answer hinges on the rate of shifting power. When power shifts slowly, the Challenger can compensate the Defender

¹⁶The tensions caused by shifting power clearly underpin the cases I study and I explicitly include it in my theory. Recall that my theory begins when the Defender first realizes that the Challenger will have the opportunity to make repeated demands.

today with a large concession, and this will off-set the Defender's expected future losses. Incentives for war arise when power shifts rapidly. In this case, the future is so bad, that the Challenger is unable to compensate the Defender for it. The Defender is willing to fight today to prevent that future from materializing. This insight yields the following core prediction:¹⁷

Bargaining theory with Shifting Power's Prediction: War is more likely when power shifts rapidly (rather than slowly) and the cost of competition is low (rather than high).

The evidence for this prediction is mixed. Scholars identify specific cases where rapid power shifts caused preventive conflict (Copeland, 2015). But well-designed cross-national studies find that high rates of economic growth or military spending explain little variance in whether war breaks out or not (Bell, 2017; Kim and Morrow, 1992; Lemke, 2003). One important test finds a robust relationship between the expected rate of shifting power and conflict (Bell and Johnson, 2015). But even their measure of anticipated power shifts explains less than 1% of the variance in conflict. These predictions provide the weakest fit for the dogs that don't bark: cases that ended in a stable peace despite rapidly shifting power. For example, out of all of the cases that interest me, the United States during the late 1800s has the fastest rate of economic and military growth. During this period, the United States set out to expel British influence from the Western Hemisphere. At the point where American power grew most rapidly, Britain responded by withdrawing from key economic interests and ceding influence to the United States—the opposite of preventive war (Schake, 2017). In recent years, Japan (1980s), and Germany (1990s) experienced rapid economic success, and the United States accommodated them, leading to a stable peace. Furthermore, even when shifting power is correlated with war (or strategic competition), the timing of war often does not coincide with the fastest rate of expected shifting power. For example, Wark (1985, Appendix 6) shows that British intelligence assessed that the German military would expand at the fastest rate during 1935 and 1936. In fact, British estimates were suddenly and unexpectedly altered by new evidence in early 1935. These are the ideal conditions for conflict according to shifting power scholars. The incentives for war were amplified because Hitler instigated several crises: He occupied the Rhineland (1936), and funded Franco's war efforts (1937). And yet, the British avoided war until 1939, when power shifts were much slower.

¹⁷Strictly, Powell argued that rapid power shifts cause war in the first period. But (Krainin, 2017) showed that delayed war is possible, and others have shown that war follows punctuation in the rate of shifting power. Generally, the prediction I provide is the fairest test. War never occurs at the beginning of the power transition.

Putting all of this evidence together, the puzzle for power transition scholars is this. The evidence shows that status quo powers monitor and predict future rates of shifting power. But they often do not fight wars when they anticipate rapidly shifting power, or imminent territorial and normative concessions. In fact, there are many cases where Defenders find a lasting peace at the times when power shifts most rapidly. Why does the fear of future concessions not trigger preventive competition?

Answering this question will help us understand modern Sino-American relations. Since the end of the Cold War, the US has estimated China would experience a long period of rapid economic and military growth. Indeed, beliefs about China's trajectory caused policymakers to focus on China in the 1990s. But this tensions did not cause competition for decades. If anything, US policy was accommodating. the US facilitated China's rise through economic rewards and institutional power.

2.4 What we know: Variation in motives, the tragedy of politics and costly signaling.

If shifting power alone does not explain patterns of war (or competition) and peace, then what does? Some structural realists argue that the answer lies in variation in the Challenger's strategic intentions, and the Defender's uncertainty about the Challenger's strategic intentions.

Realists conceptualize variation in the Challenger's motives along a continuum. At one extreme, the Challenger is a status quo power that holds no intrinsic value for revision beyond the security of the status quo. This 'security-seeker' may instrumentally seek revision to assure her security. However, she holds no intrinsic desire for revision.¹⁸ At the other extreme the Challenger could hold intrinsic value for global domination. This 'greedy' Challenger will expand opportunistically to take territories. As Glaser (2010, footnote 1) acknowledges, there could be limited types that want something between global domination and nothing. However, he characterizes these limited types as a variant of greedy because they all hold some amount of revisionist demands.

Like power transition scholars, realists argue that shifting power creates pressures for the Defender to fight before power shifts against him. Realists agree that Defenders would prefer to engage in strategic competition if they knew for certain that the Challenger was greedy.

But unlike power transition scholars, realists argue that if the Challenger is a security-seeker,

¹⁸Waltz (1979) argues that this assumption is for simplicity, but it is now fundamental to realist thinking.

then both states could achieve a stable peace if they can credibly reveal their motives. The trouble is that states are uncertain about the scope of each other's strategic intentions.

Uncertainty about strategic intentions creates a trust problem (Kydd, 2005). Even Challengers that are security seekers must arm and take territory to defend their status quo interests. If the Challenger can reassure the Defender that these violent actions were in the name of preserving the status quo, then they would not trigger mistrust. But the Defender is uncertain if the Challenger is a security-seeker, and is therefore arming to serve defense; or if the Challenger is secretly greedy, and is arming as part of her broader revisionist agenda.

As realism has developed, scholars have made subtle changes to how they operationalize variation in state-motives.¹⁹ Defensive realists point out that: (1) military actions are costly; and (2) security seekers and greedy Challengers are differently sensitive to the costs and benefits of taking territory (Glaser, 2010). Using these two facts, they argue that security-seekers can credibly reveal their true intentions—and achieve peace—by avoiding actions that the greedy Challenger wants to take.

Consider the basic logic in the context of territorial revision (Powell, 1996). Taking territory involves direct costs such mobilization and casualties. But it also derives benefits. The amount of benefit that it derives depends on how much the Challenger cares about taking territory. The greedy Challenger intrinsically values taking territory a lot. Therefore, the cost-benefit calculation from taking territory clearly favors revision. The security seeker does not intrinsically value taking territory. Therefore, the cost-benefit calculation from taking territory is more mixed. The security seeker may want more territory to assure her security. However, her value from revision is clearly less than the greedy type. If the greedy Challenger desires revision enough and the costs of revision are high, then the greedy Challenger will seek revision and the security-seeker will not.

The strategic dynamic is further complicated by two-sided mistrust and the Greedy Challenger's incentives to lull the Defender into a false sense of trust (Jervis, 1978). However, scholars repeatedly

¹⁹For offensive realists, Challengers vary extensively in the scope of their motives. This drives the logic of salami-slicing in offensive realism: Challengers make repeated demands and promise it will be their last. Implicit in this mechanism is that there is near-continuous variation in the scope of the Challenger's motives. The Challenger's promise is plausible because there is always a type that values just one more concession. But it is not credible because types that want many more concessions will under-state their aims and pretend they want just one more concession (Mearsheimer, 2001). While offensive realists acknowledge variation in motives, they arrive at the same predictions as power transition scholars because they believe the reassurance problem is insurmountable. Both states always act as if their rival is greedy, and this re-enforces the other's belief that they are greedy.

show that conditions arise where security seekers can partially signal their security intentions by avoiding costly military actions (Kydd, 2005). In fact, scholars have applied this same basic logic to many kinds of costly actions including the Challenger’s decision to militarize (or not) (Gurantz and Hirsch, 2017), build offensive (rather than defensive) weapons (Glaser and Kaufmann, 1998), or sign offensive alliances, accede to a treaty that either requires intrusive monitoring of military systems (Coe and Vaynman, 2019), credibly limit arms production (Coe and Vaynman, 2015), or credibly commit one state to recognize the independence of others or otherwise forgoe revision (Yoder, 2019). Putting all of this research together, we arrive at the following predictions:

Defensive Realist’s Prediction: Costly actions \rightarrow mistrust \rightarrow competition The Challenger engender mistrust and competition if she rapidly militarizes, builds offensive weapons, takes territory, or otherwise takes costly actions to undermine the status quo. The Challenger engenders trust and avoids competition if she forgoes opportunities to militarize, builds few weapons or only unambiguously defensive weapons, avoids making territorial demands or practices retrenchment, accedes to arms limitation treaties and intrusive monitoring.

A key feature of this result is that costs are necessary to generate trust. The reason is that all Challengers want to avoid competition. They can only do that if they convince the Defender that they are a security seeker. Therefore, they all face incentives to say that even though they are taking territory, they promise that their overall objectives are security.

Defensive Realist’s Costless Trust Prediction: Costless actions such as private diplomacy have no affect on trust. The Challenger cannot offset the mistrust caused by costly military choices through private or public diplomatic messages of reassurance.

There is clear evidence of costly signaling in the cases that I study. For example, when Hitler acceded to the Munich Agreement, British elites raised their confidence that Hitler’s motives could be limited. When Hitler violated the Munich Agreement by taking additional Czechoslovakian territory, British elites inferred that Hitler’s aims were vast. This realization triggered competition. More broadly, there is comprehensive evidence that British elites closely monitored Hitler’s military actions and drew inferences about his motives based on those actions (Wark, 1985).

However, there are many other inferences that British elites drew that defensive realists cannot explain. Notably, the British War Secretary did not give “two hoots” about the Germans reoccupying the Rhineland.²⁰ The British also did not alter their estimates of Hitler’s strategic intentions when they learned Hitler secretly funded local Austrians to overthrow the Austrian Government,

²⁰Quoted in Weinberg (1980) p259.

or that Hitler withdrew from the League of Nations. Further, British elites ignored the erosion of democracy within Germany, and Hitler's choice to undermine liberal values by implementing policies that systematically discriminated against minorities. It is not only that British elites ignored costly signals that Hitler's intentions were greedy, they were reassured by diplomatic encounters with Hitler and other German elites (Yarhi-Milo, 2014, pp 85-88).

Putting all of this evidence together, the puzzles for defensive realists are as follows. Why do Defenders sometimes fail to make inferences about the Challenger's strategic motives when the Challenger's costly military actions (or in-actions) provide a clear signal of aggressive intentions? Why are elites reassured by the Challenger's costless diplomatic reassurances as the Challenger rapidly militarizes, undermines world order and takes territory?

Answering these question will help us understand modern Sino-American relations. For example, in 1995, China sought to revise the status quo over Taiwan. China initiated an invasion plan, moved 150,000 forces to its coastline, and executed live-fire drills. China backed down only after the United States sailed a carrier through the Taiwan Strait. But even then China did not stop. In 1996, China invested in offensive battleships and used live-fire exercises to influence Taiwan's election. According to costly signaling theorists, American intelligence elites should have inferred China's intentions were vast because China made territorial demands through the threat of force (Trager, 2016), then engaged in rapid arming and purchased offensive weapons (Glaser, 2010; Coe and Vaynman, 2019). However, it did not engender mistrust. In fact, several analysts raised their confidence that China's long-term intentions were "limited to peaceful reunification" (Qimao, 1996). The 1996 National Security Strategy shifted US policy towards Sino-American cooperation. For the first time it stated, "We have adopted a policy of comprehensive engagement designed to integrate China into the international community as a responsible member and to foster bilateral cooperation in areas of common interest."²¹ President Clinton reversed a policy that tied China's Most Favoured Nation Status to improved human rights, and started to promote China's entry into the WTO. Clinton had decided to expand economic cooperation pre-crisis. However, he didn't revert to competition after China's violent demands. Instead he strengthened his belief that cooperation was necessary.

This is not the only example. As the motivation for this book points out, for the last 3

²¹In contrast, the 1995 NSS reads, "We are developing a broader engagement with the People's Republic of China."

decades China has invested heavily in new (and offensive) weapons, stood-up shadow institutions to undermine US-led world Order and promote Chinese-led world order, made provocative claims over a wide number of territories, brutally suppressed its domestic population and promoted other autocratic values, and used its coercive power to take territory. To complicate matters further, China made very explicit that many of these revisionist actions did not serve security. And yet, the US did not infer that China's aims were vast, and did not turn to competition.

3 My Innovation: Enriching how we understand state-motives

My analytical bet is that we can better explain patterns of competition and peace if we make more detailed assumptions about what motivates Challengers to pursue revisionist foreign policies. Like Defensive Realists, I assume that each Challenger has a set of core foreign policy objectives that they intensely value and a set of peripheral objectives that they care less about. However, I argue that a Challenger's core interests depend on (1) the *principle* that motivates its foreign policy and (2) its historical, cultural and geo-strategic *context*.

Each of these points requires detailed elaboration. First, I define principles. Second, I explain how the Challenger's historical and cultural context means different principles drive different, but specific, forms of foreign policy ambition. I also clarify that the Defender knows a lot about the Challenger's history, but not a lot about the Challenger's true motivations. Third, I explain how to systematically study motives as principles. Finally, I show that this conceptualization allows the Defender to draw contextualized inferences from the Challenger's actions, but that we can study these inferences in a generalizable way.

3.1 Principles

Principles refer to the intrinsic motives that a Challenger hopes to satisfy through its foreign policy. Scholars have found evidence that states pursue different principles. Some fight to unify their ethnic group (Goemans and Schultz, 2013), restore historical borders (Carter and Goemans, 2011), for revenge (Stein, 2015), security, status (Renshon, 2016), or the global spread of their ideology. This evidence shows that not all states prioritize the same principle. Each state, depending on the interests of their constituents and leaders, the configuration of domestic institutions, and their exposure to international norms may prioritize some principles but not others (Moravcsik, 1997; Finnemore, 1996b; Goemans, Gleditsch, and Chiozza, 2009).

To help make this abstract concept more concrete, I list common principles that states either truly held, claimed to have held, or could have held in important historical cases. This list is not exhaustive, nor does every principle that I list apply in every historical case.

Nationalism: Nationalism refers to the identification with one's own nation and support for its interests. Nationalism can manifest in different ways in different cases. For example, Hitler claimed to be motivated by *ethno*-nationalism (Goemans and Schultz, 2013). He claimed this principle drove him to unify all territories with a majority Germanic population under one Government. In contrast, in 1924, the King of Saudi Arabia explained his decision to invade Hijaz in terms of *religious*-nationalism.²² Nationalism can also manifest as a desire to *restore historically controlled borders* (Carter and Goemans, 2011), or protect people with a shared *linguistic* or *cultural* background.

In some cases, there is not much difference between these variants of nationalism; and it is useful to think about nationalism as a single principle. For example, when Prussia sort unification, it wanted to control all ethnically Germanic and German-speaking territories. Since the Germanic territories had not previously been federated, Prussia had no prior borders to unify. But in other cases different forms of nationalism hold different implications. For example, if the former Syrian president Haffayez Assad was motivated to restore Syria's historical borders, he would have conquered Lebanon. If instead he was motivated to unite Alawite Muslims²³ under one government he would have contested Turkey for salient territory. In reality, Assad sought Pan-Arabism. This variant of nationalism drove Assad to seek out normative and institutional objectives across the Islamic world, more than territorial revision. In a case like this, it would be useful to think about different variants of nationalism as different principles because they each imply distinct territorial and institutional and normative interests.

Status: In the context of international relations, status is a state's standing or ranking in the hierarchy of states (Renshon, 2016). How states accrue status depends on international norms that change across time. During the 1800s, Wilhelm II asserted that Germany wanted a place in the sun. This was broadly understood to mean status. During this period, his desire for status caused him to construct a Navy and seek out colonial possessions (Kennedy, 1989). Some argue that India, China and Pakistan pursued nuclear weapons as a means to be recognized as a great power (Bell, 2015). Whatever the means, status is the Challenger's intrinsic motivation if the Challenger's end goal is recognition by others in the international system.

In extreme cases, status motivations can drive a state to pursue regional or global hegemony

²²Tzar Nicholas also appealed to religious nationalism before invading Crimea.

²³This was his specific religious identity.

(where hegemon is a status rank). However, a desire for status will not always push a state this far. If international and domestic norms mean that seeking global hegemony is frowned upon, it is possible that hegemony won't bring the status benefits that a state desires.

Security: In my theory, security is an intrinsic motivation.²⁴ Security refers to a desire to feel safe from foreign military threats against territorial borders or the lives of citizens. This is different from an instrumental need to protect the flow of future benefits. In some cases, states have asserted that their foreign policy is motivated by fear of attack from outside forces. For example, following repeated land invasions and brutal conflict over centuries, Stalin argued that Russia felt an intense fear of future invasion and this fear crippled its country. This fear elevated security from an instrumental concern to an intrinsic concern. Similarly, following the September 11 Terror attacks, members of the US public were afraid that they could personally become a victim of terrorism. The desire to crush this fear partly drove public support for the War on Terror.

Status Quo Preferences: A Challenger may profit enormously from the Defender's world order, and hold no outstanding territorial claims. In a situation like this, the Challenger may not seek revision at all. But the Challenger may still construct coercive power to promote the existing World Order.

Prosperity: Some states pursue revisionist foreign policies to enrich themselves. For example, in 1921 Japan listed out 21 demands for resource rich territories across Asia. Certain generals in Tzarist Russia wanted to fight wars to capture warm water ports in Turkey. Belgium took colonies to reap the benefits from enslaving the locals and extracting precious stones and minerals.

Ideological and Normative Principles. Ideology is a system of ideas that a state believes it should live by. Communism is an ideology. Stalin was likely motivated by spreading communism globally. Britain fought the Crusades to force the Mores to adopt Christianity.²⁵ Norms—standard practices that states think they should be pursuing—are a close cousin of ideology. One example

²⁴This is different from realism which treats security as instrumental.

²⁵Strictly, variants of nationalism are ideological principles. Recall that the purpose of these examples is not to completely characterize all principles, but to give the reader a sense of what principles could motivate a state in any case. The important point is that there are many variants of principles.

of a norm is the responsibility to protect. Prominent interest groups in Canada suggest that the Canadian Government should maintain an offensive military force to intervene against human rights violations to serve this norm.

Other principles: This is not a complete list. States may be motivated by revenge for past wrongs, the belief that the state's role is to enforce contracts for their firms overseas, etc.

These examples illustrate two things. First, Challengers are intrinsically motivated by different principles in different historical cases. Second, there is often uncertainty about the Challenger's true principle. This is especially clear because, in some cases, Challengers declare one principle, but secretly pursue another. In other cases, Challengers honestly reveal their true principle from the start. My theory captures this kind of variation. I start with the assumption that Defenders are initially uncertain about the Challenger's true principle. The reason is that there are many different intrinsic motivations that a Challenger could hold. The Defender knows that the Challenger is motivated by a specific principle. But the Defender does not know what that principle is.

My focus on variation in principles is different from two ways that scholars typically study variation in preferences. First, it is different from variation in resolve, which determines a Challenger's preference for standing firm in a specific crisis given the probability of victory and cost of war ([Kertzer, 2016](#)). In my theory, a principle determines the total set of specific issues that a Challenger values high absent the situation-specific factors. This difference holds implications for what information is learned from one crisis to the next. For example, when Hitler first re-militarized the Rhineland he explained that ethnic-nationalism motivated his foreign policy. The British understood that even if Hitler was motivated by ethnic-nationalism the Rhineland was not the end of his revision. However, the British also believed that there was a natural limit to the concessions "ethnic-nationalist" Hitler would demand. In my theory, the question is whether Hitler was actually motivated by the principle he claimed (ethnic-nationalism) or something else (regional or global hegemony); and is not how resolved is Hitler to fight in all future disputes on average.

Second, it is different from how Waltz (1979) and other realists conceived of security versus

greedy states. In Waltz' account, security held instrumental value because it helped states maintain the prosperity they derived from the status quo (what he saw as the intrinsic motivation). Greedy states intrinsically value revision.²⁶ In my theory, Challengers can hold one of many different intrinsic motivations, and the Defender is uncertain about which intrinsic motivation that they hold. I also distinguish between status quo powers, and revisionist states that intrinsically value security.

I am not the first to acknowledge that states hold nuanced intrinsic motivations. In fact, some of the most important innovations in international security research follow because scholars make different assumptions about intrinsic motivations. For example, [Gilpin \(1983\)](#) and [Keohane \(2005\)](#) both start with the assumptions that [Waltz \(1979\)](#) made about the structure of world politics and the choices states can make. But they derive different predictions about competition and peace because they assume states are motivated by status and prosperity respectively. We get different predictions still if we assume that states respond to parochial military interests [Snyder \(1993\)](#), political survival, or adopt normative preferences but otherwise behave rationally ([Fearon and Wendt, 2002](#); [Mitzen, 2006](#)).

This research provides an important clue that variation in intrinsic motivation can help us unlock insights about patterns of great power competition. However, each of these innovations assumes only one intrinsic motivation at a time (which I call a principle). My theoretical move is to acknowledge that all of these important innovations describe a state's true motives in a particular set of cases. But through history, different Challengers have been primarily motivated by different principles, that Defenders are uncertain about which principle motivates the Challenger, and this uncertainty creates opportunities and difficulties for great power cooperation. My goal is to conceptualize a broader framework that acknowledges there is heterogeneity in the goals that great powers could pursue, that this heterogeneity drives uncertainty about what really motivates any great power in any particular case, and then develop a structured way to analyze the implications of this uncertainty for patterns of competition and peace between states.

For ease of exposition, I describe a Challenger that prioritizes a single principle (meaning that they value issues related to that principle above the rest). As we shall see in Chapter 7, Challengers

²⁶Glaser (2010, fn 1) acknowledges that there is variation in revisionism, but argues that it is analytically the same.

through history have justified their initial revisionist demands by appealing to a single (or at most a couple), dominant principle. Thus, this simplifying assumption also fits the historical record. However, the predictions I report at the end of Chapter 4 are not entirely sensitive to this one-principle assumption. I generate the same predictions if I allow the Challenger to prioritize certain combinations of principles.²⁷

At this point, you may have noticed that anything could be a principle. For example, it is consistent with my definition that a state could want to control all countries that begin with the letter A. This is on its face absurd. I don't think any state would really be motivated by this. I conjecture I am not alone in my thinking. British elites would have instantly known that Hitler was lying to them if Hitler said "I want to take Australia, Austria and Armenia but I do not care about Brazil because I am intrinsically motivated by taking territories that begin with the letter 'A'."

This thought experiment raises two questions: why are some principles plausible and others are not, and why is the Defender uncertain about the Challenger's principles in the first place? To answer these questions we need to loosely understand where principles come from.²⁸

In practice, the Challenger's foreign policy goals is decided by a group of ruling elites. These elites could have their own preferences, or they could be sensitive to a variety of interest groups (Mesquita, Smith, and Siverson, 2005). I conjecture that the set of plausible principles that could motivate the Challenger follow from the preferences of domestic and international actors that could influence a Challenger's foreign policy. Within any particular state, there is variation in what different individuals and interest groups think the state should be using their foreign policy tools to achieve. Individual-level preferences could form as the result of lived experiences that include exposure to international norms, family, cultural and religious values, or elite cues (Saunders, 2011). They can also form around economic and professional incentives (Moravcsik, 1997). These different experiences and incentives inform public opinion (Knecht and Weatherford, 2006), the interests of lobby groups, and the interests of political elites including the nation's leader, military and diplomatic elites, and other important political and market actors (Snyder, 1993; Schub, 2023; Goemans

²⁷It requires that enough combinations of principals that are plausible drive the Challenger to hold a sufficiently small number of core interests, or that the probability of valuing two principals is low.

²⁸To be clear, my theory only assumes that Challengers can be motivated by different principles. Thus, this discussion is somewhat extra. However, in the empirical chapter this discussion will serve as a useful guide to better understand when cases start and end.

et al., 2009). On the international side, transnational actors, and international organizations often explicitly lobby governments in an effort to de-legitimize specific foreign policy goals and promote others (a. Klotz, 2002; Finnemore and Sikkink, 1998).

The key point is that many, but not necessarily all, of these groups voice their preferences. Defenders spend time examining different interest groups that could influence the Challenger's main foreign policy principle.²⁹ Therefore, Defenders loosely understand the set of principles the Challenger *could* prioritize based on what different groups who may be influencing the Challenger's decision-makers.

I assume it is implausible for a Challenger to hold a specific principle, if no interest group holds that principle. Returning to our absurd example, there was no group in Germany demanding that Hitler take countries starting with A. This motivation was not consistent with dominant norms at the time. There was also nothing in Hitler's past that suggested this motivated him. As a result, there was no chance Hitler was motivated by it. There are less absurd examples of principles that clearly did not motivate Hitler. For example, it was clear that Hitler could not be motivated by the responsibility to protect foreign citizens from human rights abuses because there was no group calling for it. R2P is a plausible principle for modern-day Canada, Germany and some other states because these states have domestic constituents that call for it (Finnemore, 2003).

I argue that the Defender is uncertain about the Challenger's true principle because he does not perfectly observe how the specific preferences of different interest groups aggregate, which sub-state actors decide the state's foreign policy preferences, and which groups the decider is most sensitive to (Powell, 2017). This is true even in highly transparent democracies. For example, with decades of hindsight and declassified archives, scholars still cannot agree on how US foreign policy preferences form. Some suggest that the US is highly sensitive to public opinion, but others still suggest that the US public is ignorant about foreign policy and they respond mainly to elite cues (Foyle, 1997; Ardanaz, Murillo, and Pinto, 2013). Recently, Steven Walt has argued that the 'blob'—a group of foreign policy experts who have spent their career working on US grand strategy and foreign policy—determine US foreign policy objectives. But even in his telling, the way that the blob influences policy is multifaceted and shadowy even to its members.

²⁹For example, the CIA keeps tabs on the preferences of the Chinese public, Chinese firms and members of the Chinese military and communist party elites. They monitor these groups for many reasons. But one reason is that they want to better understand what each group views as China's role in the world.

In the US case, and in many other democracies, it is hard to initially identify a principle because there are so many potentially salient actors. In autocracies there are a small group of actors that could influence state motives. However, these domestic actors are usually more secretive. Therefore their preferences are unknown. For example, when Kim Jong Un took power, the CIA knew that North Korean goals would either be governed by the new leader, the military, or the power brokers that kept Kim Jong Il in power. What they did not know, was the interests of these actors. For example, they knew that Kim Jong Un had studied in Europe and had been exposed to western ideas. They also asserted that some military elites saw value in opening up. But they did not know whether these values and preferences dominated other concerns. Thus, uncertainty persisted about what his motivations could be.

To be clear, this does not mean that Defenders remain ignorant or are unable to learn. As I will discuss next, Challengers can communicate their principles through their actions. Therefore, as the case unfolds the Defender is able to learn about the Challenger's principles.

In my baseline theory I assume that a Challenger's true principle is constant. A common claim is that the Challengers can become aggressive over time. In real life, I agree, principles could change over the course of a fifty year interaction between great powers. However, change does not happen frequently or without warning. For change to come, it would require a sizeable shift in the bargaining power of domestic actors, or in cases where there is a single decision-maker, a shift in their preferences. Substantively, this means that the opportunity to change preferences would only arise following major regime change (meaning a shift in the structural power of a country that could follow from a coup, or democratization) or with the death of a personalist dictator. In this case, a true change in preferences would only arise if the new configuration of powerful deciders wanted different things than their pre-decessors. In many cases, the pool of elites who could take power are chosen because they are similar along several dimensions. Thus, it is not clear that new regimes would hold new preferences over foreign policy. All of this to say that there is a chance that over a few decades a Challenger's principle could change, but that chance is small. After I report my strategic theory, I show that if the probability that the Challenger's motives will change is sufficiently small, it has not bearing on my predictions.

3.2 Historical and Cultural Context

Holding the Challenger's true principle constant, the tangible, real-world objectives a Challenger wants to achieve depend on its historical, cultural and geo-strategic *context*. A state motivated by the principle of ethnic nationalism, for example, will be most interested in territories that contain its ethnic group, and may seek to overturn international norms that call for the fair treatment of minorities. But if that same state, with the same context, was motivated by revenge from a prior conflict it would seek different objectives. Further, two states that are motivated by the same principle will value different concessions. For example, if China and Poland both wanted to restore their historical borders their foreign policy objectives would be different because Poland's historical context is different from China's.

Since a Challenger's value for different territories must correspond with an underlying principle, there are some combinations that are implausible. For example, there is no reason that China would hold a high value for both control over Taiwan, and a colony in Uganda but a low value for everything else. In my theory, if there is no plausible principle that explains why the Challenger held a specific set of core interests, then I assume that the Defender thinks that the Challenger cannot value that exact set of issues high.

I argue that the Defender is uncertain about the principle that the Challenger prioritizes. While the Defender does not know the principle that drives the Challenger, he knows a lot about the Challenger's historical and cultural context. The Defender acquires that information by employing intelligence and foreign policy experts that read about the Challenger, and otherwise communicate with the Challenger's elite (Lowenthal, 2019). As a result, the Defender has a good understanding about what the Challenger would want if the Challenger was motivated by a specific principle.

I accept that there is some ambiguity about whether certain issues are consistent with a Challenger's principles or not. However, in most cases there are more issues that clearly fit or not. For example, it was clear that Africa, Asia, and the Americas did not fit into Hitler's nationalist aims but that parts of Austria, France and Czechoslovakia did.

I omit it from the main strategic model. However, in the theoretical robustness section, I show that introduce ambiguity over a handful of issues does not alter my core theoretical predictions.

In the empirical section, I take up this kind of ambiguity again. I show that individuals with

different backgrounds and experiences occasionally disagree about whether a specific issue fits a specific principle. As we shall see, this drives elite debate about threat perceptions. But as we shall see, in several cases this debate is short lived and limited to a handful of issues.

In practice, analysts usually agree about which issues fit which principles. The Director of National Intelligence explained this fact to me during an interview about estimating China's intentions. After listing out the territories and normative issues that fell within China's limited interests he explained, "Determining core interests has a long and honorable place in analysis. It is not that difficult [to do]. You ask any 50 China-analysts and they'd give you that same list of things that I came up with."³⁰

The combination of principles and context both drive and limit a state's desire for expansion. There are many territories that have little financial benefit to them and would not be worth fighting for if states were purely motivated by prosperity (Brooks, 1999). For example, the Gaza Strip is a desert, with no natural resources, and is in a woeful strategic position. The reason Palestinians and Israel fight over it is because of a normative attachment. However, that same normative attachment could limit a state's desire to fight. For example, a state motivated by nationalism may be unwilling to send its army to take an oil field because it risks the lives of patriots for the financial gain of a few elites.

It is tempting to say that some principles uniquely drive expansive aims and others uniquely drive states towards limited aims. But variation in historical context means that one principle has widely different implications in different historical contexts. Consider the example of restoring historical borders. If Australia was motivated by restoring its historical borders, then it would hold no territorial ambitions, and no revisionist demands over international laws and norms. If instead Indonesia was motivated by restoring its historical borders, it would want territorial control over West Papua, and some Pacific Islands that were historically controlled by Indonesia. It would also want to modify the laws of the Sea to accommodate fisheries that it historically controlled. In contrast, if, as Putin recently claimed, Russia was motivated to restore Soviet borders it means that Russia would seek direct control over Eastern Europe, and the Balkan states, informal influence over Finland and Central Asia, and the dis-memberment of Germany.

Consider a different kind of principle: globalist ideologies. We typically think that globalist

³⁰ Author's interview with Denis Blair.

ideologies generate extreme tension between great powers. For example, the Western allies believed it was intolerable for Russia to pursue the global spread of communism. But some globalist ideologies can lead to collaboration. For example, at the end of the Second World War it became clear that the United States would surpass Britain as the world leader (Friedberg, 2010). At this point in history, the United States pursued a global foreign policy that included a commitment to the Liberal International Order, free markets, and democracy (Ikenberry, 1998; Monteiro, 2014). US ambitions were global. But these global ambitions were largely consistent with Britain’s interests.³¹ Thus, Britain did not perceive US global ambitions as a threat. In the modern era, if the US perceived that China wanted to a global power that promoted and protected the existing Liberal International Order, then the US would continue to facilitate China’s rise.

3.3 Structuring these insights generates new mechanisms for learning

Figure 1 provides a semi-realistic, but still stylized, representation of how I would operationalize motives in the Anglo-German (1930s) case. In this representation, I focus on 9 issues and territories and six different principles. But this choice is for illustrative purposes only. As I discuss more at the end of this chapter, my predictions generalize to a setting with more (or less) issues and potential principles. In this example, each panel represents a different principle that could have motivated Hitler. I then ask: if Hitler was motivated by this principle, what issues and territories would fit Hitler’s core interests? I assume that the British were initially uncertain about which principle motivated Hitler (is Hitler motivated by security from a Russian threat, ethnic-nationalism, etc.), therefore British elites did not know which panel represents Hitler’s true interests. However, British elites did know what Hitler would want if he was motivated by a specific principle (If Hitler is motivated by security from a Russian invasion, I know that he values a buffer zone in Poland).

This mathematical presentation of motives is case-specific. However, it includes three core features that follow closely from my informal discussion of state motives. These three features are very common across historical cases. First, the Challenger’s motives must vary in scope: some types want more than others. If Hitler is motivated by ethnic-nationalism, security from a Russian threat, or status he has less than four core interests. But if Hitler wanted to become the European

³¹There was disagreement over whether Western states should control colonies. But this was minor, relative to the scope of agreement.

or global hegemon more than 7 issues fall within his core interests.

Second, Challengers care about specific issues depending on the principle that motivates them. As a result, Challengers vary in their preference ordering over different issues and territories. When we introduce uncertainty about the Challenger's motives, this has important implications. Even if the British agree that Hitler holds limited aims, they may not agree about what Hitler's core interests are. Hitler could have limited aims because he was motivated by security from a Russian invasion, or because he wanted to unite Germans under one government. His specific core interests would be different in each case.

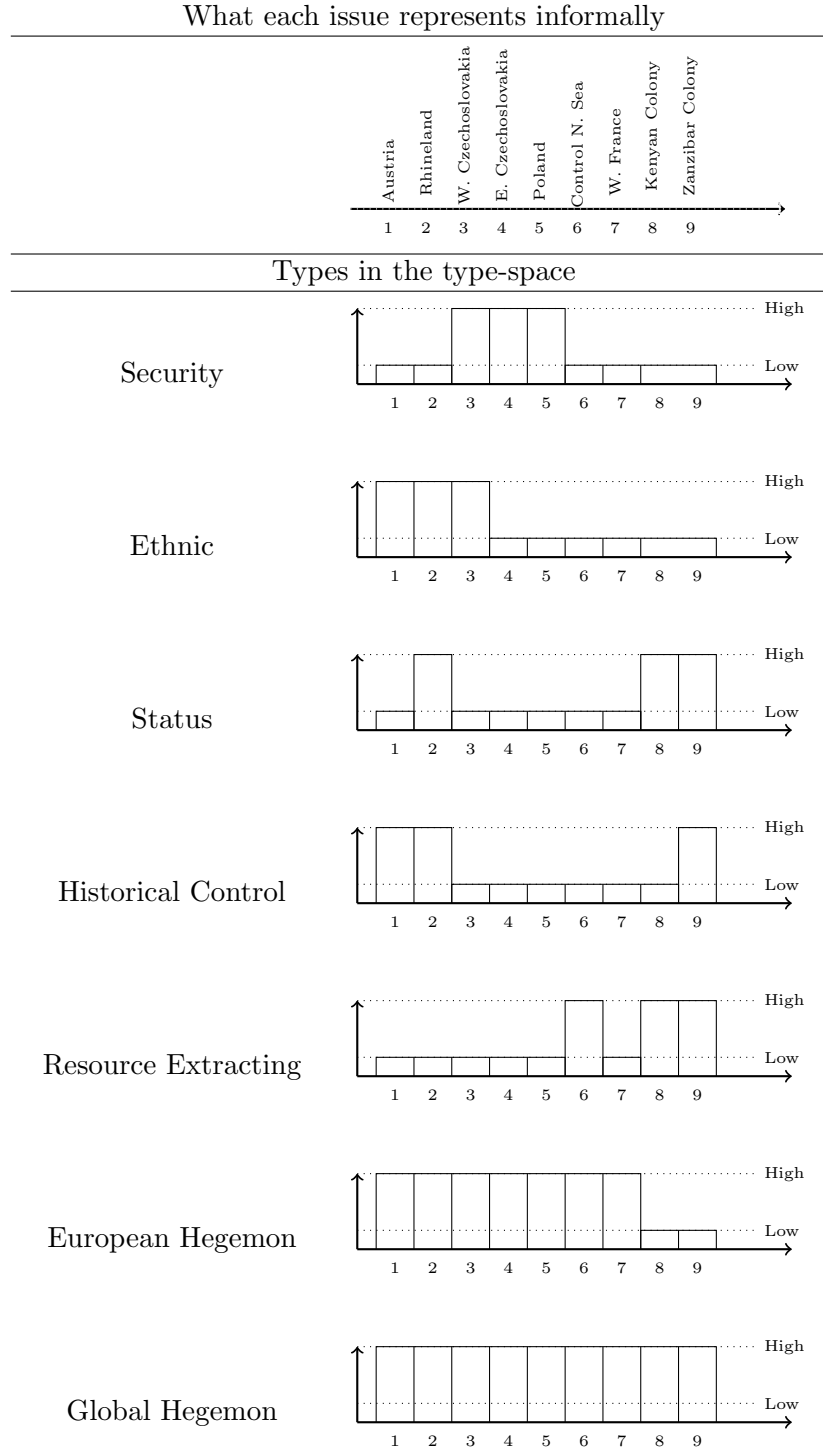
Third, even though there is variation in scope and the nature of core interests, the amount of variation is constrained. I do not allow that Challenger to value every combination of issues. Rather, the Challenger's interests must be tied to a specific principle. In practice this means that there is no type of Hitler that valued Western France and a Colony in Kenya high and all else low. The reason is that there is no underlying principal that could explain Hitler's interest in those two territories and nothing else.

3.3.1 Qualitative Inferences: How Defenders learn about a Challenger's motives

The value of conceptualizing motives as principles is that it drives a mechanism for learning that fits within the Bayesian framework, but takes on a different form. I call this mechanism for learning a qualitative inference. The Defender's inference is qualitative because his beliefs are mediated through an understanding of how specific actions are connected to specific principles. That is, I am most interested in how the Challenger's choice reveals information about the specific issue that a Challenger cares about (Communicating I value Austria high not low), and how that issue connects to a principle (nationalism). I am less interested in how a specific action generates a level of cost (I build 3 tanks and not 4, or take 3/4 of Austria and not half of it), which signals the Challenger's overall interest in all the issues in dispute.

To provide the clearest account of qualitative inferences, I describe the process in a strategy-free environment. That is, I assume that the Defender makes inferences as an outside observer, who cannot react to the Challenger's actions. Since the Defender cannot react, the Challenger's actions are based on the direct costs and benefits of her actions and not an incentive to misrepresent. In the next chapter, we will consider what happens when we introduce strategic incentives to misrepresent.

Figure 1: Stylistic presentation of Hitler's possible motives



Note: Each panel represents a different principle that could have motivated Hitler and draws 9 real-world territories that Britain and German could contest. The bars represent whether a specific principle implies Hitler values a specific territory high or low.

Qualitative inferences unfold in three steps. First, the Challenger is faced with a contextualizing choice. By contextualizing, I mean that the choice maps onto a specific set of issues and territories, or gives the Challenger an opportunity to reveal a principle. For example, a local crisis may erupt in Austria that gives the Challenger the opportunity to intervene or not (the choice) in the crisis over Austria (the context).

Second, the Defender exploits his knowledge of the Challenger's history and culture to better understand what principle motivates the Challenger. The Defender can do this because he knows which issues and territories are associated with each principle. When the Challenger fights (does not fight) for specific issue, Defenders think about which principles implies that the Challenger is willing (unwilling) to fight for that specific issue. Using that information, they re-evaluate the principles that likely motivate the Challenger.

Third, the Defender takes his new beliefs about the principles that likely motivate the Challenger, and extrapolates to understand what else the Challenger wants.

Putting it all together, consider the representation of Hitler's motives in Figure 1. I'll address the question that British elites wanted to answer the most: are Hitler's aims vast or limited? Let's start with the assumption that the British are deeply uncertain about Hitler's motives (each principle is equally likely). If true, then British elites start with prior beliefs that Hitler has a $2/7$ chance of holding more than 7 core interests (call them greedy), and a $5/7$ chance that Hitler holds less than 4 core interests (call them limited aims).

Suppose that Hitler credibly reveals (possibly through an invasion that comes at a high cost) that he values Austria high. Observing this event, British elites infer that Austria is one of Hitler's core interests. Based on their understanding of Germany's history and culture, British elites realize that this action implies that Hitler is not primarily motivated by status concerns, or fear from a Russian invasion. However, they cannot rule out the possibility that Hitler is motivated by ethnic nationalism, restoring Germany's historical position, or European or world domination. Using that information, British elites have a new assessment about Hitler's long term motives. They now believe that there is a $1/2$ chance that Hitler was greedy.

Here, the context—Hitler took *Austria*—is key. Had British elites observed Hitler fight for Western France, they would be certain that he was greedy. The reason is that only the greedy types value Western France. Different still, had they observed Hitler fight for the a colony in

Zanzibar, they would have inferred a $1/4$ chance that Hitler was greedy.

This last example is somewhat shocking. British elites started out thinking that Hitler was greedy with $2/7$ probability. They then observed Hitler fight for a colony in Zanzibar. Using that information they became certain that Hitler valued Zanzibar high. And yet, they reduced their confidence that Hitler's long-run aims are limited from $2/7$ to $1/4$.

The discussion so far has emphasized a situation where the Defender observe the Challenger take a single action. But qualitative inferences are cumulative. That is, as the Defender observes more of the Challenger's choices, they put the different pieces together to make nuanced inferences about which principles could motivate the Challenger. Each new piece adds a specific insight depending on how it fits with the other pieces.

Returning to Figure 1, let's start with the assumption that the British learn that Austria is one of Hitler's core interests. Following that observation, they believe that there is an $1/2$ chance that Hitler holds limited aims. Now let's consider two worlds. In the first world, the British learn that a colony in Kenya is also one of Hitler's core interests. In the second world, the British learn that the Rhineland is also one of Hitler's core interests. In each world, the British know only two facts. However, the overall inference that they draw dramatically depends on how these facts are connected through the Challenger's principles. In the first world, learning that Hitler values a colony in Kenya tells the British that Hitler must be greedy. The reason is that only the type that wants world domination values both Austria and a colony in Kenya. In the second world, learning Hitler values the Rhineland high provides the British with no extra information. The reason is that every Challenger that values Austria high, also values the Rhineland high.

In the strategic theory that follows, I will focus on a simple set of actions. In real world cases, Defenders likely make inferences by piecing together the Challenger's principles from many different actions. The Challenger might choose to support (or not) human rights institutions, or institutions that promote sovereignty norms, or non-proliferation norms. The Challenger may also provide foreign aid (or not) to impoverished countries, or only democratic countries, or only allies. The Challenger may also decide to build mission-specific weapons systems that are good for capturing some territories but not others. Also, the Challenger may signal a principle through diplomacy, a public statement, or a Defense White Paper. In each case, the choice provides some information about the principles that may or may not motivate the Challenger.

For example, the Tienanmen Square Massacre made clear that China had little regard for human rights. After the Tienanmen Square Massacre China could not intervene in the Rwandan Genocide under the pretext that their foreign policy was motivated by protecting human rights and have the United States believe them. The United States would need to reconcile these specific actions with their knowledge about China's history, and the principles that could plausibly motivate China.³²

In practice, Challengers face complex strategic choices and incentives to misrepresent. As a result, there could be many different logics that could explain the same action. These complexities mean that their actions generate noisy signals. When signals are noisy, the Defender can only draw a partial inference from the Challenger's actions. The qualitative mechanism holds up even with noisy signals. For example, China's actions at Tienanmen Square may have been complicated by fears of regime stability. If true, intelligence analysts who observed the event may down-weight, but not completely rule out, the possibility that China would fight to restore human rights overseas. With this incomplete inference, these analysts could assess that China was very unlikely to intervene during the Rwandan Genocide to restore human rights, but that there was a remote possibility. Even though inferences can be imperfect, it is still the case that partial updating happens. Analysts that observe the Tienanmen Square Massacre will raise their confidence that China does not value human rights, and in turn increase their confidence that China will not intervene in the Rwandan Genocide.

To some degree qualitative inferences are similar to coordination theory (Battaglini, 2002). Like my theory, these scholars start with the assumption that states can value different combinations of issues (Trager, 2011; Joseph, 2021). They then seek to explain how states can use diplomacy to overcome variation in preference order. However, past coordination theories assume that Challengers are equally likely to care about every combination of issues. As a result, there are real limits to what diplomacy can achieve (Penn, Patty, and Gailmard, 2011). For example, in Trager (2011), if we learn that China values Uganda, we have no extra information to understand how much China values Taiwan, or Kenya, or Australia. The reason is that Trager assumes there is one type of China that values every combination of issues.

I theorize that the Challenger cannot value every combination of issues. Rather, the Challenger's motives must be tied to a specific principle. This constraint creates different opportunities for

³²To be clear, this would not have necessarily triggered war. That depends on the strategic context.

learning than we observe in standard theories of coordination. Past coordination scholars allow the United States to ask: “which territories does China value high or low?” By constraining the type-space my theory also allows the United States to ask: “Now that I know that China values Taiwan high, what do I know about how much it values Tibet, and is that different from what I learn about its interest in a colony in Kenya?” The reason is that diplomacy signals information about the Challenger’s principle, and not just how much they value a specific territory.

3.3.2 How qualitative inferences compliment past costly signaling theories.

I believe that past signaling theories provide powerful insights about the indicators that states use to draw inferences: diplomatic messages, military spending, territorial demands, militarization in a crisis, alliance formation, etc. My claim is not that the indicators are wrong. Rather, my claim is that the inferences that follow from these actions can vary dramatically because a Defender mediates his estimate through an assessment of a Challenger’s principles. This explains why the same costly action (e.g. militarization) leads to large updating in some cases (e.g. during the Iran Crisis (1946)) and no updating in others (e.g. the Romanian Crisis (1945)).

Qualitative signaling builds on costly signaling theory in three ways. First, I provide a rationalist explanation for why the costly signaling fits a handful of critical events, but not in many others. Consistent with costly signaling theory, British elites carefully watched Hitler’s violent military actions. But they failed to update as he rampaged across Europe. My theory explains that how they update hinges on how they contextualize choices.

Second, I provide a plausible logic for how speech acts (such as diplomacy) influence trust problems. Since Challengers could be motivated by distinct principles, limited aims Challengers want to reveal their motives to clarify the logic behind their revision. In the next chapter, I verify the important coordinating role that diplomacy plays even when the Challenger faces incentives to under-state her intentions.

Third, my theory clarifies and refines when we should expect spirals of mistrust. In the classic story, violent actions trigger spirals of mistrust because they ambiguously serve security of the status quo, or expansionist interests. In my theory, whether violent actions are likely to trigger spirals depends on how clearly the action ties to a limited principle. For example, Sino-American competition during the Taiwan Straits Crisis did not trigger a spiral of mistrust because both states

clearly understood that this was a high valued issue that fit within both states' core interests. However, China's decision to claim the Senkaku Islands did generate some mistrust because it was ambiguously related to China's declared interest. The US concern caused additional tension a-la the spiral model. The subtle point is that the Senkaku Islands is not an issue that facilitates security. But it still can cause these misunderstandings that can drive two-sided mistrust because it ambiguously relates to a principle.

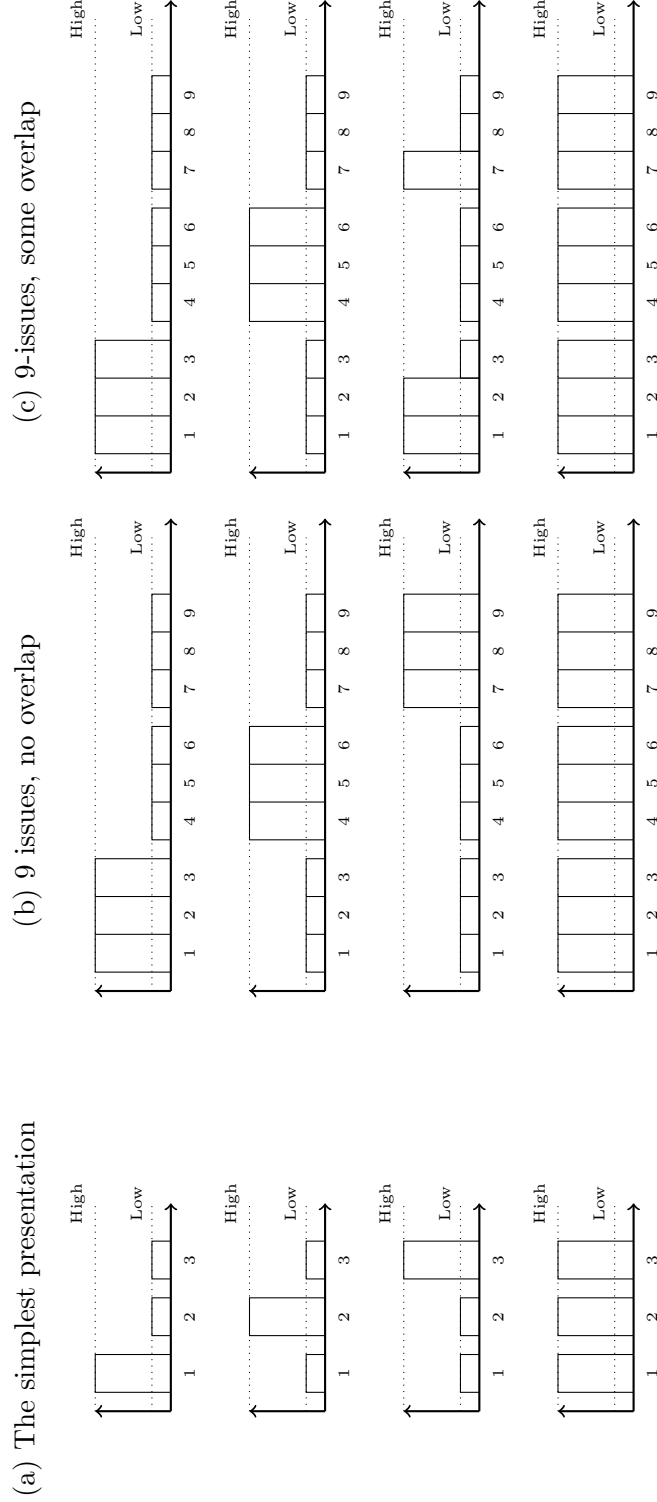
3.4 Generalizing a theory of historical and cultural context

A major message from this book is that historical and cultural context matters for strategic signaling during great power rivalries. This creates challenges in how I operationalize my theory of motives for theoretical analysis. I want a set of assumptions that is specific enough to capture the salient features of historical and cultural context in specific cases. However, I also want my theory to be general enough to make predictions across cases. This is a challenge because each case has a unique historical and cultural context.

I could construct a strategic model that focused on the Hitler case described above. But a reader would wonder: are my predictions specific to features of this case? What features are specific and what features are general? I address this concern as follows. To start, I construct 4 type-spaces that each represent motives tied to principles with varying degrees of complexity. Figure 2(a) presents the simplest, highly stylized, type space that is consistent with my theory. In this presentation, I aggregate all the issues that states could contest into three issue areas. I assume that there is one greedy Challenger; and three Challengers who prioritize a specific issue-area. Issue 1 represents all territories that contain C's ethnic kin. Issue 2 represents territories related to great power status. Issue 3 represents territories necessary for defense against a foreign threat.

Figure 2(b) and (c) present two more complicated adaptations. Figure 2(b) represents a variant of my theory where I dis-aggregate the different issue areas into specific issues and territories. As in the 3-issue model, there is a greedy Challenger ω_4 and three single-issue Challengers. But each limited-aims Challenger now cares about multiple territories (3 each). Figure 2(c) adds additional complexity to Figure 2(b) by allowing limited aims Challengers to hold overlapping preferences. Furthermore, there are some issues and territories that only Greedy challengers are likely to care

Figure 2: Different ways to operationalize motives as principles



Note: Each column represents a number of issues states can contest ($J = 3, 9$) and then the type-space from which the Challenger's value is drawn. I always assume that the Challenger's type is drawn from a discrete normal distribution. In my formal analysis, I held constant the actions that states could take. I then assume one of these type-spaces at a time, and solve for an informative equilibrium. My theory is based on the features of informative equilibria that are common across all specifications.

about. I also use the Anglo-German variant presented in Figure 1.³³ Of course, each of these labels are arbitrary and are only there for ease of interpretation. I could re-label the list of plausible principles as revenge, restoring borders, economic prosperity and the spread of communism.

I then embed each of these type-spaces into a strategic model of great power competition. Each model holds the actions that states can take constant. I analyze each model, solving for Pure Bayesian Equilibria with a focus on informative equilibria. That is, I am searching for equilibria in which the Defender changes his beliefs about the Challenger’s long-term motives as a result of the Challenger’s actions. A critical part of these equilibria is that the Defender’s beliefs determine whether (and in what period) the game ends in competition or peace. I repeat this procedure for each of the type-spaces that could represent my theory.

The intuitive strategic theory I present next is a summary of the on-path actions and beliefs from informative equilibria that are common and discriminating for versions of the model where motives are tied to principles. By common, I mean that I can generate the essential predictions about the instances and timing of competition if I operationalize motives as principles in a simple (Figure 2(a)) or complex (Figure 1) way. By discriminating, I mean that I cannot generate the same predictions if I assume that the Challenger’s motives only vary in scope, or that the Challenger’s value for any issue varies independently (see Joseph, 2021).

4 Strategic Implications: predictions about the instances and timing of competition

Once we take shifting power, threats of competition and strategic incentives to misrepresent into account, do qualitative inferences still help us understand patterns of competition and peace? In the Appendix of this Chapter, I develop a formal model that combines the insights about motives from Chapter 3 with the strategic setting described in Chapter 2. In the text of this Chapter I provide an intuitive description of the formal analysis.

I argue that great power rivalries can unfold in one of two ways: delayed competition, or delayed peace. Which way the rivalry unfolds ultimately depends on the scope of the Challenger’s motives.

³³To be clear, these are all stylistic examples. After I present the theory I explain the type-spaces for which my core results are robust.

If the Challenger holds sufficiently (which I will define) limited aims the rivalry ends in peace. If the Challenger is a greedier type, the rivalry ends in competition. The proximate cause of competition is the Defender's beliefs. If the Defender is sufficiently confident that the Challenger is unacceptably greedy, he selects competition. The mediating variables are the choices (diplomatic messages and territorial demands) that the Challenger makes, and how these choices influence the Defender's beliefs.

To be clear, these variables are similar to past theories of military signaling in great power rivalries. However, my theory generates different predictions about the instances and timing of competition and peace, the role of costless diplomacy, the pattern of observed concessions, and the role of costly signals. I'll show that the Challenger's violent territorial demands (a costly action) do cause the Defender to learn about the Challenger's motives. But what the Defender learns varies dramatically in ways that defy what we understand from costly signaling theory. My novel predictions follow from my qualitative inferences signaling mechanism. The Defender assesses the Challenger's long term motives by observing how the Challenger's choices are connected to different principles. When the Challenger fights for a specific issue, the Defender exploits his knowledge of the Challenger's history and culture to infer whether the Challenger's action is associated (or not) with each principle. Over time, the Defender pieces together the Challenger's motives by observing the combination of issues that the Challenger contests, and then asking how that combination of specific actions fits with each principle. As we shall see, qualitative inferences are made possible because I assume that the Challenger's motives are tied to principles. My predictions converge to those in the existing literature if I revert to assumptions that the Challenger's motives are tied to security (Glaser, 2010), or otherwise vary in scope (Kydd, 2005), or are not connected to principles (Trager, 2011).

I proceed in six steps. First, I provide a semi-technical summary of the model's set-up. Second, I describe the strategic challenges that the model generates. This exercise: (a) it helps place scope conditions on my argument in the context of shifting power; and (b) it allows me to endogenously define unacceptably greedy and acceptably limited Challengers; and (c) show how uncertainty about the Challenger's principles amplifies the reassurance problem that realists study. Third, I describe the on path actions of the informative equilibrium. Fourth, I clarify the causal logic that drives these predictions. Fifth, I describe robustness checks. Sixth, I detail predictions that are useful for

empirical testing.

4.1 Semi-technical description of how the model is set-up

This section provides a semi-technical description of the model using two pictures. A complete technical description appears in Appendix B.1. Readers who are interested in the intuition can skip ahead to the next section and rely on the informal discussion of choices in chapter 2, or the visual summaries in Figure 3 and Table 4.

The model involves a status quo Defender D and a revisionist Challenger C who contest a specific number (J) of issues and territories. For the purpose of the informal illustration, I use a highly stylized formalization of the Anglo-German case presented in Figure 2(b), and re-plotted with mathematical notation in Figure 3. In this example, states contest 9 issues and territories ($J = 9$) Hitler (the Challenger) could have taken. I assume that if Hitler held limited aims, he was motivated by one of three principles: ethnic-nationalism (ω_1), status (ω_2), and security (ω_3). Each of these types have 3 core interests each. But the core interests of each are different. Hitler could have also wanted world domination (ω_4). Obviously this is not exhaustive set of types and issues from this case. The example is intentionally simplified to illuminates the strategic logic of qualitative inferences when the Challenger holds incentives to misrepresent. In real life, Hitler could have been motivated by more principles, and did contest more issues. As stated in section 3.4, my results are not specific to this type-space.

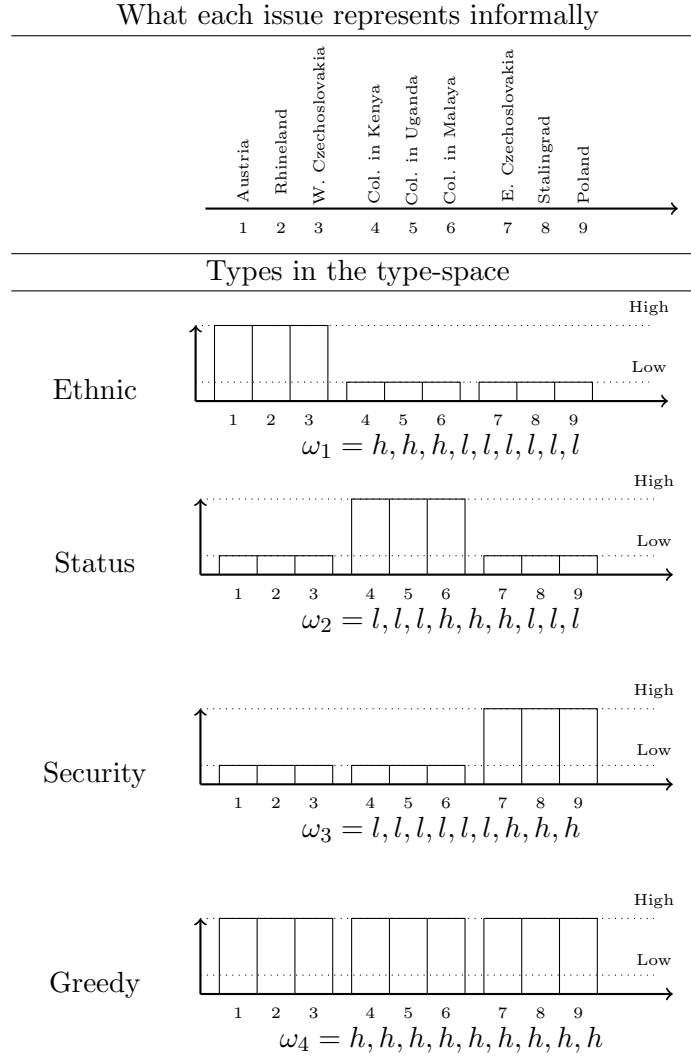
The game starts in a revisionist phase. At the beginning of the first period, D (the status quo power, Britain) controls all of the issues in dispute. The revisionist phase unfolds over (at most) 9 revision opportunities in which C (Hitler) can exploit shifting power to extract concessions.

The sequence of moves for any particular revision opportunity is presented in Table 4. I subscript an arbitrary revision opportunity as t .

Each revision opportunity starts with a status quo based on the concessions that the Defender has already made. A central feature of my theory is that specific issues have specific historical context. Thus, unlike past theories that draw the value of crises from an independent distribution (eg Sartori, 2005), I keep track of the concessions that D has made to R up until period t using a vector q_t^C that has J elements in it.

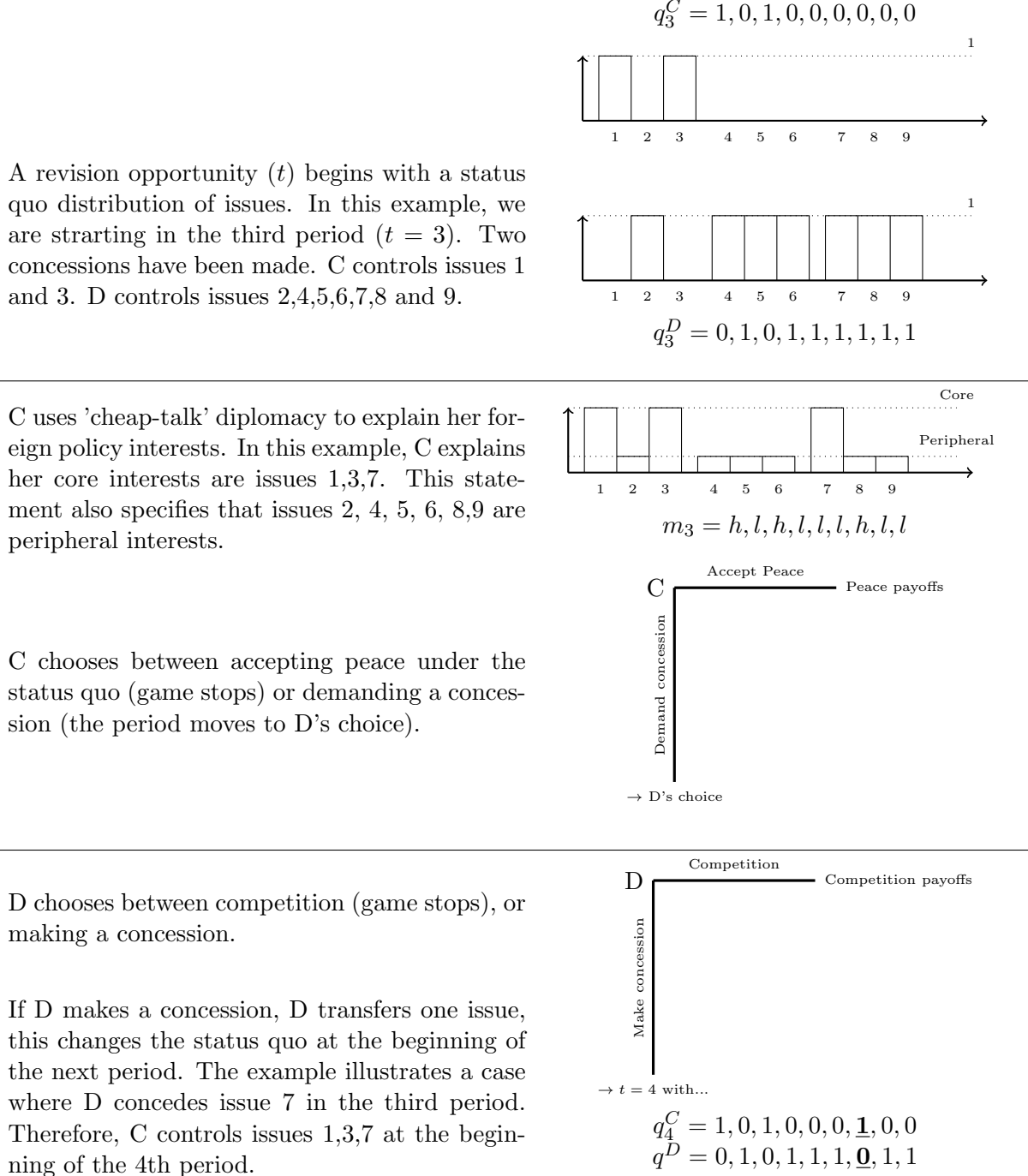
In the example presented in Table 4, I assume that we are starting the third revision opportunity

Figure 3: C's possible motives



Note: The example is an incredibly stylistic representation of Hitler's value for different territories depending on what principle motivated him. In real life, there are other principles that Hitler could have held, and other issues and territories he could have pursued. I walk through the strategic logic of my theory using this example. But the results I describe generalize to other conceptualizations.

Figure 4: One period of the revisionist phase



after D has previously conceded issue 1 and 3. Therefore, $q_3^R = 1, 0, 1, 0, 0, 0, 0, 0, 0$. I also notate the territories that D continues to hold with a vector q_t^D . In the example, $q_3^D = 0, 1, 0, 1, 1, 1, 1, 1, 1$.

The first thing that happens is that C uses diplomacy to explain her foreign policy ambitions. In the example, C's third-period message is $m_3 = 1, 1, 0, 0, 0, 1, 0, 0, 1$. This equates to a situation where C meets with D and explains, "Issues 1, 2, and 7 are my core interests. I don't really care about the other issues." This message is costless, meaning that it does not exogenously affect the choices either player can make or payoffs. Once C sends this message, she then chooses to accept the status quo, leading to peace pay-offs given the status quo, or demand a concession.

If C demands a concession, D can end the revisionist phase by turning to strategic competition, or D can make a concession. In the example, D concedes issue 7. This issue alters the status quo for the onset of the next revision opportunity. As a result, $q_4^R = 1, 0, 1, 0, 0, 0, 0, 0, 1$.

This sequence keeps repeating until one player stops the game, or D concedes all 9 issues.

Turning to payoffs. Players only accrue utilities once one the game stops. When the game stops, players extract more utility if they control more issues, and they control issues that they care about. To capture this dynamic, I assign each player a value vector. For simplicity, D values each issue at 1. Therefore, D's value vector is $\mathbf{1} = 1, 1, 1, 1, 1, 1, 1, 1, 1$.³⁴

I assume that C holds core interests that she values higher (h) than D and peripheral interests that she values lower than D (l) where $0 < l < 1 \leq h$. As shown in Figure 3, the specific issues C values high and low depend on C's type. I define C's true value vector as V , which represents C's true motives. Given that C's motives are drawn from the type-space presented in Figure 3, this means that V can equal either $\omega_1, \omega_2, \omega_3, \omega_4$.

Player-payoffs are a function of (1) whether they control issues that they care about when the game stops; and (2) whether the revisionist period stops in peace (C's choice) or competition (D's choice). If C stops the game, she accepts the status quo leading to a stable peace.

$$U^D = q_t^D \mathbf{1} \tag{1}$$

$$U^R = q_t^C V \tag{2}$$

This payoff function makes clear that the specific concessions that C receives and C's true

³⁴Substantively, I focus on foreign policy objectives that the Defender wants to Defend.

motives both matter. Consider that if the Challenger's true motive is ω_1 , then C's utility from accepting peace in the second period (following one concession) is h if $q_1^C = 1, 0, 0, 0, 0, 0, 0, 0, 0$ and $l < h$ if $q_1^C = 0, 0, 0, 0, 0, 0, 0, 1, 0$. We would make the opposite claim about C's value from peace if $V = \omega_3$. Further, if $V = \omega_2$, then C's value from peace would be l in both scenarios.

D stopping the game represents broad strategic competition. Both players enter a costly lottery (with common cost K) over the issues that D has not yet conceded to C. For each issue that D still controls, C wins the lottery with probability p , and D wins with probability $1 - p$. The winner of each lottery captures the issue in dispute. When D stops the game at $t + 1$, expected utilities are:

$$EU^D = q_t^D(1 - p) - K \quad (3)$$

$$EU^C = q_t^C V + q_t^D V p - K \quad (4)$$

By design, this competition payoff is very close to [Powell \(1996\)](#). I chose this as a point of comparison for two reasons. First, it is the model that explicitly analyzes a long-term reassurance problem.³⁵ Second, the payoff functions guarantee that as time moves on, D's value for competition and peace is decreasing, and C's value for both outcomes is increasing. While this does not exactly model shifting power and war in the context of bargaining, it is similar in that the range of acceptable bargains and war payoffs shift in the Challenger's favor over time.

Following offensive realists, I assume that D is deeply uncertain about the Challenger's motives. That means that I assume C is equally likely to hold any type of motivation (i.e. V is drawn from a discrete uniform distribution from the types in the type-space).³⁶ At the beginning of the first period, Nature selects C's true motives and shows them privately to C. D only knows the probabilities.

D's prior beliefs are determined by the possible set of types. Then there are two ways that D can gather information. First, D can gather information from C's costly decision not to stop the game and therefore demand another concession (rather than accept peace). Second, D can gather information from C's costless diplomatic messages.

³⁵The core difference in payoffs is that Powell (1996) assumes linear preferences that guarantees the Challenger gets her favourite issues first. My model assumes that C's value from competition depends on the order of concessions. Therefore, C's incentives to stop will depend on how many and which concessions she has.

³⁶In the formal analysis, I consider many different type-spaces that are consistent with my theory. Using the discrete uniform allows me to apply a consistent information rule across all of the presentations.

4.2 Using the complete information model to define limited and greedy Challengers

Classic studies assume that Challengers hold status quo or greedy preferences. Because I complicate the Challenger's motives, I cannot simply categorize Challengers this way. Fortunately, the model allows me to endogenously define Challengers as unacceptably greedy or acceptably limited. To do it, we must ask ourselves: what would have happened if the Defender knew the Challenger's motives with certainty?

With complete information there are two ways that the rivalry can unfold: instant (first period) competition; or delayed peace.³⁷ Under instant competition, the Challenger makes a demand and the Defender responds with competition in the first period. We never observe delayed competition in the complete information model. The reason is, consistent with models of power transition (Powell, 1999), the Defender's value for competition diminishes with each concession. Thus, if the Defender knows that he will compete, he competes straight away.

Under delayed peace, the Defender concedes all of the Challenger's core interests. At this point, the Defender threatens competition if the Challenger makes an additional demand.³⁸ The Challenger demands all of her core interests, and then stops knowing that the Defender will turn to competition if she does not. To be clear, delayed peace only includes cases where the Defender makes some but not all concessions. Thus, when states eventually achieve delayed peace they enjoy a stable compromise over the foreign policy issues they contest.³⁹

Which way the interaction unfolds hinges in a trade-off between the Defender's costs of competition, and the scope of the Challenger's intentions. If the Defender's cost of competition is low and the Challenger values many issues high, the Defender picks instant competition. If the Defender's cost of competition is large and the Challenger values few issues high then players find their way to delayed peace.

This basic trade-off allows me to endogenously define Challengers as unacceptably greedy or

³⁷This assumes that the cost of competition is less than the value of all issues in dispute.

³⁸Strictly with more than three issues and some competition parameters we can support equilibria where the Defender agrees to stop after the Challenger has taken her core interests and a few peripheral interests. There are limits. For example, the Defender will never concede more than half of the available issues.

³⁹If the Defender's cost of competition is very large, I can support total concessions. This is different from delayed peace because delayed peace ensures that the Challenger stops the game and leaves the Defender some issues. Interestingly, and unlike the other results, total concessions does not depend on the Challenger's preferences. All Challengers, even those that hold one core interest, demand everything and the Defender always concedes everything.

acceptably limited. Challengers are **unacceptably greedy** if they want so much that the Defender would turn to competition straight away if the Defender knew it. Challengers are **acceptably limited** if the Challenger's aims are sufficiently small that the Defender prefers delayed peace over instant competition.

4.3 Information problems when the Challenger's motives are tied to principles

When the Challenger's motives are tied to principles, uncertainty generates two information problems. Like realism, it generates a reassurance problem. But variation in the specific issues that the Challenger wants creates a coordination problem that amplifies the Defender's incentives for competition. For a technical analysis of each see Appendix B.2.2 and B.3.1 respectively. Here I briefly describe how these two problems unfold and intersect.

First, there is a reassurance problem. The Defender knows that the Challenger will not stop making demands until she has acquired her core interests. The Defender does not know which, or how many, issues the Challenger cares about. There are limited aims Challengers who legitimately promise that they will stop after they get a few concessions. But the Defender does not believe them because there are also greedier Challengers that under-state the scope of their motives to avoid competition for as long as they can. These greedy Challengers will always promise to want just a few more issues and then they will stop. Since all Challengers will promise limited aims, the Defender does not believe them. If the Defender's best reply is first period competition, the Defender turns to competition no matter what the Challenger says.

Second, there is a coordination problem.⁴⁰ Focusing on Challengers with limited core interests, each has a specific set of core interests. Thus, even if the Defender learnt that the Challenger held limited aims, he would not know which specific territories those core interests were.

This coordination problem exacerbates the reassurance problem for two reasons. First, the Defender worries that he may make inefficient concessions. Thus, even if the Challenger holds limited aims, it will take many concessions to satisfy her. Second, since there are many Challenger's with limited aims, the Defender worries that the Challenger can change her story as time moves

⁴⁰Some think about coordination problems as specific to coordination games. However, coordination problems arise whenever there are multiple equilibria and one pareto dominates the other. In all models with heterogenous preferences and incomplete information about the order of preferences, a coordination problem exists because some concessions are more efficient than others (see [Chakraborty and Harbaugh, 2007](#)). Like these theories, my coordination problem arises because the Defender does not know the optimal order of concessions to make.

on. She can start out claiming to be one limited aims Challenger, then once she has gathered those concessions, she can switch to a different claim. For example, at the onset of the Cold War, it is possible that the Western Allies started out thinking that Stalin was the security type. Thus, they conceded territories that related to security. But then they might come to believe that Stalin cares about protecting Orthodox Christians. Again, they are willing to make concessions, but now they must make different (but still limited) concessions. Over time, if Stalin can change his story, then the Western Allies will allow Stalin to make more and more concessions. Consistent with the logic of salami-slicing, the Defender is unwilling to make a first concession if he fears that the Challenger can change her story from one limited aims type to another.

These problems are severe (Mearsheimer, 2001). But as we show next, they are only severe because we assume that the Challenger’s motives follow patterns described in the existing literature. As we shall see, with the help of diplomacy, states can overcome these two information problems leading to more efficient outcomes for all. From this more efficient behavior, I derive predictions about patterns of competition and peace and the mechanism that drives threat perceptions.

4.4 What we observe: The informative equilibrium

I argue that Challengers with limited aims can combine costless diplomatic messages and costly military actions to overcome these strategic problems. To support this, claim, I informally describe an informative equilibria of the model using the example where C and D contest 9 issues, and C’s motives are take on the highly stylized Anglo-German presentation in Figure 3.⁴¹

I argue that once we include uncertainty about the Challenger’s principles, great power rivalries unfold in one of two ways: delayed competition, or delayed peace. The way that the informative equilibrium unfolds depends on if the Challenger has limited or greedy motives. Table 1 summarizes the on-path behaviors of these two pathways in column (a) and (b). Figure 5 summarizes D’s beliefs about C’s motives at different stages of the game that correspond with the equilibrium behaviors reported in Table 1.

As Figure 5 shows, the Defender starts out deeply uncertain about the Challenger’s motives:

⁴¹As is common with cheap-talk models. There are infinitely many informative equilibria. But they all end in either delayed competition or delayed peace. There is also a babbling equilibrium that, consistent with offensive realism, ends in first period competition. As stated in chapter 3, scholars are deeply puzzled about why diplomacy works in these cases. Thus, it makes sense to focus on the informative equilibrium.

he believes that each Challenger-type is equally likely (each type has a probability of $1/4$). In the first period, all Challengers make a demand. Limited aims Challengers use diplomacy to honestly communicate their principle. However, the greedy Challenger under-states her true intentions by claiming that she values one of the limited aims principles. She may claim to value status (but could also claim security, or nationalism). As a result, the Defender always observes that the Challenger justify her first period demand is in service of a single-issue principle.

To be clear, diplomacy is informative even though the Defender knows that the Challenger could be greedy. If the Challenger claims to value status, the Defender infers that there is a $3/4$ chance that the Challenger really is the status-seeking type. Since the Defender knows the Challenger could have lied, the Defender still believes that there is a $1/4$ chance that the Challenger is greedy.⁴² The Defender rules out the possibility that the Challenger values security or nationalism.

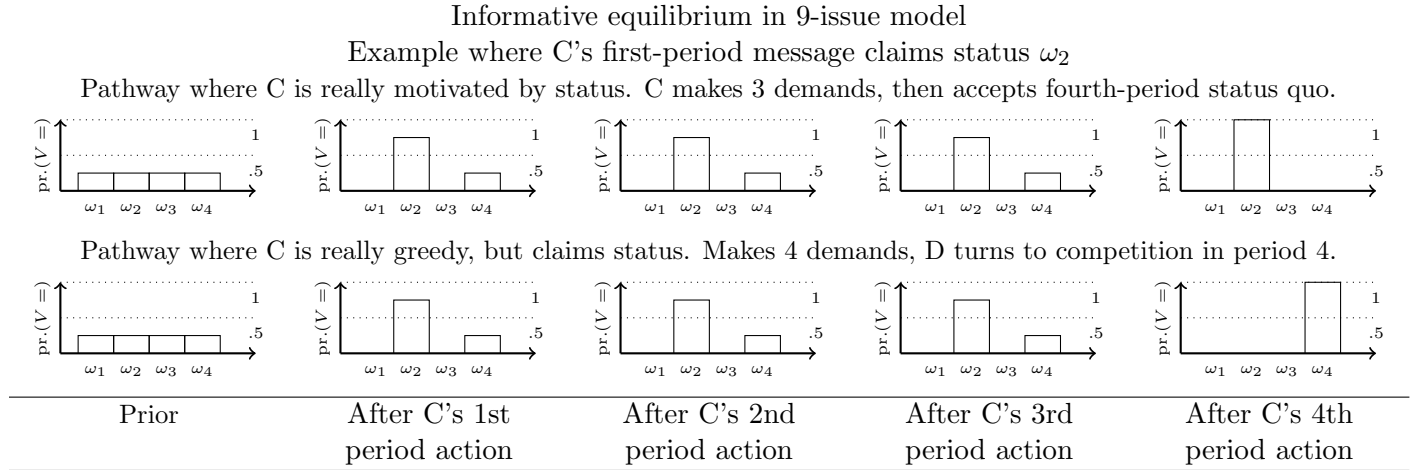


Figure 5: D's beliefs in the informative equilibrium with 9 issues.

Based on these beliefs and expectations about future strategies, the Defender makes a first period concession. The Defender does not know the Challenger's motives for certain. But the Defender does know (1) what the Challenger said that she wanted; and (2) which territories are tied to which principles. Exploiting that information he targets his first concession at the issue that is consistent with the Challenger's declared principle.

In the second period, all Challengers, no matter their true motives, make a second demand and repeat their first period diplomatic message. In reply, the Defender makes a second concession

⁴²To be clear, the precise probabilities depend on the type-space that I assume. But the basic direction of updating is identical in each model.

Table 1: On path actions for the informative equilibrium.

C's type	Limited $\omega_1, \omega_2, \omega_3$	Greedy ω_4
First period:		
C's message	Honest, informative $\hat{V}_1 = V$	Dishonest, informative $\hat{V}_1 \in \omega_1, \omega_2, \omega_3$
C makes demand?	Yes	Yes
D Competes?	No	No
What D offers:	Matches C's message	Matches C's message
Second period:		
C's message	Honest, consistent with first period, uninformative	Dishonest, consistent with first period, uninformative
C makes demand?	Yes	Yes
D Competes?	No	No
What D offers:	Matches C's message	Matches C's message
Third period:		
C's message	Honest, consistent with first period, uninformative	Dishonest, consistent with first period, uninformative
C makes demand?	Yes	Yes
D Competes?	No	No
What D offers:	Matches C's message	Matches C's message
Fourth period:		
C's message	Honest, consistent with first period, uninformative	Dishonest, shifts to another limited aims type, uninformative
C makes demand?	No (game stops)	Yes
D Competes?	Would compete, but C stops.	Yes (game stops)
How it ends:	4th period status quo	4th Period competition

Note: Assumes C's motives are drawn from the example in Figure 3. States contest 9 issues. Thus, the interaction could have unfolded over 9 periods. Changing the number of issues, and the specific configuration of the type-space will change the period in which D competes if R does not stop, but not the basic logic of the argument. See discussion.

targeted at another of the Challenger's declared core interests. The third period follows the second.

Even though the Challenger continues to make demands in the second and third periods, the Defender's beliefs about the Challenger's motives remain constant. For example, suppose the Challenger claimed to value status in the first period. Then at the beginning of the second period, the Defender believes that there is a $3/4$ chance that the Challenger truly values status; and a $1/4$ chance that the Challenger is greedy. At the end of the third period, the Defender's beliefs are exactly the same.

In the fourth period, the limited aims Challenger (who sent an honest first period message) accepts the status quo, leading to peace. The greedy Challenger makes another demand. The greedy Challenger tries to claim that she can be satisfied with one more concession. For example, if she claimed to value status in the first period, she now claims that she really values security in an effort to get another concession. The Defender does not believe this second message. The Defender ignores fourth period diplomacy and instead draws inferences about the Challenger's type based only the Challenger's costly decision to make a demand (or not). Based on this inference, the Defender selects competition if the Challenger makes a fourth-period demand.

Had the Defender not selected competition in the fourth period, the Challenger would have continued to make demands until there was nothing left to give. Each period, the Challenger would have promised that she could be satisfied with just a few more concessions.

To be clear, you should not infer from this example that competition will come after four concessions in every case. The exact timing of competition in a specific case relies on the different sets of motives the Challenger could hold, the number of issues in dispute, the Challenger's historical context, and the Defender's threshold for acceptably limited Challengers.

What is common across cases with diverse contexts is an initial period of hedging followed by a sudden shift to either competition or peace in the middle. In each case the Defender is willing to tolerate a limited number of concessions, the Challenger communicates a principle that implies less concessions than what the Defender is willing to tolerate, and the Defender makes those concessions. Once the Defender makes those concessions, unacceptably greedy Challengers make one more demand and competition comes. However, acceptably limited Challengers accept the status quo and we enter a period of peace.

Another assumption that influences the exact timing of competition or peace is that the Chal-

lenger gets one revision opportunity at a time. This assumption matches important historical cases. For example, Hitler did not take the Rhineland, the Sudetenland, Austria, and Western then Eastern Czechoslovakia all at once. Rather he capitalized on revision opportunities one at a time. However, in other cases Challengers sometimes revise a handful of issues simultaneously. As a result, you should not conceive of periods as a constant unit of time (e.g. 2 periods is two years). Rather, you should think about each new period as a new revision opportunity over a specific, contested issue. The real-time in between these opportunities could vary within and across cases. Sometimes, Challengers could get two or more opportunities at once.

4.5 Why we observe it: Explaining three surprising facts

This pattern of behaviors and beliefs leaves us with three lingering questions. First, the existing rationalist literature tells us that diplomacy should be ineffective because the Challenger faces an insurmountable incentive to understate the scope of her motives (see [Glaser, 2010](#); [Yarhi-Milo, 2014](#)). Thus, we want to know: why does diplomacy change D's beliefs in the first period, and how can this change facilitate trust and concessions? Second, there is a phase in the middle where the Challenger makes repeated violent demands and the Defender does not alter his beliefs about the Challenger's motives. Rather, the Defender holds his beliefs constant and continues to make concessions. Why do the Defender's beliefs shift in response to diplomacy in the first period, and in response to violent demands in the fourth period, but remain insensitive to either in the middle?

Finally, things change dramatically in the fourth period. If C makes a 4th period demand, D dramatically updates his beliefs that C is greedy and turns to competition. Why does a fourth demand cause alarm, but not the three demands that came before; and why does diplomacy reassure in the first period but not the fourth?

Starting with our first question. C's credible first-period message relies on the incentives for different Challenger-types to send *specific* first period messages. Each limited aims Challenger cares about three *specific* issues. They prioritize receiving their core interests over delaying competition as long as possible. Their message is informative because D promises to (1) target his concessions against the issue that C claims to value high; and (2) select competition in the fourth period. Thus, limited aims Challengers do not do equally well if they send any acceptable message. Rather, they want to make sure D targets his concession at the specific issues they value high.

The greedy Challenger does not face the same incentives to coordinate because she values all issues high. Her priority is to avoid competition for as long as she can. She knows that if she dishonestly claims to hold limited aims she will receive three concessions. If she does anything else, she will face first-period competition. She dishonestly claims (through diplomacy) to be motivated by a limited principle. But since she really values all of the issues, she does not care what lie she tells because any message leads to a high-valued concessions. Thus, the greedy Challenger does equally well if she claims to be motivated by security, status or ethnic-nationalism. In the model, she picks from these lies at random.

The key to the result rests on this insight: even though the greedy Challenger is willing to lie to receive three concessions, she must pick one lie to tell. The Defender factors in his beliefs about how likely each Challenger is to send each message. Suppose the Defender observes the Challenger say, 'I am motivated by status.' The Defender knows one of two things is true. Either the Challenger is being honest. If the Challenger truly is the status seeking type, she would definitely send this honest message. Alternatively, the Challenger could be greedy and under-stating her aims by passing herself off as the status-seeker. But the greedy type could have sent any limited aims message. There is only a 1/3 chance she would claim to be the status-seeker.

D's prior belief is that there is a 1/4 chance that C seeks status. But, D re-weights his posterior that C seeks status to account for these two possibilities:

$$\frac{\text{Initial belief C seeks status} \times \text{pr. status-seeker claims to seek status}}{\text{Initial belief C seeks status} \times \text{pr. status-seeker claims to seek status} + \text{Initial belief C is greedy} \times \text{pr. greedy type claims to seek status}}$$

$$\frac{1/4 \times 1}{1/4 \times 1 + 1/4 \times 1/3} = \frac{3}{4}$$

Of course, D is not certain that C seeks status. It is still possible that C is the greedy type. However, the result holds together because, given the costs and risks of competition, D would prefer to make three concessions targeted at the status-seekers interests, and accept a 1/4 chance that C was dishonest (meaning competition in the 4th period), than compete in the first period. As we make the model more complicated, the result still holds together if we can find a first period message that coordinates enough so that the benefit of delayed competition outweighs the cost.

Turning to the second question, I claim that D observes C make a second, and then a third

violent demand but does not update his beliefs in the second and third period. Rather, D's beliefs are invariant to any of C's actions. C makes two additional demands, and D makes a second and third concession but does not alter his beliefs. Past theories suggest that violent demands are a critical way that Challengers communicate their motives (Yoder, 2019). Each time C does not stop, D should increase his confidence that C is greedy (Powell, 1996). What explains this long period of a failure to learn in the face of violent demands?

The answer is partially a function of equilibrium strategies. But these strategies are only possible because of the type-space. I get a different result from past studies because of the way that issues are correlated with different Challenger-types. Consider the case where the Challenger initially claimed to be motivated by status. As we have already discussed, this drives the Defender to focus on two possibilities at the end of the first period: C is either greedy, or motivated by status. Notice that these two types share three core interests (issues 4, 5, and 6). Furthermore D expects all Challenger-types, no matter the scope of their aims, to do whatever it takes to capture their core interests. Thus, if the status seeking type has core interests that she has not yet captured, then she can do unspeakable things to capture issues that relate to her core interests. This includes invading foreign countries, extorting them through predatory loans, or orchestrating foreign coups. So long as these actions do not set her apart from the remaining types, the Defender will not update her beliefs.

We see this logic play-out in British assessments of Hitler's motives. Early in Hitler's tenure, the British inferred that if his aims were limited, he was motivated by ethnic nationalism. When Hitler re-militarized the Rhineland, the British War Secretary told the German Ambassador, "through the British people were prepared to fight for France in the event of a German incursion into French territory, they would not resort to arms on account of the recent occupation of the Rhineland. The people... did not care 'two hoots' about the Germans reoccupying their own territory."⁴³

This line of reasoning exposes a subtle feature of how British elites made inferences that matches my mechanism. They understood Hitler's actions in the context of their beliefs about what combination of territories Hitler could plausibly want (the types in the type-space) and what they had learned from Hitler's initial words and actions (nationalism). Since they knew that Nationalist Hitler cared about the Rhineland, they did not update their beliefs when they observed Hitler fight

⁴³Quoted in Weinberg (1980) p259.

for it.

Returning to the model, D concedes issue 4 in the first period; then issues 5 and 6 in the next two periods.⁴⁴ C's second and third demands provides no extra information because every Challenger that values issue 4 also values issue 5 and 6. There is no updating because none of these demands are discriminating. Like the existing military signaling literature, D's decision to select competition is triggered by the inference that C's motives are expansive (Kydd, 2005). Unlike this literature, D's inferences are mediated through a complex appreciation of the principle that could motivate C, and how different objectives are tied to each principle. D's inference follows from observing what C initially asked for, the concessions that C collects, and then C's demands in the context of what specific territories that she has already captured.

Turning to our third question. I claim that D is reassured by diplomacy in the first period but not in the fourth. In the fourth period, if C makes another demand, D grows instantly mistrustful about C's motives. C tries to claim that her aims are limited through reassuring diplomacy, but D does not believe her. Instead, D ignores C's diplomacy and turns to competition. This raises two questions: what is special about the fourth period? and if diplomacy is reassuring in the first period, why can't it work a second time?

Fourth period diplomacy is different from the first, because it does not discriminate between the preferences of limited aims types. The Defender knows the Challenger's history and culture. Therefore, he knows which issues are associated with status. After the third period, the Defender has conceded all of the status seeking type's core interests. Once the Defender has conceded those issues, the Challenger faces a choice: stop making demands; or keep making demands and expose that you hold core interests that are not associated with status. In this version of the theory, the fourth period matters because the limited aims Challengers care about three issues each. However, in versions where the Challenger's motives vary more extensively, what matters is whether the Challenger's motives are type-discriminating. What matters is that the Defender can rule out the possibility that the Challenger is motivated by status.

Still, one might wonder why diplomacy fails to reassure in the fourth period. Afterall, diplomacy overpowered violent demands in the first period. Why can't it overpower demands a second time? The reason that first period diplomacy is so effective is that each limited aims Challenger sent

⁴⁴Strictly, D randomizes over the order of these three concessions.

a distinctive message because each held different (and specific) core interests. Thus, when the Defender sees the Challenger claim to value status, he rules out the possibility that the Challenger is motivated by nationalism or security. When we arrive to the fourth period, the status-seeker stops and the greedy type keeps making demands. The greedy type would like to claim to be something else. But there is nothing else to claim because all other limited aims Challengers sent a different first period message.

4.5.1 My predictions are different *because* C's motives are tied to principles: A contrast with realist logic

I claim that my predictions follow because I assume that the Challenger's motives are tied to principles. It could be that the actions I assume bias the model towards concessions. To show that motives as principles does the causal work, I evaluate the counter-factual: what happens if the Challenger's motives only vary in scope? To address this question, I study the versions of the model where the Challenger's motives vary in scope (Figure 6).

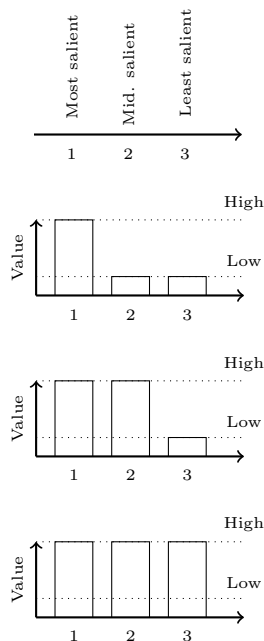


Figure 6: Not my theory: Challenger motives vary in scope

If the Challenger's motives vary in scope, I cannot find an informative equilibrium. Rather, the model devolves into the tragedy of politics ([Mearsheimer, 2001](#)). In every equilibrium, the

Challenger always makes a first period demand, and the Defender responds with first period competition. The Challenger's diplomacy cannot influence the Defender's beliefs. The result is tragic because there is a single-issue Challenger who would stop after a single demand. But this Challenger cannot credibly communicate her limited aims. As a result, D is unwilling to trust any Challenger that makes a first demand and promises to stop in the second period. Instead, D always responds with first period competition. The single issue Challenger cares a lot about her favorite issue and so demands it. This triggers competition.

4.6 Theoretical robustness and scope conditions

In this section, I explain how including new elements into my theory alters my informative equilibrium. As we shall see, the informative equilibrium survives when we include many different features that we might think ruin it. However, there are boundaries. I use these boundaries to provide scope conditions to my argument.

4.6.1 Spirals of mistrust and two-sided incomplete information

One important difference between my reassurance problem and the problem described by realists, is that mine arises with one-sided incomplete information. Realists argue that reassurance problems are amplified when two-sided incomplete information drives spirals of mistrust. I think about this as a complimentary mechanism to my theory that may cause a fourth strategic problem in real-world cases.

Defensive realists have shown that costly signals can overcome spirals. However, my theory illuminates a second reason that these spirals may not doom states into conflict. The reason is that limited aims Challengers can hold non-security preferences. In realism, spirals only arise because arming makes one state secure and the other less secure. But if the Challenger claims to be motivated by nationalism, then taking a territory populated with co-ethnics may not kick-start this process. The reason is that this revision does not necessarily make the Defender insecure, and therefore does not kick-start the spiral. It is perhaps for this reason that Hitler's efforts in the Rhineland did not cause the British to increase their rate of militarization.

It follows that the spiral problem is more salient than the problems I identify when the Challenger claims to be motivated by security, and the Challenger's actions ambiguously serve security

and greedy. However, if the Challenger claims to hold limited, but non-security motives, and the Challenger's decision to arm serves its declared motives, then the spiral problem is less likely to influence the outcome of cases.

4.6.2 *Fait accompli* v. Costless Diplomacy.

The model I study allows the Challenger to use diplomacy to reveal her motives, then assumes that the Defender makes concessions. I can construct a related model in which the Challenger makes a series of *fait-accomplis*. If I do, I arrive at a largely similar prediction about delayed competition and peace.

I set up the model to include diplomacy for two reasons. First, effective diplomacy poses one of the largest empirical puzzles for realists. Realists believe that the incentives to understate motives are so strong that costless diplomacy could never credibly reassure rational great powers. However, they also document that diplomacy reassures in almost every case. Thus, it is important to model reassurance because (a) states use it in real life and (b) it is inexplicably (from a rationalist perspective) effective.

Second, Challengers do not get to perfectly select the order of their revision opportunities. There are several reasons for this. First, the Defender sometimes has alliance commitments and forward deployed forces in territories that the Challenger wants. The Defender must de-commit from these regions or the Challenger's revision risks direct war with the Defender. Second, in some cases the Challenger's opportunity for revision often arises because of local dynamics. For example, the 1995 Taiwan Straits Crisis was only possible for China because of the actions of the Taiwanese leadership.

If I study a model in which the order of revision opportunities is partly decided by the Challenger's *fait accompli*, and partly decided by random chance, then diplomacy is necessary to avoid first period competition. Without diplomacy, the Defender is uncertain if the Challenger's first demand is opportunistic or deliberate, and this exacerbates the reassurance problem.

4.6.3 Tiered preferences

So far I have assumed one class of Challengers who care about a few issues, and another class that cares about many. In practice, there is more variation in the scope of the Challenger's core

interests. For example, [White \(2013\)](#) talks about China’s interests in concentric circles. The first circle is China’s sovereign territory. The second circle are the territories on China’s borders. The third circle is East Asia and possibly parts of Eurasia. The final circle is the whole world.

What happens when I introduce more variation in the scope of the Challenger’s motives? To address this issue, I analyze a 9-issue model and type-space presented in Figure 2(b), I then introduce a third ‘tier’ of Challenger-types that each value one issue each. Thus, the type-space includes 9 single issue types, 3 regional types (who value 3 issues each), and a global type.

Introducing additional tiers does not alter my predictions. However, it does generate several other nuances that build a more complete picture about my causal mechanism, and clarify issues with past theories. Typically scholars define good (i.e. security seeker) and bad (i.e. greedy) challengers. The tiered model reveals that what counts as acceptably limited and unacceptably greedy depends on the Defender’s initial beliefs, and the competition parameters. In short, when the cost and risk associated with competition are very high, or the Defender’s priors are skewed towards the greediest types, then the Defender’s incentives are such that only single-issue Challengers have acceptably limited aims and all other Challengers are unacceptably greedy.

However, if the costs and risks of competition are lower, and the Defender’s initial beliefs are skewed towards the single issue, or (especially towards) three-issue Challengers, then the Defender finds the regional Challengers acceptably limited and only the global Challenger unacceptably greedy. In this case, all Challengers send a message that they are the regional type.

4.6.4 Variation in prior beliefs + exposing the volatility of existing results

The discussion so far assumes that each type is equally likely. One implication of this set up is that the Challenger is more likely to hold limited rather than greedy aims. What happens if the Defender starts out more confident that the Challenger is one of the greedier types? In the 9 issue models that we studied, I can find competition parameters that will allow for an informative equilibrium if there is a 50% chance that the Challenger is greedy. However, if the Defender believes that the Challenger is the greedy type with more than 50% confidence, I can only support the tragedy of politics. In practice, do Defender’s initially believe that their rivals are less likely to want to dominate the world, than any of the other alternatives? Cross national evidence about limited motives and conflict from [Carter and Goemans \(2011\)](#); [Schultz \(2014\)](#) and others suggests

that it is on average. As we shall see in the experimental data case data, even when the Challenger is autocratic, Defenders typically start out more optimistic than not that the Challenger holds some form of limited aims.

A second implication of this assumption is that the Challenger is equally likely to value each of the limited aims principles. In practice, the British started out believing that Hitler was more likely to be motivated by ethnic-nationalism, than status, or access to waterways, or security from foreign invasion. What happens if the Challenger is most likely to be a specific limited aims type? Does this push us back to the case where the Challenger's motives vary in scope? The answer is no. Suppose there are three limited aims types and one greedy type. Let's say that there is a $2/3 - 2\epsilon$ chance that the Challenger values nationalism, an ϵ chance the Challenger values either security or status, and a $1/3$ chance that the Challenger is greedy. The results of my model are identical. The reason is that the results are held together by how the greedy type chooses to dishonestly communicate her motives in the first period. When the priors are skewed so that one limited aims type is very likely, the greedy type simply tells that lie with greater probability.

This result illustrates how volatile the classic results are, and how heavily they rely on variation in the scope of the Challenger's motives. If we accept even an ϵ probability that the Challenger could hold limited aims for some reason other than security, then we can achieve the informative equilibrium. It is only in the extreme case when the Challenger certainly values security or is otherwise greedy (or varies in scope in some other way) that we are forced to focus on quantitative signaling.

4.6.5 Shifting motives

I assumed that the Challenger's motives are constant. What happens if domestic processes lead to occasional shifts in interests over decades? As with all rational models, shifting interests significantly complicates the theory. However, several features of the mechanism suggest that the theory is robust to shifting interests. To begin, all types of Challengers send signals of the same size early on. Separating behavior is only induced once the Challenger has taken all the concessions consistent with its original claim. Clearly, changes in the Challenger's intentions do not matter before that point because all Challengers behave the same anyway. This gives the Challenger years to decide what their true interests are.

To make the idea concrete, consider the example I used to walk through the mechanism. But now assume that in any period of the revisionist phase Nature turns the Challenger into the greedy type with probability ϵ and keeps C's type the same with $1 - \epsilon$. This assumption stacks the deck against my theory because I assume that R can only become more aggressive over time. So long as ϵ is small that there is no change in my predictions. The reason is that the Defender does not actually care if the Challenger started out greedy or became greedy over time. What the Defender cares about is whether the Challenger is greedy in the fourth period when the Challenger has a chance to take a discriminating action. In the baseline model, the Defender is willing to delay competition in the first period because he believes that it is unlikely that the Challenger is greedy. In the modeling with shifting preferences, the Defender is willing to delay competition if he believes it is sufficiently unlikely that the Challenger starts out, or will become greedy before the discriminating period.

Of course, if the Defender was very confident that the Challenger's motives would become greedy over time, then the Defender would compete straight away. The condition is the same as it is in the case where the Defender started out confident that the Challenger was a greedy type.

4.6.6 More variation in the number of issues that states care about

Most of the type-spaces I visualize (but not 1 consider a case where (a) the limited aims Challengers all value the same number of issues, and (b) the unacceptably greedy Challenger wants everything. Are these features necessary to generate my results? The answer is no.

It is possible to vary the number of core interests of the limited aims Challengers and generate identical predictions. This might seem surprising because we might think that the greedy Challenger would pool with the most expansive of the acceptably limited types. The trick is that the Defender agrees to concede all acceptably limited Challengers the same number of issues. Thus, if one limited aims Challenger has two core interests but the rest have 3, the outlier type ends up with her core interests and one peripheral interest before she stops the game.

It is also possible that the greedy challenger values fewer than all of the issues. As described in the discussion of complete information, if the Defender makes too many concessions, then the Defender prefers to concede the remained of issues, rather than compete for the remaining issues. At this point, all Challengers no matter their motives make total demands. All Challengers that surpass this threshold count as unacceptably greedy.

4.6.7 Dis-junctures and overlap between core interests

As I have shown, if the Challenger's motives only vary in scope, the incentives to misrepresent ruin my mechanism. Thus, I predict first period competition if the Defender truly believes that the Challenger's motives vary extensively in scope. This raises a broader point: what kind of variation in the Challenger's motives generates my results?

Unfortunately, I could not derive a precise mathematical answer to this question. However, playing with the type-spaces suggests two points. First, there must be at least one sizeable disjuncture between the tiers of Challenger core interests. For example, if I study a 9 issue model I can generate my result so long as there are a large group of Challengers who hold either 1, 2 or 3 or 4 core interests, and then another group that hold 8 or 9 core interests.⁴⁵ However, if there are many types that extensively vary in the scope of their demands my results do not obtain. The logic for competition follows the scope case: there is always a Challenger that wants one more issue. Because there is always this Challenger, the Defender can never be certain if the Challenger's demand is her last.

To be clear, I can generate an equilibrium that elicits cooperation if the Challenger's motives vary in scope, but there is a single issue type, and a 9-issue type and nothing else. However, I cannot explain why diplomacy is effective, or punctuated shifts in the Defender's beliefs. Thus, I can explain delayed competition, but not other important features of real-world cases.

Second, there must be some, but not too much, variation in preference order. My result will not hold up if the Challenger can value any combination of issues. This helps support my argument that the Challenger's motives must be tied to principles. It is not enough for there to be variation in preference order. It also must be the case that Challengers can care about specific combinations of issues because the Challenger's motives are tied to one of a handful of specific principles.

4.6.8 Structural factors: Rates of shifting power and discount factors

By design, I explicitly did not model shifting power and the outside option of war. One might wonder, what would happen if I introduce shifting military power in some form? The simplest expression of shifting power is to assume that the Challenger demands more than one issue each

⁴⁵I can generate the result in certain cases if there is also one 7-issue type.

period. We could think about the most rapid power transition as one in which the Challenger starts with nothing, but gets all of the issues at the end of her first demand. In this case my theoretical result clearly breaks. Defenders would prefer to turn to competition, rather than allow the Challenger to take everything.

In a more complex model, I can introduce per-period pay-offs, discount factors, and shifting power with *fait-accomplis*. In a model of this form, I get a second way to break my main result: if power shifts are incredibly slow, we never see competition. The reason is that the Defender knows it will take a really long time for the transition to complete itself and gives concessions even if the Challenger's aims are vast.

These results explain how my theory connects to theories of shifting power. When power shifts are incredibly rapid, or incredibly slow, then Defenders may not care about the Challenger's motives and instead may focus on structural conditions. However, when the opportunity to make demands is moderate, the Defender's choice hinges on beliefs about the Challenger's motives. In this case, my result applies. Of course, what counts as moderate is an empirical question that we will address in the next section.

4.7 Empirically Testable Expectations

My theory has several implications to draw out about the instances and timing of competition, the timing and logic of diplomacy, how and when the Defender forms and updates his threat perceptions in response to the Challenger's actions. But the logic of my argument tells me that most of the action happens at two critical junctures. I call these critical junctures **the moment of focus** and the **moment of truth**. In between these two junctures is a **period of consistency** that I exploit to emphasize many null predictions that parse me from existing theories. All of these predictions rely on unique assumptions about a Challenger's motives. If Defenders do not try to learn about the Challenger through an assessment of their principles, then the logic of my theory would unravel. Thus, I not only describe the empirical implication that follow from my theory, I also describe features of cases that my theory tells me are necessary for my predictions to follow.

In what follows, I provide some core predictions that separate my theory from the major alternatives. In the Evidence section, I develop even more nuanced predictions that are tailored to the specific kinds of evidence that I use.

4.7.1 Initial assumptions

My theory starts with the premise that Challengers could be motivated by different principles, and each principle implies that the Challenger cares about a specific set of issues and territories. As a result, the Defender starts out uncertain about which and how many issues and territories the Challenger wants in the long-run. This assumption is an important departure from the existing literature. If it is wrong, my theory will unravel. Since these assumptions are novel (they differ from others) and essential (without them I cannot generate my predictions) I search for evidence of them.

Expectation 1 *Defenders are initially uncertain about how many and which issues and territories a Challenger cares about because they are uncertain about the principle that motivates the Challenger.*

Expectation 2 *Defenders evaluate a Challenger's long-term demands by theorizing about different principles that may motivate them and how those principles connect to specific issues and territories. They do not theorize about the scope of the Challenger's interests independently of an underlying principle.*

Alternatively, Defenders could start out confident that they are unable to determine the Challenger's motives (Mearsheimer, 2001), or that the Challenger can value any combination of territories without any underlying logic for why issues are connected (Trager, 2011). They might also start out with the belief that the Challenger's motives are either vast or limited along a single dimension. This could follow because they assume that the Challenger is greedy or a security seeker (Glaser, 2010), or that the Challenger is either sensitive to international norms or not (Goddard, 2018), or that the Challenger balances either prosperity (Keohane, 2005), or status (Gilpin, 1983), against security.

My theory also assumes that there is variation in the principles that could motivate a Challenger. In practice, if all Challengers were motivated by security or were otherwise greedy, then there would be no variation in the principles of limited aims Challengers. This leads to one expectation across cases:

Expectation 3 *Different Challengers will appeal to different limited aims principles. Of Challengers that truly hold limited aims, they will pursue different principles.*

4.7.2 The moment of focus

The moment of focus occurs early in a rivalry when the Challenger first explains what principle motivates her foreign policy. Before the moment of focus, the Defender is deeply uncertain about what the Challenger wants. He believes that the Challenger could be motivated by many different principles. Each principles implies that the Challenger holds different long-term demands. After that moment, the Defender raises his confidence that the Challenger is most likely to want what she said she wants, and rules out all other potential limited aims. The Defender still believes that the Challenger could be greedy. However, he is willing to make a concession because he is sufficiently optimistic that C's initial explanation was honest.

This leads to some predictions that I can test across cases.

Expectation 4 *A Defender will increase his confidence that he understands the Challenger's long-term strategic intentions after the Challenger explains the principle that motivates her foreign policy. If instead*

- *the Challenger promises limited aims but does not appeal to a principle, the Defender will not increase his confidence that he knows what the Challenger wants.*
- *the Challenger does not reveal a principle and pursues revisionist policies anyway, the Defender will turn to competition.*

My theory focused on informative equilibria that I derived in many formal models. In these equilibria, the Challenger's diplomatic communication plays a specific, rationalist role in forging patterns of competition any peace through the rest of the case. However, it is possible that states avoid competition during these early periods because of wishful thinking

Expectation 5 *At the moment of focus:*

- *the Challenger and the Defender will seek out an opportunity (such as a diplomatic meeting) for the Challenger to explain the principle that motivates her foreign policy.*
- *Defenders are persuaded by the Challenger's appeals to a principle because they recognize that it creates an opportunity cost: the Challenger denies herself easy demands for some specific*

territories in exchange for easy demands for others.

- *Elites who cannot attend a diplomatic meeting are persuaded by a transcript of the meeting, or a description of the meeting where those who attended explain the principle that the Challenger revealed.*

4.7.3 The moment of truth

The moment of truth follows the point where the Challenger has taken the concessions that are consistent with the limited aims principle that she initially claimed. At this point, she must choose between remaining satisfied with the status quo, or exposing that her long-run intentions are greater than what she originally promised. This period is critical because it presents the first opportunity for the Defender to learn if the Challenger's initial justification was honest. I predict that if the Defender discovers that the Challenger's initial claim was dishonest, he becomes mistrustful of the Challenger's long-term motives. This change in beliefs will trigger D to shift from cooperation to competition. This leads to predictions about the timing of competition that we can test across cases.

Expectation 6 *If a Challenger takes an action that is inconsistent with the principle she declared at the moment of truth, then the Defender will:*

1. *increase his confidence that the Challenger's intentions are greedy.*
2. *turn to wide-spread strategic competition.*

This logic follows from (1) the Defender's qualitative inferences about the Challenger's motives; and (2) a close connection between the Defender's beliefs about the Challenger's motives and the Defender's decisions to engage in wide-spread strategic competition. In any specific case, I expect to see my strategic reasoning play out in the case material:

Expectation 7 *At the moment of truth, intelligence analysts in the Defender will explain that their new assessment about the Challenger's motives is based on their belief that the Challenger's actions reveal that the Challenger does not value the principle that they initially claimed. By a process of eliminating all feasible limited aims principles, their new assessment is that the Challenger's aims are vast (although, they may not know exactly what motivates the Challenger).*

4.7.4 The period of consistency

In between these two critical moments, I predict a period of consistency. During the period of consistency, the Challenger may do unspeakable things. However, so long as those things are consistent with the Challenger's declared foreign policy principle they will not influence the Defender's beliefs.

Expectation 8 *Suppose the Challenger takes a provocative actions that is consistent with the principle she declared at the moment of focus. For example, she may:*

- *Build offensive military capabilities;*
- *Rapidly militarize;*
- *Use force to take large amounts of territory;*
- *Brutally suppress domestic resistance;*
- *Violate treaties, international laws and norms;*
- *Engage in aggressive diplomatic negotiations that engender negative personal impressions; or*
- *Orchestrate coups in foreign countries.*

These actions will not change the Defender's beliefs about the Challenger's strategic motives. The Defender will continue to negotiate with the Challenger, and make concessions, in the hopes of reaching a last peace eventually. These actions will not trigger a turn to competition so long as they are consistent.

This prediction illuminates that my theory focuses on the same indicators as other signaling theories (e.g. military spending). However, my theory predicts that these indicators do not always lead to updated beliefs and competition. Whether they matter depends on the Challenger's historical and cultural context, and the issues that the Challenger chooses to act over.

Evidence

My theory yields empirical implications about the actions that states can take, how states form and update beliefs in response to those actions, and how those beliefs influence great power competition. In this section I furnish three kinds of evidence to test these implications: an elite survey experiment (chapter 5), archival evidence of British assessments of Soviet motives (chapter 6), and a medium- n analysis of great power rivalries since 1850 (chapter 7).

No piece of evidence tests all of my predictions. But, as Table 2 summarizes, each piece focuses on a different aspect of my theory. At one extreme, the experiment focuses on the Defender's beliefs about the Challenger's motives. At the other, the medium- n analysis focuses on the Defender's competition choices. The archival material does some of both.

I also accept that each method I use suffers from inferential concerns. But, as Table 3 summarizes, the weaknesses of one method are complimented by the advantages of the others. I use the experiment to causally identify the most unique and difficult to observe predictions of my theory: how decision-makers form and update their beliefs about a Challenger's strategic motives. Using an experiment on an elite sample, I can say that elites update their beliefs about a Challenger's motives when a Challenger fights *because* what the Challenger is fighting over is inconsistent with the Challenger's long-declared principle.

I use the medium- n analysis to verify that my theory is well correlated with the instances and timing of competition across all great power rivalries since 1850. I show that my theory outperforms other frameworks and also explains the cases that others have struggled to explain for a long time. In short, the medium- n analysis answers the so-what question: can your motives-based framework explain patterns of competition and peace across the critical cases that fill our history books better than power-based theories that follow from realism and the bargaining model with shifting power?

I use the case study to trace all of the features of my mechanism through the strategic reasoning of elites in a single case. I validate my unique assumptions about how Defenders use principles to assess the long-term motives of Challengers, and show that beliefs about motives are directly connected to competition choices. Finally, I analyze elite debate to track the aggregation process from individual-level to state-level assessments and policies.

Table 2: How I use different evidence to test my predictions

Observable outcome		Evidence I use
Initial Assumptions		
E1	Defender's is initially uncertain about Challenger's objectives	Case study, Experiment
E2	Defender's theorize about specific principles and connect them to objectives	Case study, experiment
E3	Challenger vary in declared and actual principles in space and time	Medium-n
The moment of Focus		
E4	Defenders change beliefs about Challenger's motives following early diplomacy	Experiment, case study
E5	Defender seeks out diplomatic meeting, Challenger reveal principles, all elites (even those who only read a transcript) update their beliefs.	Case study
The moment of Truth		
E6(1)	Defender's update beliefs about Challenger's motives follow in-consistent action.	Experiment, case study
E6(2)	Defender's Competition Choices follow beliefs in E6(1)	Medium-n, case study
E7	Defender's beliefs adjust due to qualitative inferences.	All
Period of consistency		
E8	Defender's beliefs about the Challenger's long-term motives remain constant (Null prediction)	All

Table 3: What My Evidence Does

Evidence	What it helps validate	Advantages	Disadvantages
Experiment	How elites process information and form beliefs	<ul style="list-style-type: none"> Precise measure of beliefs Measures changing beliefs in response to specific events. Exploits random assignment to causally identify mechanism. 	<ul style="list-style-type: none"> Cannot connect beliefs to competition choices Unclear if it generalizes to a real rivalry, where Defenders construct their own possible principles, and Challengers make strategic choices. Reports average beliefs, not state beliefs following aggregation
Case Study	Qualitative learning connects to competition choices in a real case.	<ul style="list-style-type: none"> Process trace my complete logic. Validates my core assumptions. Documents reveal decision-maker logic. Examines beliefs/choices made by individuals in institutional context. 	<ul style="list-style-type: none"> Case is complex. Causal identification difficult Results are case-specific, may not generalize.
Medium-n	Predictions about instances and timing of competition across universe of cases	<ul style="list-style-type: none"> Covers all cases. Explores variation in competition choices Exposes variation in declared principles. 	<ul style="list-style-type: none"> No evidence of mechanism / causal identification.

In the following three Chapters I test my predictions using each piece of evidence. In each chapter, I also develop a distinct set of alternative explanations. These alternatives represent the dominant explanations in the literature for the aspect of great power interactions that I focus on in the chapter. My experiment examines how diplomacy and military actions impact a Defender's beliefs about a Challenger's long-term intentions. Thus, I pit my theory against theories of military and diplomatic signaling, perceptions and misperceptions under the security dilemma, and intelligence analysis. My medium-n analysis seeks to explain the instances and timing of competition across all one-way great power rivalries. Thus, I pit my theory against theories about power and war in long-term rivalries; including power transition theory, balance of power theory, bargaining theory with shifting power, and realism. My case analysis of Anglo-Soviet relations covers several steps in my mechanism. At each step, I translate my theory into case-specific predictions. I pit my theory against a wide range of alternative theories including all those described above, and organizational theories, and historical accounts of Anglo-Russian relations.

Pitting my theory against different alternatives in each chapter provides a fair test of alternatives explanations. The reason is that I am careful to only evaluate each alternative theory in the empirical domain it was designed to explain.

It also creates a tough test of my theory. The reason is that my theory is built to explain a long and complex interaction (i.e. the entire rivalry), but many of these alternative explanations are purpose-built to explain only the part of the interaction that I am focused on. For example, social theories of diplomacy are built to explain why elites form trust following diplomatic interactions when realists claim that diplomacy should not work. Detailed historical work verifies these explanations in the cases that I study. Given the rigour of the case research, we might think that these theories comprehensively explain, for example, why British elites trusted Stalin. I show that my rationalist explanation can help us understand these deliberative processes.

5 Survey Experiment

How do national security elites form and update their beliefs about a rival's strategic intentions? The standard rationalist story is that states rely on a series of indicators. They look at features of regime type, and strategic terrain (such as bodies of water between them) to form prior estimates about the scope of their interests. Then they examine their costly military behavior to update these beliefs over time. When they see violent behavior, they move towards mistrust. My theory suggests that these insights are incomplete in three ways. First, Defenders examine costly military choices. But they use them to alter their perceptions through the logic of qualitative inferences. Second, costless speech acts can influence the Defender's perceptions if they appeal to a principle. Third, costly and costless actions interact because they are either consistent with a principle or not. In the end what matters is whether the entire history of the Challenger's actions fit together to serve (or dis-serve) a specific principle.

It is difficult to precisely test these claims with observational data. Great power rivalries last for decades. As they unfold, leaders turnover, third-party threats emerge, and technology changes.⁴⁶ These case-specific factors could create unique opportunities and difficulties for policy analysts that are trying to assess a Challenger's motives. Furthermore, the overarching rivalry involves a complex strategic process. What Challengers say during diplomatic meetings, their choice of military targets, and who they choose to meet with are all strategic decisions that I must account for in an empirical analysis. Furthermore, Challengers often take many actions at a time. Thus, it can be very hard to know the specific choices that are driving the Defender's beliefs.

Even if I could control for these factors, it is difficult to measure elite beliefs (and changes in them over time) in a systematic way. Elites rarely write down or state their assessments of a Challenger's motives. In many cases, elites change their beliefs but do not document their reasoning with enough detail to evaluate a social science theory.⁴⁷ Even when elites report their assessments with frequency, they rarely use the same scale. This makes it difficult to contrast their assessments over time. Finally, I cannot always trust what they say because elites are subject to desirability bias that can lead them not to report, or over-report certain types of assessment.

⁴⁶This creates unanticipated dis-junctures in economic and military fortunes

⁴⁷Although, as we shall see in the next section, there is some evidence that gives a window into the minds of important decision-makers at enough points in history to evaluate my argument in at least one case.

To overcome these issues, I test some of my most surprising predictions about how elites form and update their perceptions of a Challenger's motives using an elite survey experiment. This survey departs from most other survey experiments in international relations in three ways. First, subjects were 93 real-world foreign policy elites. Focusing on elites is important because I want to know the indicators that elites use to evaluate intentions. If it is true that elites are trained to focus on particular behaviors, or that they succumb to unique biases that cloud their judgement, then I want to reflect those elite-specific beliefs in my experiment.

Second, the vignette was a detailed hypothetical scenario that closely reflected a real-life war game exercise that national security professionals participated in, rather than a stylized game or a short vignette. In it, I presented subjects information about a fictional rising power named Bandaria. Subjects were randomly assigned information about Bandaria's diplomatic explanation for its limited revisionist aims, and the targets of Bandaria's military interventions to take territory. They are then asked to assess Bandaria's long-term intentions as information was revealed.

Third, the actions that subjects observe Bandaria take are identical in each treatment group. In all treatment groups, Bandaria makes a diplomatic claim that its motives are tied to a specific principle (ethnic or security). Then subjects all observe Bandaria use force to take territory that is tied to one of these principles. If costly actions drove Defenders to update, we should observe no differences across these treatment groups. What changes is whether the diplomatic statement and the military action serve the same principle. My theory predicts subjects will pay attention to how the qualitative features of Bandaria's actions are tied to a single principle (or not) and use these features to arrive at different estimates.

In addition to a randomly assigned war game scenario, I ask post-survey questions. These questions include long-form answers where subjects explain the logic of their choices. They also include specific questions to determine if non-rationalist argument could be explaining my results.

I find strong support for all the predictions that I test. Furthermore, post-survey questions help support my mechanism and control for alternative arguments grounded in psychology and audience costs.

I proceed in four steps. First, I explain how an elite war-game survey experiment helps me make claims about the population that interests me. Second, I review the theories that motivated my experimental design. Third, I detail my vignette structure. Fourth, I detail my measures and

results. Finally, I describe the results of post-survey questions.

5.1 A scenario-based, elite survey experiment

My goal was to answer the following question: when *national security experts* are tasked with evaluating the strategic intentions of an adversary, what indicators do they use? When do those indicators affect their beliefs?

To get leverage on this question I made two important choices. First, subjects were foreign policy elites. Second, the vignette was a detailed hypothetical scenario that closely reflected a real-life war game exercise that national security professionals participated in, rather than a stylized game or a short vignette.⁴⁸ Below I explain the advantages of this approach, and the design choices that help me overcome its shortcomings.

It is important to recruit elites because extensive research in international relations shows that training and personal experiences distinguish foreign policy elites' decision-making processes from the general population's (see [Saunders, 2011](#)). If foreign policy elites rely on specific indicators, or use them in a way that is different from the general public, I cannot draw inferences about their behavior from experiments administered to a general population. This is especially true in the post-survey questions where I seek to understand the comparative power of my analytical framework to others.

In other contexts, it has been shown that professionals with specialized expertise approach their work differently than an average educated adult would the same task. For this reason, behavioral researchers increasingly turn to convenience samples to identify effects for medical doctors ([Arber, McKinlay, Adams, Marceau, Link, and O'Donnell, 2006](#); [Feldman, McKinlay, Potter, Freund, Burns, Moskowitz, and Kasten, 1997](#)), CEOs ([Abdel-Khalik, 2014](#); [Cen and Doukas, 2017](#); [Lieb and Schwarz, 2001](#)), or lawyers and judges ([Redding, Floyd, and Hawk, 2001](#)), rather than a representative sample of educated adults. These convenience samples often derive consistent result in repeated experiments on elite samples ([Redding et al., 2001](#)). And when the vignettes are sufficiently detailed, this can lead to different results from the general public ([Lieb and Schwarz, 2001](#); [Cen and Doukas, 2017](#)).

Given the population that interests—foreign policy analysts who brief policy-makers—I define

⁴⁸Additionally, it asks about an assessment and not approval.

my sample frame as follows. Subjects were eligible if they had briefed a Deputy Assistant Secretary, Congressperson or similarly ranked official on foreign policy issues. Subjects were asked sample inclusion questions at the end of the survey to ensure they met the elite sample frame.⁴⁹ 139 subjects answered at least one question, 131 completed the survey, and 93 passed attention checks. I analyze these 93 responses below.

My sample is a good proxy for high-level elites for two reasons. First, all participants are successful, political officials focused in foreign affairs. It is precisely this group of people that NSC members are drawn from. Second, subjects were selected because they provide information to senior decision-makers. High-level elites rely on facts and analysis that they receive from people in this sample. Thus, the sample has considerable influence in shaping the information that their superiors see.

It is true that convenience samples can make generalizability difficult. Drawing from the economic research above, I took four steps to increase my confidence that the results are not an artifact of my sampling method. First, I solicited elites using two distinct sampling techniques that I describe in Appendix C.1. Each sampling method had its own link to an identical survey. I demonstrate that the treatment effects hold controlling for the different sampling methods in Table 15. Thus, I can say with confidence that one method of sampling did not determine the results because I get the same results using different sampling techniques on different sub-populations of elites. Second, I collected biographical information on president Trump’s current NSC and president Obama’s final NSC. Figure 20 reports the summary statistics for my sample (panel a) broken out by sampling procedures and the real NSC staff (panel b) broken out by president. The variation across my sampling frames is consistent with variation in real-world NSC selection. Third, I report metadata on response attributes and attrition rates recommended by Eysenbach (2004) in Appendix C.1.3. Fourth, I conducted pilot surveys on Mechanical Turk to test features of the vignette recommended by Steiner, Atzmüller, and Su (2017). The results are supportive.

My second design choice was that I use a very detailed scenario that involves a fictional country. My design is slightly adapted from three declassified war games that real-world national security elites participated in. This is different from two other choices I could have made. A stylistic vignette with numerical pay-offs, or a vignette that involved real countries (i.e. a China scenario).

⁴⁹See Appendix C.1.2 for solicitation information and C.4 for balance tests.

This design choice draws from recent insights from behavioral economics, medicine and law. Increasingly, researchers that survey elites use scenario based exercises rather than stylized games with precise numerical payoffs (cf [Collett and Childs, 2011](#); [Arber, McKinlay, Adams, Marceau, Link, and O'Donnell, 2004](#)). The reason is that elites make judgments in complex strategic environments that cannot be captured in stylistic games. In the national security setting, challengers are not simply profit maximizers that respond to well defined purchasing choices (like individuals in markets may). There are several dimensions of preferences and outside options that may effect decision-making.⁵⁰ As a result, stylistic choices do not well reflect the complex assessment process that leaders face when they assess their rival's military behavior.

National security experts are better suited to hypothetical scenarios than the average American or even other groups of experts because they participate in hypothetical war game exercises as part of their daily work. Real war plans⁵¹ and National Security Estimates⁵² are informed by war games that involve hypothetical countries. The vignette I developed took features from real war games that national security experts had participated in. After I developed the vignette, I received review from five foreign policy experts including a former Deputy Director of an intelligence agency to make sure the amount of detail in the vignette was consistent with the scenarios that foreign policy experts use. In particular, the design reflects the exercises that analysts go through during the CIA analytic training program (CAP) at the Central Intelligence Agency.

One concern with vignettes is that policy-makers choose policies not only based on their beliefs about their rivals, but on complex inter-agency dynamics and select incentives ([Allison and Zelikow, 1971](#)). These do not apply in my case for two reasons. First, my dependent variable is beliefs, not policy choices. In the instrument, I am careful to ask subjects about their beliefs in this scenario, rather than actions they would take or policies that they would recommend. Second, the subjects I recruit serve analytical roles and not policy roles.

A second concern is that subjects do not take hypothetical scenarios seriously. In [Appendix C.2](#) I describe design features, attention checks, and meta-data that demonstrate the subjects took the vignette seriously.

⁵⁰Recall that main fissure in the crisis bargaining literature arises because defenders can use force in different ways, and this produces different strategic interactions.

⁵¹That is, the US military's specific plans to invade other countries

⁵²That is, the intelligence community's assessments of foreign threats.

Real-world analysts also run war game scenarios with real countries. I chose a hypothetical scenario over a real example (e.g. a China scenario) because I did not want subjects to import outside information about a case into their answers. I deliberately avoided this because any country that poses a threat to the United States has already taken many different actions that analysts would use at the start of their estimate. For example, if subjects thought the scenario was about China, for example, they may have started the experiment with specific beliefs about the principles that motivate China based on what China has done. I describe design features that ensured subjects did not systematically invoke a historical case and responses that demonstrate those measures were effective in Appendix C.3. In short, if I used a real country, I could not ask what is the analytical frame analysts use to approach an estimate. I could only ask whether they adopt existing frameworks given long-standing estimates on a current threat.

5.2 How theory informs my design.

How should analysts form and update their estimates of a rival's strategic intentions? At the broadest levels scholars argue that elites should focus on two kinds of indicators to draw inferences about a rivals intentions: attributes of regimes and states; and costly military actions (broadly defined). My experiment is designed to support my argument while taking into account the concerns of indicator theories. Beyond specific indicators, scholars seek to understand how heuristics, and qualitative features of communication influence the Defender's perception (usually in a non-rationalist way). My main experiment is designed to make sure these arguments do not confound my study. However, I explore other ways that analysts form impressions relative to my argument using a post-survey questions

5.2.1 Indicator theories

The first set of indicators are features of the Challenger's domestic politics. Notably, consolidated autocratic regimes are prone to expansionist aims (Weeks, 2008). Further, when Challengers and Defenders are ruled by different types of regimes (Oneal, Oneal, Maoz, and Russett, 1996), or diverge in their ethnic and cultural backgrounds (Jackson and Morelli, 2011) they are prone to competition. These features rarely vary within a single case. But even when they do not change, they should impact the Defender's prior beliefs (Kydd, 2005). Some scholars argue that these non-

varying indicators amplify the effects of costly signals (Schweller, 1992). In this telling, democratic Defenders will be highly sensitive to a Challenger's choice to use force to take territory if the Challenger is an autocrat (especially if they have consolidated power), or if the Challenger's ruling elites herald from an ethnic or cultural background that is different from the Defender's background.

The second set of indicators are the Challenger's costly military actions. According to defensive realists and other costly signaling theories of trust, Defenders should closely monitor all kinds of costly military actions including military spending (Glaser, 2010), and offensive weapons purchases (Garfinkel and Dafoe, 2019). But perhaps the strongest signal of aggressive intentions is the decision to invade a foreign territory and annex it (Kydd, 2005). This is especially the case if the Defender is the strongest state in its region, its economic power is increasing and its region is separated from others by a large body of water. In a situation like this, it is hard to argue that the choice to take territory through force serves status quo objectives.

Defensive realists also provide clear predictions about the indicators that Defenders should ignore. Notably, defensive realists argue that costless messages should have little or no affect on estimates of the Challenger's intentions in the context of an enduring rivalry (Glaser, 2010; Powell, 1996). Most notably, private diplomatic reassurances should be unpersuasive if elites rationally account for the Challengers incentives to misrepresent (Yarhi-Milo, 2014). But realists also believe that public reassurances or Defense White Papers should also have little impact on the Defender's perceptions (Waltz, 1979). Even though these documents may generate domestic reactions, the of regional hegemony and great power competition are so high, that the domestic reactions will not offset them.

Indeed, these core predictions influence perceptions of certain policy makers. As stated in the introduction, Congress has recently chastised the intelligence community for failing to infer China's aims were vast. Congress argued that the IC should have relied on these indicators but didn't. This insight motivates my experiment because there is indeed a conventional wisdom that specific indicators matter, but evidence that they do not amongst the real-world elites that we charge with drawing inferences about a Challenger's motives.

I argue that indicators only matter in the context of qualitative inferences. Unlike defensive realists I argue that costless speech can play a coordinating role. This coordinating role has direct effects on the Defender's perceptions (i.e. even absent costly signals) and also moderates the

implications of the Challenger's military actions. To be clear, I do not predict that diplomacy always plays a coordinating role. Rather, diplomacy only coordinates if it explicitly appeals to a principle that explains why the Challenger's motives are limited.

This leads to my first hypothesis based solely on the Challenger's diplomatic actions.

Hypothesis 1. Cheap-talk Diplomacy coordinates if it is tied to a principle: Subjects who observe the Challenger justify her demands in terms of a specific principle during a private diplomatic meeting will increase their confidence that they know what the Challenger wants if the Challenger holds limited aims. Subjects who observe the Challenger promise that her motives are limited but without a reference to a specific principle will not.

My theory is also different because I argue that costly military actions only cause concern when they rule out a limiting principle. Where Defensive realists predict that using force to take territory should always engender some mistrust. My theory suggests that this result only holds when the Challenger uses force to take territory that does not fit with a declared principle, or otherwise with the set of actions that the Challenger has previously taken. However, I also argue that the Challenger can do unspeakable things, even take territory, and not engender mistrust so long as the Challenger's actions fit the declared principle.

This leads to two closely related hypotheses.

Hypothesis 2a: Subjects that observe the Challenger take territory that matches a previously declared limited aims principle will trust the Challenger more than subjects who observe the Challenger take territory that does not match a previously declared limited principle.

The second hypothesis explores variation in individual-level responses over time.

Hypothesis 2b: Subjects who observe a Challenger use force to take territory that matches a declared principle will not change their estimate that the Challenger's intentions are vast.

Hypothesis 2b is a tough test given what we think in indicator theory. It means that a group of subjects will not change their estimates if they observe violent military actions.

For my mechanism to work, it must be the case that Challengers cannot continuously stake their reputation on new limiting principles as their power increases. According to offensive realists, the main reason that trust-building is hard is that the Challenger can continually revise their territorial claims by saying I want just one more concession. I showed formally that when different limited

aims Challengers want different things, the problem of salami-slicing claims is surmountable because limited aims Challengers faced a strong incentive to receive valuable concessions before competition. This leads to a final set of hypotheses:

Hypothesis 3a: Subjects are less (no less) likely to trust the Challenger’s future statements in diplomatic meetings once they have verified that the Challenger’s initial limiting principle was not valid.

The second hypothesis explores variation in individual-level responses over time.

Hypothesis 3b. Diplomacy can coordinate only once (phase 3 minus phase 2): Subjects who observe the Challenger use force to take territory, are no less likely to trust the Challenger in future diplomatic meetings.

The vignette that follows is designed to test my theory on its own terms, and given the insights of these alternative theories.

5.2.2 Beyond Indicator Theory

There are many other ways that elites could form impressions. Elites could rely on heuristics (Snyder, Jarvis, Lebow, Stein, Morgan, and Snyder, 1987), or analogise to a recent experiences (Khong, 1992). Elites could also avoid doing the work on their own by seeking out expert advice and adopt the perceptions of an expert (Grynaviski, 2018). In the context of resolve, scholars have argued that the content of a Challenger’s public speech matters even though diplomacy does not (Fearon, 1994).

None of these concerns impact the causal identification of my experiment. However, if they are highly salient, then they will overshadow the affects of my theory in real cases. In the post-survey question, I ask elites about the extent that they rely on these other indicators and mechanisms rather than the indicators suggested in my theory. My intuition is that analysts rely on a wide range of analytical frames. And my hope is that the logic of qualitative inferences is prominent relative to these alternatives.

Others argue that diplomacy matters but for an entirely different reason. The basic logic of this argument is that diplomats judge whether their counterparts are honest during in-person interactions. They then use these in-person inferences to update their beliefs about the Challenger’s

intentions. Some argue that diplomats can learn from face-to-face encounters because of neurological processes (Holmes, 2013), and others argue that diplomats develop skills of reading the mannerisms of their counter-parts (Bull, 2002). Some argue that diplomats correctly draw these inferences, but others suggest that diplomats over-estimate their ability to read people (Yarhi-Milo, 2014). Either way, the broad consensus is that that salient feature of diplomacy is that it occurs face-to-face.

None of these concerns impact the causal identification of my experiment because subjects only observe the transcript of a diplomatic meeting. The vignette is carefully designed so that I do not describe personal impressions, or features of the elites during diplomatic meetings.

However, it is possible in real meetings these personal impressions overshadow the coordinating mechanisms that I propose. I ask the questions proposed Holmes (2013), in addition to some other questions to determine if this is the case. Again, my intuition is that analysts exploit diplomacy in many different ways. My hope is that the logic of qualitative inferences is prominent relative to these alternatives.

5.3 Experimental Vignette

The survey instrument has three phases. In each phase, subjects are presented with new information about Bandaria then asked standardized questions about Bandaria's intentions and resolve. Subjects also write text responses.

Phase 1 provides all subjects with the same prompt and baseline information. Subjects are told that Bandaria is an emerging world power, and the American president will soon meet the Bandarian prime minister. Subjects are asked to provide the president an assessment of Bandaria's long-run intentions and resolve in preparation for that meeting.

Phase 1 provides 3 pages of detail about Bandaria. In general, I included many details to addresses confounding concerns raised by Dafoe, Zhang, and Caughey (2016). Further, interviews with senior intelligence officials and my review of war games operated in the intelligence community in preparation for the survey suggests that the level of detail was necessary to make the scenario consistent with war game scenarios that are common at the CIA's analytic training program (CAP) as well as war games operated by the Department of Defense.

But I chose specific details to match my theory and create a tough test for my hypothesis. To

match the reassurance setting that my theory describes, phase 1 tells subjects that Bandaria is experience economic growth that outpaces others in the region. Further, Bandaria has embarked on a period of increased military spending.

To account for the domestic political indicators described in section 5.2.1, subjects are told that Bandaria is a consolidated autocracy with a majority ethnic composition that departs from the United States. As stated, some existing scholars argue that these features will amplify concerns that Bandaria holds aggressive intentions. Furthermore, and against the conditional logic of H2 and H3, these details should attune all subjects to infer that Bandaria’s intentions are vast if Bandaria takes any military action.⁵³

Most critical for my theory, phase 1 also provides a map of Bandaria and its surrounding countries. The map is presented in Figure 7. The map and accompanying discussion illuminates two plausible dispute areas based on different kinds of principles that Bandaria could hold. First, Bandaria’s international security is vulnerable to port closures in the Lebang Bay. These ports are controlled by New Kasper. Second, poorly treated ethnic Bandarians live in a neighboring country (Arcadia). Crucially, there is no information about which of these issues Bandaria cares about the most.

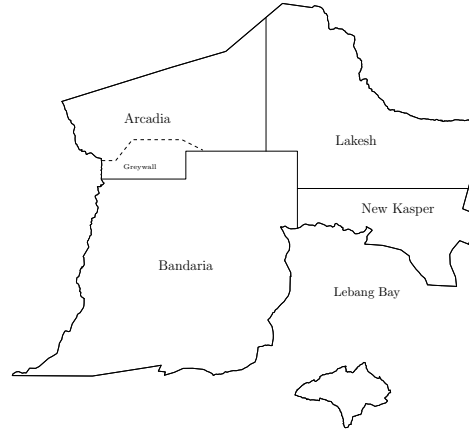
In *phase two*, subjects are randomly assigned into a *diplomatic message treatment* where Bandaria explains it is motivated by either: (1) security principle, or (2) ethnic principle. I also include (3) a counter-factual condition, that reflects the case where Bandaria promises it is peaceful, but does not appeal to a principle. In the counter-factual condition, the Bandarian prime minister talks about confidence building measures and Bandaria’s general interest in peace.

Table 4 shows variation in observed information at the end of phase 2. I include two core interest treatments to make sure the revelation of core interests generally and not the particular issue (security or ethnic based grievances), is doing the causal work. As an example, the ethnic treatment is:

In a private meeting, the American president asked the prime minister of Bandaria to explain Bandaria’s military spending. The Prime Minister replied: “Grave injustices have been done to ethnic Bandarians. We have a long history of supporting our Bandarian brothers in Arcadia. Ethnic-national concerns motivate our military policy.” He then said, “Of course we want to resolve this issue peacefully. But Arcadia does not realize just how concerned we are about

⁵³Phase one provides a lot of other information. For example, it details Bandaria’s trade networks and IGO affiliations.

Figure 7: Bandaria and its Neighbors



our ethnic kin. We will use any means necessary to ensure our ethnic kin are well governed.” He continued, “Once our ethno-nationalist goals are assured, we have no reason to expand our military. All of our other foreign policy and regional concerns are less important and can be managed through UN participation, diplomacy and negotiation.”

Experts note that ethnic nationalism concerns have been central to Bandarian foreign policy over the past 10 years. Bandarian elites referred to ethnic-nationalism in private diplomatic conversations and public speeches consistently over the past 10 years.

The language modeled on de-classified minutes, letters and cables that described conversations between British elites, German Kaiser Wilhelm (1866), US president McKinnely (1898), German Chancellor Hitler (1934) and Soviet premier Stalin (1932). Although the language may strike the reader as direct, it is common through history. In what follows, I exploit variation across all three groups to test hypothesis 1.

In *phase three*, subjects are randomly assigned into a *military intervention* treatment where Bandaria annexes: (1) territory that surrounds the Lebang Bay in New Kasper, or (2) Greywall. One corresponds with ethnic interests the other with security interests.

This treatment takes the form of breaking news. For example, the ethnic treatment is:

Breaking News: The Bandarian military occupied Greywall in Arcadia. Greywall is popu-

Table 4: Treatment Groups at the end of phase 2 (diplomatic message)

Randomly assigned declared principle. A costless message.	Associated Territory.
Ethnic core interest	Arcadia/Greywall
Security core interest	New Kasper/Lebang Bay
Appeal to peace	Undefined

lated by ethnic Bandarians. The move comes after months of political unrest in Arcadia. The Bandarian prime minister announced plans to annex Greywall but promised fair treatment and reparations for aggrieved Arcadian citizens and businesses. The Bandarian Prime Minister insists that these events are entirely consistent with Bandaria’s interests long known to the rest of the world and Bandaria remains committed to peace and stability generally.

The treatment groups that follow are depicted in Table 5. The rows represent the different diplomatic messages that subjects can observe in phase 2. The columns represent the different military interventions that subjects can observe in phase 3. By the end of the experiment there are 6 distinct treatment groups. But for hypothesis 2 and 3, I am mainly interested in the differences between the consistent and inconsistent groups (i.e. I don’t care about those who observed the undefined diplomatic message for my main tests).

There are three notable features of this design. First, all subjects observe violent military actions in the third period. Second, subjects in both consistent and inconsistent groups observe violent action over an ethnic territory or a security issue. Third, subjects in both consistent and inconsistent groups observe diplomatic messages that appeal to both principles.

These features allow me to examine how the combination of qualitative details work together to affect subject inferences, but do not force me to rely on any specific combination of declared principles or military actions. To best leverage this feature (and consistent with my pre-registered design), I pool consistent and inconsistent groups in the main analysis. However, in Table 21 I disaggregate the groups to demonstrate that the effects hold when I consider the ethnic-nationalist message and security message separately and then analyze the difference between consistent and inconsistent groups. My results are consistent if I aggregate or treat the qualitatively different justifications separately.

Table 5: Treatment Groups at the end of phase 3

	Ethnic Military Dispute	Security Military Dispute
Ethnic Core Interest	Consistent with principle	Inconsistent with principle
Security Core Interest	Inconsistent with principle	Consistent with principle
Core Interest undefined	Pre-conflict Counter-factual	

5.4 Results and Measurement

At the end of each phase, I ask subjects: “What is the percentage probability that the following statements are true?” I then present the same list of questions. By repeating the questions, I can verify how perceptions change in response to different stimuli. Responses were recorded using a slide rule from 0% to 100% that moved in 5% increments. I chose this response method rather than a 7-point index for reasons that are peculiar to the subject pool. Each Agency uses a different lexicon to describe probabilities. The CIA uses a confidence scale, Hill staffers and diplomats describe probabilities with no official standard. I did not want to favor one group over another. Second, there is much debate about what confidence levels mean. For some, the level of confidence refers to the primary source material. Thus, low confidence that an assertion is true, can refer to either the credibility of the source, or that the assertion is false.⁵⁴

I pre-registered my hypotheses, analytical tests and standards for inference via e-gap. Since I randomized treatment on a non-random sample, I pre-registered analytical tests based on the p-value derived from the permutation test of group means suggested by [Strasser and Weber \(1999\)](#). The test identifies how confident a researcher can be that the treatment had a causal effect on the responses of a non-random sample conditional on the responses observed and the independence of the in-sample randomization. Among the many advantages of permutation tests is that inferences are robust to small sample sizes.⁵⁵ For a review of the pre-registration and the analytical tests see [Appendix C.5](#).

⁵⁴I chose 5% increments because some critical numbers move along that scale. But I wanted to avoid trivially small choices that would distract subjects. See [Lupton and Jacoby \(2016\)](#) for best practices on feeling thermometers.

⁵⁵For an explanation of why they are superior to t-tests see [Ludbrook and Dudley \(1998\)](#). The p-values are interpreted like those from t-tests. Using a t-test instead of the permutation test improves the result reported in the paper.

Based on the pre-registered analytical tests that rely on p-values from permutation tests, I infer strong support for the expectations that I test. To maximize the transparency of my results, I report the distribution of responses broken out by treatment group.

5.4.1 Predictions about effective diplomacy

To test hypothesis 1, I asked two questions. First, I asked:

A: Although there are many military objectives that Bandaria might pursue, a single target stands out as the most likely.

If my theory is correct, then subjects assigned to either the ethnic or security justification treatment will score high on this question, but subjects who are assigned to the pre-conflict counterfactual will not. According to the existing literature, there are three reasons that I may not find an affect. First, subjects may not use diplomacy as a good indicator. Second, subjects may only use information derived from in-person aspects of diplomatic encounters to form their impressions. If true, then subjects may not respond to the content of information in the text. Finally, subjects may read that Bandaria is an autocracy with a recent trend in military expansionism, and simply infer that Bandaria does not hold limited aims.

To further investigate the coordinating logic of diplomacy outlined in H1, I also asked:

B: In the last question you were asked to think about a most likely target. Click on the map where that most likely target is.

Subjects are then presented with a map of Bandaria that they can click on. If my theory is correct, I should observe two things. Before subjects observe a diplomatic message (at the end of phase 1) their clicks should be dispersed across the map. If true, this will help validate an important assumption about my theory. I argued that the Defender started out uncertain about the specific principle that motivated the Challenger. I argued that it was plausible that there were many limited principles. This assumption may not be reasonable because it is possible that subjects naturally assume that the Challenger is motivated by a specific principle (e.g. security) if the Challenger holds limited aims. It is also possible that analysts rely on indicators from the Challenger's domestic politics to draw strong inferences about the Challenger's principles. If true, they may all agree on Bandaria's likely principle based on the domestic political information I

provided.

If my theory is correct, I should observe a different pattern in clicks after Bandaria justified her demands. After phase 2, subject clicks should vary depending on qualitative differences in the diplomatic message that they observe. Subjects in the ethnic-nationalism or security treatments should coordinate their clicks on the territories associated with those respective claims. However, those who observe the control message will not coordinate.

Figure 8 presents results for hypothesis 1. The top of Figure 8 plots click-map responses. Panel (a) plots pre-treatment responses after phase 1. Panel (b) plots responses after the diplomatic treatment in phase 2. Pink circles received ethnic treatments, blue crosses received security treatments and black boxes received controls. Prior to treatment, subjects from every (future) treatment groups are well dispersed across the map. Panel (b) shows that the responses of those who observed a diplomatic treatment with a qualitative justification for Bandaria’s motives reflect the content of that treatment. Those who see the ethnic (security) message click on the ethnic (security) issue. However, subjects who observed the diplomatic treatment with no principle remain well dispersed after treatment.

The bottom panels in Figure 8 plot responses to question A. The lighter mass received a diplomatic treatment that contained a principle (group mean is the solid line). The darker mass received the control (group mean is the dashed line). Panels (a) plots responses before subjects received their diplomatic treatment, panel (b) plots results after the diplomatic treatment. Before treatment the group means are the same.⁵⁶ After treatment the group means are different. Those that observed Bandaria’s diplomacy appeal to a principle became more confident that they understood what Bandaria wanted relative to those who did not. A permutation test confirms that the means of treated and controlled subjects are different post-treatment with 98.5% confidence.

5.4.2 Predictions about trust in the face of violent demands

Hypothesis 2a and b ask about subject perceptions of Bandaria’s strategic intentions. To test them, I ask

C: Bandaria will use military force to expand its borders whenever the opportunity presents itself.

⁵⁶Although the distributions are shaped differently the means are the same.

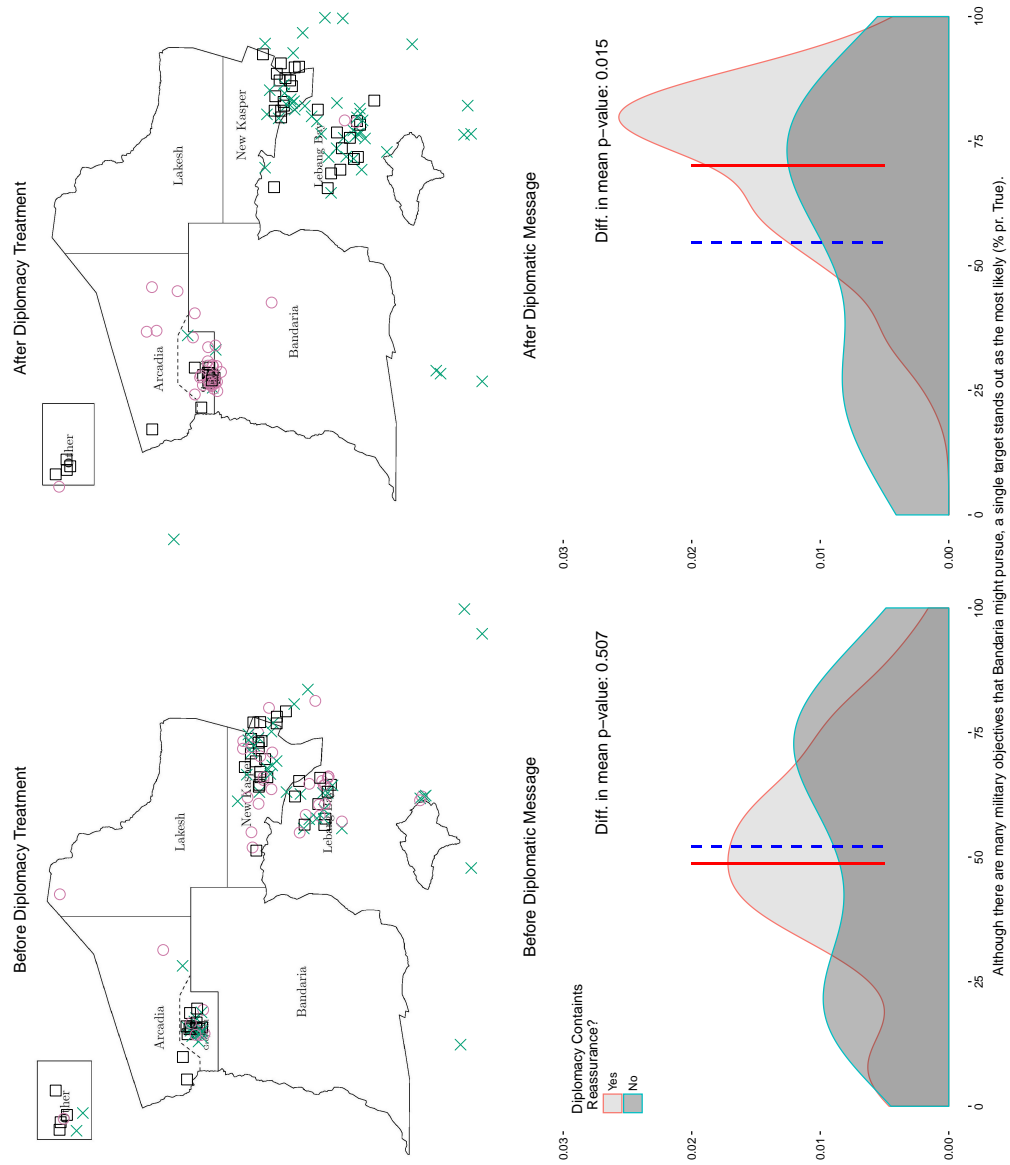


Figure 8: Does Cheap Diplomacy Influence Beliefs About Limited Aims?

To test H3a and b I ask:

D: We can trust what the Bandarian Prime Minister says about Bandaria’s long-term intentions.

All the subjects observed Bandaria use military force to take territories. Even though they observe identical violent actions, H2a predict that those who observe inconsistent actions will be far more mistrusting than those who observe consistent actions. If true, then subjects in the inconsistent group will score higher on this question than subjects who observed a consistent action.

Similarly, H3a predicts that subjects who observe a set of actions that conform to a single principle will be more willing to listen to future diplomacy (i.e. score higher on question **D**) than subjects who observe a series of actions that cannot be supported by a limiting principle.

Figure 9 plots the distribution of responses to question **C**. Within each panel, responses are broken out by consistent and inconsistent treatment groups. The darker mass observed a consistent diplomatic message and military intervention (group mean is dashed line). The lighter mass observed inconsistent treatments (group mean is solid line). Panel (a) presents pre-treatment results and panel (b) presents post-treatment results. Before subjects observed military interventions, the mean of both groups is not statistically different. The average respondent was more optimistic than not about Bandaria’s long-term intentions, but the responses are close to complete uncertainty (50%). After the military intervention treatment, subjects that observed inconsistent behavior were concerned about Bandaria’s long-term intentions. Subjects that observed consistent behavior remained uncertain. A permutation test confirms there is no difference in treatment group means pre-treatment but a significant difference post-treatment with 99% confidence. I infer that subjects who received inconsistent treatments grew worried about Bandaria’s long-term intentions compared to those that observed Bandaria fight for what it said that it wanted.

Figure 10 addresses H3a. It plots the density of responses to question **D** in the same format as Figure 9. Before the military intervention treatment, the group means are nearly identical. Afterwards, subjects that observed inconsistent behavior are deeply mistrustful. Those that observed consistent words and deeds did not, on average, update their assessment. A permutation test confirms the means of these groups is different with 99% confidence post-treatment. I infer that subjects who received inconsistent treatments grew mistrustful of Bandaria compared to those

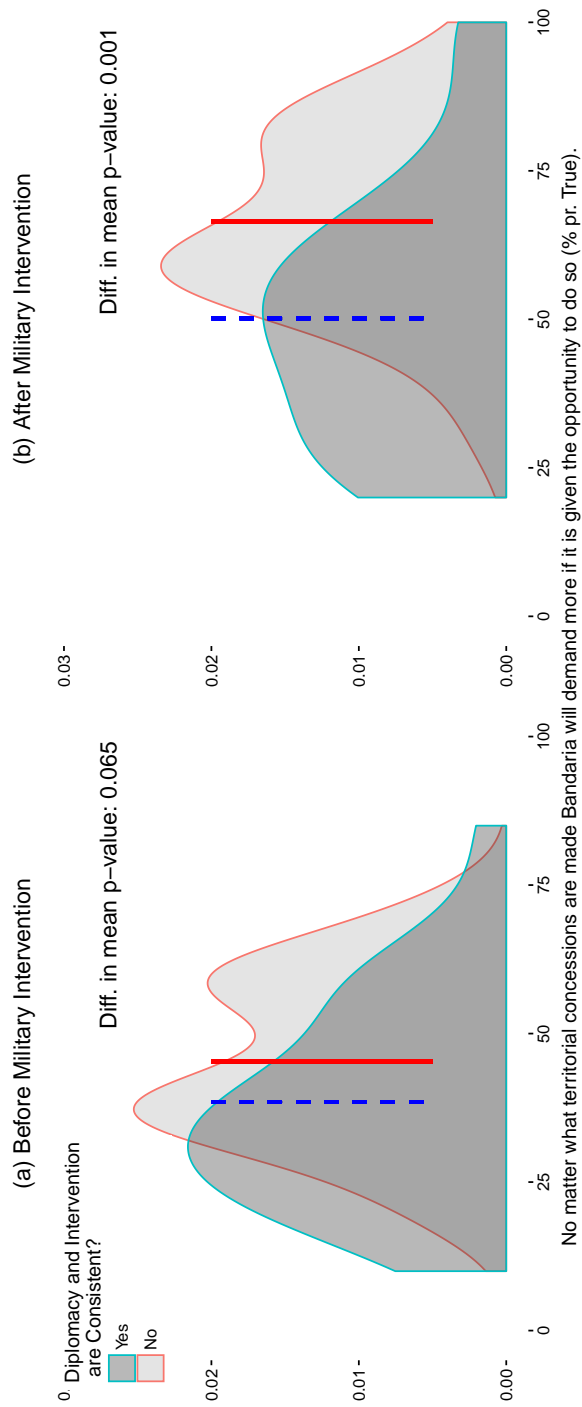


Figure 9: Does Inconsistent Behavior Alarm Subjects?

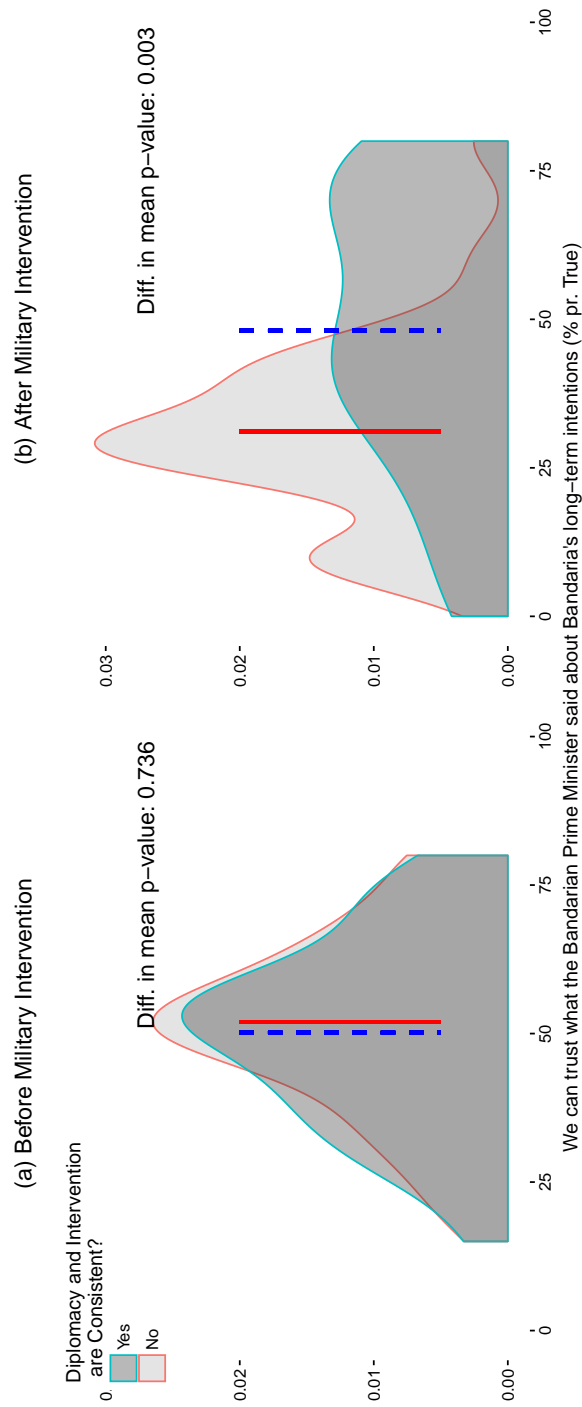


Figure 10: Does Inconsistent Behavior Lead to Less Trust?

that received consistent treatments.

H2b makes claims about how individual subjects change their trust in Bandaria. I focus on the consistent case because it distinguishes me from the standard costly signaling arguments. Where past scholars predict that analysts who observe a state take territory through military force will grow mistrustful, I argue that these subjects will not alter their beliefs if the violent action can be explained by a known principle. To test this, I compute the difference in subject responses to question **C** in phase 3 and phase 2. If I am right, and different from signaling theories, the difference in the consistent group will be indistinguishable from 0. If I am wrong, then subjects who observe Bandaria use force to take territory will increase their mistrust. To test H3b, I complete the same analysis for question **D**.

The results of these analyses are in Figure 11. Panel (a) plots results to questions **C** (hypothesis 2b). Panel (b) plots the results from question **D** (hypothesis 3b). The x-axis plots the change in respondents' answer to the same question between phase 2 and 3. Responses can range from -100 to 100. The darker mass received consistent treatments and the lighter mass received inconsistent treatments.

As I expect, the consistent group is amassed around 0 in both cases. A permutation test cannot rule out that the consistent group mean is statistically different from 0 in either test. This means that the average subject in these groups observed Bandaria use force to take territory but did not update their beliefs that Bandaria's intentions were vast, and were equally willing to engage Bandaria in good faith diplomacy in the future.

The distributions show that a large portion of subjects updated in the opposite direction from the conventional wisdom. Notably, 18% of subjects decreased their belief on question **C**, and 45% percent of subjects increased their beliefs on question **D**. This means that a considerable number raised their levels of trust after observing Bandaria use force to take territory.

Existing theories simply cannot explain this kind of updating. It is consistent with my broader account of qualitative inferences because these actions were clearly consistent with Bandaria's declared aims but potentially inconsistent with broader intentions. As a result, it is possible that subjects ruled out the possibility that Bandaria was motivated by some aggressive motive, and this caused them to increase their confidence that Bandaria's motives were limited.

To make clear that the results are not a feature of the design, I also plotted the inconsistent group

in red. As you can see, this group is dispersed broadly across positive ranges with a mean above 40 in panel (a), and negative ranges for panel (b) with a mean below negative 25. A permutation test confirms that the way the consistent group updated was different from the inconsistent group in both cases. I infer from these results that subjects did not alter their beliefs when they observed consistent violent behavior. However, subjects that observed inconsistent behavior become more concerned about Bandaria's long-term intentions and were less likely to trust what the Bandarian prime minister said in future diplomatic meetings.

5.5 Qualitative inferences in text responses.

To further support my mechanism, I directly asked 1/3 of the subjects the following long-form question:

If other countries have aggressive intentions, they have strong incentives to hide them. So why should we believe anything that their leaders say? In your work, do you consider what foreign leaders say when you evaluate their interests? If so why?

This question is a tough test of my theory for two reasons. First, the question wording was explicitly designed to prompt respondents to say diplomacy does not work. Second, the question does not mention the fact that Challengers can hold different principles, that the logic of diplomacy related to qualitative inferences, or otherwise hint at the idea that Challengers can hold different limited aims. Nevertheless, all but one subject argued that diplomacy was useful (most argued it was very useful). 90% of respondents went on to describe a logic that supported the qualitative signaling mechanism.

In one example, a subject explicitly describes the value of interpreting diplomacy within historical context.

I think we need to listen to what we are being told with a critical mind. That does not mean we automatically assume someone is lying to us, nor does it mean we take them wholly at their word... What state leaders say is useful to a country assessment, but must be balanced with other information sources and historical context.

Another explains how diplomacy provides information only combined with a variety of other indicators.

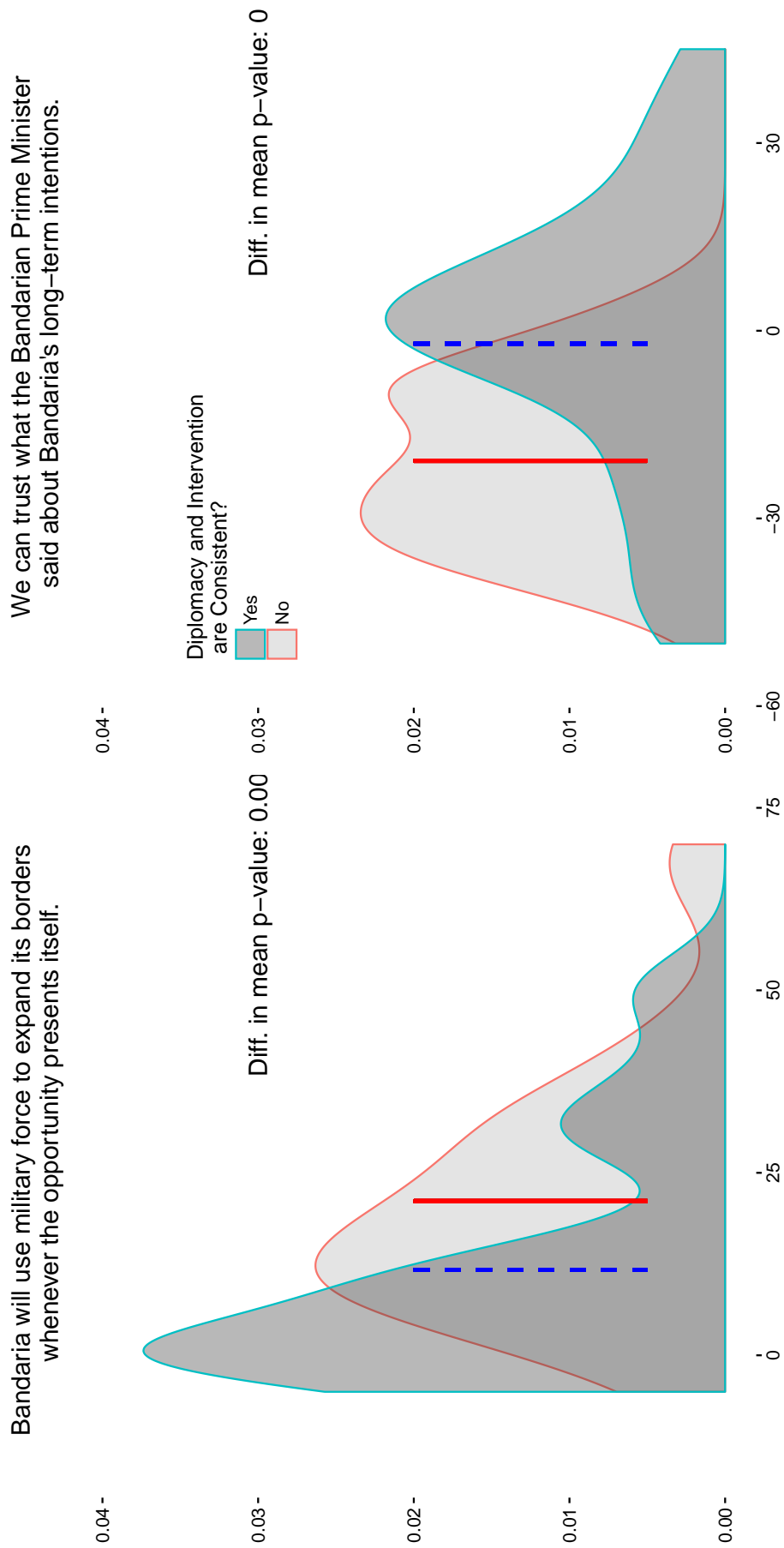


Figure 11: Does Inconsistent Behavior Lead Subjects to Change Beliefs Across Time?

There is seemingly always a gap between a given nation's declaratory policy and their actual pursued policy, but that is not to suggest there is no value in the declaratory. Other sources of information need to be brought to bear (intelligence, domestic politics, past behavior, strategic culture, etc.) in order to often tease out basic strategic truths contained in declaratory policy.

Another explicitly refers to the logic of consistency with principles that is clearly distinct with a simple [Sartori \(2005\)](#) type logic of consistency between words and deeds.

Obviously actions are generally more indicative of underlying intentions (and in the application of international law are generally considered to be a stronger indication of a nation's position than its statements). However, words can also be quite indicative; other than in full blown war scenarios, international disputes are fought out in multiple spheres, including diplomatic and even public relations ones. Therefore, it could be assumed that nations will attempt to claim a moral position and avoid lying or backflipping. It is for this reason that broad phrases such as acting for its 'core security interests' are used. This enables a moral stake to be taken (its reasonable for all countries to be concerned for and, to an extent, act to ensure security for its citizens and interests) and such a broad remit allows it to undertake a wide range of actions under that guise while seeking to argue that its objectives remain consistent. / / As such, statements that contain or allude to broad, subjective goals or principles can be taken to indicate that those making the statements may want to stake a moral claim yet preserve their ability to take a wide range of paths without diverting from the apparent broad moral principle.

Others also describe the logic of my theory in detail.

Yes, because I still think (as I did here) that it is possible to see undertones of defensive or offensive interests. Furthermore, I think it is important to see how their intentions when said line up or fail to line up with their clear international actions, as indicators of their sincerity.'

Yes it was. It gave a benchmark which then factored into a much larger tapestry of facts, informed judgment, history, geopolitical imperatives, and strategic national interest, which = when synthesized - helps determine foreign policy.

Another simply stated,

It is absolutely vital to believe what they say - unless and until facts on the ground contravene what was uttered; as well, one must invariably Trust, but Verify....

5.5.1 Robustness Checks

In Appendix C.5, I present OLS regressions where the dependent variable are the responses to questions C and D. The right hand side variables include the treatment (consistency) and one of the following controls: sampling method, diplomatic message that was received, duration of the experiment, subject's work function, employment sector, military service record, nationality and seniority (measured by the most senior person they have briefed). In every model, the treatment is significant and consistent with the above results. However, the controls are not significant and do not confound the treatment effect. An analysis of the covariance suggest that the treatment does not covary with the controls.

Finally, a broader concern is that subjects would change their perceptions in response to the treatments I provide because nothing else has changed. I account for these concerns in my design. Recall my main predictions are that subjects respond to the same information differently. Consider the third phase where all subjects observe Bandaria use force to take territory. If subjects were simply responding to the information, they would have observed Bandaria use force to take territory and increased their confidence that Bandaria's intentions were vast. If this demand affect influenced their perceptions, it would be incredibly difficult for me to validate H2b and H3b because these hypotheses require that one group of subjects observe Bandaria use force to take territory and do not alter their beliefs about Bandaria's motives. Also, the vignette intentionally provides a wide arrange of information in phase 1 and phase 2 to conceal these kinds of affects. As stated, subjects are provided information about Bandaria's regime, domestic politics, military spending, economic development, regional history. After subjects are provided this information they are also asked to respond.

I ease residual concerns in two ways. First, there is no difference in the text responses reported above from those who observed the control diplomatic message relative to those who observed the treatment. Those in the control group still detailed the logic of principles even though they were not primed with a diplomatic message that appealed to a principle. Second, I analyze the causal affect of the treatments on response times. Research shows that subjects who observe information that causes them to develop anxiety have longer response times. If subjects are simply reacting to what they observe without processing the information in detail, then their response times will not vary. However, if subjects are putting the information together to infer that Bandaria is genuinely aggressive, then they should take longer to respond. Consistent with this logic, subjects in the inconsistent treatment arms take 20% longer to respond than subjects in the consistent treatment arms following phase 3, but in no earlier period.

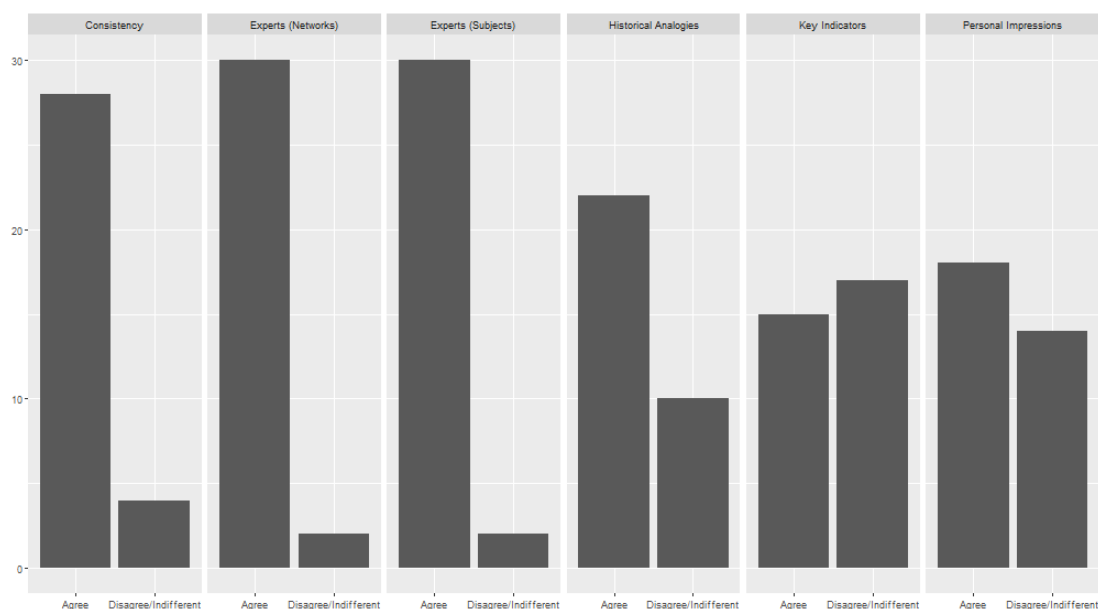
5.6 Analytical frameworks beyond indicator theory

The experiment provides strong support for my theory relative to standard indicator theories. Indeed, there is something about the content of what is being said that moderates how intelligence analysts interpret costly signals.

However, and as raised in section 5.2.2, it is possible that elites rely on entirely different analytical frameworks to evaluate a rival's strategic intentions. One might wonder: in a real case, would analysts gravitate to your analytical framework over other methods for evaluating the intentions of a Challenger? To address this question, I embedded post-survey questionnaires into the design and some additional questions in the main experiment to test alternative theories. Although the results are drawn from a small convenience sample, they shed light on the reasons that real-world decision-makers rely on parts of speech to form their impressions.

The first question is whether analysts rely on observations of the case before them, or whether they rely on a broad range of other heuristics? Prominent international relations theories grounded in psychology and sociology suggest that policy-makers rely on historical analogies, and personal impressions to form their assessments. Organizational theories (both rational and sociological) suggest that policy-makers rely on subject matter experts to form their opinions. Some in decision-sciences expect policy-makers to rely on key indicators (although this has not been directly extended to intelligence agencies). To see how analysts approach analytic challenges I included the following

Figure 12: How Policy-Makers Approach Problems:



a post-survey questionnaire:

Analysts can approach problems in a range of ways. If you were asked to analyze the intentions of a target country that you did not know much about, a good way to approach the problem is to:

- Compare the target to historical cases that were similar and extrapolate from those cases.
- Read what the target's leaders have said about their intentions and determine if their behavior is consistent with what they say.
- Use a standard list of key indicators that suggest a state is aggressive. Then see if the target matched those key indicators.
- Seek meetings with counterparts in the target's government and form impressions of them.
- Ask country experts with extensive historical knowledge of the target and use their analysis.
- Ask country experts with extensive networks in the target country and use their analysis.

41 subjects from the main survey were randomly assigned to this questionnaire, 34 responded. Subjects were asked to select from a five point scale. Figure 12 summarizes the responses grouped by Agree (Strongly Agree, Agree) and Disagree/Indifferent (Strongly Disagree, Disagree, Neither agree nor disagree). The results clearly show two types of methods are preferred by subjects: consistency between words and deeds, and a reliance on experts. Historical analogies are also more useful than not. Personal impressions formed during diplomatic engagements and key indicators were not thought to be useful by about half of the respondents.

The results also show that analysts positively report on multiple methods. Typically, organizational and state-level explanations are pitted at odds with each other. It is common that scholars

will suggest that their method is the dominant way that analysts will process information. These results suggest that individual policy-makers may use a variety of approaches to deal with problems. One reasonable interpretation of this data is that policy-makers gather expert opinions and then use them to evaluate consistency between words and deeds.

A second question is whether secret diplomacy is necessary, or can any form of speech matter. Strictly, my argument departs from others because I find that both private or public speech acts could coordinate. This is different from others that explicitly find verbal communication should not matter in general, but secret diplomacy especially should not matter for reassurance. However, audience cost theory predicts that public statements are more important than private diplomacy. Theories of cognitive biases predict that diplomacy is important because it leaves specific personal impressions with policy-makers. This leaves an important question: do both of these forms of communication convey information? If they do, do they convey the same information (i.e. are substitutes for each other)?

I answer these questions with a second post-survey questionnaire that was randomly assigned to 40 participants.

Q1: Think of times when you evaluated the intentions of a foreign counterpart. In these cases, would you find a private meeting with government officials from the target state to be useful for your assessment?

Q2: When you are unable to meet with foreign counterparts, are any of the following sources useful to you to supplement the missing information you would have gathered during these meetings:

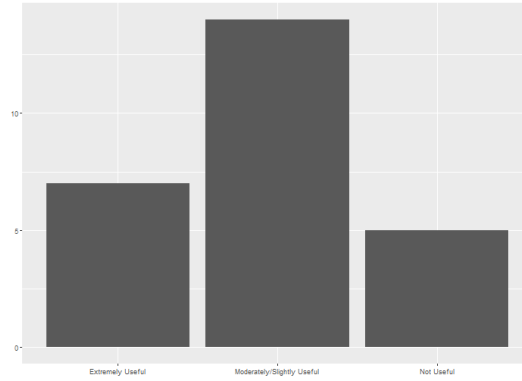
- A written transcript from a private meeting between the target's leader and a senior US diplomat where they discuss the target's long-term intentions in detail.
- A brief from a US diplomat that meets extensively with the leader of the target state.
- Speeches the target leader makes to their domestic public about their foreign policy goals.

Q3: Compared to other people in your profession are you a good judge of character?

Subjects responded to the first two questions with a seven point Likert scale from Extremely Useless to Extremely Useful. Responses to **Q3** were recorded on a 7-point scale from One of the very best, to one of the very worst.

Audience cost scholars argue that public statements are more credible than private statements because domestic and international audiences punish leaders that walk-back from public statements. I argue that private diplomacy is a vital part of the assessment process. **Q1** plotted in Figure 13,

Figure 13: Are Meetings Useful?



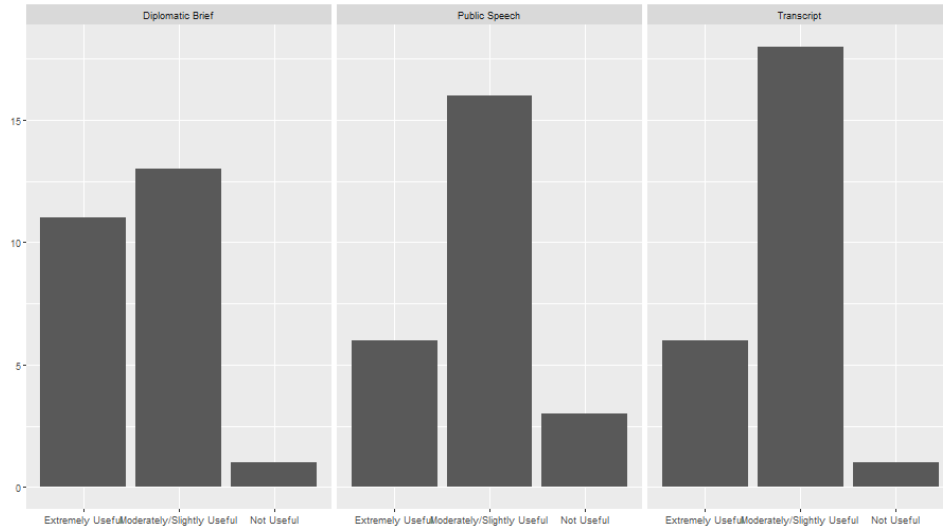
tests these competing conjectures directly. For ease of interpretation I combine the four useless categories together (Extremely useless, Moderately useless, Slightly useless, Neither useful nor useless), the two moderately useful categories (Moderately Useful/Slightly Useful), and present Extremely Useful separately. Very few subjects believed meetings were not useful. More thought they were extremely useful than not useful. Clearly, these policy-makers found private diplomatic meetings are useful to policy-makers.

The question, then, is why? My theory provides a rational explanation. However, some theories argue that elites rely on personal interactions to form their beliefs about the intentions of their rivals. At the most basic level, these theories expect that being present in meetings is a critical feature.

In real life, elites likely draw inferences from the tone and content of meetings. However, it would be good to know which kind of inference is most salient. **Q2**, plotted in Figure 14, tests this basic proposition explicitly. If the most salient feature of diplomacy was the in-person interaction, then the transcript would not be useful. However, if the content of meetings was important, then it would be.

All but one policy-maker in the sample believed that a written transcript was a useful substitute for an in-person meeting. One third thought a transcript was extremely useful. Subjects preferred a brief from a senior diplomat who regularly attended such meetings. Both of these results are surprising if the *personal* interaction during meetings generated information. The most reasonable interpretation is that policy-makers infer information from the content of what is said during diplomatic meetings. At minimum it means that the inferences they draw from personalist interactions

Figure 14: What Substitutes for Personal Interactions in Meetings?



do not overshadow the content.

The Figure also confirms that public speeches are the worst substitute for private diplomatic meetings (although still quite good). One interpretation of this result is that private meetings convey different information from public speeches. One plausible reason for this is a paradoxical account of audience costs. Leaders may face domestic political incentives to exaggerate their claims, or make sweeping generalizations in public because the public knows little about foreign policy and would not appreciate the nuance of precise diplomatic speech. Defenders may rely more on diplomatic speech precisely because leaders can explain a nuanced position that better reflects their beliefs.⁵⁷

5.6.1 Discussion of Supplementary Results

The supplementary test provide qualitative support for my argument. Policy-makers have a clear preference for consistency between words and deeds over personal impressions and historical analogies. Policy-makers are conscience that diplomacy helps them make decisions. Even when posed with the problem of cheap-talk directly, they still say that diplomacy matters and explain that it is best used to verify events that unfold. Furthermore, policy-makers do not believe that in person meetings are necessary. Rather they can get as much information from expert briefs with people that attended meetings or even a transcript of the meeting itself. In short, the content and

⁵⁷The results of this analysis do not change if I break it out by consistent or inconsistent treatment.

tone matters much less than the content of what is being said.

There are many inferential challenges with these supplementary results. Yet it is surprising that over a variety of different questions designed specifically to promote the salience of other analytical frameworks, the responses are supportive of my expectations.

5.7 Summary

My experiment sheds light on how real-world national security professional process information and form beliefs in response to different stimuli. Consistent with my initial assumptions (E1, E2), I find that subjects start out deeply uncertain about the Challenger's long-term intentions. Across subjects, I found wide variation in what subjects instinctively believe Bandaria's core interests were. Individual subject reported low confidence in their initial assessment about Bandaria's long-term motives.

In general, I find that subjects do update their beliefs in response to the Challenger's actions. But subjects do not update in response to learning about a diplomatic meeting or military action out of context. Rather, subjects interpret the actions that they observe the Challenger take, given the context I provide about the Challenger's history and geo-strategic position. Notably, subjects who observe an identical set of diplomatic and military actions), update their perceptions in different directions depending on the historical context that surrounds those actions.

My experiment sheds light on the initial beliefs of foreign policy professionals at the moment of focus. In this moment, diplomacy helps them coordinate their beliefs about the long-term intentions of Challengers that they face. However, diplomacy only provides information if it reveals the principle that motivates the Challenger's foreign policy. When subjects were assigned to the security (ethnic) diplomatic treatment, they inferred that if the Challenger held limited aims he was motivated by security (ethnic nationalism). In this way, national security elites rely on the content of what is said during a diplomatic meeting to form beliefs. In fact, many elites thought that a transcript was just as valuable as attending the meeting in person. Based on these results I infer support for E4.

Second, my experiment sheds light on how foreign policy professionals update their beliefs in response to violent, revisionist territorial demands at the moment of truth. Unlike the dominant rationalist theories, violent demands do not always shift assessments about the Challenger's strate-

gic intentions. In fact, analysts that observe violent demands that are consistent with a declared principle do not update on average. However, consistent with my theory, they shift their beliefs about the Challengers long-term motives if the Challenger's violent revision is inconsistent with their stated principles. Based on this evidence, I infer support for E6. Since a violent demand for either the ethnic or security issue could be consistent (or inconsistent), I show that it is the qualitative features of how different actions fit with specific principles that matters holding constant the size of the costly military action.

6 Case Study

In this chapter I trace the logic of my argument through a single case: British assessment of the Soviet Union (1941-1946). I selected Anglo-Soviet relations at the onset of the Cold War for four reasons. First, it is both critical and under-studied in political science. Past political scientists focus on tense episodes during the Cold War such as Detente, the SALT negotiations, and the Cold War's end.⁵⁸ This is surprising because grand theories assume the Defender is uncertain about the Challenger's long-term aims, and have not yet chosen between competition and peace. As we shall see, the Western allies formed strong opinions about Stalin's long-term, strategic intentions by 1947; and these strong opinions led to the origins of the Cold War (wide-spread strategic competition). Thus, a proper test should examine the pre-Cold War period when the future of Western-Soviet relations was uncertain.

Second, Britain served as the status quo power in many great power rivalries between 1700 and 1945. Although it is difficult to use any one case to make general claims, my focus on a common status quo power increases my confidence that my theory of motives travels to other important cases.

Third, the most common alternative assumption holds that Challengers values security or are otherwise greedy. As we shall see in the medium-n analysis, Stalin is one of the few revisionist powers to argue that his demands were in service of security from a foreign threat.⁵⁹ It is difficult to evaluate realist predictions in the Anglo-German case, for example, because Hitler explicitly claimed that nationalism drove his limited revisionist aims. Focusing on a declared security-seeker also presents a tough test of my theory. If ever there was case where the Defender started out assuming that the Challenger wanted security or was otherwise greedy; this is it. But as we shall see, British elites did not start out assuming that Stalin wanted security if his aims were limited. They inferred it only after a diplomatic exchange.

Finally, the case material has several unique features that create interesting opportunities to validate my predictions and rule out alternatives. The pressures of the Second World War led to

⁵⁸One exception is [Holmes \(2013\)](#). But even he focuses on Yalta. His core question is why Western elites believed that Stalin would honor his commitments. While I discuss Yalta at length, I will argue that the strategic assessment of Soviet motives starts much earlier, and is well established by the Yalta agreement.

⁵⁹The United States appealed to regional hegemony, Hitler appealed to ethnic-nationalism, Czar Nicholas appealed to religious nationalism, Wilhelm (1850) appealed to status, Japan (1920s) appealed to access to resources.

a unique foreign policy environment. The War Cabinet met (on average) weekly to discuss foreign policy issues. Several intelligence, foreign policy and defense sub-committees analyzed the long-run intentions of the Soviet Union in detail. These now-declassified documents provide a good basis to search for evidence of the reasoning behind British thinking.

Furthermore, there was a constant stream diplomatic, political and military events that could have affected the British assessment of Soviet intentions. Notably, there was four heads of state, and eight foreign minister meetings, three treaties signed, several political spats and ominous military interventions. Towards the end of the war, the Soviets and the Western allied explicitly bargained over the fate of Europe. During that time, the Soviet Union made clear its interests in annexing territory. The diversity and frequency of events provide fertile ground to test competing theories that expect a relationship between these events and assessments of intentions.

6.1 Analysis Plan

My analysis is broken into three sections that corresponds with the critical periods in my theory. First, I show that British elites start to pay serious attention to the Soviet threat following Operation Barbarossa (June, 1941). This marks the onset of the rivalry. Then there is a *Moment of Focus* in November 1941, when Stalin explains his revisionist post-war intentions to Anthony Eden during Eden's visit in Moscow. I use this period to validate my core assumptions about Defender beliefs at the onset of rivalries, and evaluate my predictions at the moment of focus.

Second, I show there is a *Period of Consistency* between November 1941 and January 1945. During this period British assessments did not change. I use this period of consistent assessments to trace the aggregation of knowledge from individual assessments, through organizations and bureaucratic processes to British national assessments of Soviet intentions.

Third, I show there is a *Moment of Truth* between February 1945 and March 1946. During this period, British elites grew mistrustful of Stalin's long-term intentions. I use this period to validate my predictions at the moment of truth, and draw a connection between British beliefs and competition choices.

6.1.1 Evaluating my theory on its own terms.

Consistent with the analytical narrative method (Bates, 1998), I provide positive support for my theory on its own terms. To do it, I developed case-specific tests for each stage of my causal mechanism. These tests are summarized in Table 6.

Table 6(a) summarizes what expect to observe if my assumptions are valid. I expect that British elites start out deeply uncertain about Soviet intentions. I expect that theory theorize about different principles (and a list of associated issues and territories) that could motivate Stalin's foreign policy. I expect them to propose many different theories about what principle motivated Soviet foreign policy; and render each proposal with low confidence. If British elites explicitly state that they are very uncertain about Stalin's motives because Stalin has not yet explained his strategic intentions, it would provide especially strong evidence for my theory.

The case deviates from my basic assumptions if any of the following are true. First, British elites do not debate Soviet intentions. Second, British elites reach a consensus about the Soviet Union's long-term intentions based on the Soviet's regime type, Stalin's pre-tenure biography (such as his military history). Third, British elites focus on Stalin's instrumental objectives (such as security for the status quo) and do not seek to understand his intrinsic motivations.

Table 6(b) summarizes my case-specific predictions at the moment of focus. I expect British elites to seek out a meeting with Stalin to hear what Stalin has to say about his long-term motives. I expect British elites to change their assessments following the first diplomatic encounter between one senior British policy-makers and Stalin in which Stalin justifies his foreign policy in terms of a principle. If my theory is right, then this period would mark a shift in how British elites evaluated Soviet intentions. Subsequent reports would no longer raise different hypotheses about why Stalin held limited aims. Rather, the debate would have re-focused on ruling out the principle that Stalin asserts. Strong evidence for my theory would include an analysis of Stalin's meeting with Anthony Eden as the reason for the shift in focus. Strong support would also include documents in which analysts argued that Stalin's claims were credible because they limited what Stalin could plausibly ask for in the future.

Three types of evidence would dis-confirm my theory. First, British elites may not seek out a meeting with Stalin. Instead, they may rely on quantitative signals such as the rate of Soviet

Table 6: How should Britain have thought about Soviet intentions according to social science?

I theorize	I am wrong if
(a) My unique assumptions	
BE evaluate Stalin's long-term demands by theorizing about different principles that could motivate Stalin's foreign policy.	<p>BE do not evaluate Stalin's motives because:</p> <ul style="list-style-type: none"> • it is too difficult • Stalin's motives could change • Stalin's resolve in a crisis in more salient. • power will shift so rapidly questions of motives do not matter.
BE identify a handful (more than 2) different principles that could motivate Stalin. Each implies variation in the specific territories, and the number of territories, that Stalin will prioritize. Some of these principles imply a few demands, but at least one implies vast aims.	<p>BE evaluate Stalin's motives but do not refer to principles/connect territories to specific principles because they:</p> <ul style="list-style-type: none"> • assume that Stalin wants security or is greedy. • assume Stalin's motives vary in scope. • assume Stalin can value any configuration of issues. • Cannot tie a principle to specific territorial objectives
BE start out uncertain about Stalin's motives (i.e. all assessments made w/ low confidence).	BE start out confident that they know Stalin's principle; possibly because they use Stalin's biography, or Soviet regime type to infer motives; or because all Challengers want security or are greedy.
(b) Moment of Focus	
Before the first diplomatic meeting with Stalin, BE are uncertain about Stalin's principle because Stalin had not revealed what motivates his long-term foreign policy. BE seek out a diplomatic meeting with Stalin to learn about Stalin's motives. After Stalin reveals his motives in a diplomatic meeting, BE (1) raise their confidence that Stalin wants what he said he wants; (2) start to evaluate if Stalin's actions match his declared principle.	BE do not seek-out or rely on diplomacy to infer Stalin's motives. BE dismiss Stalin's diplomacy as cheap-talk. Instead, BE focus on the scope of costly military actions, or violent demands instead absent diplomat context.
BE are convinced by diplomacy because it connects to a principle.	Diplomats who meet Stalin are persuaded by their face-to-face interaction, and their inferences are different from elites who did not travel to Moscow. BE believe Stalin because of personal judgments of his sincerity and not what he says.
(c) Period of consistency	
Once Stalin communicates that he is motivated by security concerns, BE evaluate his future actions against that claim. They write reports that detail what Stalin will (and won't) demand if he truly values security. To the extent BE debate whether Stalin's aims are limited, the debate centers on whether his actions are consistent with his stated aims.	BE cannot assess what issues fit with Stalin's declared motives. BE evaluate Stalin's motives based on Stalin's actions outside of whether those actions are consistent with Stalin's initial claim.
Beliefs about Stalin's long-term motives remain constant so long as Stalin's actions are consistent with his claim. BE continue to evaluate if Stalin's initial claim was honest.	<p>BE assessments widely fluctuate despite Stalin's consistent actions because:</p> <ul style="list-style-type: none"> • Stalin takes territory, or rapidly militarizes • Stalin engenders a negative personal impression • Stalin violates international laws and norms • different BE rise to leadership • BE time horizons change
BE do not turn to competition for any other reason.	<p>BE turn to competition, possibly because:</p> <ul style="list-style-type: none"> • Power shifts rapidly • they confront an indivisible issue • Their time horizons change. • The balance of power falls out of kilter • miscalculation in crisis.
(d) Moment of truth	
BE observe Stalin do something inconsistent. Update their beliefs about Stalin's long-term motives.	BE observe Stalin do something inconsistent. Do not update their beliefs about. BE logic for updating has nothing to do with how Stalin's actions connect to the principle that motivates him.
BE updated beliefs trigger a policy shift. BE seek to thwart Stalin's expansion, stop offering concessions, turn to wide-spread containment.	<p>New beliefs do not trigger policy change. Rather, competition choice hinges on another reason:</p> <ul style="list-style-type: none"> • Fluctuations to rate of shifting power • Power parity • Changing discount factors

militarization to form their impressions. Second, British assessments of Soviet intentions may not change following Eden's visit to Moscow. Third, Anthony Eden may adjust his assessment following his face-to-face meeting with Stalin, but other elites that did not travel to Moscow may not rely on Eden's report of the meeting.

Table 6(c) summarizes my predictions during the period of consistency. I expect that British elites do not alter their assessments of Stalin's intentions during this period. I also expect British elites will refrain from competition even as Stalin rapidly militarizes and takes territory, engenders negative impressions, violates international agreements, and rapidly expands Soviet military power.

Table 6(d) summarizes my predictions at the moment of truth. I expect British policy-makers will increase their mistrust after they observe Soviet behaviors that are inconsistent with Stalin's stated security intentions. As a result of their shifting beliefs, the British government shifted its policy towards competition.

I would infer incredibly strong support for my theory if Stalin engaged in a single inconsistent action, all British elites agreed it was inconsistent, and then all called for competition. I can still infer support for my theory if I find individual-level variation in when analysts update their beliefs. The key piece of evidence will be debates between those that did update their opinions and those that did not. For my theory to explain important variation in the case, it must be that analysts disagreed about whether the events they observed were in fact inconsistent with Stalin's reassurance.

Two types of evidence would dis-confirm my theory. First, British elites may not update following blatantly inconsistent Soviet behavior. Second, they may update their beliefs, but may not turn to competition.

6.1.2 My theory and defensive realism

The differences between my theory and defensive realism are subtle. We agree that Challenger's vary in their strategic intentions, that Defenders are uncertain about the Challenger's motives, and that Defenders draw inferences by monitoring the Challenger's costly actions.

Given that we agree on so many points, how can I be sure that my theory holds an independent affect? In this section I clarify four case-specific differences between my theory and defensive realism. I use this case, in part, to explore these differences.

The core difference between my theory and defensive realism is how we conceptualize motives. Defensive realists focus on instrumental motives. They *assume* that Challengers are instrumentally motivated by security or are otherwise expansive (greedy).⁶⁰ A core question, then, is whether real-life Defenders focus on the Challenger's underlying principles, or if they only seek to understand the Challenger's instrumental motives? This case supplies evidence to address this question at the moment of focus. If British elites start out assuming that Stalin wants security (or is a status quo power) or is otherwise greedy, then the bed rock assumption of realism is plausible. If, instead, British elites theorize about the different principles that Stalin could hold and then extrapolate to predict the kinds of issues and territories that he could desire, then it would support my argument that elites try to draw inferences about principles, and do not simplify down to instrumental motivations.

The assumptions we make about motives holds vital implications for the conditions under which costly actions will cause British elites to update their beliefs. This leads to a second difference. Defensive realists predict that each time the Challenger takes a costly military action it should engender some mistrust. Further, the amount of mistrust depends on the scope of the costly action. In my theory, the scope of Stalin's actions matters less than how closely it ties to Stalin's declared principle. I argue that British elites will update more (less) if Stalin's actions clearly fall outside (inside) Stalin's declared principle. Thus, when British elites are arguing about Stalin's motives, it would support my mechanism if they framed their discussion around qualitative inferences. It would support defensive realism if they focused on how costly Stalin's action was.

Third, Defensive realists argue that costless diplomacy will not influence British perceptions. In contrast, I argue that costless diplomacy plays a coordinating role. It would be surprising for defensive realists if British elites sought a meeting with Stalin because they wanted to hear Stalin's explanation for his future revisionist actions.

Finally, defensive realists often focus on spirals of mistrust based on the fact that both states are uncertain about each other's intentions. My theory simplifies away two-sided uncertainty. However, I informally include it in how I conceptualize hedging. That is, I expect that Defenders will sometimes forgo their interests so as to avoid inadvertent escalation that would make peace difficult down the road. If I find evidence that British elites are concerned about what Stalin thinks

⁶⁰Some describe a security prosperity trade-off, but this is the same for my purposes.

about them, and this drives them to make concessions in some cases, it would illustrate that the logic of two-sided mistrust and the spiral model is important for explaining state choices. This sort of evidence would promote the value of defensive realism as important for understanding the case. It would only cause a problem for my theory if this is all that British elites cared about. That is, if they were solely interested in avoiding spirals, and not so interested in learning Stalin's latent principle, it would show that the logic of defensive realism was so strong, that it dominates my theory.

In the end I find support for key elements of defensive realism. Notably, British elites show concern for spiral model logic, and this drives them to make concessions in an effort to avoid escalating mistrust during the period of hedging. However, my theory provides a powerful, overarching explanation for why diplomacy matters, and when costly signals do and do not engender mistrust. I find that British elites think carefully about Stalin's intrinsic motives, and use that information to estimate Stalin's specific foreign policy demands based on the Soviet Union's historical context. I find evidence that they interpret Stalin's costly actions based on this historical context.

6.1.3 My theory, and individualistic theories of irrational trust.

I am not the only scholar that argues elites rely on diplomacy to form trust, and they discount costly signals in some contexts. Important work grounded in psychology and sociology argues that Challengers can use diplomacy to persuade Defenders because of social and inter-personal properties of face-to-face encounters (Holmes, 2013; Parks, Henager, and Scamahorn, 1996). Building on these insights, others claim that these trusting impressions persist even as Challengers take costly military actions because elites succumb to selective attention (Yarhi-Milo, 2014). The selective attention hypotheses holds that senior leaders are especially susceptible to both of these biases. Outside of theories about diplomacy, scholars believe that leaders remain trustful because of motivated reasoning (Barnett, 1986)⁶¹, or voice opinions that they do not hold because of bureaucratic incentives (Schweller, 1992).

How can I know that my theory is not confounded by a combination of individual level variables? Here I describe some important differences that will help me support my interpretation of events. Because each individual level theory is different, I describe them in turn.

⁶¹see ? for broader discussion and contrasting view.

There are two ways I can parse my theory from social theories of effective diplomacy and select attention. First, I argue that diplomacy is valuable absent face-to-face encounters and the vivid images that they create. I expect that diplomacy matters not only for the British elites who meet Stalin in-person, but those who read reports about the meeting. Thus, it supports my mechanism if British elites who stay home are persuaded by written cables that describe diplomatic encounters with Stalin.

Second, these scholars emphasize impressions derived from a diplomat's tone, temperament and physiological cues. In contrast, I argue that diplomats rely on the content of what is said in meetings. Thus, diplomatic persuasion is not enough to support my theory. It would not support my theory if elite reports only read "I met with Stalin and I just don't trust him because I got a bad impression." If my theory is correct, I would need to see reports that read "I met with Stalin and I just don't trust him because his actions and words cannot be reconciled with a principle that implies he holds limited aims;" or alternatively, "I met with Stalin and I trust him because there is lots he could have said to explain his behavior, but he chose to declare a specific, limited principle to explain his motives."

Like my theory, theories of wishful thinking and buying time explain why elites defer mistrust and competition. There are two ways that I can parse my theory from these explanations. First, I search for evidence in the reasons that elites update their estimates. If my theory is correct, then those who update their estimate will say something akin to, 'we have changed our estimate because Stalin's behavior in this case cannot be explained by his declared motivations.' Second, I will consider if British beliefs change at an opportune strategic time. If they are simply buying time, then they will wait until the Soviets are vulnerable.

In the end, I find evidence that some British elites form personal impressions of Stalin, Ambassador Maisky and Foreign Minister Molotov. I also find evidence that different elites update at different moments, suggesting that their individual experiences play a role. However, I also find strong evidence in the case material that British elites use the content of Stalin's costless diplomatic statements to coordinate on Stalin's limited aims, and that they use the logic of qualitative inferences to evaluate his behavior from then on. I find that elites form impressions by reading accounts of diplomatic meetings in which Stalin declares a principle, and coordinate their beliefs on these principles. I also find evidence that each individual analyst updates when she believes that

Stalin's actions cannot be explained by a security motivation. This drives, the call for competition. These features suggest that my theory provides purchase on elite reasoning at the individual level.

6.1.4 The Aggregation Problem: Individual evidence and State Level Decision-making

The discussion above highlights an important disconnect between any structural theory (including my own) and evidence in diplomatic history. Ultimately, my theory is about how states process information, form beliefs, and behave. But diplomatic archives describe individual perceptions.

If all individuals processed information as I predict, then state-level decisions should follow. However, if not all individuals think in this way, or if organizational processes mediate the expert assessments that decision-makers observe, then the most important decision-makers may reach systematically biased assessments. Indeed, there is overwhelming evidence that aggregation is complicated, and biases can creep in.

Even if I find evidence of individual accounts that supports my theory, how do I know that I am focusing on the opinions that matter given how states make choices? I use the Anglo-Soviet case to illuminate how organizational and psychological processes influenced national-level assessments and policies. As we shall see, organizational processes and individual level beliefs (not biases) played an important role in how the British assessed the Soviet Union's intentions. However, the evidence suggests that my theory forms a rational baseline around which these assessments fell. The military was usually more pessimistic than the Foreign Office. But both organizations updated their beliefs about what the Soviets wanted based on an assessment of whether Soviet words and deeds were consistent with a principle. Elite assessments were distributed around what I believe was the rational baseline.

As we shall see, some analysts became concerned about Soviet intentions before others. However, the updating grew out of different interpretations of what events were consistent with the theory that the Soviet Union was motivated by security. I further show that institutional features reduced cognitive biases in the decision-making process leading to rational decision-making in the aggregate.

To capture the complete assessment process in Britain, I examine reports, minutes or other assessments of Soviet intentions that reached the War Cabinet. Thus, I analyze the assessment process of members of the Post-Hostilities Planning Committee (a military organization), the Chiefs of Staff, the Joint Intelligence Committee, the War Cabinet, and the Foreign Office.

I analyze the assessments from several foreign policy experts in Britain, rather than just the prime minister's assessments, to properly capture the state-level decision-making. The broader approach is necessary because foreign policy institutions in Britain ensured that many actors were involved in the assessment and decision-making process. It was common, for example, for the prime minister to submit his foreign correspondence to the War Cabinet for approval. On several occasions, the War Cabinet overruled the prime minister's position leading the prime minister to change his statements. On rare occasions, when time was critical, Churchill made unilateral decisions (for example, the text of his speech following Hitler's invasion of the Soviet Union was not approved by the War Cabinet). But he apologized for breaking with the norm of deliberation within the War Cabinet. Before high level meetings with Stalin, Churchill sought approval for talking points and the limits of what concessions he could make. When Stalin's demands exceeded what was authorized by the War Cabinet, Churchill often refrained from striking deals.

There were two ways that analysts below the most senior ministers influenced state level assessments. Sometimes senior decision-makers tasked specialist sub-committees to analyze critical questions. The War Cabinet asked multiple sub-committees across intelligence, defense and foreign policy (and mixed committees) to analyze Soviet intentions. These sub-committees conducted an independent research, then submitted their reports to the War Cabinet. The War Cabinet debated the different assessments and approve a conjoined summary for the prime minister. Specialists from these sub-committees, accompanied the prime minister and foreign minister on international visits. Other times senior decision-makers believed they had sufficient knowledge to make an assessment on their own. Before they acted on their assessment, they circulated memorandum for sub-committees to comment on. As we shall see, lower level analysts were fiercely critical when they believed their superiors were wrong. In what follows I analyze one case where the foreign minister reversed his opinion based on a single memorandum from an assistant deputy undersecretary (four ranks below him).

Not all analysts had access to all information and each brought in their own specialized training and experience to their assessment. The prime minister and foreign minister understood these limitations. Nevertheless, institutional features ensured that the British assessment process reflected a weighted consensus model. The prime minister and foreign minister were influenced by their subordinates and often formed their opinions based on reporting they received.

Throughout the analysis, I ask and answer three questions that take the aggregation process seriously:

1. When and why do individuals update their beliefs across time?
2. At any point in time do different individuals or organizations have different assessments?
3. How do assessments at the advisor level affect assessments at the head of state level?

Furthermore, I exploit the the period of consistency to better appreciate the aggregation process. Consistent with my theory, Most British estimates remain constant during this period despite frequent estimates an an onslaught of salient (but consistent) events. As a result, I am able to take this snapshot and observe variation across different analysts with unique personal backgrounds and institutional affiliations.

6.1.5 Sources

I read over 5000 declassified cables, minutes, memorandum and other primary source documents. These documents were available through the online British National Archives, published British cables and intelligence reports, and three private archives accessed by subscription. I also read on Anglo-American correspondence made public in the Foreign Relations of the United States and National Security Archives at the Library of Congress.

I located 121 distinct assessments of Soviet intentions written by a variety of military, intelligence and foreign policy analysts (and the prime ministers).⁶² In many cases, I observed concurrence memorandums that showed precisely who agreed with which assessment. These memos were extremely helpful because they were the forum through which analysts critiqued each other's position and explained their reasoning processes.⁶³

I also read secondary sources including 9 diaries and 15 memoirs from analysts who either partook in the assessment process or observed the prime minister and foreign minister during critical periods. These personal notes allow me to corroborate the primary source records with

⁶²Many additional documents made implicit assessments of Soviet intentions.

⁶³Primary Sources are cited throughout the text. Where I found sources in digitized national collection I used the reference system to refer to the Series that the document was from. Where a coding reference includes multiple documents I also include a date to help a reader locate the document. For primary sources reprinted in books and periodicals, I cite the book that I located the source from. A complete list of abbreviations is located in Appendix D.

each analyst's private feelings. I also read several newspaper reports, speeches and conference proceedings that provide context to events.

Finally, I read approximately 30 history books on Anglo-Soviet relations to make sure that my inferences matched the conventional wisdom in history. Corroborating my account with history books ensures that I did not unfairly weigh one set of analysts over another in my assessment. I consulted history books that described state-level and organizational level assessments. I also consulted books that focus on the impact of specific events, such as the Yalta Conference, or the Iran Crisis, on British assessments of Soviet intentions.

6.2 The Onset to the Moment of Clarity

June 22 1941 marked a critical point in the Second World War. In the early hours of the morning, German forces launched Operation Barbarossa: a full-scale invasion against the Soviet Union. In a speech to cheering crowds on the same day, Hitler declared war against Russia and promised to capture Moscow.⁶⁴

Berlin was not the only place where people were cheering. In London, Prime Minister Churchill was so excited that he sent his foreign minister, Anthony Eden, cigars.⁶⁵ For Churchill, Hitler's actions had forged a common Anglo-Soviet cause that would change the war. Up until that point, British policy-makers were unsure about which side the Soviets would take, or even if they would take a side at all. Churchill was now confident that the Soviets would join the British side.⁶⁶

Within hours Churchill's intuition was confirmed. The Soviet Ambassador in London, M. Maisky, informed British Foreign Minister Anthony Eden that a state of war existed between the USSR and Germany.⁶⁷ Under instruction from Stalin, Maisky requested military and economic support.⁶⁸ Stalin proposed both an Anglo-Soviet military alliance against German aggression and a political alliance that would maintain their friendly relations after the war.⁶⁹

In Churchill's view, British interests were served by aiding any country that fought against Germany. The Soviet Union was no exception. The question was not whether Britain would

⁶⁴Translation published in [Hitler \(1941\)](#).

⁶⁵[Kitchen \(1986\)](#).

⁶⁶[Berthon and Potts \(2007\)](#).

⁶⁷N3056/3014/38; N3108/3/38; WM(41)62; WM/41/67

⁶⁸N3138/3014/38; N3260/78/38

⁶⁹N3108/3/38; WM(41)62; WM/41/67

help, but how much they would help? Would Britain provide simply military aid to sustain the Red Army against the Germans, or would their ties cover political issues as well? To answer the political question the War Cabinet would need to evaluate what Stalin wanted in the post-war settlement.⁷⁰

Operation Barbarossa marks the onset of this rivalry because it marks the first time that British policy-makers dedicated resources to understanding Soviet intentions. Although the outcome of the war was far from certain, British policy-makers realized that a likely outcome was that continental Europe would be left with just one powerful state at the end of the war. France had already fallen and the war between the Soviets and the Germans was all consuming. If the Soviets defeated the German military, there would be no power in Europe to match them. The British realized that if the Soviets emerged from the fighting victorious, they would be battle hardened, unopposed and highly industrialized. Although war would ravage them, it would not be long before they would regain enough strength to dominate Europe if they wanted to.⁷¹

6.2.1 Theoretical Expectations for British assessments at the Onset

Several political science theories, suggest indicators that decision-makers will rely on to infer a Challenger's motives at the onset of a great power rivalry. According to most of these theories, the information that the British had about the Soviet Union in June 1941 should have led them to deeply mistrust Stalin's post-war intentions. Realists and rationalist scholars argue that when one state expands its military and uses force to take territory it signals aggressive intentions.⁷² If policy-makers thought the way that realists expect, then the British should have been concerned about Stalin. In 1939, Stalin and Hitler formed an alliance and jointly invaded Poland. Russia then annexed Lithuania, Latvia, and Estonia in early 1940. Russia coerced oil-rich Bessarabia and Northern Bukovina from Romania in June 1940. In 1941, Stalin further demanded territorial concessions from Finland. When the Finns refused, Stalin invaded. As war raged in Finland Stalin turned to the Baltic states. If military spending and territorial ambition are a sign of greedy

⁷⁰In the meantime, Churchill commits to send Stalin supplies through the exchange of personal notes. See: N3955/3955/38.

⁷¹An argument could be made that British assessments began following the Molotov-Ribbentrop Pact in 1938. It is true that some policy-makers voiced assessments of Soviet intentions between 1938 and 1940. The outcome of these assessments does not change my findings or analysis in any way. I include some assessments from this earlier period below because they are referred to in the 1940-1941 period.

⁷²Jervis (1978); Waltz (1979); Edelstein (2002)

intentions, then these actions should have deeply alarmed the British.

Other scholars suggest that regime type or opposing political ideologies are a source of concern.⁷³ Similarly, Challengers with limited electoral competition⁷⁴, autocratic governments,⁷⁵ and small selectorates⁷⁶ are at greater risk of militarized conflict. The Soviet Union was an authoritarian, communist state. Communist writings during Lenin's time explicitly call for the overthrow of western capitalist countries. The communist party in Britain was openly subversive of the British government and the War Cabinet worried intensely about links between the Kremlin and British communists.⁷⁷ Thus, if regime type or ideology played an important role in reaching an assessment, then the War Cabinet would have been very mistrustful of Stalin.

Arguments based in psychological processes suggest that policy-makers rely on vivid images and recent historical experiences to make judgments.⁷⁸ Alternatively, decision-makers may turn to historical analogies to form assessments.⁷⁹ In both cases, the obvious comparison is between Nazi Germany and Soviet Russia. The image of Hitler was fresh in British minds. If British policy-makers were biased by vivid images, recent experiences and historical analogies then the rise of Stalin should have conjured images of Hitler. These images should also have led the British to a pessimistic assessment of Soviet post-war intentions.

Similarly, the most senior foreign policy elites in Britain rose to power because they opposed cooperation with Hitler. Those in favor of Neville Chamberlain's appeasement were purged from the War Cabinet in 1939. Churchill was notoriously outspoken about his mistrust for Hitler from 1937. Part of the reason Churchill appointed Eden as foreign minister was because he had resigned from the same position in protest of Chamberlain's policies. One might argue that these powerful elites were therefore predisposed to cynicism. If true, then they should have erred on the side of mistrust.⁸⁰

For all of these reasons, the major arguments across political science would suggest that the

⁷³Haas (2005)

⁷⁴Schultz (1999)

⁷⁵Doyle (2005)

⁷⁶de Mesquita, Morrow, Siverson, and Smith (1999)

⁷⁷CAB/66/19/17 Oct 19, 1941. Note by the Secretary of the War Cabinet E. E. Bridges.

⁷⁸Jervis (1989a)

⁷⁹Khong (1992)

⁸⁰Churchill and Vanissart are excellent examples of this. Both were given considerably more influence after appeasement failed and both were staunch opponents of it. Vanissart, Vanissart wrote "I am convinced that we have got to aim at the destruction of both Nazism and Communism in this war... the Soviets have been a bloody fraud from the start." Memo from Robert Vanissart. FO 371, 2484529 Mar 1940.

British War Cabinet should have been deeply mistrustful of Soviet post-war intentions at the outset. If the British leaders thought the way that either realists or those that emphasize vivid images, regime type or organizational processes expect them to, then we should observe the most senior policy-makers quickly conclude that the Soviet Union had malign long-term intentions.

6.2.2 Assessments of Soviet Intentions June-November 1941

Despite these factors, senior British policy-makers were decidedly uncertain about Soviet intentions in 1941. In 1939, Churchill argued that a “fog of confusion and uncertainty,” surrounded British assessments of the Soviet Union and described Soviet intentions as a “riddle wrapped in a mystery inside and enigma.” Through 1941, Churchill was unwilling to speculate about what Stalin wanted.

Below the prime minister, there was wider variance in the assessments of Soviet intentions. At one extreme, some analysts thought Stalin could not be trusted. In June, the Chief of General Staff for the British Expeditionary Force, Lieutenant-General Henry Pownall wrote in his diary: “I avoid the expression Allies; for the Russians are a dirty lot of murdering thieves themselves, and double crossers of the deepest dye.”⁸¹

At the other extreme, some thought that Russia was fundamentally peaceful. The Ambassador to Moscow, Cripps attributed Russia’s secretive behavior and military aggression to British deeds. He wrote to Eden, “Russian suspicions are much longer dated than you would seem to imply. They have increased, during the last twenty years by the atmosphere of political antagonism which, started with the intervention by us on behalf of the White Russians... we are treating the Soviet Government without trust and as inferiors rather than as trusted allies. This attitude is similar to that which we have adopted ever since the revolution, and has been the cause of great resentment by the Soviets, and is, I believe, liable to discourage them in their efforts to hold on.”⁸² Cripps believed that the Russian’s would peacefully integrate in the post-world order and it was Britain’s task to convince Stalin of her benign intentions.

The balance of opinions lay in the middle. In a comprehensive report on Soviet intentions, A. R. Dew⁸³ wrote that Russian foreign policy was driven by “the preservation of Russian interests in

⁸¹Beaumont (1980, p26)

⁸²CAB66/19/45. No. 37.

⁸³Dew was a Senior Foreign Policy adviser stationed at Moscow at the time. He died on route to the Yalta

the Baltic and Black Seas. We may thus expect demands for Russian access to the Persian Gulf, for a revision of the Montreux Convention, possibly for the establishment of Russian bases in Norway and in Finland and the Baltic States to ensure the security of Leningrad and Kronstadt.” Several, including Eden, concurred with Dew’s findings. A separate report from the Foreign Office that gained support in the War Cabinet concluded that “they want us to approve the annexation of the Baltic States and Eastern Poland, and to help them secure special rights with regard to Finland, the Dardanelles and access to the Persian Gulf, and an ice-free port in northern Norway.”⁸⁴

Others believed that Stalin was interested in securing warm water ports and was therefore interested in concessions in Turkey. Others still believed Stalin’s interests would converge with Tsarist Russia’s historical ambitions of power politics in Asia.⁸⁵ As a result, Stalin would seek territory in Iran, the Caucasus, the Baltic States, Central Asia and, possibly, India.⁸⁶ Finally, a group believed that the spread of global communism motivated Russian foreign policy. Within this group, some thought Stalin wanted to expand the Soviet empire as far as he could, others thought world communism implied Stalin would subvert democracy in Asia and Europe wherever possible.

Although the conclusions of British assessments varied wildly, they shared four features. First, each assessment was based on a theory about the principle that motivated Stalin. British elites proposed that Stalin could be motivated by spreading communism, security from foreign threat, access to ports and waterways, historical (Czarist ambitions).

Second, each time an analyst described a principle, that analyst explained the specific issues and territories that Stalin would want if Stalin was motivated by that principle. They could do this because each analyst had a working understanding of Russian history and culture, and used their understanding to connect each value with tangible objectives. As a result of this process, each analyst suggested that Stalin would seek out specific issues and territories.

Looking across the different assessments, there was variation in which and how many issues and territories Stalin would seek. This validates a critical assumption of my theory: the War Cabinet was exposed to a handful of specific assessments about Stalin’s motives; and each assessment implied a different set of territories. As a result, the War Cabinet did not know which, or how many, issues

Conference.

⁸⁴FO 371/29472

⁸⁵FO 371/248/4529 Mar 1940. Vanissart was deeply mistrustful of Soviet intentions and thought appeasement would fail.

⁸⁶COS39/66. 6 Oct. 1939

Stalin would pursue.

Third, each assessment was made with low confidence. All came with important caveats that there was not enough information to truly know what Stalin wanted. Many held the view that both extreme accounts were possible. The prime minister's view was that it was possible that Stalin had benign long-term intentions that were largely complementary with British interests (despite some disagreements). As a result, he held out hope that long-term Anglo-Soviet cooperation was possible.

Fourth, many policy-makers explicitly stated that they could not make a more confident assessment because Stalin had not revealed what his long-term intentions were. For example, when A. R. Dew asked "What are Russian ideas on war aims and the post-war settlement and what kind of an agreement to be concluded at this stake will satisfy them?" His answer began with the caveat, "the Russians have been extremely reticent in defining their post-war ideas on war aims and the post war settlement."⁸⁷ He therefore had little confidence in his assessment.

Cripps similarly complained that it was "impossible to have any contacts with any Russians and thus to obtain any reliable information as to what is going on in the country."⁸⁸ Indeed, the British took the lack of Soviet communication so seriously that they were willing to tie military assistance to it. As the Secretary of the War Cabinet, Bridges, instructed Military commanders: "Although Russians are still being sticky about telling us their intentions and dispositions, and have not reacted to our offer of Staff Conversations, we must be in a position to give them a firm offer of assistance the moment they show signs of being more forthcoming."⁸⁹

Correspondence between Churchill and Stalin in November 1941 demonstrates the toll this uncertainty was taking on Anglo-Soviet Relations. Through September, Stalin had complained to Churchill that the limited British supplies caused grave concern in the Soviet Union about British long-term interests in Soviet success. Churchill offered, "In order to clear things up and to plan for the future I am ready to send General Wavell, the Commander-in-Chief in India, Persia and Iraq, to meet you."⁹⁰

Churchill's offer focused on improving military understanding. Stalin's reply exposed a much

⁸⁷FO371/29472, N5679/3014/38

⁸⁸N4070/3014/38; N6901/78/38

⁸⁹CAB99/19/47

⁹⁰Received on November 7, of *Foriegn Affairs* (1957a).

deeper lack of knowledge: “I agree with you that we need clarity, which at the moment is lacking in relations between the U.S.S.R. and Great Britain. The unclarity is due to two circumstances: first, there is no definite understanding between our two countries concerning war aims and plans for the post-war organisation of peace; secondly, there is no treaty between the U.S.S.R. and Great Britain on mutual military aid in Europe against Hitler... Until understanding is reached on these two main points, not only will there be no clarity in Anglo-Soviet relations, but, if we are to speak frankly, there will be no mutual trust.”

The lack of progress in Anglo-Soviet diplomacy, coupled with a series of spats over military supplies, had led Anglo-Soviet relations to deteriorate. To salvage the relationship, foreign minister Anthony Eden was sent to Moscow to improve relations. Eden realized that “we ought to be examining the question of our post-war relations with the Soviet Government as far as it is possible to do so at the present stage of the war. We certainly are prepared... to continue collaboration with the Soviet Government after the war is over for the purpose of working out the terms of the new settlement of Europe.”⁹¹ To that end, he had given the subject of Soviet intentions considerable study before embarking on his journey. Yet his extensive research was fruitless. On the eve of his visit to Moscow he still could not reach an assessment of Soviet intentions because he had “not received an explanation from Stalin as to what he himself has in mind when he proposes a post-war alliance.”⁹² Consistent with my theory, and the assessments of War Cabinet colleagues above, Eden believed that conversations with Stalin could help clarify Soviet intentions. The key piece of information was a statement from Stalin himself that explained what Soviet intentions were.

6.2.3 Stalin Explains Soviet Intentions

On the first day of Eden’s visit to Moscow, in the very first meeting with Stalin and Molotov, Stalin blurted out his post-war interests. By Eden’s recollection, “At my first conversation with M. Stalin and M. Molotov on the 16th of December... M. Stalin set out in some detail what he considered should be the post-war territorial frontiers in Europe, and in particular his ideas regarding the treatment of Germany.”⁹³ Eden then recounted Stalin’s detailed interests in Europe which included the dismemberment of Germany, Soviet control of Polish territory up to the Curzon

⁹¹Prem 3/395/6, Nov. 10, 1941

⁹²Prem 3/395/6, Nov. 10, 1941

⁹³Prem 3/394/3 Dec. 18, 1941

line, and control over Baltic states, Finland and Bessarabia.

It is worth noting the gravity of what Stalin was asking for. Stalin made clear he wanted to permanently take territory of six sovereign states, expand military bases through Europe and Asia and permanently dismember Germany — the only counterbalance on the continent. His statements left no doubt: the Soviet Union had revisionist intentions. Of special concern for the British was Stalin’s Polish demands. Under an Anglo-Polish treaty, Britain entered the war in defense of Polish borders and the Polish Government in exile operated out of London. To make certain that Stalin really wanted territorial concessions from Poland, the next day Cripps asked Stalin (with Eden present), “Could we know whether the phrase ‘having full regard to the interests of the U.S.S.R. in the restoration of frontiers,’ means the recognition by us of the U.S.S.R. frontiers of 1941?” Stalin replied, “Yes, it does mean the recognition of the right of the U.S.S.R to their 1941 borders.”⁹⁴

Stalin did not just make demands, he justified them: “We must have these [frontiers] for our security and safety... if you decline to do this it looks as if you were creating the possibility for a dismemberment of the Soviet Union.” The following day Eden made clear that he did “fully realize that you [Stalin] want security on your north-western frontier.”⁹⁵

In the end, Eden was not authorized to make post-war concessions. The issues Stalin raised had not been studied and it would take considerable time to do so. Furthermore, Stalin’s demands directly contradicted Britain’s commitment to the United States. Under the Atlantic Charter, Britain had committed not to settle post-war borders until Germany had surrendered. In the end, the Atlantic Charter provided Eden cover against Stalin’s repeated demands for settling post-war frontiers. Eden was able to argue that he could not commit to any post-war settlement without extensive discussion with the United States. No agreement was signed during Eden’s visit and both parties agreed that M. Molotov would visit London in May 1942 to conclude the negotiation.

6.2.4 Assessment of Soviet intentions following Eden’s visit

Following Eden’s visit, there was a clear change in how British analysts evaluated Soviet intentions. Most notably, security entered the debate as the primary motivation for Stalin’s post-war aims. Many policy-makers who before Eden’s visit were reserved, now mentioned security explicitly

⁹⁴Prem 3/394/3 Dec. 18, 1941

⁹⁵WP(42)8; N109/5/38(1842).

as Stalin's most likely motivation. Even many of those who began mistrustful of Soviet post war aims now described Soviet behavior as in service of "(a) their own victory in the war; and (b) their own security after the war."⁹⁶

Eden himself increased his confidence that security motivated Stalin. In a cable to Halifax, then the Ambassador to the United States, Eden outlined what he believed should be Britain's response to Stalin's demands: "We might say that, while we cannot agree now to restoration of 1941 frontiers, we and the United States could immediately give assurances that on grounds of Soviet security we would support, when the time comes, a demand by the Soviet Government to establish. Soviet bases in territories contiguous to Russia and especially on the Baltic and Black Seas from which her security might be threatened... [These] offers are based, as any offers clearly must be, on requirements of Russian security for which Soviet Union have been striving ever since 1917 Revolution in order that Soviet Government may be enabled to complete unfinished social and economic experiments within Russia without danger of foreign intervention or war."⁹⁷

Eden justified his new assessment. "It must be remembered that Stalin might have asked for much more, e.g. control of the Dardanelles, spheres of influence in the Balkans, one-sided imposition on Poland of Russo-Polish frontier, access to Persian Gulf, access to Atlantic involving accession of Norwegian territory. Stalin's present demand it is true, may not be final, but he may later be in a position to enforce a claim to some or all of these, and we and United States Government would be in stronger position to assert our views if we have established precedent of tripartite agreements in regard to post-war arrangements, and if Soviet Government have not decided to go ahead without regard to our views owing to our giving an entirely negative reply to present demands. Moreover, from strategic point of view, it may well be sound that Russia should be established once again in the Baltic so as to be able better to dispute with Germany the naval command of that sea than was the case since 1918." Eden's reasoning was presented to and affirmed by the War Cabinet, including Churchill.⁹⁸

⁹⁶FO 371/32/876 Feb. 12, 1942

⁹⁷CAB/66/21/49 (Draft 2) Telegram to the Viscount Halifax. (Emphasis is Eden's).

⁹⁸In his response, Halifax noted that much of Stalin's fears were most likely exaggerated and the threat to Soviet security did not warrant such extensive demands. Yet he acknowledged that Stalin probably held those fears genuinely and accepted security as Stalin's motivation. See WP(42)69 ; WM(42)18 ; N798/5/38 ; N1024/5/38; N1279/5/38; N1526/5/38; T352/2/402 (Churchill Papers); N1300/5/38; T395/2/402 (Churchill Papers); N1395/5/38; N1653/5/38; WM(42)37, C.A. for extensive discussion about Stalin's intentions relating to security between the War Cabinet, Halifax and Roosevelt.

There are four important points to Eden's reasoning that follow directly from my theory. First, Eden referred explicitly to Stalin's diplomacy as the reason he focused on security. Second, he recognized that Stalin's talk was cheap: Stalin could easily have lied and there was a concern he would ask for more as he grew stronger. Third, Eden's reasoning for trusting Stalin was based on what Stalin could have asked for but did not. Eden noted that Stalin's omissions made it difficult to adjust claims in the future. Finally, there is no mention of Eden's impressions of Stalin or Stalin's character based on Eden's personal assessment. I have found no evidence in this document or any other that suggests Eden's revised assessment had anything to do with the tone of Stalin's request. Rather, Eden based his assessment on the content of what Stalin said, or didn't say.

The focus on security is further confirmed in how the British reasoned through their counteroffers to Stalin's demands. Halifax, who had not met Stalin at this point, "recognizes the justice of Stalin's claim for security," but noted that it was "difficult at this moment to take a final decision..."⁹⁹ on post-war frontiers. As a result, he asked the War Cabinet to devise counterproposals that could guarantee Soviet post-war security without ceding territory from Poland and elsewhere. One suggestion was to divide Germany into zones of occupation such that the Soviet Union would have no one to protect their western border from, and therefore no need for a security buffer.¹⁰⁰

Following the same line of reasoning, Eden offered Molotov a 20 year security pact between Britain and the Soviet Union as part of the Anglo-Soviet treaty. In pushing the plan, Eden told Molotov, "Though the treaty did not deal with vexed questions such as frontiers, it was obvious that, if we were to offer a twenty-year pact, it must be our desire that Russia, as our ally, be strong and secure."¹⁰¹

6.2.5 Alternative Explanations

Eden's visit marked a clear change in British assessment of Soviet post-war intentions. Up until Eden's visit British elites were, on average, deeply uncertain about Stalin's post-war intentions. During Eden's visit, Stalin explicitly stated his foreign policy was motivated by the security of the Soviet Union. He claimed that the concessions he demanded were all in service of this goal. Indeed, his demands were large. His requests violated the sovereignty of at least five nation-states, seemed

⁹⁹CAB66/22/26

¹⁰⁰N2646/5/48; WP(42)198 Revise; WP(42)218

¹⁰¹N2901/5/38; N2902/5/28; N2903/5/28; WM(42)66 C.A; N2904/5/38; N2946/5/38; WP(42)21

to contradict the Atlantic Charter and called for the complete dismemberment of Germany. Yet the British found them to be somewhat credible. After Eden's visit, British officials focused their analysis on whether or not Stalin wanted security.

The early period of uncertainty is difficult to explain in a realist framework. Realists expect that British decision-makers would have immediately viewed Stalin's pre-war behavior through the lense of potential security motives. The fact that decision-makers debated a variety of alternative limited aims is inconsistent with realist thinking. This is especially unusual in this case because security was a plausible claim Stalin could have made. Even more remarkably, there was a clear shift following a diplomatic encounter. Realists cannot explain why years of military behavior did not affect British thinking whereas as single high-level diplomatic event did.

To be clear, some of the evidence does support aspects of realists logic as it relates to the spiral model. As I describe in a moment, British elites worried that Stalin did not trust them, appreciated the logic of two-sided trust and engaged in confidence building measures. This facilitated trust in the short term. Consistent with my realism and my account, these trust building activities helped with instrumental cooperation during the Second World War. However, they were not enough to convince British elites that Stalin was a security seeker. Rather, they only lay the ground work for the qualitative inferences dynamic that I describe.

Even if British assessments of Soviet intentions changed after Eden visited Moscow, it does not necessarily follow that the reason is rational. Here I consider two alternative explanations for why Eden's meeting could have altered British assessment of Soviet intentions. First, it is possible that the Second World War generated organizational incentives for the British to trust the Russians. The British faced a formidable German adversary and were committed to helping the Russians erode Hitler's strength. By July, British public opinion strongly favored the Russians. In a poll conducted in August 1941, the British public were asked "Do you feel that Britain has taken full advantage offered by the German attack on Russia?" The replies, read by War Cabinet, were: Has taken 29%; Has not taken 49%; and Don't know 29%. Indeed, it may be that the British were looking for ways to justify an alliance with Russia and Stalin's diplomacy gave them one.¹⁰²

Although plausible, this argument ignores several diplomatic and military confidence building measures between November 1939 and November 1941. If the British wanted an excuse to trust

¹⁰²Woodward (1970b, pp23-24)

Stalin, any of these earlier events should have altered their assessment.

Britain and the Soviet Union engaged in several joint military and intelligence exercises. Most notably during the foreign imposed regime change in Iran. This operation required political, military and intelligence coordination between the Russians and the British. The status of force agreement (SOF) discussed Soviet and British areas of operations and occupation rights. However, it was impossible for either side to hold the other accountable to this agreement and there was a real risk that the Soviets would exploit opportunities to advance further than agreed upon. The Soviets honored their commitment.¹⁰³ Both Eden and Churchill though the incident was a huge success that improved Anglo-Soviet relations. Eden wrote, “Personally I consider the Persian affair to have been a neat piece of joint military and diplomatic action. In its way it is a minor classic.”¹⁰⁴

Similarly, diplomatic relations between Russian and British military and intelligence services improved as a result of joint operations. In 1941, the Special Operations Executive (SOE) sent Colonel Hill as part of the military mission to Moscow. Hill established a joint operations agreement between the SOE and NKVD in September 1941 that governed joint Anglo-Soviet clandestine operations until the war’s end.¹⁰⁵ British special operations also dropped Soviets spies behind German lines and commanded a joint Anglo-Soviet special operations force to destroy German operated oil fields.

Furthermore, the British and the Soviets held high-level diplomatic visits that culminated in several formal agreements. The Minister of Supply, Lord Beaverbrook, visited Moscow in October 1941 accompanied by the American Special Envoy Harriman. During this visit the British and Americans committed to sustained supplies for the Soviet Union war effort. Further, Beaverbrook reported a very positive opinion of Stalin. A notable feature of these meetings was that these British officials never discussed Stalin’s post-war intentions. Instead, they constrained their conversation to military and logistical matters.¹⁰⁶

Finally, several steps were taken to institutionalize Anglo-Soviet communication. Immediately following Operation Barbarossa, Churchill and Stalin began direct correspondence. In the year prior to operation Barbarossa, Churchill addressed just two notes directly to Stalin, and Stalin sent

¹⁰³Woodward (1970b, pp23-27)

¹⁰⁴Prem 3, 237-2, Eden to PM Sep 9 1941. Quoted in Kitchen (1986, p94).

¹⁰⁵FO 800/301

¹⁰⁶Harriman, Abel, and Collection. (1975)

nothing in return. In July 1941 alone, they exchanged nine notes.

Yet as we saw in the prior section, British assessments during this period were consistently uncertain. None of these events proved decisive to structure the debate about Soviet intentions or increase (decrease) optimism about cooperation. If Britain wanted to trust Stalin because it was convenient, then any one of these events would have provided sufficient cover to do so. The timing of the shift in British assessments strongly suggests that something about Eden's meeting with Stalin shifted the balance that differed from other confidence building measures.

A second possible explanation comes from those that argue for irrational diplomacy. It is possible that Eden overestimated his ability to read Stalin's mannerism during in person meetings. If true, Eden would have erroneously relied on his conversation with Stalin to form impressions about Soviet intentions.

How states form beliefs is likely multi-causal. But there are three reasons to believe that my theory provides a significant explanation in the face of these confounding explanations.

First, Eden's visit had a large and immediate impact on all high-level British beliefs. The selective attention hypothesis cannot explain why Halifax, Churchill, Cadogan and others adjusted their assessment following a meeting that they did not attend.

Second, this was not the first meeting between Soviet and British elites. As discussed above, Lord Beaverbrook visited Moscow in October 1941 accompanied by Avril Harriman. The British thought these high-level exchanges were essential to a frank exchange of views and they helped develop rapport between these most senior elites. Indeed, Beaverbrook developed a strong positive impression of Stalin. He recalled one discussion where he and Stalin joked about Rudolf Hess' visit to London among other anecdotes that demonstrated Stalin's good nature. Yet these favorable impressions did not translate into an assessment of Soviet intentions. Remarkably, Eden's visit had more of an impact on Beaverbrook's assessment than Beaverbrook's own meetings did. The missing piece was that Beaverbrook never discussed Soviet intentions with Stalin. As a result, his personal interactions with Stalin provided insufficient information to evaluate Soviet intentions.

Finally, it is worth considering the impression Stalin made on Churchill through the exchange of heated cables. Stalin chastised Churchill on November 7, 1941. The message left Churchill so outraged that he threatened to cut off communication entirely. It took a private visit by Maisky

to resolve the dispute.¹⁰⁷ Maisky, speaking in an unofficial capacity, told Churchill that Stalin was under extreme pressure and did not mean his harsh tone.¹⁰⁸ Yet these strong negative impressions had no effect on British assessments of Soviet intentions.

6.2.6 Inference

Initial assessments of Stalin's motives confirm the basic assumptions of my theory. The War Cabinet heard five different assessments about what Stalin's motives could have been. Each individual assessment started with a theory about the principle that motivated Stalin's foreign policy, then extrapolated from that principle to make predictions about the specific issues and territories that Stalin would want in the long-term. Taken as a group, these assessments meant that British elites were both uncertain about which and how many issues Stalin wanted. Thus, they faced a reassurance problem and a coordination problem.

Consistent with my theory, British policy-makers made explicit that they were uncertain because Stalin had not explained his intentions. The fact that several assessments included this caveat makes clear how important Stalin's assurances were to understanding his intentions. As a result, they sought out a diplomatic meeting with Stalin because they thought Stalin's explanation would ease their uncertainty.

Eden's visit marked a clear change in the British assessment of Soviet post-war intentions. Before Eden's visit, British elites asked: what are Stalin's post-war intentions? After Eden's visit, the question became: will Stalin be satisfied if we can guarantee Soviet security, or are his post-war intentions greater? Although there was still considerable uncertainty about whether Stalin was honest, there is no denying that security became the focus of assessments. I infer from the change that Stalin's disclosure of post-war intentions caused British policy-makers to update their beliefs about Soviet intentions.

Stalin's statements to Eden had a clear impact on British assessments. Once Stalin explained that security motivated his foreign policy, British elites were more confident that they understood what Stalin wanted. Consistent with my theory, these elites believed that Stalin's most likely motive was what Stalin had disclosed (security). Further, they believed that if Stalin was not

¹⁰⁷ Maiskii, Gorodetsky, Ready, and Sorokina (2016)

¹⁰⁸ N6540/3/38; N6586/3/38; Churchill Papers 395/17.C

motivated by security that he probably had very aggressive intentions. They no longer considered other possible motives for limited intentions.

6.3 The Period of Consistency

By the end of 1943, the war had turned and the Allies were confident that victory, eventually, would come. The most pressing concern for the British was that in “ten years, in man-power, in economic resources, in industrial capacity she [Russia] will be immensely strong and, almost certainly, well organized.”¹⁰⁹ The question was what to do about it? The answer again hinged on a detailed study of Soviet intentions. Thus, British officials throughout the war exerted “a continual attempt to interpret Russia policy, assess the real intentions of Stalin and the small governing oligarchy of the USSR and estimate the probabilities of an agreement.”¹¹⁰

Indeed, the rapidly changing political environment brought on by the to and fro of the Second World War, and increased Anglo-Soviet communication meant that regular assessments were required. There was an enormous number of events that could have triggered the British to adjust their assessment of Soviet intentions. None of them did. Between Antony Eden’s visit to Moscow in 1941 and the Yalta Conference in February 1945, Britain viewed the Soviet Union largely as a “pragmatic and nationalist power, legitimately concerned with its own security.”¹¹¹ During this period, the Soviets made territorial demands that violated the sovereignty of other states, undermined both democratic governments in Eastern Europe, and the Western Allies’ attempts to build a World Order, and brazenly violated several agreements that they had signed, the British “did not feel that Soviet territorial demands were likely to pose any serious threat to British interests.”¹¹² One key theme in this period is that Stalin did not pursue policies that were inconsistent with security motives. These dogs that didn’t bark provide evidence that events alone do not impact British assessments of Soviet intentions. If they did, the Cold War would have started long before the Conference at Yalta.

I leverage this period of continuity to shed light on the aggregation process from individual assessments, through organizations, to the working knowledge of states. Scholars argue that in-

¹⁰⁹FO381/43/335 Apr. 29, 1944

¹¹⁰Woodward (1970b, p105)

¹¹¹Kitchen (1986, p198)

¹¹²Kitchen (1986, p198), Aldrich, Cormac, and Goodman (2014, ch. 4)

dividual and organizational biases lead states to make systematically biased assessments in three important ways summarized in Table 7. First, select incentives, recruitment processes or risk aversion leads to assessments that are systematically more optimistic or pessimistic than what is rational given the available information. Second, expert knowledge or the organizational privilege of certain sources leads to evaluations that focus on a specific type of evidence and ignore the rest. Third, group-think or confirmation bias leads decision-makers to ignore any information that confounds their original assessment.

In my view, the first two types of bias are largely consistent with my theory, the third is not. The reason that the first two are consistent is that they simply create deviance around an otherwise rational baseline. For example, the British military might always reach more pessimistic assessments than the Foreign Office about Soviet intentions. However, the average may be the rational assessment. It is possible that both deviate from the rational assessment but still update, and only update, when they observe inconsistent behavior. Related, the military may emphasize Soviet military behavior in their reporting, whereas the Foreign Office (FO) may emphasize diplomatic and domestic issues. This may explain why the military and FO update at different times and following different events. However, both still use the logic of consistency between words and deeds. What will be important to observe is how far different organizations and specific individuals vary. If, for example, the military is always pessimistic about Soviet intentions, no matter what information they observe, then I could not conclude my theory explains their assessment process. If, however, there is room for updating, then I would conclude that my theory may just provide a rational baseline for organizational theories.

The third type of bias implies that decision-makers are unwilling to update or consider certain types of information at all. A key part of my theory is that decision-makers are willing to change their minds when confronted with new events.

Of course, the three types of biases may interact. Decision-makers may start off systematically pessimistic and, expecting the worst, not care about Soviet behavior that follows. Furthermore, it might be that Stalin's military behavior and economic and diplomatic behavior are fundamentally inconsistent. If the FO, or people with a certain type of training, were unwilling to consider military signals, then I would find that my theory did not apply to those people (but it may still apply to others).

Table 7: Theories of Conditional Effects

Type of Bias	Mechanism at individual and organizational level.	Potential Consequences for British assessments of Soviet intentions.
Systematic Deviation	Ind: Risk averse analysts are more pessimistic	Senior decision-makers take more risks \implies more optimistic.
	Org: Organizations that profit from fighting make alarmist predictions.	The military will be more pessimistic than the FO.
Ignores evidence	Ind: experts rely on what they know	Those with military training will privilege military events. Those with Russia specializations will rely on Russia's history more, etc.
	Org: Organizations collect and disseminate certain types information.	Same as individual.
Failure to update	Ind: Discounts information that disconfirms world view, or searches for confirming evidence.	Those that start of with a specific assessment will keep that assessment.
	Org: Organizations reward members with similar assessments	Same as individual.

It is important to realize that National Security organizations are explicitly designed to weed out individual level errors. Through the process of peer-review, classified debate in the War Cabinet and redundant assessments, organizations may overcome biases at the individual level. Therefore, I may observe irrational individual behavior from time to time, but still observe rational state-level assessments.

I leverage this period of continuity to shed light on my theory in two new ways. First, I focus on variation in assessments based on organizational affiliation (defense, intelligence and diplomatic). I find that the Foreign Office and the military do reach systematically different assessments of Soviet intentions. However, the difference is mainly in their recommendations for the policy implications from an assessment of Soviet intentions and not over the assessment of intentions itself. I find some evidence that the Foreign Office was more optimistic that the military over what Soviets long-term intentions were, but the variance is small, centered around what I consider to be the rational baseline to be, and still within the framework that my theory expects. Therefore, my theory is largely compatible with a soft interpretation of the organizational biases literature because it explains the rational baseline around which organizational bias is centered.

Second, I analyze the only deviation from my theory that I find in the data. In April 1944, Anthony Eden temporarily adjusted his assessment of Soviet long-term intentions. This shift cannot be explained by my theory. Fortunately, Eden's deviant assessment corrected itself within a month and Eden returned to the rational baseline. I compare Eden's behavior to Churchill's over the same period to demonstrate the real limitations of existing theories of cognitive biases in explaining leadership decision-making.

6.3.1 Variance between the Foreign Office, Military and Intelligence Services

Churchill recognized that assessments of Soviet intentions and British post-war policy may vary. To capture the diversity of these opinions, "within Whitehall a wealth of different organizations were created from 1943 onwards, designed to look towards the post-war world."¹¹³. Among them, the Post Hostilities Planning Subcommittee (PHPS) headed by members of the Joint Chiefs and other military advisors represented the military's view and a working group in the Foreign Office (FO) represented the views of civilian foreign affairs experts. A critical part of this process was an

¹¹³Goodman (2014, p121)

assessment of Soviet post-war intentions.¹¹⁴

Given the stakes these working groups fiercely debated their positions to reach a joint assessment. The clear divide lay along organizational lines. “The difficulty underpinning them was the polar positions occupied by the FO and the military: in simple terms the former did not appreciate the idea of making plans against a current ally, whilst the latter thought that the wartime rapprochement was a temporary aberration, and once war was over the alliance would crumble.”

¹¹⁵

The military argued for an assertive British foreign policy that included British occupation of all liberated territories and the total occupation of Germany. In February 1944, the PHPS circulated a paper to the War Cabinet that argued British forces should establish zones of occupation in all liberated Eastern European states. The goal was to guarantee these states could form stable, independent governments. The PHPS warned that “if South-Eastern Europe is left entirely to its own devices after this war, it is likely that the resultant anarchy will, in the long run, entail some action by some Great Power, and that if this means unilateral action by the Soviet Union there might be grave danger of a disruption of the Anglo-American-Soviet front. In any event, the possibility of a physical occupation of the whole area by Russia is not one which, on the whole, the United Kingdom could contemplate with equanimity.”¹¹⁶ In the PHPS’s view, the risk of Russian aggression was too great to ignore.

The Foreign Office did not agree.¹¹⁷ They issued a paper on Russian intentions and British post-war policy in response. Their paper suggested that, despite it being difficult to predict, that the Soviet Union’s foreign policy will most likely be “in the future, as it has been in the past, the search for security against any Power or combination of Powers which might threaten her while she was organizing and developing her domain. In particular, after her narrow escape and tremendous losses she will fear German recovery.”¹¹⁸ The Foreign Office argued that “The Soviet Government is now clearly ready to give co-operation with the United States and Great Britain a trial.” Therefore,

¹¹⁴Aldrich et al. (2014)

¹¹⁵Goodman (2014, p121)

¹¹⁶CAB81/41 Feb. 10, 1944

¹¹⁷As discussed in my theory chapter, all Challengers want at least some revision. The question is how extensive that revision will be. Clearly, all British policy-makers preferred it if Stalin did not expand at all. However, they were also willing to accept limited Soviet expansion in Eastern Europe that reflected inevitable shifts in the balance of power so long as these advances were limited. Thus, the question was not: does Stalin want territorial revision, but how extensive would that territorial revision be?

¹¹⁸FO381/43/335 Apr. 29, 1944

it is imperative that Britain and the United States “do not appear to the Soviet authorities to wish to deprive Russia of the means of eliminating the menace from Germany (and Japan), do not appear to be supporting a combination against her and give reasonable consideration to her views.”¹¹⁹

At first sight, this divergence suggests a strong divergence along organizational lines. I concede that there was considerable disagreement. However, that disagreement was not centered around an assessment of Soviet intentions, but the implications of that assessment for British policy.

The distinction was made clear in June 1944. Following a series of heated memos between the PHPS and FO, both sides agreed that the matter was best debated in person. On June 15, Jebbs, Wilson and other members of the FO working group sat down with the PHPS to debate Soviet intentions. The Vice-Chiefs and members of the Joint Intelligence Committee were present. The discussion revealed precisely where the disagreement was. As Wilson noted:

“The military say, quite rightly, that the only power in Europe which can, in the foreseeable future, be a danger to us is the Union of Soviet Socialist Republics. They go on to argue that the only way to meet that potential danger is to organize against it now... The view taken in the Foreign Office has been that, in planning along these lines, the military will make inevitable the very danger they are trying to avoid.... We and the military are on common ground (a) in acknowledging as a fact that Russia is the only power in Europe that can be a danger to our security, (b) in wanting to avoid that danger, and (c) in wanting to secure that, in any future war, we and the Russians are on the same and not opposite sides. The difference between us is therefore one of method and not of principle.”¹²⁰

Duff Cooper, a diplomat with extensive military experience, then serving as British Representative to the French Committee of National Liberation, explained the problem in a letter to Eden. He wrote that “Russia has never wanted either colonies or Lebensraum, and the true creed of Communism is peace rather than war,” there was no need for Britain to ‘panic.’ However, a strong Western alliance system would form the basis of defense in depth against the Soviets should it be necessary. “A sort of insurance policy.”¹²¹

The difference was one of emphasis. Both the Foreign Office and the Joint Chiefs acknowledged that the Soviet Union had the capability to threaten Britain’s strategic interests after the war. The

¹¹⁹FO381/43/335 Apr. 29, 1944

¹²⁰FO371/40741A Wilson’s Minute Aug. 10, 1944

¹²¹CAB21/1641 May 22, 1944. See also [Kitchen](#) (1986, p216).

military thought it best to plan as if they would. The Foreign Office thought that doing so would guarantee that the Soviets would become an enemy.¹²²

As we shall see, the debate was all for naught. “Concern over Russian troop movements towards the Caucasus in late 1945 and in Persia in late 1946,” together with alarming reports of Soviet domestic behavior in mid-1946, “convinced many that the FO view had been incorrect.”¹²³ Most analysts from all three communities came around to the military position following Soviet behavior deemed inconsistent with their security seeker goals.

Discussion These events demonstrate how organizational theories and my own are two parts of an important decision-making process. In a softer interpretation of the organizational bias account, all analysts use a common analytical framework to evaluate their rival’s intentions. Within this framework, there is some “best” assessment, a rational baseline, of a rival’s intentions given all the available evidence. Organizations either limit the type of information that their analysts see the most, or select analysts that prioritize some information over others systematically. However, analysts still take into account all the information they observe. Different organizations will therefore reach different assessments that deviate from that underlying rational baseline. But the emphasis is on the baseline, and not the direction of the bias. If the baseline is quite close to “deeply uncertain” then most organizations should reach assessments close to that. If the baseline shifts to “certainly aggressive” then all opinions should shift as well.

What my theory provides is the common analytical framework and baseline that analysts use to evaluate intentions. The case evidence suggests that the FO and PHPS accepted that it was possible that the Soviet Union wanted security and evaluated evidence as consistent or inconsistent with this hypothesis. They disagreed over how best to manage this uncertainty. All sides judged that the Soviets may want security. It was possible, but too early to tell. As we shall see, the members of both organizations updated their assessments of Soviet intentions based on whether or not Soviet behavior was consistent with its diplomatic claims.

To be clear, my theory is agnostic about how different organizations will prioritize different recommendations that flow from their assessments. Consistent with organizational hypotheses about bureaucratic incentives, the evidence clearly suggests that the military emphasized the risk

¹²²O. Sargent describes this in: FO 371/43306.

¹²³Quoted in [Kitchen \(1986, p217\)](#).

of military inaction and too much talk, whereas the FO emphasized the risk of military action and limited talk. These are important questions that relate to the implications of the assessment that both sides reach. Indeed, organizational influences impacted the recommendations that flow from assessments about Soviet intentions. What is important for my theory is that the assessment of Soviet intentions relied on the logic of consistency across the military and diplomatic services.

6.3.2 Personal Impressions, face-to-face encounters

Despite the general unwavering assessment of Soviet intentions from all British elites, there was a period in April 1944 where Eden grew unusually pessimistic about Soviet intentions following a baseless but damaging report in a Soviet Newspaper, Pravda. The report alleged that the British Government was negotiating a separate peace with Germany. As we shall see, this shift in assessment is inconsistent with my theory and, most likely, an emotional response. However, the effect lasts less than a month. Notably, it had been 6 months since Eden had last seen a Soviet counterpart (Molotov) and that encounter had left a favorable impression. What is most surprising is that Churchill had recently experienced an unfavorable impression of Stalin during the Tehran Conference yet he saw the Pravda incident for what it was: insignificant.

The incident provides additional support for my theory in three ways. First, it demonstrates the short and trivial effect of poor cognitive abilities to influence the assessments of senior leaders. Second, it demonstrates how organizational practices and time easily correct for any individual level biases. Finally, it calls into question the primary mechanism thought to generate cognitive biases: impressions generated via in person meetings.

Churchill stays the course despite troubling Personal Encounters In December 1943, the Heads of Government of the three Great Powers met at Tehran. From a planning stand-point the Tehran Conference was a huge success. The Three Powers resolved a series of underlying disagreements and settled demands that lay a political and military course for the rest of the war. The British and Americans agreed to a timeline to open a second front in Europe. The British also agreed in principle (and in secret) to accept many Soviet territorial demands, including in Poland. Stalin agreed in principle to enter the war against Japanese and to take part in the United Nations. Stalin further agreed to liberate the territories occupied by the Soviet Union in preparation for

peace. Finally, all agreed to a broad structure for occupying and governing Axis powers that conceded (including Italy).

Although Tehran was a success for the allies, it was less successful for Britain than the rest. Partially as a matter of policy, and partially to curry favor with Stalin, Roosevelt made a concerted effort to take Stalin's side on key issues. Roosevelt and Stalin held several private meetings (at the exclusion of Churchill) and stood together against Churchill on key decisions.

In addition, several encounters soured Churchill's opinion of Stalin. November 29 was an especially troubling day. In the morning, Churchill learned that the night before Stalin and Roosevelt had privately discussed the post-war status of India. Roosevelt believed that India should be remade, from the bottom up, in the image of the Bolsheviks. Both men quipped that Churchill would be very sensitive to the issue and it best be kept private till a later date.

In the afternoon, Churchill pushed to focus operations on the Mediterranean. Stalin explained that "The operations in the Mediterranean of which Churchill speaks are merely diversionary." He then made clear he mistrusted Churchill's intentions stating, "I would like to know if the British believe in Operation Overlord or simply speak of it to reassure the Russians." ¹²⁴. The British took Stalin's words to heart. Brooke wrote of Stalin's exchange, "I am absolutely disgusted with the politicians' method of waging war!!... It is lamentable to listen to them."

Over dinner that night a jovial discussion about what to do with the Germans at war's end turned sour. Stalin joked, "50,000 Germans must be killed. There General Staff must go." Churchill rose from his seat and paced for a minute in silence then commented, "I will not be part of any butchery in cold blood." Stalin repeated, "50,000 must be shot." Churchill stormed out of the room in anger. Stalin followed him and coaxed him back in. ¹²⁵

The dinner ended in good humor, but the day had taken a toll. Lord Moran went to check on Churchill a little after midnight and founding him drinking alone in a somber state. Churchill revealed, "I believe man might destroy man and wipe out civilization. Europe will be desolate and I might be held responsible." Lord Moran's analysis of Churchill's full position was that, "until he came here, the PM could not bring himself to believe that, face-to-face with Stalin, that the democracies would take different courses. Now he sees that he cannot rely on the president's

¹²⁴Proceedings of the Tehran Yalta and Potsdam Conferences, British National Archives, pp7-53. See also [Berthon and Potts \(2007, p223\)](#) for a qualitative description

¹²⁵[Moran \(2002, pp171-173\)](#)

support. What matters more, he realizes that Russians see this too. Stalin will be able to do as he pleases. Will he become a menace to the free world, another Hitler? The PM is appalled by his own impotence.”¹²⁶

Following the conference, Churchill flew to Cairo where he contracted pneumonia. For the next month, he lay bed ridden in Morocco, ill, disconnected from the War Cabinet and with Tehran fresh in his mind. If ever negative impressions should disrupt Churchill’s rational thinking, this was the time. Yet Churchill still believed he could cut deals with Stalin and still operated under the assumption that Stalin was motivated by security. In January, Churchill cabled Eden privately to raise the idea of granting additional concessions to the Soviet Union beyond what was offered at Tehran. He argued that the British should concede to Soviet demands in the Baltic states and Finland. These would alleviate all Soviet security concerns about British intentions and pave the way for peace.¹²⁷

These events demonstrate that in this example the political outcomes at Tehran and the general trajectory of Soviet behavior as consistent with its security aims trumped any concerns Churchill gathered from his meetings with Stalin. Of course, this is but one case. It is plausible that personal impressions matters more in other events or in other cases.

Eden waivers at the Pravda Incident In January 1944, the Soviet Newspaper Pravda, allegedly through their press correspondent in Cairo, published a report that representatives of Britain and Germany had met somewhere on the Iberian Peninsula to discuss a separate peace. The report led to anti-British sentiment in the Soviet Union and by communist supporters in Britain.¹²⁸ A Soviet Press attache revealed that orders came from the Kremlin to distribute the report widely. Further, the Foreign Office established that Pravda had no correspondent in Cairo.¹²⁹

To be clear, these events did not violate any specific agreement between the Russians and the British. Several interpreted the report as an attempt by the Kremlin to show they would not compromise over the Polish question.¹³⁰ Thus, the Pravda incident was a matter of tactics, not strategy. Per my theory, rational British leaders would not have read too much into them.

¹²⁶Moran (2002, pp171-173)

¹²⁷N665/506/59; WM(44)8; N506/506/59

¹²⁸N442/442/38

¹²⁹For a qualitative account see Woodward (1970a, pp104-110).

¹³⁰N451/442/38

Yet the events clearly frustrated British officials. The Foreign Office cabled the Russian Foreign Ministry to protest. They claimed that the report had global implications that damaged both Britain and Russia and fueled German propaganda. The British asserted the claim was totally baseless and asked the Russians what evidence they had of it.¹³¹ The Russians replied that there was no evidence. However, Pravda was an independent newspaper over which they had no control.¹³²

Churchill then sent a personal note to Stalin explaining that he had been “much impressed... by the extra-ordinary bad effects produced here by the Pravda story to which so much official publicity was given by the Soviet Government.”¹³³ He told Stalin that the incident soured the good will established by the Tehran Conference.¹³⁴ Stalin replied that Churchill should not put too much stock into the writings of an unofficial newspaper over which the Soviet government has no editorial control.¹³⁵

The whole incident outraged many at Whitehall. In an internal memo, Churchill wrote that although he had tried to put his sympathies in with the communist leaders, “he could not feel the slightest confidence in them.”¹³⁶ He said, “trying to maintain good relations with a Communist is like wooing a crocodile... When it opens its mouth you cannot tell whether it is trying to smile or prepare to eat you up.”¹³⁷ Churchill was concerned by the incident but ultimately thought it had no real bearing on the long-term trajectory of Anglo-Soviet relations.¹³⁸

Yet the event had a different effect on Anthony Eden. In April 1944, Eden wrote to the War Cabinet, “But I confess to growing apprehension that Russia has vast aims, and that these may include the domination of Eastern Europe and even the Mediterranean and the ‘communising’ of much that remains.”¹³⁹

Although this behavior is damning for my theory, it is short lived. In response to Eden’s comments, Wilson circulated a memo to the Foreign Office and the War Cabinet that made clear Soviet behavior was still consistent with a desire for security. He reminded the War Cabinet that, “fear of a united Europe rather than a desire to dominate must be a major influence in [Russia’s]

¹³¹N1021/442/38

¹³²N525/442/38. It was widely believed that the Kremlin had complete control over what Pravda published.

¹³³T130A/4/396 Churchill Papers

¹³⁴T130A/4/396 Churchill Papers

¹³⁵T1179/4/396 Churchill Papers

¹³⁶N2128/36/38

¹³⁷Quoted in Bryant and Alanbrooke (1974, p140).

¹³⁸N2128/36/38

¹³⁹N1908/36/38

attitude towards Europe,” and the likely explanation for the Pravda incident.¹⁴⁰ The memo received concurrence from Jebb, Cadogan and Sargent before it was sent to Eden. Eden concurred with Wilson’s finding. By the end of June, Eden had reversed his opinion in line with Wilson’s. He wrote to Churchill that “we should not regard as inevitable a clash of interests,” with the Soviet Union.¹⁴¹ By the time Churchill visited Moscow in October, the entire incident was long forgotten and his assessment again centered on Soviet security interests.¹⁴²

6.3.3 Inference

The Pravda incident illustrates that domestic institutions surrounding debate and consensus serve as an important check on elite misperceptions. In this example, the British internal cabling system compelled Eden to publicize his assessment to a broad group of analysts. Those analysts felt free enough to debate the merits of Eden’s position. All it took was a well-reasoned argument by a (relatively) junior Foreign Officer, four full ranks below Eden, to influence the foreign minister’s assessment. Within less than a month, Eden’s opinion was returned to the rational baseline. This general practice of consensus and collaboration between all levels of government across several organizations demonstrates the real limitations of psychological bias to influence an assessment over key issues such as Soviet intentions.

6.4 The Moment of Truth

By January 1945, Italy had surrendered, the British had pushed back the Nazis in France and the Soviet Union had pushed through the Polish border.¹⁴³ With victory in Europe so close, the Great Powers agreed to meet again in Yalta (February, 1945) to discuss planning the post-war world. This period following the Yalta Conference marked the turning point in British assessments of Soviet intentions. Yalta “was the first time that the three leaders reached fundamental agreements on post-war problems as distinct from mere statements of aims and purposes.”¹⁴⁴ Therefore, it was the first time that the British saw details of Soviet post war planning.

¹⁴⁰N3554/36/38

¹⁴¹WP(44)304; R9092/349/67

¹⁴²T1828A/4, Tel. 3217 to Moscow (Prisec Churchill Papers/434); JIC(44)395(O) (Final; PMM D(O)1/4); T1840/4/434 No 789, Churchill Papers; T1848/4/434 No 625, Churchill Papers; T1872/4/434, No 790 Churchill Papers; T1881/4/434, No. 626, Churchill Papers; T1891/4/434, No. 791, Churchill Papers

¹⁴³CAB/66/61/31

¹⁴⁴Stettinius (1949, p3)

From the point of view of my theory, this period marked a critical juncture for British assessments of Soviet intentions because it was the first time that Stalin had the opportunity to take concessions beyond what could be plausibly argued as security seeking. The Red Army had occupied Poland, Rumania, Northern Iran, Bulgaria and other parts of Eurasia by 1945. At the very least, Russia could simply refuse to withdraw its forces from these areas. But once Germany surrendered, Russia was less restricted by its reliance on Western material support. Thus, between these conferences, Stalin was forced to choose between making more demands and concealing his aggressive intentions.

As we shall see, Britain thought that even in the best case, Russia would want some concessions that conflicted with British interests. Britain accepted that they would need to make concessions to achieve peace. The important question was how extensive were Soviet demands. Here I argue that the answer to this question hinged on beliefs about Soviet intentions. The British believed that if Stalin truly valued security, an Anglo-Soviet accommodation could be reached. However, if Stalin wanted more, than the British were best off resisting Stalin's demands.

In this section I focus on the specific updating procedures that each analyst used to shift their assessment. I find that analysts come to mistrust Stalin's intentions at different points in time. However, the logic of consistency between words and deeds is the dominant assessment method. Those that grew alarmed early point to Soviet behavior as a clear sign that Stalin does not want security, and therefore argue that Stalin must be motivated by something more menacing. Those that did not update argued that Soviet behavior was not necessarily inconsistent with security seeking motives. They always offered a plausible justification for how Soviet behavior fit within Stalin's original demands. The point is that the cleavage is always: are these events inconsistent with security motives?

6.4.1 Understanding Stalin as a Security Seeker and the Inevitable Conflict in Interest

During 1944, a number of reports were circulated about what the Soviet Union would plausibly ask for if it truly wanted security. This effort culminated in a December 1944 report by the Joint Intelligence Committee, the peak war-time intelligence body titled, "Russia's Strategic Interests

and Intentions from the Point of View of Her Security.” The “hugely detailed”¹⁴⁵ report provide information on Russian economic production and resources, post-war intentions towards the Allies, smaller states in Europe, the Middle East and the Far East. The 30-page assessment included an analysis of Soviet diplomatic, political and military trends with three annexes that focused on different aspects of Soviet behavior. The report was approved by the Foreign Office and the Chief of Staff Committee (COC) and sent to the War Cabinet and prime minister.¹⁴⁶

The JIC judged that at minimum, “in order to achieve the greatest possible security Russia will wish to improve her strategic frontiers and to draw the States lying along her borders, and particularly those in Europe, into her strategic system. Provided that the other Great Powers are prepared to accept Russia’s predominance in these border States and provided that they follow a policy designed to prevent any revival of German and Japanese military power, Russia will have achieved the greatest possible measure of security and could not hope to increase it by further territorial expansion. Nor is it easy to see what else Russia could under such conditions hope to gain from a policy of aggression.”

The report identified that “Russia would regard Finland, Poland, Czechoslovakia, Hungary, Romania, Bulgaria and to a lesser extent Yugoslavia as forming her protective screen. She will, however, probably regard Norway and Greece as being outside her sphere.” It claimed that Russia would directly involve itself in the internal affairs of these states.¹⁴⁷ Further, the Soviet Union would demand territorial concessions from Poland up to the Curzon Line. The JIC argued that Russia would participate in a World Organization so long as the organization granted Russia enough autonomy in its periphery to guarantee Soviet security. Further the JIC judged that Russia would take measure to protect oilfields in the Caucuses and maritime routes in the North and Black Seas including bases to monitor Northern Persia and Azerbaijan. However, political control over these areas would be beyond Russia’s interests in security.

Although the JIC does not explicitly state how it arrived at these conclusions, the detailed appendices suggest that it considered three types of information. First, members of the JIC used deductive logic to determine where Soviet strategic choke points were based on expert knowledge of

¹⁴⁵Goodman (2014)

¹⁴⁶The fact that these reports emerge at all is supportive of my theory. No reports, for example, emerged that looked at what the Soviet Union would want if it was motivated by nationalism. See Goodman (2014); Aldrich et al. (2014) for more details.

¹⁴⁷It did not say to what extent.

military and economic warfare. Second, they read the history of Soviet invasions to identify points where the Soviets had previously experienced security threats. Finally, they considered issues that Stalin and Molotov and lower level Soviet military leaders had raised about their own security during engagements with allied forces.

6.4.2 Implications for Negotiations between the Western Allies and the Soviet Union

By the JIC assessment, Russian interests would conflict with the Western Allies even in the best-case scenario. Three important areas for concern were Poland, global governance and the treatment of occupied states in Europe.¹⁴⁸

British and Soviet preferences were furthest apart over Poland. Britain had entered the war in defense of Poland. The Polish government in exile was stationed in London (referred to as the London Poles) and Britain had vowed to return Polish sovereignty at the war's end with the London Poles at the helm. Poland was also a critical issue for the Soviet Union. Stalin invaded Poland in 1939 and captured Polish territory East of the Curzon Line. During the war, Stalin had made clear he considered that territory to be part of the Soviet Union. During the war, a group of Polish Communists (known as the Lublin Poles) fought against the German occupying force. In 1944, Stalin recognized the Lublin Poles as the provisional government of Poland.

The deadlock lay between the London Poles on one side and Stalin and the Lublin Poles on the other. Diplomatic relations were severed repeatedly during the war. Adding fuel to the fire, evidence emerged in 1944 that the Red Army had massacred a whole village of Polish citizens during their occupation of Eastern Poland, leading the London Poles to accuse Russia of war crimes. In response, Stalin and the Lublin Poles called members of the exiled government anti-Russian and Fascist sympathizers.¹⁴⁹

The British were caught in the middle. The British saw the Lublin Poles as a Soviet puppet and would not recognize them as the leaders of a provisional government.¹⁵⁰ Britain wanted a provisional government headed by the London Poles to administer services before a prompt election. They further wanted British and American observers in Warsaw. Thus, on the issue of provisional

¹⁴⁸There were several other disagreements including the treatment of Germany, prisoner exchange protocols and the war in Asia. I choose these three because they shed light on my question. The British and American account of Yalta is available should a reader want more information. For a more detailed account, see Harbutt (2010).

¹⁴⁹CAB/66/61/2, Report: The Polish Provisional Government.

¹⁵⁰CAB/65/51/12, Minute 3.

governance, the British sided with the London Poles. However, Churchill was willing to make concessions on Polish borders.¹⁵¹ Russia had a strong historical claim to the region. Further, the Red Army was already in position of Eastern Poland. If Stalin did not want to leave, it would be near impossible to force him.¹⁵²

A second concern was the post-war international order. Roosevelt believed that power politics had caused conflict in Europe. He wanted to avoid a world system where Great Powers operated spheres of influence. Instead, he envisioned an International Organization where the Great Powers would jointly settle all international disputes.¹⁵³

At Tehran, Stalin had indicated he would join Roosevelt's world organization, subject to some administrative changes. However, he also made clear his desire for influence in states along Russia's periphery. Stalin claimed he would accept strong democratic governments in Eastern Europe. However, at a minimum, Stalin wanted to exclude political parties that spoke out against the Soviet Union. It was unclear how much influence would satisfy him. The Western Allies worried that Stalin wanted significantly more control.

Churchill's position was between these two. Churchill wanted independent, democratically elected governments in Europe and was willing to join a world organization that protected these rights for all. However, he wanted Britain to have a larger say than the other Great Powers in the affairs of Greece, the Lowlands, India, Egypt and elsewhere. He accepted Stalin would want the same in Eastern Europe and the Baltic states.¹⁵⁴

This general discussion about world order had a direct application in the administration of the liberated states of Eastern Europe. At Tehran, the Great Powers had agreed that the liberated states (and most that surrendered) would hold democratic elections to elect representative governments once the war was over. In the meantime, the Great Powers would implement Control Commissions to administer services during the war. In theory, each Control Commission would include members from all three Great Powers. But in practice, three-way consensus was difficult to implement. In Eastern Europe, the Soviet representatives, made unilateral decisions without consulting the Western Administrators. When the Allies protested, the Soviets replied that swift,

¹⁵¹CAB/65/51/10, Minute 1.

¹⁵²CAB/66/63/12 Record of the Political Proceedings of the "Argonaut" Conference held at Malta and in the Crimea. p2

¹⁵³Harbutt (2010)

¹⁵⁴Buhite (1986)

unilateral actions were necessary to wage their campaign against the remaining Axis Forces.

In many cases, Soviet military concerns were legitimate. However, Churchill and Roosevelt worried that Soviet policy overwhelmingly favored far left-leaning political parties. The Western allies worried that this may unfairly influence elections after the war was over. More broadly, the Western allies were concerned that Stalin would maintain his strangle hold in Eastern Europe once the war was over. Indeed, the assessment of Stalin's intentions from the point of view of his security suggested that tight Soviet control was plausible. As a result, the Western Allies were unsure if they could prevent the Soviet Union from creating a sphere of influence and worried about the amount of influence the Soviets would demand.

6.4.3 The Yalta Agreement and the Optimism that Followed

The status of Poland was the most contested issue at Yalta. It was discussed at 7 of the 8 plenary sessions.¹⁵⁵ To wrest concessions from Stalin, Churchill appealed to British prestige. He argued that he could not tell the British people that he had conceded on the very issues that induced Britain to enter the war. Stalin replied that for Russia, Poland was a "question of security, not only because Poland was on the frontiers of Russia, but because throughout history Poland had been a corridor through which Russia's enemies had passed to attack her. During the last thirty years the Germans had twice passed through this corridor. They passed through because Poland had been weak. Russia wanted to see a strong and powerful Poland so that she would be able, of her own strength, to shut this corridor."¹⁵⁶ Stalin further argued that Russia had a right to a strong Poland friendly to Russian interests. He claimed that many of the London Poles had shown a dislike for the Soviet Union. To that end, the Russian delegation proposed a provisional government that was an expansion of the Lublin Poles that included some London Poles friendly to Soviet interests. They further stated that elections could be organized within a few months and so the effect of the provisional government would be minimal.¹⁵⁷

Consistent with my theory, Churchill was largely persuaded by Stalin's argument based on security.¹⁵⁸ He noted that Stalin's claims over Poland were based on right and not force. However,

¹⁵⁵ Churchill (1966, p16)

¹⁵⁶ CAB/66/63/12, p30

¹⁵⁷ CAB/66/63/12, p71

¹⁵⁸ Churchill (1966, p16)

several concerned remained. Churchill claimed that the Lublin Poles were not popular in Poland and inexperienced in political matters. Accepting an expansion of the Lublin Government would be tantamount to recognizing the Lublin Government, which neither he, nor the London Poles could not accept. Churchill suggested a *reorganization* of the Polish government that included the London Poles.¹⁵⁹

In the end, the English translation of the Yalta Communique read “The Provisional Government which is now functioning in Poland should therefore be reorganized on a broader democratic basis with the inclusion of democratic leaders from Poland itself and from Poland abroad... M. Molotov, Mr. Harriman and Sir. A. Clark Kerr are authorized as a commission to consult in the first instance in Moscow with members of the present Provisional Government and with other Polish democratic leaders from within Poland and from abroad.”¹⁶⁰

The discussion on Eastern Europe was much shorter because there was little disagreement between the Great Powers. The British reaffirmed their preference for the European Control Commissions to govern liberated states in Europe.¹⁶¹ But the British and Americans acknowledged that the actual “executive and administrative work of the Control Commission will be a matter to be settled on the spot.”¹⁶² The implication being that the Soviets would govern the areas they liberated. However, the British and Americans would have a right to membership of any sub-committee or executive organ.¹⁶³

Stalin agreed. He affirmed that he would support free local elections for independent governments once the war was over. However, he noted that three-party consultation was cumbersome. He argued that victory against Hitler was the primary objective and local politics could not slow the Soviet advances.

Finally, Stalin agreed that Molotov would attend the Conference at San Francisco to establish the World Organization. He conceded to American preferences for most of the administrative procedures that would govern the conference, who should attend, and the appropriate voting protocol for the Security Council.

¹⁵⁹CAB/66/63/12, p67

¹⁶⁰The Yalta Communique

¹⁶¹CAB/66/63/12, p63

¹⁶²CAB/66/63/12, p108

¹⁶³Buhite (1986)

6.4.4 Assessment of Soviet Intentions at the End of Yalta

The Yalta Conference was hailed as a huge success. *The New York Times* reported that the agreement will “justify and surpass most of the hopes placed on this fateful meeting, and in their aims and purposes they [the Big Three] show the way to an early victory in Europe, to secure peace, and to a brighter world.”¹⁶⁴ In a speech to the House of Commons two days after he returned from Yalta, Churchill proclaimed, “The Crimea Conference leaves the Allies more closely united than before, both in the military and in the political sphere... Marshal Stalin and the Soviet leaders wish to live in honorable friendship and equality with the Western democracies. I feel that their word is their bond. I know of no Government which stands to its obligations, even in its own despite, more solidly than the Russian Soviet Government.”¹⁶⁵

6.4.5 Discussion

Going into the Yalta Conference, the British understood that even if the Soviet Union was motivated by security, that they had some conflicting objectives. Stalin would use his increasing military power to press for his ideal policy. The Western allies were broadly uncertain about two things: (1) If Stalin truly wanted security, what was his ideal outcome over the territories he had identified as important and how much was he willing to compromise on these issues; and (2) did Stalin truly want security?

Consistent with my theory, British elites and intelligence sub-committees assessed the specific issues and territories that Stalin would want if Stalin was motivated by security. Based on these assessments, policy-makers identified where British and Soviet interests would conflict and developed diplomatic strategies to achieve as many British interests as possible given what a security seeking Stalin would ask for.

It is further notable that Yalta was not the first high-level conference but the first to elicit such an optimistic assessment of Soviet intentions. Indeed, Churchill had conceded on the Polish question, Britain’s most critical interest. Further, Churchill recognized the parallels to Munich stating, “Poor Neville Chamberlain believed he could trust Hitler. He was wrong. But I don’t

¹⁶⁴Quoted in [Stettinius \(1949\)](#)

¹⁶⁵Churchill, Hansard Record of the House of Commons. February 27, 1945.

think I'm wrong about Stalin.”¹⁶⁶ Why was Churchill so optimistic? Churchill would later reflect on this question in his memoirs. He claimed that his confidence in Stalin's limited intentions was based on what Stalin did not ask for. Stalin did not haggle over Poland, Greece or World Governance during the Yalta Conference.¹⁶⁷ Further, Stalin did not revive demands in Persia.¹⁶⁸ Stalin did not press beyond what was reasonably required for Soviet security, or use these issues as bargaining chips, even though he could have. In the words of the Deputy Prime Minister, “ample elbow-room had been retained.”¹⁶⁹ The British analysis of Yalta suggested that Stalin could have demanded much more in the name of security. Ultimately, it was Stalin's restraint that made Churchill optimistic.

This dynamic is precisely what my theory expects. Defenders reserve judgment until a point where the Challenger has achieved all the concessions implied by her limited demands. At that point, if the Challenger stops making demands and integrates into the world system, the Defender increases his confidence that the Challenger's aims are limited. It was precisely this logic that made the prime minister optimistic. He pointed specifically to what Stalin did not ask for as a sign of Stalin's limited aims.

6.5 Events in Poland and Eastern Europe: February-July 1945

Less than three weeks after the Yalta Communique was released, Molotov rescinded Soviet commitments over Poland. Under the British interpretation of Yalta, British Ambassador Clark Kerr, American Ambassador Harriman and M. Molotov would facilitate a conference between the London and Lublin Poles in Moscow to form a Provisional Government Poland. This was the first step towards free and elections for an independent Polish Government. The first meeting was on February 23rd. Per the Yalta Agreement, Clark Kerr submitted a list of eight London Poles to Molotov that Britain wanted at the conference to decide the fate of Poland .¹⁷⁰

The next day, Molotov told Clark Kerr that he had consulted the Lublin Government about his list, and they would not accept 7 of the 8 names proposed. “In short, the men of Lublin, now installed in Warsaw by the Russians, must have veto power over invitations to any Poles outside

¹⁶⁶Quoted in [Nicolson and Nicolson \(2004, entry 27 Feb, 1945\)](#).

¹⁶⁷[Churchill \(1966, pp26-27\)](#)

¹⁶⁸CAB/66/63/12, p63

¹⁶⁹CAB/65/51/18, Minute 5

¹⁷⁰[Harriman et al. \(1975, p246\)](#)

their own circle.”¹⁷¹ Clark Kerr explained that the Yalta Agreement did not give the Lublin Poles the right of consultation. After some debate, Clark Kerr agreed to present the Soviet formulation to the War Cabinet but explained it would certainly be rejected.¹⁷² At the same time, troubling reports reached London that Polish citizens who opposed the Lublin regime had gone missing inside Poland.¹⁷³ Following these events, Churchill and Roosevelt sent a joint letter to Molotov on March 19 that affirmed Clark Kerr’s protest.¹⁷⁴ Molotov argued that the Western interpretation was “entirely incorrect.” Molotov then presented the Russian translation of the Yalta Agreement that read, “... are authorized as a commission to consult in Moscow with members of the present Provisional Government *in the first instance* and with other Polish democratic leaders from within Poland and from abroad.”¹⁷⁵ He stated that based on the Russian translation that the Lublin Poles should form the “nucleus” of the new government of national unity.

Unsure if Molotov’s position reflected Stalin’s, Roosevelt and Churchill wrote Stalin directly on March 29. The letter, delivered April 1st, made clear that they could not accept the Lublin Government at the center of a Polish Administration. Churchill stated that he would be forced to report the situation to the House of Commons if Stalin did not change his position within a fortnight. Stalin responded on April 7. In a “thinly veiled threat”¹⁷⁶ Stalin claimed that the “question of Poland is for the security of the Soviet Union what the question of Belgium and Greece is for the security of Great Britain.”¹⁷⁷ Despite the tone of the message, Stalin yielded somewhat to Churchill’s demands. He promised to use his influence with the Lublin Poles to alter their objections.¹⁷⁸ Ultimately, the most important members of the London Poles were invited to Moscow. However, the conditions were very different than what Churchill thought he had agreed to at Yalta. It was clear that the Lublin Poles would form the basis of government in Poland.

Events in Eastern Europe raised further alarm. On February 19, the Soviet Union orchestrated a coup against the Allied-appointed provisional government in Romania. The Soviets then pressured King Michael of Romania to fill the vacancy with the leader of the Communist party.¹⁷⁹ By early

¹⁷¹Harriman et al. (1975, p246)

¹⁷²CAB/65/51/26, WM(45) Minute 5

¹⁷³Harriman et al. (1975, p246)

¹⁷⁴of Foreign Affairs (1957b, Cable Delivered March 19)

¹⁷⁵Quoted in Harriman et al. (1975, p429).

¹⁷⁶Kitchen (1986, p253)

¹⁷⁷Woodward (1970a, p530)

¹⁷⁸of Foreign Affairs (1957b, Cable Delivered April 7)

¹⁷⁹Lynn (2013, p151)

March, the communist party in Bulgaria had taken control. They had used militias “to intimidate, arrest and kill opponents of the Communists.”¹⁸⁰ Intelligence strongly suggested that the unpopular Communist Party would rig the forthcoming election to guarantee victory. The Foreign Office and JIC assessed that “the Bulgarian Communists have received great encouragement and at least moral support from the Soviet authorities and from the presence of the Soviet army of occupation.”¹⁸¹ A similar situation arose shortly thereafter in Hungary.¹⁸² The British government protested over these issues but received no response. The view in Moscow was that Britain should not be involved where Soviet core interests are at stake.

It was not all bad news, however. The Soviets showed considerably more restraint with states further afield. As late as July, anti-Soviet political leaders in Finland “continued to play a part in Finnish politics, there is no evidence that the Finnish Communists’ demands... have been encouraged by the Soviet authorities.”¹⁸³ Although the Soviet authorities were actively engaged in media censorship in Northern Persia, it was largely consistent with their views on free press. Further, the Soviets had stayed within the guidelines laid out for their Control Zone of Persia.¹⁸⁴

The final cause for concern came from Soviet participation in the World Organization. Specifically, Molotov withdrew his participation from the Conference in San Francisco. The Soviets would send their Ambassador to the United States Gromyko in his place. Ultimately, Roosevelt’s untimely death prompted Molotov to attend the Conference. However, it was clear his intention was to skip it.

6.5.1 British Assessments of the Soviet Union July 1945

Following these events, new debate arose about Soviet long-term intentions. In general, there were three views. An alarmist group argued that Stalin had exposed his true aggressive intentions. A second group called for calm. They argued that Stalin’s behavior was still consistent with security. In the middle, were a group who called for calm about Stalin’s interests, but believed that Stalin did not value Great Power agreements and that he would pursue unilateral policies within

¹⁸⁰CAB/66/63/29

¹⁸¹CAB/66/63/29

¹⁸²FO371/47897 Jul. 20, 1945

¹⁸³FO371/47897 Jul. 20, 1945

¹⁸⁴FO371/47897 Jul. 20, 1945

his sphere of influence.¹⁸⁵

The alarmist group argued that Soviet behavior was the first signal of aggressive long-term intentions for three reasons. First, Soviet behavior was consistent with authoritarian tendencies to expand empire. As O'Malley explains, "When we consider the arrogant and aggressive character of the Soviet system... I think that we must conclude that this tension must end in a retreat by one side or the other in conflict with ourselves... the fact is that the Soviet Government has not hitherto been given any compelling reason to suppose that we should insist on it moderating its ambitions and behavior."

Second, they argued that the way in which the Soviets expanded into Eastern Europe reflected a strong adhesion to Marxist ideology. Recent events made clear that "Stalin regards himself as the infallible interpreter of Marxism. To Bolsheviks Marx is almost as great a hero as Lenin.... His whole belief in the social revolution was based on the theory that the smaller must be merged in the greater. It would therefore seem foolish for us to ignore the influence of Marx on Russian policy today."¹⁸⁶

Third, alarmists argued that "the internal history of Russia has been for centuries a fluctuating struggle between the European minded and the Asiatic minded schools... The idea of Russia's predestined role as a mother-state is a heritage from Byzantium... The Bolsheviks therefore have an historical motive or impulse for expansionist policies. It can be and is very easily harnessed to the Marxist motive."¹⁸⁷

In June 1945, the Post Hostilities Planning Committee (PHPC) presented these, and other alarmist assessments, to Cabinet in a single Report.¹⁸⁸ The report argued that Britain should sustain defense spending and forward deployed forces, and seek broad alliances with Germany and the United States to prevent Russian aggression. Yet even for the PHPC, "the tone of the paper was quite different from earlier studies. In all previous papers, it had always been stressed that the best defense against the Soviet Union was to maintain friendly and cooperative relations with her... Now the argument had been dropped, and the possibility of a global conflict with the Soviet

¹⁸⁵The difference between the middle and the call for calm group is one of emphasis. For my purpose, they basically reach the same assessment. However, historians typically describe these as three different positions.

¹⁸⁶FO/371/50912 Lockhart's Minute, Apr. 11 1945

¹⁸⁷FO/371/50912 Lockhart's Minute, Apr. 11 1945

¹⁸⁸CAB81/46/PHP (45)29(0) (Final)

Union was taken very seriously.”¹⁸⁹

At the other end of the spectrum, several analysts called for calm. While recent events concerned them, they argued that the Soviets “intend, however, to secure their own essential interests, and in particular to buttress the Russian frontiers against any possible renewal of German aggression...”¹⁹⁰ They argued that the Soviets do not care about British interests in Eastern Europe at all, “But this should not, I think, be interpreted as a sign of hostility to the west or as a danger signal for the future,”¹⁹¹ because Soviet behavior was still consistent with security.

Responding to the alarmist claims, those that called for calm acknowledged that Soviet behavior was consistent with authoritarian and communist designs. However, “Soviet Russia now fears a world coalition of the liberal Powers and the revival of Germany as a liberal Power... Stalin, however, does not necessarily intend to obtain his security by territorial conquest, as Hitler wanted to. He may well prefer to obtain it by creating what might be termed an ideological Lebensraum in those countries which he considers strategically important.”¹⁹²

They further noted that Soviet behavior outside their immediate sphere of influence supported this conclusion. “Russia policy, however distasteful it may be to us... has the air of remaining a policy of limited objectives... in the case of Greece, they have refrained from intervention and shown what is for them extreme moderation... [In Persia] they have in fact refrained from reviving their demands for oil concessions and they seem to have realized that the independence of Persia is a matter of vital importance.”¹⁹³

A few even argued that there may have been a genuine misunderstanding about the status of Poland in the Yalta Agreement. One interpretation argued that Stalin and Molotov “may have got the impression that we might be satisfied with their interpretation of the Yalta Agreement as a means of cleansing ourselves of our commitments to Poland.”¹⁹⁴ Therefore, Stalin’s new position reflected what he thought was a tacit understanding.

The balance of opinions lay between these two. Most analysts noted that these actions did not rule out that the Soviet Union sought limited interests based on security. However, these

¹⁸⁹Kitchen (1986, p261)

¹⁹⁰Clark Kerr’s opinion: FO 371/47076 Apr. 16, 1945

¹⁹¹Clark Kerr’s opinion: FO 371/47076 Apr. 16, 1945

¹⁹²Orme Sargent’s assessment: FO/371/50912 Jul. 11 1945. Affirmed by A. Cadogan, B. Locheart.

¹⁹³Clark Kerr’s assessment: FO371/47941 Mar. 27, 1945

¹⁹⁴Clark Kerr’s assessment: FO371/47941 Mar. 27, 1945

analysts placed more emphasis on what recent events meant for future negotiations. As Roberts outlined in a discussion on Eastern Europe, “The realistic rulers of Soviet Russia, who are not used to compromise or concessions, as these are understood in the West, are determined to be the masters in neighboring countries, and to ensure that there are no rival influences which the local Governments can play off against them. We must, therefore, I fear, expect to meet with many difficulties and disappointments even in securing and maintaining normal representation, and still more in making British influence felt in these countries.”¹⁹⁵

Churchill, who also subscribed to this middle ground assessment, was most alarmed by the intense secrecy that surrounded Soviet behavior in Eastern Europe. In an outburst, over a private luncheon,¹⁹⁶ he argued that the Soviets had caused some concern “by dropping an iron screen across Europe from Lubeck to Trieste behind which we had no knowledge of what was happening. All we know was that puppet governments were being set up about which we were not consulted, and at which we were not allowed to peep... All this was incomprehensible and intolerable.”¹⁹⁷

The dominant view, and the view held by the prime minister, reflected the average assessment before the Yalta Conference. Some Soviet behavior was concerning, but it was too early to tell what it meant. To make a proper assessment they needed more information. Ultimately, the prime minister and the Cabinet “regarded their Soviet comrades-in-arms with apprehension but without hostility... The British government was not unduly concerned. The Soviet Union appeared to be pursuing its legitimate security interests, albeit in an often-heavy handed way... The Soviet Union as seen as a pragmatic and autocratic power, obsessed with its security, and bent on attaining traditional Russian goals... For the British, this state of affairs gave little grounds for optimism, but also no reason for despair.”¹⁹⁸

6.5.2 From Divergence to Consensus: V.E Day to the Iran Crisis

As events unfolded, analysts one by one came around to the alarmist view. As my theory expects, analysts adjusted their opinions about Soviet intentions following events that clearly implied that the Soviet Union’s interests were something more than security. In this section, I observe

¹⁹⁵Roberts’ assessment: FO371/48928 Apr. 21, 1945

¹⁹⁶Churchill thought the discussion was private. It was later recounted by his lunch guest. It was noted Churchill had been drinking.

¹⁹⁷Prem 3 396/12

¹⁹⁸Kitchen (1986, p269)

events that changed British assessments and those that failed to.

Continuity in Assessments and leadership Change Victory in Europe meant that the post-war international order was now starting to take shape. The Allies would soon occupy Germany, begin to normalize their relations with the other Axis powers, end their military occupations and return sovereignty to most of Europe. Yet given the events after Yalta, the Western Allies were deeply uncertain about how peace would be implemented. To complicate matters further, President Roosevelt died just before Germany's surrender. With all this uncertainty, the Big Three agreed to another meeting at Potsdam in July and August to clarify their post-war policy. Further uncertainty was thrust upon them the first day of the Potsdam conference. Churchill was defeated in a general election and replaced by a new prime minister, Clement Attlee, and a new foreign minister, Ernest Bevin.¹⁹⁹ Thus, Potsdam was the first time that Truman, Roosevelt and Attlee met.

Ultimately, no British assessments of Soviet intentions change following Potsdam. Stalin continued to push his position in Poland and Eastern Europe. However, he affirmed that he would withdraw from Iran, honor the German Zones of Occupation policy discussed at Yalta, and participate fully in the United Nations. He also committed to repatriate British prisoners of war promptly that the Red Army freed in Eastern Europe and Germany.²⁰⁰

One might wonder if the change in British leadership affected Britain's assessment of Soviet intentions. This may be the case because Attlee and Bevin had different strategies and assessment protocols from Churchill or Eden, or because they had not yet developed a rapport with Stalin, and therefore the new nature of their meeting affected their assessment. Put another way, if Churchill and Eden had represented Britain at Potsdam, would Britain's assessment have differed?

Three pieces of evidence suggest that leadership change had little effect. First, Churchill had gone to great lengths to coordinate his policy with Attlee in the event of a leadership change. "The change in the British representation did not mean a break in the continuity of British policy. At the prime minister's invitation Mr. Attlee had attended the earlier meetings of Conference; he and Mr. Bevin had been members not only of the War Cabinet but of the Armistice and Post-War Committee. They knew the background of the questions in dispute at the Conference and had

¹⁹⁹Attlee arrived on July 26, the conference started on July 17.

²⁰⁰This was a reciprocal agreement. The British agreed to return Soviet prisoners they freed.

approved of the general instructions and briefs given to the British Delegation.”²⁰¹

Second, both British governments had nearly identical foreign policies. In the first foreign policy debate in Parliament following the election, in August 1945, Eden praised Bevin’s performance at Potsdam. He then recalled serving on the War Cabinet with Bevin. “During that period, there were many discussions on foreign affairs I cannot recall one single occasion when there was a difference between us. I hope I do not embarrass the Foreign Secretary when I say that.” Bevin agreed with Eden’s assessment.²⁰²

Third, all four leaders had full access to the minutes and secret details of the Potsdam Conference. The assessment of all four leaders following Potsdam largely reflect their assessments before Potsdam. Thus, the conference had the same impact on all of them (which is to say no impact). At lower ranks, Atlee retained the same foreign policy, intelligence and military staff. Consistent with the new leadership, none of these officials altered their assessments in the aftermath of Potsdam.

6.5.3 The Foreign Ministers Conference at London and Moscow

To implement the agreements reached at Potsdam and Yalta, it was decided that the foreign ministers of the five permanent members of the Security Council would to meet regularly and discuss the details of implementation. The first meeting took place in London in September, 1945.

The London meeting ended in complete deadlock with Molotov on one side, and the Western ministers, Bevin and Byrnes, on the other. The main issue was procedural. The Potsdam Conference specified that only the foreign ministers of the three Great Powers had a right to settle all questions. Other powers would participate either by invitation of the Great Powers, or on issues that directly related to them. At the first meeting, Bevin asked if the foreign ministers from France and China had a right to vote in addition to their right to “attend all meetings and participate in all discussions.”²⁰³ Byrnes and Bevin strongly supported the inclusion of France in the discussion on Europe. Molotov would not discuss it. Instead, he deferred the broader question about participation rights. At the thirteenth meeting Molotov raised an objection to the French Minister attending a discussion on Finland. Following a protest from Bevin, the issue was not discussed.²⁰⁴

²⁰¹Woodward (1970c, p409)

²⁰²Hansard Record of the House of Commons, August, 1945.

²⁰³Proceedings of the London Conference of Foreign Ministers, 1 Sep-2 Oct. First meeting of the Council, 11 Sept. 4 pm.

²⁰⁴Proceedings of the London Conference of Foreign Ministers, 1 Sep-2Oct. Thirteenth meeting of the Council, 20

French participation was revisited repeatedly over the following fortnight. Bevin was unwilling to continue without the French in the room and Molotov refused to yield. At this impasse, the foreign ministers concluded the conference with no agreement.²⁰⁵

Amidst the discussions, two other issues troubled Bevin. First, Molotov argued that Russia was vulnerable to port closures in the Mediterranean. Thus, to protect its interest in sea lanes on inland waterways, Russia required a Naval Base in Turkey at the mouth of the Mediterranean. Second, Molotov advanced Soviet claims for a Trusteeship over the Italian colony of Tripolitania. Molotov argued that this would help safeguard Russian commercial interests in the Mediterranean. Further, he argued that Russia had suffered considerable losses at the hands of Italian soldiers. Thus, Russia was entitled to reparations from Italian interests. These issues were not resolved before the conference was completed.²⁰⁶

Until that point, Bevin had not directly challenged Molotov on Soviet intentions. However, disturbed by these issues, Bevin confronted Molotov on September 23rd. Bevin stated that “the whole European problem was drifting into the same condition as that which we had found ourselves in with Hitler. He was most anxious to avoid any trouble about our respective policies in Europe... He wanted to get into a position in which there was not the slightest room for suspicion about each other’s motives. M. Molotov had quite rightly said that he wanted friendly neighbors and security in the east of Europe.” The Secretary of State then made two points to illustrate the kind of doubts he felt. He noted that Stalin had specifically stated that Russia had no interest in the Mediterranean. But Molotov’s policy differed. He could not understand Russia’s claims over Tripolitania and the inland waterways. Molotov replied that there was “room for an agreement,” at least as far as these issues went. However, Molotov would require more detailed discussions with Moscow before he could commit to an agreement.²⁰⁷

The foreign ministers met again at Moscow in December. All the same issues were raised and Molotov maintained a hard line on many of them. However, both Bevin and Byrnes were able to find much more common ground in their conversations with Stalin. In the end, Stalin acceded to

Sept. 11 am.

²⁰⁵Proceedings of the London Conference of Foreign Ministers, 1 Sep-2Oct. Thirty third meeting of the Council, 2 Oct. 11 am.

²⁰⁶Messer (1982)

²⁰⁷Proceeding of the London Conference of Foreign Minister’s FO 371/50992, Sep 23, 1945 (afternoon session)

all British demands that lay outside Eastern Europe and the Baltic states.²⁰⁸

Assessment of Soviet Intentions Public reports described the breakdown of the London Conference as a catastrophe. The events moved some in the Foreign Office and the Intelligence Community over to the alarmist camp. These elites argued that during the war Russia, was reliant on the British. But now the war was over, Britain was left weak and Russia had a free hand. The demands in the Mediterranean therefore reflect true Soviet intentions unfettered by the constraints of war.²⁰⁹

However, many still called for calm. They pointed out that Molotov's demands for concessions in the Mediterranean may reflect Russian bargaining "tactics" rather than a deeper "strategy."²¹⁰ Some argued that Russian demands in the Mediterranean were "put forward in order to strengthen their bargaining position in other directions."²¹¹ Similarly, others argued that Russian claims were in direct response to "Anglo-American claims to interfere in Russian interests nearer home (Balkans)."²¹² Others argued that Molotov was using the "classic Russian nuisance tactics" of stalling negotiations with difficult claims, "expecting that the Americans, as so often before, would toward the end of the conference start 'formula hunting' in order to prevent a breakdown."²¹³ They pointed out that this tactic was effective in the past. However, in this case Molotov had miscalculated.²¹⁴ In fact, many pointed to the fact that Molotov was willing to drop the claims readily when pressed by Bevin as a sign he realized he pushed too far.²¹⁵

Another line of argument suggested that the atomic bomb had an unusual effect on Soviet threat perceptions.²¹⁶ Observing the power of the atomic weapon, the Soviets realized that, until they developed it, they were vulnerable to coercion by those that held it. Further, they were in a strangely weak position to use coercive threats of their own. This odd combination led them to believe that the Western Powers were confident in their own security, and would understand that

²⁰⁸Messer (1982)

²⁰⁹Dixon's assessment: FO 371/47856 Sep. 24, 1945

²¹⁰FO 371/47856 Warner's Minute Oct. 3, 1945

²¹¹FO 371/47856 Sargent's Minute Sept. 24, 1945

²¹²FO 371/47856 Cadogan's Minute Sep. 25, 1945

²¹³FO 371/47856 Warner's Minute Oct. 3, 1945

²¹⁴FO 371/47856 Sargent's reply to Warner's Minute Oct. 6, 1945

²¹⁵Frank Robert's raises this point FO371/57089 Sep. 28, 1945. Molotov was known as a ferocious bargainer never to back down from a position. This was highly unusual for his style of diplomacy.

²¹⁶Robers raises this argument: FO371/47883 Oct. 26, 28 and 31. Affirmed by foreign minister on Oct. 31, 1945.

the Soviets were not. Thus, these increased demands were still broadly consistent with security.²¹⁷

A third line of argument considered that Molotov's position may not reflect Stalin's or the Politburo's position.²¹⁸ Cables from Stalin suggest that these issues were not important to Soviet intentions. Molotov's performance at the London Conference was poorly received in the Soviet Press and it may be that Russia would not pursue these interests seriously in future conferences.²¹⁹

6.5.4 Discussion

At first glance, the divergent assessments appear to challenge my theoretical expectations. I expect that all analysts should observe behavior that they believe is inconsistent with political reassurances, and then uniformly update their assessments. Why then do I observe divergent assessments at the same point in time? Indeed, there was a tendency for military staff in the PHPC to grow alarmed and the Foreign Office to call for calm. Is not, then, the updating largely explained by organizational traits and interests?²²⁰

A closer inspection of the arguments that each side puts forward suggests they are largely consistent with my theory. Although the conclusions that analysts reach differ, their arguments and logic are formulated around the idea of whether Stalin's rhetoric and action were consistent with security. The alarmist pointed to how Soviet behavior was consistent with aggressive aims rooted in the interests of Marxist communism or authoritarianism. They argued that the way that Stalin pursued Soviet interests in Poland and Eastern Europe signaled aggressive long-term intentions because they extended beyond what was reasonable for security. By contrast, those that called for calm observed that nothing Stalin had done was inconsistent with security aims in terms of the specific territories that had been subjected to intense Soviet influence. They pointed to Stalin's restrained behavior in Finland, Persia and Greece as positive signs.

The differences in conclusions hinged on what types of information analysts prioritize. Those that prioritized the method of administration as the primary indicator of true intentions were

²¹⁷The prime minister and foreign minister broadly agreed that Soviet behavior seemed consistent still with security in the context of nuclear weapons. See CAB128/4 CM(45)51, Minute 4 & Confidential Annex. The foreign minister and prime minister concur with statement "It was true that the Soviet Government were not at all present fully co-operative in world affairs; but that was due in large measure to their suspicion of Western democracies."

²¹⁸FO/800/7997, 29 Nov. 1945

²¹⁹FO/800/5155 29 Nov. 1945; FO/800/5260 Dec. 8, 1945.

²²⁰Although there is an organizational tendency, there is still considerable variation within both the PHPC and the FO on the intentions question.

alarmed. Those that prioritized the areas that Stalin was willing to fight for called for calm. This distinction clarifies an underlying assumption of my theory about how analysts derive their prior beliefs. In my theory, each analyst uses their education, expertise, seniority and experience in government and institutional affiliation to inform their assessments. These experiences will form their underlying prior beliefs about the long-term intentions of Challengers (generally), and the indicators that they believe are the most important signals of shifting intentions. I cannot predict what these indicators are at an individual level. However, I argue that when an analyst observes inconsistent behavior in the areas that she thinks is most important, she will become alarmed.

Finally, it is worth noting that Stalin's violation of the Yalta Accord (an international agreement) was not the primary reason that the PHPC or others grow alarmed about Soviet intentions. Their arguments focused on the implications of Soviet behavior for what it's interests are. This is important because it distinguishes my logic of consistency with a principle, from the logic of honoring a promise (Sartori, 2005; Goddard, 2018).

This is not to say that Stalin's violation of the Yalta Agreement had no effect. It made clear to many that Stalin did not value formalized agreements. In discussing the value of signing onto an international organization with Russia, Eden asked, "How can we lay the foundations of any new world order when Anglo-American relations with Russia are so completely lacking in confidence?"²²¹ Interestingly, Eden sided with the call for calm camp on the question of Soviet intentions. He and others were able to separate out the implications for Soviet behavior on the possibility of future agreements, and the implications for Soviet intentions.

Related, there was wide variation in the assessments of Soviet intentions from the analysts that attended Yalta (and also within those that did not). Thus, it is difficult to argue that those who observed Soviet leaders in person formed an impression based on that experience because they reached divergent assessments.

6.6 The Final Straw: The Iran Crisis and the Turkish Crisis

During the war, Persia was a critical oil supplier of, and access point to, the Soviet Union. British and Soviet forces occupied Persia to safeguard access to the Soviet Union. However, with Germany demobilized, there was little reason to occupy Persia. Indeed, the British had judged

²²¹FO/371/37584, Mar. 24, 1945.

that it was not consistent with Soviet security interests for Soviet forces to occupy Iran. Stalin had confirmed he had no strategic interests in territorial control over Persia. To that end, the British and the Soviets had agreed to withdraw their forces from Persia by March 1st 1946.

By the end of February 1946, Stalin made claims that Persia was not yet stable. He pointed to insurgent and separatist activities, especially the Azerbaijan People's Government, in Northern Persia.²²² When the March deadline passed, Iran complained to the United Nations that the Soviets had violated their commitment. The Soviet Union tried unsuccessfully to remove Iran's claim from the Agenda. Under considerable pressure from Truman and threats of force, the Soviet Union agreed to remove their troops immediately. They did not. It took several threats from the Americans to compel the Soviet Union to exit.²²³

6.6.1 Assessment of Soviet Intentions Following the Iran Crisis

Witnessing events in February, the JIC began drafting a report that they released in March. They noted that "Our report of the 18th December, 1944,... [concluded that] Russia's policy after the war would be directed primarily towards achieving the greatest possible measure of security." However, they now believed that "Russia will seek, by all the above means, short of major war, to include within her "belt" further areas which she considers it strategically necessary to dominate. Turkey and the major part of Persia are such areas... Elsewhere she will adopt a policy of opportunism to extend her influence wherever possible without provoking a major war, leaving the onus of challenge to the rest of the world. In pursuing this policy she will use, in the way she thinks most effective, Communist Parties in other countries and certain international organisations. She will also use her propaganda to stir up trouble among colonial peoples."²²⁴

Before March 1946 the JIC assessed that the Soviet Union had limited interests in the Middle East. The Iran Crisis caused it to update its assessment. In a report on the implications of the Iran Crisis the JIC argued that "The Soviet Government have, in fact, resumed the traditional Russian policy of southern expansion, which was temporarily suspended between the fall of the Czarist

²²²In November 1945, a communist insurgent group in Northern Persia, the Azerbaijan People's Government, declared their independence from the Iranian government and fought off forces loyal to Tehran. At around the same time, Kurdish separatists rebelled against the Iranian government. The British suspected that these groups were supported by the Soviet Union but did not know it at the time.

²²³Fawcett (2009)

²²⁴Report of the Joint Intelligence Sub-Committee of Great Britain: 'Russia's Strategic Interests and Intentions,' Mar. 1, 1946.

regime and the war of 1939. The Soviet Government will implement this historic policy by every means short of war. Their ultimate goal is clear, but the intermediate moves will be opportunist and their order of priority flexible... She will seek to extend her influence wherever possible in the world.”²²⁵

The Foreign Office also changed its tune. Most notably, Frank Roberts had remained calm in the face of unusually large Soviet demands in the Mediterranean in October 1945. However, starting in March, he wrote a series of assessments of Soviet strategic intentions that earned him the title of the British George Kennan. The thrust of Roberts’ argument was that Soviet behavior could not be motivated by security. He pointed to Soviet support for communist forces outside their sphere of influence and Soviet behavior in Iran as clearly outside a security motivation. Roberts disagreed with the JIC on Soviet motives. He claimed that communism was driving their behavior. Nevertheless, he agreed with the JIC that the Soviet Union would exert their influence whenever the opportunity presented itself.²²⁶

At the highest levels, both the prime minister and foreign minister too had come to deeply mistrust the Soviet Union.²²⁷ The prime minister called for weekly intelligence reports on Soviet intentions and the foreign minister commissioned a report on the possibility of a Soviet invasion of the Middle East.²²⁸

6.6.2 The Turkish Straits Crisis

One might wonder how permanent this shift in assessment was. Did these policy-makers confront future Soviet behavior with the assumption that the Soviets were aggressive, or did they revert back to uncertainty? To answer this question, I report evidence from the next major event in Anglo-Soviet relations. On August 8th 1946, Stalin further pushed Soviet demands into Turkey. Stalin demanded that Turkey revise the Montreux Convention in favor of the Soviet Union. Specifically, Stalin demanded control over the Turkish Strait. If granted, it would provide the Soviet Union considerable strategic influence in the Mediterranean.

In many ways, Stalin’s demands were simply an extension of prior Soviet behavior. At the

²²⁵JIC(46)38(0) Final, Jun. 14, 1946. ‘Russia’s Strategic Interests and intentions in the Middle East.’

²²⁶Roberts was one of the policy-makers arguing for calm in the last section. This report was concurred by several others who also called for calm just 3 months earlier including Cadogan, Sargent, Warner and Dixon.

²²⁷See Messer (1982); Fawcett (2009); Lomas (2016); Smith (1988) for discussion.

²²⁸JIC(46)24(0) Final 16 March, 1946. “Implications of Recent Russian Movements in Persia.”

London Conference in 1945, Molotov had unsuccessfully raised the idea of Soviet Control over the Turkish and Baring Straits. He had also asked to revise the Montreux Convention that governed Soviet-Turkish relations. As outlined above, Molotov's demands caused a great deal of concern amongst the War Cabinet. However, there was considerable debate about what they meant for broader Soviet intentions. Some thought Molotov had signaled aggressive Soviet intentions, others called for calm.

Even though Stalin's demands in 1946 were almost identical, they generated a different reaction. The consensus opinion in both Britain and the United States was well summarized by the Acting Secretary of State Dean Acheson a day after Stalin made his demands:

In our opinion, the primary objective of the Soviet Union is to obtain control over Turkey. We believe that if the Soviet Union succeeds in introducing into Turkey armed forces with the ostensible purpose of enforcing the joint control of the Straits, the Soviet Union will use these forces in order to obtain control over Turkey.... In our opinion, therefore, the time has come when we must decide that we shall resist with all means at our disposal any Soviet aggression and in particular, because the case of Turkey would be so clear, any Soviet aggression against Turkey. In carrying this policy our words and acts will only carry conviction to the Soviet Union if they are formulated against the background of an inner conviction and determination on our part that we cannot permit Turkey to become the object of Soviet aggression.²²⁹

In general, there was no debate about what Stalin's demands meant for Soviet intentions. British and American elites took as given that Stalin's intentions were expansive. As a result, they worked directly with their Turkish counterparts to protect Turkish independence and hinder any Soviet expansion.²³⁰

Unlike all the crises that had come before, it seems that the British and Americans had already made up their mind about Soviet intentions prior to the Turkish Straits Crisis. Because they had made up their minds, they chose to resist Soviet efforts to expand.

²²⁹Acheson, The Acting Secretary of State to the Secretary of State at Paris, August, 15 1946. Foreign Relations of the United States, Vol. VII, 1946, pp. 840–842

²³⁰For discussion, see [Cohen \(1978\)](#); [Seydi \(2006\)](#); [Kuniholm \(2014\)](#).

6.6.3 Inference

I infer from this evidence that each decision-maker carries their unique expertise and experience into the assessment process. This will lead each decision-maker to prioritize different pieces of evidence in their assessments. Organizational processes, too, may lead different analysts to gain access to different pieces of information. Thus, only those at the very top have a complete picture. As a result of high variance in how individuals interpret evidence, each comes to mistrust Soviet long-term intentions at different points in time.

What is important for my theory is that each analyst uses the evidence they are presented to ask the same fundamental question: “If Stalin wants security, would I ever observe this evidence?” The critical point is that analysts justify their assessment using this framework in every case. Those that update their beliefs argue that the evidence suggests Stalin’s behavior is inconsistent with his security claims. Those that fail to update argue that Stalin’s behavior could be consistent with security. Thus, I infer from this evidence that consistency between words and deeds is the primary way that decision-makers structure their assessments and form beliefs.

6.7 Conclusions

In this chapter I traced my causal mechanism through a single case. There are lots of reasons that British reasoning may not support my theory. To name two notable concerns. The case is overshadowed by rapid shifts in power surrounding Soviet fortunes during the Second World War. Thus, power considerations could dominate. Further, British elite decision-making is complex. Many individuals play important roles at different moments in time. It is plausible that individual variation and bureaucratic processes may muddle the decision-making process. Despite these factors, I found evidence to support every step of my causal mechanism:

- British elites were initially uncertain about Stalin’s motives because they did not understand what principle motivated Stalin. They theorized about different principles and then extrapolated to predict what Stalin would want if Stalin was motivated by each principle.
- British elites coordinates their beliefs based on a diplomatic exchange between Eden and Stalin. it was clear that the content of Stalin’s message mattered: he declared that security

motivated his limited foreign policy aims. Consistent with my coordinating logic, many British elites, especially those who did not attend, used this to coordinate their estimates.

- For several years, British elites tolerated Stalin's costly actions including territorial demands, coercive threats, efforts to undermine liberal world order because they believed that his actions could plausibly serve his declared motives.
- I find that British elites individually and collectively use the logic of qualitative inferences to justify why they eventually come to mistrust Stalin. Analysts grew alarmed when they could not reconcile Stalin's actions with his declared motivation. They therefore ruled out the possibility he was motivated by security, and inferred he wanted something much more.
- Britain's choice to compete with the Soviet Union followed closely after they realized Soviet intentions were vast.

As a result, I infer strong support that my theory explains part of the logic of this case.

To be clear, I also found support for other theories at important moments. I see some evidence of confidence building measures at the beginning of the case that are consistent with defensive realism. While I do not include this mechanism, it is not inconsistent with my theory. It is plausible that when states (possibly mixed regime dyads) start with low levels of trust, they can use costly signals to generate enough initial trust to fit the conditions where my theory lives.

I also see evidence that elite perceptions and preferences deviate based on their institutional affiliations. However, these deviations fall around the rational baseline that my theory predicts. When my theory predicts that all kinds of analysts should change their perceptions, I see movement across military, diplomatic and intelligence analysts. In this way, I advance bureaucratic theories by providing a new rational baseline around which analysts should fall.

I also found evidence that individuals held divergent beliefs based on their personal backgrounds, and world views. However, they still used the logic of qualitative inferences to predict Soviet motives. Notably their individual disagreements were based on perceptions of whether Stalin's actions were plausibly explained by security motivations.

Finally, I found evidence that certain elites used personal impressions and face to face diplomacy to form estimates. While this could have impacted their estimates to some degree, I also see evidence

that elites relied on the content of what Stalin was saying to form their impressions in a manner that my theory predicts. I found one case where a personal view led Eden to deviate from what my theory predicts. But in that case, I also found that domestic institutions overruled him.

- Do my novel assumptions about how Defenders assess motives through principles match how British elites assess Stalin's intentions?
- Did British elites coordinate their beliefs about Stalin's most likely principle through a diplomatic exchange early on?
- After that diplomatic exchange, did British elites try to learn more about Stalin's motives by examining whether his actions were consistent with his declared principle? Did they make reference to Stalin's diplomatic statements and look for events that were inconsistent with what was said?
- How did individual assessments aggregate? Can my theory explain decisions made at the state level, or do individual biases and organizational processes overpower the rational mechanism I outline?
- Do British elites turn to competition when they realize that Stalin's motives are aggressive, or is their behavior moderated by something other than their beliefs?

In each section, I addressed the first and second questions. I found that the British started out deeply uncertain about Stalin's intentions. They made explicit that they could make more confident assessments following high-level meetings where Stalin explained his intentions. Following Stalin's statements to Eden, I observed a convergence in British assessments on security as Stalin's likely limited objective. Notably, all policy-makers converged even though only Eden attended the meeting. Between 1941 and 1945, Stalin and Molotov met extensively with British leaders. However, these meetings did not effect the assessments of the participants. I did not observe leaders relying on their opinions of Stalin to form their beliefs about Soviet strategic intentions.

In 1944, the British write a series of internal reports that explained what Stalin would have wanted if he was motivated by security. In 1945, as it became obvious that Soviet behavior was inconsistent with what could plausibly be consistent with security goals, British elites revised their

assessments. Not all analysts shifted their opinions at the same time. The divergences in their opinions led to considerable debate. Those that believed Stalin's intentions were aggressive, pointed directly to the fact that Soviet actions were inconsistent with Stalin's stated objectives. Those that did not shift their assessment pointed out how Soviet behavior might have been consistent with security motives.

In the second and third section I address questions surrounding how individual-level opinions aggregate. Consistent with institutional accounts, I found that military advisers tended to be more hawkish than diplomatic advisers. I also found that intelligence professionals lay somewhere in the middle. However, I also showed that this variance fell around what I predicted was the rational assessment. This includes during periods of shifting beliefs. When my theory predicts that analysts should update their assessments, analysts affiliated with both the military and diplomatic institutions update in the same direction. In this way, my theory improves the predictive accuracy of these institutional accounts. If they simply started with realism, then institutional scholars would struggle to explain why the military was largely optimistic in 1941. They would also struggle to explain why diplomats grew alarmed in 1946 when prior events had not alarmed them.

Finally, I show that perceptions of Soviet motives strongly influences British decisions to compete with the Soviet Union. Indeed learning Soviet motives dominated structural factors because Britain was in decline throughout this period. If power considerations dominates Britain's choice to compete, they would have dampened their support for the Soviets much earlier (possibly during the Second World War).

It is encouraging that I find support for each step of my mechanism in this long and complicated cases. Afterall, this case is complicated.

7 Medium- n Analysis

The question I turn to now is can qualitative inferences help us understand patterns of competition and peace across the cases that fill our history books? I answer this question with a medium- n analysis of 14 major power rivalries since 1850. I present my findings in three parts. The first part provides a broad overview of my approach, predictions and findings. I predict that cases end in peace if the Challenger never takes an action that is inconsistent with their declared principle. I predict competition otherwise. Of the cases that end in competition, I predict that competition will come shortly after the Challenger's first inconsistent action. I find that my theory well predicts the instances and timing of competition in 12/14 cases.

This top-line summary is intentionally brief. At the end of it, you will likely have questions about how I coded my variables, and whether elite choices reflect the logic of my theory. The second part of this chapter addresses these questions through 4 case vignettes. The first two vignettes trace my coding and logic through typical cases that my theory well-predicts (one that ends in competition and the other ends in peace). The second two vignettes analyze the 2 cases that my theory does not well predict. The vignettes show that my mechanism is at work in all four cases. The vignettes of the two cases I miss illuminate how other factors such as power, and regime type impact decision-making in these cases. I show that these variables are important and complimentary to my theory for explaining the grand strategy that elites adopt.

The third part of the chapter explores the value add of my theory relative to existing explanations. To do it, I identify the ideal conditions for competition and peace in all 14 cases based on existing explanations about power and crisis behavior. If my theory is valuable, it will not only explain competition in the context of existing explanations. Rather, it will give us leverage on the timing of competition when others think peace should persist. I find my theory performs well under a broad range of conditions. In fact, my theory compliments power based explanation because it fits the dogs that don't bark: cases where power shifts rapidly but peace persists. Putting it altogether, I find that we can learn a lot from an overarching framework that balances my motives-based explanation and the pressures caused by the rate of shifting power.

7.1 Part 1: Summary of approach and findings

My goal is to analyze patterns of competition across dyadic, great power rivalries since 1850. The cases I analyze are presented in Table 8. The cases I include are hopefully not too controversial because they are very similar to the post-1850 cases identified by Allison (2017a).²³¹

Table 8: Universe of Great Power Rivalry Cases

Defenders	Challengers	Onset	Termination
France	Germany (Prussia)	1866	1869
Russia/USSR	China	1949	1975
Russia/USSR	Japan	1978	1989
United Kingdom	Germany	1890	1914
United Kingdom	Germany	1931	1939
United Kingdom	Germany (Prussia)	1866	1871
United Kingdom	Russia	1941	1946
United Kingdom	United States	1890	1914
United States	Germany	1934	1941
United States	Germany	1990	1990
United States	India	1974	1990
United States	Japan	1905	1937
United States	Japan	1987	1990
United States	Russia	1943	1946

How did I arrive at these cases? Appendix E details my coding rules and procedures. Here I summarize the overall approach. I started with my theory. My unit of analysis is a rivalry that includes a directed dyad of one Challenger and one Defender. My goal was to include cases where the Defender anticipates that the Challenger may could demand regular and sustained foreign policy concessions for the foreseeable future.²³² Partly for simplicity, and partly for theoretical reasons, I restrict my case selection in two ways. First, I only included cases where the Defender was a great power. Second, I focused my analysis on cases starting after 1850.²³³ As a result, I

²³¹I include 7 of the 8 Challengers Allison lists. My universe includes one case not on Allison’s list: United States’ assessment of India in the 1960s. I also dis-aggregate a case he codes as a single case (America-Japan mid-20th Century) into two cases (1910s, 1970s). The reason is that I code a regime change in Japanese politics following the Second World War. Therefore, I assume Japan is a substantively “new” state. From a face validity perspective, Japan’s foreign policy and governance institutions following the Meiji Restoration are qualitatively different from modern-day Japan. If I return to Allison’s exact case list I derive stronger predictions about my theory because one of the deviant cases is omitted. I omit Russia’s assessment of Japan in the late 1800s because under my coding rules Russia is not coded as a very powerful state in my theory in the late 1800s.

²³²This includes power transition cases. But it also includes cases (such as the rise of the United States) where a Challenger uses its growing economy for domestic projects for multiple decades, and then eventually turns to foreign policy. It also includes cases where a regional power vacuum or regime change creates opportunities for revision that were not previously there.

²³³In 1850, elites started to take citizen preferences more seriously, nationalism and identity started to be taught

confine the inferences I draw from this chapter to great power relations from 1850 onward.

Starting with this definition, I developed a two-stage coding procedure to select cases. In the first stage, I use 15 quantitative indicators to identify a short-list of 44 plausible dyads. First, I used indicators to isolate well-established great powers in each decade. I took these as the states that could plausibly serve as status-quo Defenders. Next, I used indicators to identify states that would plausibly hold the ability to make repeated demands over a long period of time. I took these as the states that could plausibly serve as Challengers. My short-list of plausible dyads is every Challenger-Defender combination from these two lists list.

In the second stage, I took each dyad on my short list and read historical accounts to identify whether the great power Defender was concerned that the Challenger could revise the status quo repeatedly in the near future. When I found evidence in the historical record that this was true, I included the case.

The advantage of using a systematic procedure is that it is not biased by how the case unfolds, or aspects of my predictions. My reliance on theoretically motivated quantitative indicators also ensures that I am unable to pick and choose cases from my reading of political accounts. The disadvantage of this procedure is that it will invariably miss cases that some scholars believe fit the scope conditions of my argument. My coding rules deliberately focused on dyads where the Defender was a great power. There are likely many cases that involve middle power dyads. There are also great power cases that start before 1850. It is also likely that there are other great power cases that others could consider relevant, but that I did not include. I chose not to deviate from my coding procedure so as not to bias my findings. I am also reassured by the fact that many of the cases that fill our history books are covered in my universe of cases. But I acknowledge that sticking to a coding procedure caused me to exclude a few important cases.²³⁴

Before moving on, it is worth noting that the Defender in 12/14 dyads is a democracy. One might worry that I can only say the evidence supports cases where the Defender is a democracy. This concern is partly alleviated by three factors. First, my theory is abstract. There is no regime-specific feature. Second, there are two cases of an autocratic Defender, and both of these cases fits

in school. As a result, the foreign policy motives started to vary along the lines that my theory predicts for at least most states in Europe.

²³⁴For example, I do not include Russo-English competition during the Great Game or leading to the Crimean War because these cases start before 1850. I also do not consider Germany a major power because it does not meet my requirement for force projection capabilities. My theory well predicts these cases.

my theory. Third, the US is entering a period of relative decline against many states and is likely to serve in the Defender role over the next half century. So I can still use the cases to extrapolate to US cases in the future.

7.1.1 Predictions about declared principles

My theory links diplomatic claims at the beginning of cases (the moment of focus) to specific choices that drive competition decades later (moment of truth). Before I can explain patterns of competition at the moment of truth, I need to verify that the Challenger declares a principles in a way that matches my theory. In this section I examine the Challenger's core interest claims at the moment of focus. Next, I will use these results to help me code costly actions that are consistent (or not) with a declared principle.

No matter how cases end, I argue that all Challengers should justify their revisionist behavior in terms of a principle. Many believe that verbal declarations or limited aims are ineffective cheap-talk. If true, then Challengers may not both to clarify or explain the principle that motivates them in many cases.

While I expect no variation in the presence of limited aims claims, I do assume variation in the declared principles across cases. This cross-national variation is important for my theory to hold. If Challengers always justify their limited aims using the same principle, then there is no need for future Challengers to coordinate. Afterall, Defenders could just assume what the limited aims Challengers want based on the historical record.

I report my coding of declared principles in Table 9. Column 4 asks did the Challenger claim that her motives were limited by tying her demands to a specific foreign policy principle. Column 5 asks if she did, what was the nature of the principle? Column 6 asks did the Defender understand what issues and territories would the Challenger want if the Challenger's claims were honest. I review the coding procedure and the sources I used in Appendix E.

Consistent with my theory, the Challenger justified revisionist desires by appealing to a specific principle. In 13/14 cases, the Challenger appealed to a principle that was tangible and reassuring for the Defender. That is, the Defender could easily understand the issues and territories that were associated with the Challenger's claim, and the number of issues were sufficiently small such that the Defender was willing to facilitate early concessions.

Table 9: What Principle Did the Challenge Appeal to?

D	C	Onset	Did C promise limited aims?	Nature of Claim	DP finds claim Plausible	Scope of Demands	Salience to D?
FRA	GER	1866	✓	Ethnic	✓	Territory: France, Denmark, Austria	High
RUS	CHN	1949	✓	Communism	✓	Influence in Asia, Nuclear weapons, spread of communism.	Low
RUS	JPN	1978	✓	Peace, Border claim	✓	Territory: 3 Islands	Medium
UK	GER	1866	✓	Ethnic	✓	Territory: France, Denmark, Austria.	Low
UK	GER	1890		Status (Weltpolitik)		Unclear	High
UK	GER	1931	✓	Ethnic	✓	Territory: 6 European States.	Medium
UK	RUS	1941	✓	Security	✓	Territory: 8 European states. + Germany dismemberment	High
UK	USA	1890	✓	Western Hegemony	✓	Influence over Western Hemisphere /Caribbean	Medium
USA	GER	1932	✓	Ethnic	✓	Territory: 6 European States.	Low
USA	GER	1990	✓	Human Rights	✓	Enforce international norm.	Low
USA	IND	1974	✓	Security	✓	Accepted as nuclear power + Pakistan Concessions	Low
USA	JPN	1914	✓	Access to resources.	✓	Territory: Korea, Taiwan, Pacific Ocean.	Medium
USA	JPN	1987	✓	Peace + border claim	✓	Manchuria. Nothing	Low
USA	RUS	1942	✓	Security	✓	Territory: 8 European states. + Germany dismemberment	Low

I code one case, Germany following the rise of Wilhelm II as deviant. I detail a vignette of this case in the next part of the chapter. The reason this case is deviant is that Britain could not clearly identify the scope of Germany's demands under *Weltpolitik*. This deviation highlights the relative specificity of claims in other cases. In 13/14 cases, the Defender was confident that it understood most of the implications of the Challenger's limited aims claim.

Looking across cases, there is much variation in the content of claims. There are seven distinct types of reassurances (ethnic nationalism, security, restoring borders, trade rights, regional hegemony, support communism, colonial resource extraction and status).²³⁵ Furthermore, the same state at different points in history use different justifications. For example, Hitler's demands differed from Wilhelm II's, and again from post-Cold War Germany's. This demonstrates just how difficult it is for Defenders to rely on history to understand what a Challenger might want.

This cross-case variation provides very strong support for my underlying assumptions. My theory assumes that Challengers can value different principles. If all Challengers claimed nationalism as their declared principle, then there would only be one limited aims type, and no coordination problem to speak of. But as we can see, even the same Challenger alters its claim across history. This suggests that uncertainty about the Challenger's principle is a reasonable starting place.

7.1.2 Predictions about competition and peace

I predict that Defenders will turn to competition if and only if the Challenger takes costly military actions that cannot be explained by its declared principle.²³⁶

My dependent variable is the strategic orientation of the Challenger and the Defender. For the purpose of these tests, the most important and difficult strategic shift to code was the Defender's change from hedging to competition. My analysis also requires me to code the shift to peace. But this is often far easier.

How do I measure these strategies? I start with my theory. Chapter 2 provides detailed conceptual definitions of competition and hedging. As stated, the main conceptual difference between competition and hedging is what the Defender intends his strategy to achieve. Under hedging the Defender seeks to leave his options open. The Defender wants to make most concessions

²³⁵Going further back in history suggests more. Russia, for example, claimed it sought to protect Orthodox Christians in the 1820s.

²³⁶Assuming we get past the moment of focus.

that the Challenger demands to avoid war and leave open the possibility of achieving lasting peace. But the Defender also continues to arm, monitor the Challenger, and forward deploy forces to put the Defender in the best position to compete. Under competition, the Defender seeks out opportunities to harm the Challenger, and prevent the Challenger's expansion.

These most direct evidence of the Defender's strategic goals lies in historical accounts of the Defender's strategic deliberations, and declassified archival materials. This is where I mainly focused my data collection efforts.

A secondary indicator lies in the Defender's perception of the Challenger's incentive to misrepresent. The strategic dynamics of hedging mean that the Defender is uncertain if the Challenger's aims are vast, and hopes that they are not. Therefore, the Defender is trying to figure out if the Challenger wants more than what she claims. Once competition has started, the Defender assumes that the Challenger's aims are vast. Here the Defender is most uncertain about how resolved the Challenger is to fight in any particular crisis. The Challenger over-states her willingness to fight and the Defender is hopeful that the Challenger is less resolved in a specific case than she claims she is.

Finally, I partly relied on behavioral indicators. As stated in the theory section, behavioral indicators are much noisier, and therefore harder to use to code a single, large shift in the Defender's strategic goals. For example, if the Defender is hedging in the sense I mean it, he will continue to arm, monitor the Challenger, and forward deploy forces. Different still, when the Defender does turn to competition, there is often a long lag between when the Defender actually implements comprehensive sanctions, declares war against the Challenger or takes other competitive policies. The reason for this lag is that Defenders must balance situation specific factors that balance the pros and cons of military conflict even if their overall goal is to thwart the Challenger.

My independent variable is whether the Challenger's actions are consistent or not with the Challenger's declared principle. To start, I used existing events datasets and historical accounts to compile a list of notable events. These events included the Challenger's choice to start or intervening in a crisis, seek to overthrow a foreign government through meddling in their domestic politics, offensive weapons production, threaten military force, form an offensive or defensive alliance, join or leave an institutions, violate a treaty or other commitment, build a shadow institution, make a territorial demand, or take territory.

Costly signaling theory predicts that these indicators should all raise mistrust. I predict that these indicators only trigger mistrust if they help rule out the Challenger's declared principle. Thus, to properly evaluate my theory, I coded these different events based on whether the Defender perceived these actions as plausibly consistent with the Challenger's declared principles or not.

I code cases that end in competition as supporting my theory if the Defender turns to competition two years after the first inconsistent action. I code cases that end in peace as supportive if the Challenger does not take an inconsistent action.

I say my theory fails to predict a case in one of three conditions. First, the Defender turns to competition before the Challenger's first inconsistent action. Second, the Challenger takes an inconsistent action and the Defender waits for more than 2 years to compete (or never competes). Third, the Challenger does not declare a principle that is limited.

Table 10 summarizes the cases my theory predicts correctly, and not correctly. I find that my theory well predicts 12 out of 14 cases. As my theory expects, 6/8 cases that end in competition, do so shortly after the Challenger's first inconsistent action. Also as my theory expects, 6/6 cases end in peace given that the Challenger never behaves in an inconsistent way.

Table 10: Coding the timing of competition and instances of peace

C fails to declare clear, limiting principle	UK-GER (1890s)
D competes before C's inconsistent action	FR-GER (1860s)
D competes soon after C's first inconsistent action	RUS-CHN (1949) UK-GER (1931) UK-RUS (1941) US-RUS (1942) US-GER (1942) US-JPN (1905)
D competes long after C's first inconsistent action	
C's actions are consistent and states achieve peace	RUS-JPN (1978) UK-GER (1866) UK-USA (1860) US-GER (1990) US-IND (1974) US-JPN (1987)

Note: I expect cases to fall into the grey boxes. The mis-predicted cases fall into the white boxes.

7.2 Part 2a: Case vignettes that my theory well predicts.

Under my coding rules 12 cases fit my theory. I now detail vignettes for two typical cases from this set. One of these cases ends in competition shortly after the Challenger's first inconsistent action. The other ends in peace. I use these two cases to address three questions about my overall approach.

First, you may wonder about my coding choices. Specifically, you might wonder how I coded the Defender's strategy (competition, hedging and peace) given that strategies sometimes take years to implement. You may also wonder what Challenger-actions look like in real life, and whether it is easy to know if the Defender perceives the Challenger's actions as ruling out a principle or not. The case vignettes help clarify how I apply those rules in typical cases.

Second, the medium-n analysis only codes a shift in the Defender's strategy. While the timing is supportive, the summary does not provide evidence for my mechanism. You may wonder if elites use the logic of my theory in these cases. I focus on critical moments in these cases that clearly illustrate the logic of my theory.²³⁷

Finally, there are many other theories that make predictions about patterns of competition and peace. For example, the last century of research into great power competition has focused on power (Blainey, 1988; Carr, 1945; Morgenthau and Thompson, 1948; Vasquez, 1993; Levy, 1998). Scholars argue that shifting power (Powell, 1999) the balance of power (Organski and Kugler, 1980), or the threat to use force (Mearsheimer, 2001; Waltz, 1979) are theoretically vital for explaining patterns of war and peace between great powers. If power concerns dominate my logic then I will observe cases that end in peace when the rate of shifting power is slow, or never achieves parity. I will instead only observe competition when the rate of shifting power is fast (or at parity). Alternatively, domestic political concerns could confound my theory. It is possible that certain regime pairs are prone to competition but others (i.e. pairs of democracies) are not. Different still, each new leaders may have a specific preference for her nation's strategy based on her unique personal experiences. As a result, Challengers may only take an inconsistent action when a new leader comes to power.²³⁸ Defender may changes strategy when new leaders come to power and not when the Challenger takes

²³⁷Of course, there is only so much I can do in short vignettes. These cases only compliment the detailed accounts of Anglo-Soviet relations and Sino-American relations in later chapters.

²³⁸This wouldn't be inconsistent with my theory, but it would call on me to think more about how leadership impacts my theory.

an inconsistent action. Throughout the analysis, I consider how my explanation intersects with these alternatives. I provide some analysis of the context surrounding leadership and regimes, and power.

7.2.1 Anglo-American peace

In 1823, president James Monroe declared that the US held two overarching foreign policy goals: the ability to trade freely and peacefully with independent states; and to stop European powers from meddling in the Western Hemisphere so that the United States could exert influence. Although the claim to the Western Hemisphere was somewhat ambiguous, it was broadly understood to include the Americas, Caribbean Islands, and certain Pacific Islands (e.g Hawaii) (GILDERHUS, 2006). It did not include independent states or colonial possessions in East Asia or Australasia.

The second pillar clearly conflicted with British interests (GILDERHUS, 2006). British elites occupied important positions across South American governments, and this gave Britain an economic advantage in trade. Britain also wanted to enforce its contracts in South American through gun boat diplomacy. The Monroe Doctrine would prevent that. Finally, Britain maintained territorial claims in Alaska that conflicted with the Monroe Doctrine.

Even though the Monroe Doctrine was articulated in 1821, I start my analysis in 1865. Between 1821 and 1865 the US faced a series of domestic conflicts that sapped its resources and attention. In 1865 the US Civil War ended. Peace brought a rapid increase in US economic productivity and a renewed interest in foreign policy.

Starting from 1865, Figure 15 summarizes how I code different aspects of the case over time. From the perspective of existing theories, there are severe pressures that should incentivize Anglo-American competition. The top of Figure 15 shows that the US economy rose consistently and at a rapid rate from 1865 until 1907. In fact, the US economy rises faster in this case than any other Challenger in any other case that I study. Furthermore, US military spending came in punctuated bursts. This created sudden and steep increases in US military abilities.

Although it does not reveal itself in the quantitative summary, several events circa 1880 could have heightened Anglo-American tensions. First, the United States embarked on a more assertive foreign policy in the Americas. A staunch pan-Americanists, Blaine, was appointed as Secretary of State in 1880. Blaine declared it the US mission to “first, to bring about peace and prevent

Figure 15: Time-varying events that could competition and peace during Anglo-American relations

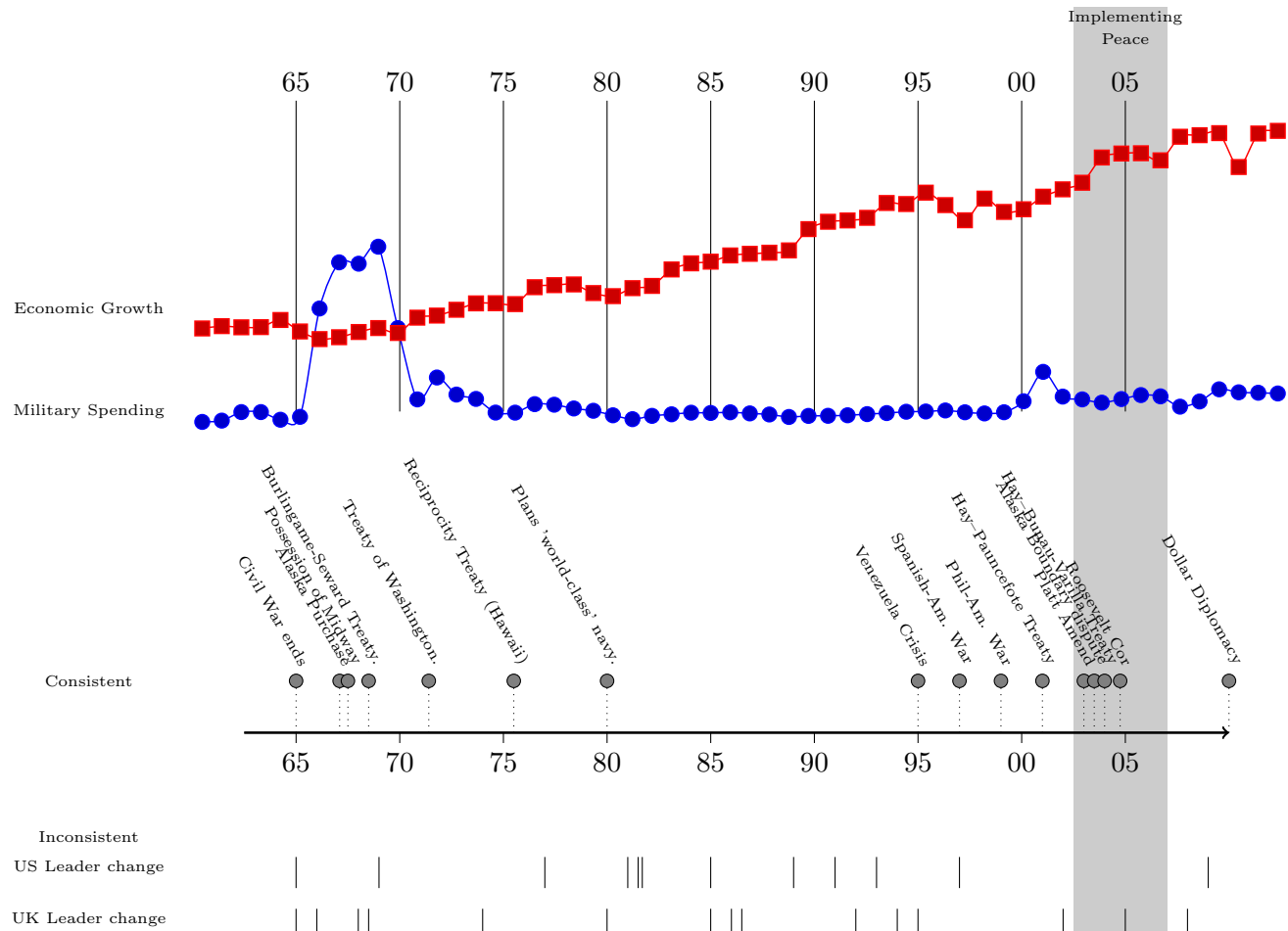


Figure summarizes factors that different theories believe could influence the UK's choice to compete with the United States over time. The top plots the trajectory of economic growth and annual military spending normalized to GDP. Note the scales are arbitrary. The critical factor is the overall trajectory of economic growth and fluctuations in the rate of military spending. The bottom marks US and UK leadership changes. In the middle I plot salient US military, diplomatic and commercial choices. I code all choices as consistent with the US declared principle (Monroe Doctrine). By consistent, I mean that the British could not rule out the Monroe Doctrine as the US's principle as result of the action. There are no inconsistent choices. The grey bar represents the shift from hedging to Anglo-American peace.

futile wars in North and South America; second, to cultivate such friendly commercial ties with all American countries as would lead to a large increase in the export trade of the United States.”²³⁹ This was clearly a more assertive version of the Monroe Doctrine later codified in the Roosevelt Corollary. Second, the British realized the ‘enormous reversal of economic fortunes’ around 1880 (Dobson, 1995, p8). Which meant that they appreciated that US power would rise enormously at a time of British decline. Third, the US announced its intention to build a ‘world class’ navy over the next decade (Veesser, 2003). Britain saw the source of its power in its navy. In every prior case, (e.g. Germany naval arming) Britain perceived naval acquisitions as a direct threat.

The bottom of Figure 15 shows that this period was also dominated by frequent leadership changes.

The middle of Figure 15 plots salient diplomatic, military and economic events.²⁴⁰ The US fought multiple wars, directly threatened war against Britain twice, announced military programs (specifically naval expansion in the 1880s) that directly threatened Britain’s source of power.

Indeed, there are many good reasons for competition. And yet, competition did not come. I code a period of hedging between 1865 and 1903. I code the transition to peace as starting in 1903. I stop coding in 1907 because Anglo-American relations achieve stability and peace.

My theory explains this pattern of behavior because all these costly events could plausibly serve the Monroe Doctrine. Consistent with my theory, Britain understood this fact, and chose to deconflict its crises with the United States leading to a stable peace.

In what follows, I dig deeper into the case in three steps. First, I use US diplomatic and commercial expansion between 1865 and 1880 to illustrate how Challengers and Defenders coordinate during the period of hedging. Second, I detail how I wrestle with three difficult to code events during the period of hedging: the Venezuela Crisis; the American-Philippines War; and the Roosevelt Corollary. The additional detail is important to better understand how my theory applies

²³⁹<https://history.state.gov/milestones/1866-1898/blaine>

²⁴⁰To be clear, this is not every event during this period I examined. I exclude 15 force deployments to countries including Egypt and Japan between 1865 and 1880. Each of these deployments was to enforce a contract or protect American citizens overseas in areas with weak state enforcement. These practices were consistent with European nations, even those who had no foreign policy ambitions. I also exclude about 30 treaties that involve migration, commerce, citizenship, protection of medical staff on ships and related matters. I also exclude events that were secret, such as a Treaty between Japan and the United States signed in 1907. I include all force deployments to secure political objectives (i.e. non-commercial, or diplomatic security), all actions including treaties that involve shaping world order, or that expand and limit US territorial influence. I also include major statements of foreign policy intentions and all Anglo-American interactions.

in real life, and how I approach coding challenges in all of the cases. Third, I explain how I code the shift from hedging to peace. This helps clarify substantive differences between hedging and a stable peace in a typical case. After I detail these features, I explain how other theories fare in explaining this case.

Coordination during the period of hedging As I conceptualize it, Challengers and Defenders should coordinate to diffuse tensions during the period of hedging. Modern scholars may wonder how this is different from bargaining in the shadow of power? One critical difference is that in my theory Defenders take extraordinary steps to avoid major war while they are hedging. They do not often exploit serious threats of major war to improve their bargaining position. Another difference is that the distribution of territory and power will not be aligned. It is consistent with my theory that the Challenger will make demands before it acquires the military capabilities to back them up.

The early period of the rise of the United States offers two examples of this sort of behavior. Between 1605 and 1878, the US navy was too small to seriously compete with European powers in the Western Hemisphere. Although the US did increase military spending during the 1860s, they did not have the coercive power to push the Europeans out of the Americas. Despite a lack of coercive power, the US pursued the Monroe Doctrine in earnest. To do it, the US exchanged money and normative concessions for increased influence. The most extreme example is the 1867 Alaska purchase from Russia. The US did not have the military power to enforce this settlement should Russia refuse to leave, and they did not threaten invasion should Russia decline to sell (Luthin, 1937).²⁴¹ Despite the lack of the shadow of power, Russia accepted the terms of sale and withdrew from the Americas.

Negotiations surrounding the Treaty of Washington illustrate Anglo-American coordination over US influence in the Americas. The US, Canada and Britain had long-standing grievances dating back beyond the War of 1812. Some of these grievances related to the Canadian border. But others related to accusations about military conduct. The US complained that British naval vessels did not have the authority to stop or search American vessels that traversed waters in the Americas. And yet, British military vessels had fired on US commercial ships. On the surface, the Treaty

²⁴¹ Furthermore, it was well known that Russia would soon decline. Thus, the US could have expanded its military and contested the territory if it wanted to (Bolkhovitinov, 2003).

of Washington settled these claims through reparations. But a subtle feature of this settlement was that Britain implicitly acknowledged US influence in the Americas. Specifically, by paying reparations, Britain acknowledged that the US had the main authority to police waters in the Americas. This was the first international recognition that the US had some legitimate security influence over the Western hemisphere.

7.2.2 Three critical events in the context of my theory

Reading the historical details of this case, I identified three events that illustrate plausible concerns for my explanation: the Venezuela Crisis; the American-Philippine War; and the Roosevelt Corollary. In the end, I find that US behavior during these episodes fits the Monroe Doctrine, and Britain's reactions fits my theory. I raise these three concerns here to help clarify my coding procedure and illustrate important nuances of historical and cultural context in real life.

First, my theory predicts that British elites avoid escalating in crises that are clearly consistent with the Monroe Doctrine. If anything, British elites should work hard to coordinate with the US and avoid spirals of mistrust. I find repeated evidence of this behavior. But during the Venezuela Crisis some British elites argued for escalation to war. One might wonder, how far can individual-level factors influence state choices in these cases?

To answer this question we need to know about the Venezuela Crisis. The story starts with a long-standing local dispute between Venezuela and Britain over the possession of Essequibo and Guayana Esequiba. In 1895, Britain escalated the dispute by dispatching naval forces. In response, the United States dispatched forces to support Venezuela. US president Cleveland did not intervene because he thought Venezuela held rightful possession. Rather, and consistent with my theory, President Cleveland explicitly invoked the Monroe Doctrine. He explained that if Britain won it would amount to a new colony within the Western Hemisphere. As stated in the Monroe Doctrine, the US would fight to prevent any further colonization.

The staunchly imperialist British Prime Minister, Salisbury, saw the implications of American demands in the Venezuela Crisis, and he was angered by them. He argued for a strong response (Mathews, 1963). He believed that the United States would back down if Britain did not, but he also understood that his policy could escalate to war. As he put it, "a war with America... in the not too distant future – has become something more than a possibility". Salisbury's rhetoric

represents a deviation from my theory because he is calling for war. But consistent with my theory, his position did not translate into policy because he was met strong opposition from members of his cabinet who wanted to avoid conflict with the United States at all costs. For instance, Colonial Secretary Joseph Chamberlain argued that a war with the US would be “the very worst thing that could possibly happen to us”. In the end domestic institutional checks won out. The cabinet instead decided in 1896 to make the necessary concessions to the United States in Venezuela. After the initial debate, there was general agreement about making the concessions that Britain found necessary. The British agreed to arbitration that they knew would favor Venezuela.

A broader look across Anglo-American relations offers a puzzle for those who believe leaders hold persistent personal attributes that influence state behavior. Notably, Lord Salisbury was re-elected in 1901 and spearheaded Britain’s withdrawal from the Americas to reach peace with the United States. Clearly, his leadership style and preferences were not consistent over time if he was the lone voice for war in 1895, and then the champion for total withdrawal in 1901.

The second critical event surrounds the Philippine-American War. In 1898, the US took colonial possession of the Philippines from Spain. Filipino Nationalists rebelled against colonial rule. The dispute led to a three year civil war in which the United States tried desperately to hold onto the colony. As a researcher reading history in 2019, it was not initially clear to me that the US choice to fight in the Philippine-American War was consistent with the Monroe Doctrine. This episode is plausibly inconsistent because the Philippines is much further into the Pacific than Hawaii. It was not obvious to me why the US would colonize this area, much less repress local forces who wanted independence.

But recall my theory does not rely on whether I think US choices rule out a principle. It relies on how British and US elites perceived this episode. Critical for my theory, both the British and the United States saw the US colonization of the Philippines as necessary burden for maintaining global trade and broadly unrelated to US interests in territorial expansion. In fact, Britain wanted the US to possess the Philippines and fought against Filipino independence ([Seed, 1968](#)).

To understand Britain’s logic, it is important to understand the context that led to American colonization of the Philippines. The story starts when the US chose to support Cuban nationalists rebel against Spanish colonialists. US intervention in Cuba was clearly consistent with the Monroe Doctrine. However, it led Spain to declare war against the United States. The US easily pushed

back Spanish forces in Cuba. At around the same time, Filipino nationalists also started to rebel against Spanish colonialists. The Philippines was a critical staging point for Spain to reach the Americas. Thus, ousting Spain from the Philippines was instrumentally important to keeping Spain out of the Americas. Consistent with the Monroe Doctrine, the US chose to expand the war to the Philippines to oust Spain, and thereby end Spain's influence in the Americas.

In 1898, Spain conceded, and the parties convened in Paris to negotiate a settlement. One important issue was the status of the Philippines. British diplomats actively argued for American possession for two reasons. First, Britain worried that if the US did not possess the Philippines that Spain would come to possess them again. When faced with this prospect, American possession seems reasonable to defend the Americas. Second, the Philippines was critical for British trade across Asia and the Pacific. It needed Philippine ports to operate efficiently. The British did not think the locals had the capacity to manage these systems (Seed, 1968). What is more, because the Philippines was colonized until that point, both the British and Americans saw it as non-possessed territory up until that point. As a result, in the minds of colonialist powers in the 1890s, US possession did not violate sovereignty (Ells, 1995).

A third event surrounds the US declaration of the Roosevelt Corollary. In my theory, I claimed that Challengers declare their intentions at the moment of focus. However, I also argue that they cannot credibly expand or change their claims later in the case without provoking mistrust. In 1904, right as Anglo-American peace was forming, the United States issued the Roosevelt Corollary.²⁴² Some historians argue that the Roosevelt Corollary was a major revision of the Monroe Doctrine (see Veesser, 2003, for review). The reason was that it formally changed US declared policy from preventing further European Colonization to a clear statement that the US may intervene against European powers who meddled in the affairs of states in the Americas.

At first glance, this seems inconsistent with my theory. A closer look at Roosevelt's intent and the outcome shows that the episode supports my theory. The Roosevelt corollary does not alter what the US claims its interests are. It simply explains that the US is highly resolved to contest issues it perceives as within its core interests. In fact, the Corollary limits the scope of American aims because it focuses US interests to the Americas and not a broader conceptualization of the

²⁴²The US also registered the Platt Amendment (1903) expanded US control over Cuban foreign policy and established a military base there. But this is not as controversial.

Western Hemisphere.

This episode illustrates how diplomacy plays a clarify role in real life. In the formal model, it is easy for states to clearly delineate their core and peripheral interests. But in real life ambiguity remains because historical and cultural context is complicated. This ambiguity may not present a problem as the Challenger is initially expanding. In practice, Challengers and Defenders are likely to focus on the major flash-points first. But once the major flashpoints are resolved, and over time, ambiguous issues become salient. It is consistent with my overall theory that states can use diplomacy to clarify ambiguities as the case unfolds.

How the case ends: A shift to peace (1903-1907) In 1907, Britain and the United States started to describe their relations as a special friendship. Anglo-American efforts to reach a stable peace start in the late 1890s. However, these efforts went through ‘fits and starts’ (Goldstein, 2010). Many of the peace-building measures were informal and Britain retained possessions in the Americas that created a risk of competition. I code the period between 1903 and 1907 as the turn from hedging to peace on the British side, and revision to stability and status quo on the US side. Illustrating the differences in state-strategy on both sides helps illustrate how I code the shift to peace in other cases.

During the turn to peace, the British unilaterally conceded issues that were consistent with the Monroe Doctrine, and did not wait for the United States to contest them. The Britain agreed to the arbitration decision over Alaska and ceded it to the United States, the British unilaterally acknowledged US possession of the Panama Canal. After the Roosevelt Corollary was announced, Britain unilaterally withdrew most naval forces and Administrators from South American and Caribbean states. This, in effect, left no points of tension with the United States in the Western Hemisphere. 1903 also marks the beginning of efforts to ‘institutionalize’ stability (Goldstein, 2010).

While British concessions were not conditional on any explicit limits in American militarization, American naval spending and tonnage did slow down relative to Britain growth (?). This effectively limited the United States’ ability to expand beyond the Western Hemisphere, consistent with how I characterize peace. The US continued to contest issues against other European powers in the Western Hemisphere and assert dominance over independent states.

Other theories In the introduction for this case, I argued that several other theories would likely predict competition (or war) in this case. This included theories of power, and leadership. The case also offers little support for the standard costly signaling theory. The United States makes frequent demands, and inserts itself provocatively into crises against the British. But British elites do not infer that America held vast aims. In fact, Britain remains confident that American aims were limited throughout the case.

It is important to note that the case is consistent with two other insights. First, some scholars argue that peace is more likely when states have large oceans between them. Indeed, the case does end in peace and there is a large ocean between the US and Britain. But this argument is not inconsistent with mine. It likely forms the parameters that determine the cost of competition. This partly explains why Britain was willing to tolerate such a large initial demand.

While a factor, geography is unlikely to completely explain peace in this case for two reasons. First, water cannot explain why the United States decided to stop its expansion. If water prevents a British invasion, why didn't the US continue to militarize and take territory in 1907?²⁴³ Second, Britain was willing to deploy forces over water to fight over relatively small issues in Burma and the Ottoman Empire in the 1850s. If the stopping power of water prevails, it is unclear why it didn't prevail in these other cases.

The case is consistent with regime theory. It is plausible that British elites were initially optimistic because the United States was a democracy. This argument is not inconsistent with mine because it describes a set of prior beliefs, and not how beliefs change. Indeed, it is plausible that one reason British tolerated such a large initial principle (the Monroe Doctrine covered a huge land mass) is that they believed the United States was very likely limited.

7.2.3 Anglo-German Competition.

In 1933, Adolf Hitler was elected as the Chancellor of Germany. In the 6 years that followed Hitler rampaged across Europe, and the British did little about it. I have discussed anecdotes from this case in my theory chapter. But Figure 16 puts them altogether. As the middle of the plot shows, Hitler took many military actions that scholars believe should have fostered mistrust and competition. He orchestrated a failed plot to assassinate the Austrian Chancellor, coerced

²⁴³The Spanish-American War suggests that they were willing to extend at least as far as the Philippines.

territorial concessions from six states, and supported other dictators with their expansive agendas. To the extent that a reputation for honesty or the commitment to international norms is a critical factor, then Hitler aroused suspicion circa 1934 when by violating arms control agreements and withdrawing from the League of Nations.

The top of Figure 16 plots military spending and economic data. These data shows that Hitler rapidly increased military spending year over year. Although it does not reveal itself in the quantitative summary (which relies on correlates of war data), Wark (1985) argues that British elites were most concerned about Hitler's military spending in 1936. Despite the rapid increase in Germany's military spending, Britain avoided war. The bottom of Figure 16 describes leadership and regime changes. Most critically, Hitler eroded democracy in Germany in 1934 when he established the Third Reich and appointed himself as Fuhrer. If regime type is an important indicator for trust, democratic corrosion should have heightened tensions in 1934.

As a result of these factors, many different theoretical traditions believe that competition was inevitable in this case. What they cannot explain, is why it took Britain so long to compete. Indeed, the pressures for competition are severe in 1933, 1934, 1936 and 1938. But Britain delay competition until 1939.

Delayed competition fits my theory well because Hitler's rampage was broadly consistent with his declared ethnic-nationalist claims. In the years before Hitler came to power, the British Government met with Hitler's emissaries and read his writing and speeches to better understand his plausible intentions. After a thorough review, they found that Hitler had expressed an acceptably limited claim based on the principle of ethnic-nationalism (Blain, 1988). Hitler's limited claim covered territorial and normative revisions that worked against British interests. On the territorial side, they thought Hitler would seek possession of all German-speaking territories.²⁴⁴ This included, the Sudetenland, Austria, the Rhineland, parts of Denmark among other territories. Hitler's hyper-nationalist vision also caused normative tensions with Britain. Specifically, Hitler had revealed an intense hatred for Jewish people. British elites believed that even if Hitler's intentions were limited, that he would pursue racists and repressive domestic policies that undermined the norms and values British elites promoted internationally (Barros, Imlay, Resnick, Ripsman, and Levy, 2009). Dif-

²⁴⁴Wark (1985) shows this with an analysis of the deliberations from the Defense Requirements Committee. But the War Cabinet documents also support that British elites internalized these estimates.

Figure 16: Time-varying events that could competition and peace during Anglo-German relations

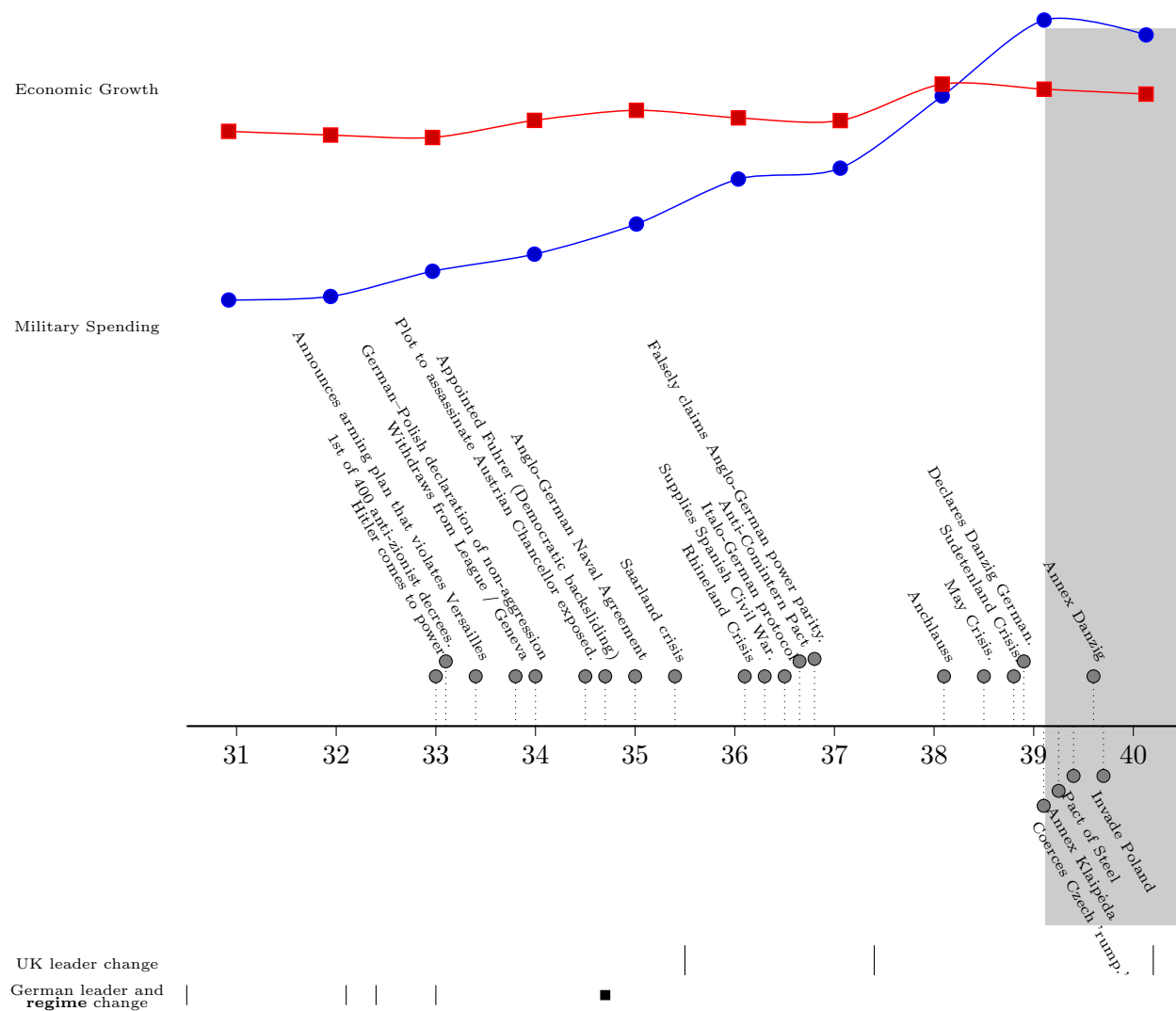


Figure summarizes time varying events that different theories believe could influence the UK's choice to compete with Germany. The top plots economic growth and military spending. Note the scales are arbitrary. The critical factor is the overall trajectory of economic growth and fluctuations in the rate of military spending. The bottom marks German and UK leadership changes. The black square represents a regime change in Germany when Hitler is appointed Fuhrer. In the middle I plot Hitler's salient military, diplomatic and commercial choices. Choices above the line are consistent with Hitler's declared principle (ethno-nationalism). By consistent, I mean that the British could not rule out nationalism as Hitler's principle as result of Hitler's action. The shaded grey bar represents the shift from hedging to competition.

ferent still, British elites were concerned that Hitler would damage international institutions such as the League of Nations, or the wide-spread acceptance of Keynesian economic principles. To be clear, British elites were very uncertain about the scope of Hitler's intentions. They believed that the list above was plausibly the scope of Hitler's aims. But they thought it was just as plausible that Hitler's aims were regional and potentially global.

As the Figure also shows, all of Hitler's action before March 1939 plausibly served his extreme version of ethnic nationalism. Britain started to compete with Hitler as soon as Hitler's actions cannot be explained by this principle.

In what follows, I use details of the case to illuminate my theory, and clarify my case codings. First, I explore why Hitler's initial claims were limited given what Hitler had written in *Mein Kampf*. Second, I detail events that surround the Munich Agreement. These events provide strong support for my mechanism and illuminate some critical episodes in this case. Third, I describe my choice to code Hitler's turn to competition in March, 1939 (about 6 months before they declare war). This choice helps clarify the difference between war and competition, and how I operationalize it in a typical case.

Mien Kampf: Were Hitler's declared interests actually acceptable? My theory assumes that the Challenger makes acceptably limited aims. But Hitler's writing in the 1920s potentially extended well beyond what the British would have found acceptable. In *Mien Kampf* Hitler expressed a desire to provide ethnic Germans with living space by expanding Eastward at the expense of Slavic populations. He writes, "If we speak of soil in Europe today, we can primarily have in mind only Russia and her vassal border states." Reading this, a handful of British elites (e.g. Vanisaart) thought Hitler's intentions were vast from the start. But the systematic estimate from the Defender Requirement's Committee in 1934 found that if Hitler's ethnic-nationalist vision was likely more limited ([Hauner, 1978](#)).²⁴⁵

Why did the British ignore Hitler's writings? One potential answer is irrational optimism. But there are two other reasons. First, even in Hitler's writings, living space was an instrumental (i.e. supported German prosperity) and not an intrinsic interest. If Germans were happy enough

²⁴⁵To be clear, the DRC did not conclude Hitler held limited aims. Only that if he did, this is what they were. They described him as the 'ultimate potential enemy', which illustrates that they were uncertain about whether his declared principle was genuine.

living within their borders, then according to a reasonable reading of *Mein Kampf*, Hitler would be satisfied without it.

Second, *Mein Kampf* ‘teem[ed] with contradictions and misconceptions’.²⁴⁶ This created confusion amongst British elites about how to interpret it. Starting in 1932, Hitler’s emissaries²⁴⁷ explained that Hitler’s earlier writing were designed to rally hyper-Nationalist Germans around his cause and launch him to power. They pointed out that in the 1920s, Hitler faced severe obstacles to his political aspirations because he was not a German citizen (he was Austrian); and he was in prison. He realized it would be difficult to compete with moderate German-nationalists who had a more suitable background. Thus, his writings in the 1920s reflected his desperate position, and not his true interests. To support this interpretation, British elites pointed to the fact that Hitler’s claims moderated once he was appointed as administrator for the state’s delegation to the Reichsrat in Berlin and his political aspirations were more secure.²⁴⁸ British elites were persuaded by these arguments.

The moment of truth: The Munich Crisis The Munich Agreement is a critical moment in this case because it was the last major concession Britain made before turning to competition. Four features of Anglo-German behavior that surround Munich are well explained by my theory.

First, my conceptualization of hedging well fits British efforts to negotiate the Munich Agreement. Britain was not involved when the crisis started. Rather, Britain was brought in to negotiate with Hitler on Czechoslovakia’s behalf. In the end, Czechoslovakia did not even attend the Munich Conference.

In bargaining theory, negotiators try hard to extract as much of the surplus as possible. But Britain did the opposite: they gave away so much that they were unsure that Czechoslovakia would accept the terms. Indeed, the Czech leadership was upset and branded British concessions a betrayal (Barooh, 1966). Why would Britain give away the surplus? Consistent with how I conceptualize hedging, Britain’s negotiations clearly illustrate their desire to de-conflict with Germany in the hopes of reaching a stable peace.

Second, the Munich Settlement partitioned Czechoslovakia in an oddly drawn way. The division

²⁴⁶US Amb. to Germany Rumbold 13 Apr. 1933 dispatch. Quoted in Gilbert (1966, pp 377-78).

²⁴⁷Although Hitler took power a year later, his confidants met with British elites in London starting in 1932.

²⁴⁸Stone (2008) also argues that English translations were less expansive than the original German text.

was not a straight line. It did not reflect the distribution of power, or strategic or administrative boundaries. Consistent with my theory, the border included all of the territories that are majority German and nothing more. The fact that this was the last concession Britain was willing to tolerate clearly fits with how I conceptualize the moment of truth. It is everything Hitler would want if he desired Germanic territories.

Third, my theory assumes that the Challenger knows that the Defender employs the logic of principles. If my theory is correct, a greedy Challenger should therefore publicize their intent to take actions that match their declared core interest, and conceal their intentions to violate this claim. Hitler's public and private statements leading up to Munich clearly show he understands the strategic game that my theory illuminates. Consistent with this logic, a week before taking the Sudetenland Hitler publicly declared, 'I am asking neither that Germany be allowed to oppress three and a half million Frenchmen, nor am I asking that three and a half million Englishmen be placed at our mercy. Rather I am simply demanding that the oppression of three and a half million Germans in Czechoslovakia cease and that the inalienable right to self-determination takes its place.'

But this claim was not genuine. Only one year earlier, Hitler called a secret meeting of Nazi leadership where he detailed his true foreign policy vision. No minutes were taken. However, attendees later wrote down their recollection of Hitler's desires in the Hossbach Memorandum (which they kept secret). From their recollection, Hitler explained his desire to take Eastern Europe and exterminate the Slavic populations, then expand across Western Europe ([Weinberg, 1980, pp39-40](#)).

Why keep these specific interests secret but publicise a desire to take the Sudetenland? Consistent with my theory, Nazi elites understood that British elites were only willing to hedge while Hitler could plausibly claim to be motivated by limited ambitions. Debate between Hitler and other leading Nazi officials shows that they know the invasion of Eastern Europe would trigger 'major war' with Britain ([Hillgruber, 1974, pp5-22](#)).

Finally, once Hitler violated the Munich Agreement, he quickly demanded Klaipėda from Lithuania before invading and dismembering Poland. These actions are all inconsistent with Hitler's declared limited principle. Why would Hitler take so many inconsistent actions after 5 years of taking actions that fit within a limiting principle? My theory provides an answer. If my theory is correct,

Hitler chose to avoid these actions to avoid British learning his motives. Once Hitler revealed his intentions by violating Munich, he had no incentive to hold back over other demands. Thus, Hitler could take the territories that were easy to take but that he deferred because it would communicate his vast aims.

How the case ends: Britain turn to Competition March 1939 I code this case as ending in competition in March 1939. To be clear, this is six months before Britain declares war. Coding competition in March or September 1939 does not affect the medium-n analysis. In what follows I explain my coding choice to clarify what I mean by competition and how it is different from hedging.

In my theory, competition is a grand strategic orientation. Therefore the coding is based on the Defender's intention about how to manage the Challenger in general, and not highly situation-specific choices, such as how the Challenger responds in a particular crisis. In the British case, I code competition in March because this is when the British Government decided to start confronting Hitler at every turn. To be clear, British elites had started to militarize long before 1939 in case war was necessary. They also held long-standing alliance commitments across Europe that they knew would cause tension with Hitler even if his aims were limited. Furthermore, they had taken limited steps to isolate Hitler diplomatically. However, pre-1939 Britain's strategic goal was to avoid escalation and preserve the opportunity for peaceful coexistence in the future.

As [Strang \(2008\)](#) describes, British policy changed starting in March 1939:

After Munich, continued German belligerence, the Kristallnacht, and British intelligence assessments indicating that Hitler was prepared to attack the Western powers led to a reassessment of appeasement. The British government gave security guarantees to several European countries, seeking to deter future aggression and to lay the groundwork for a successful war against Germany should it prove necessary. While most of the British elite detested communism, anti-communist views did not govern British policy; security considerations required Soviet support in Eastern Europe, and Britain and France made a determined effort to secure Soviet support for the Peace Front.

This change was not limited to security policy. British economic policy also changed in March

1939. Before that date, British firms traded openly with Germany. But in March, Britain began to prepare for the Blockade of Germany, although they did not implement it until August. The intent of this policy was to stall the German economy and marked a radical departure from the earlier policy (Strang, 2008).

To be clear, Britain's observed actions did not always match their strategic goals. Britain and Germany experienced crises before 1939, and Britain did not escalate to war in key crises that start after they chose to compete. However, these situation-specific choices were based on weighing the instrumental costs and benefits in each case. To appreciate this nuance it is helpful to contrast British thinking during two crises: the Rhineland Crisis (1935) and the Danzig Crisis (1939).

In 1934, British elites realized that Hitler would soon re-militarize the Rhineland. Even though this was during the period of hedging, and the Rhineland clearly fit within Hitler's declared principle, many British elites were concerned that re-militarization would trigger war (see Yarhi-Milo, 2014). However, that concern was based on Britain's long-standing commitment under the Treaty of Locarno. Under the treaty, Britain promised to intervene if German forces entered the demilitarized zone. Consistent with how I conceptualize hedging, once Britain realized that Hitler would likely remilitarize the Rhineland, they took steps to avoid escalation. In the end, they did not intervene despite their treaty commitment. They realized that this would weaken their reputation for resolve, but their priority was avoiding broader conflict with Germany. In fact, as the crisis unfolded, they took additional steps to reassure Hitler and avoid any chance of a spiral of mistrust that could inadvertently trigger competition. The British War Secretary told the German Ambassador, "through the British people were prepared to fight for France in the event of a German incursion into French territory, they would not resort to arms on account of the recent occupation of the Rhineland. The people did not know much about the demilitarization provisions and most of them probably took the view that they did not care 'two hoots' about the Germans reoccupying their own territory."²⁴⁹

In October 1938, right after the Munich Agreement was signed, German Foreign Minister Ribbentrop declared Germany's intent to possess the Free City of Danzig. One month later, Hitler told the Polish foreign minister that Danzig was German. However, Hitler did not threaten Poland, or explicitly demand Danzig at the time. Hitler's claims were consistent with Germany's declared

²⁴⁹Quoted in Weinberg (1980) p259.

principle because Germany had possessed Danzig prior to the First World War, and there was a considerable Germanic population that still lived there.

In April 1939, after Britain had turned to competition, Hitler made coercive threats against Danzig. Hitler's limited demand put Britain in a tough diplomatic position. Two months earlier, Britain had committed to defend Poland from German invasion. But Danzig was a Free city controlled by Poland. Technically, Britain had no obligation to support Poland if Hitler invaded Danzig. Furthermore, Britain had strategic incentives to stay out of the crisis. Britain was not well prepared for war in April (but Hitler did not know that) (Overy and Wheatcroft, 2009, p18). As a result, Britain was not willing to fight over Danzig if Hitler did invade. Despite this fact, Britain extended its security commitment to cover Danzig in an effort to force Hitler to back down.²⁵⁰ This choice is consistent with how I conceptualize competition. Even though Britain was not yet prepared to fight, and their core interests were not at stake, Britain tried hard to prevent Hitler's advances.

The difference in Britain's intent in these two crises is clear. In the Rhineland Crisis, British elites want to avoid escalation and mistrust. Therefore, they look for potential flash-points, and seek to minimize them, even if it means making concessions and signaling weakness. In the Danzig Crisis, British elites wanted to prevent Hitler's expansion by extending their alliance commitments. They did not care that their new commitment could trigger war, or that Danzig was not strategically important. The reason is that their aim was competition.

Other theories The timing of competition in this case is hard to explain from many theoretical perspectives. But scholars have offered a handful of explanations for this case.

First, some argue that Britain delayed competition because they were not prepared. This is plausible, and could explain aspects of the case. But it does not speak to British perceptions of Hitler's intentions, which clearly changed, and motivated appeasement.

Second, some argue that British elites were irrational. That they ignored clear warning signs such as the crises laid out above. It is plausible that Britain's prior beliefs about Hitler were partly motivated by wishful thinking. It is also plausible that specific elites succumb to personalist

²⁵⁰In the end, Hitler took Danzig and Britain did not honor their security commitment completely. They sent material to Poland, but did not declare war. But this choice was based on strategic factors. Their decision to extend the security guarantee exemplifies what I mean by an attempt to thwart Hitler.

impressions. However, it is unlikely that these explanations are the whole story. Indeed, it is remarkable that British thinking on Hitler changed so rapidly after Hitler violated the Munich Agreement. Hitler's coercive threats for the rump of Czechoslovakia were no more vivid or egregious than his past actions. Hitler had broken promises before. Power was not shifting at a rapid rate at this moment in history. It is hard to see why British impressions did not persist here but they had previously persisted.

7.3 Part 2b: vignettes for cases that my theory does not neatly predict.

Under my coding rules, two cases do not fit my theory. In one case, France competes with Prussia even though Prussian actions were clearly consistent with Prussia's declared principle. An interesting quirk of this case is that Britain was also closely watching Prussian unification, observed Prussia's behavior, and (consistent with my theory) chose not to compete. I exploit the difference in France and Britain's strategic response to illuminate my theory. In the other case, Germany declared a principle that was at best ambiguous and at worst unacceptably greedy to Britain elites. Then Britain took a long time to turn to competition. A strict coding of my theory would predict competition earlier.

I use these cases to illustrate how my theory and power transition theory interact. I show that even though my theory fails to explain the exact timing of competition in these cases, that the logic of my theory is at work. That is, Defenders still care about the Challenger's true principle, and interpret the Challengers words and actions to estimate what the Challenger's long-run interests are. However, both of these cases lie outside the scope conditions of my theory for different reasons. As a result, the precise timing of competition we observe is better explained by shifting power.

7.3.1 Contrasting a supportive and non-supportive case: British and French divergent responses to Prussian unification

In 1862, the incoming Prussian prime minister Bismark delivered forcefully articulated a new foreign policy principle: the unification of Germanic territories under Prussian government. Bismark's claims held clear normative and territorial implications. Although Bismark did not explicitly state it, unification would inevitably create territorial disputes with France over villages and cities including Bas-Rhin and Haut-Rhin, Moselle, Meurthe, Saales and Schirmeck.

Prussian demands also created normative tensions for Britain. The British Queen held close relations with the Austrian Monarchs. However, Prussia wanted broad recognition (including Britain's blessing) that it was the legitimate representative of German people.

Beyond what Prussia had claimed, Britain and France also realized that Bismark could hold ambitions beyond Germanic territories. Even in 1862, they knew that Germany unification would dramatically affect the balance of power in continental Europe, making further German expansion much harder to stop. Thus, if Prussia's goals were to extend beyond German unification, it would pose an enormous threat for stability in Europe.

Over the next decade Prussia slowly consolidated power through wars against Denmark (1864), Austria (1866) and France (1870).²⁵¹ This culminated in German unification in 1871. I code Prussian actions during this period as consistent with Prussian ethnic-nationalist agenda. Therefore, my theory predicts that this case should end in Anglo-Prussian and Franco-Prussian peace.

Consistent with my prediction, I code British starting to seek peace with Prussia shortly after the Austro-Prussian War (1866) (?), and I code peace as crystallizing shortly after German unification (this is consistent with [Stafford, 1982](#); [Kennedy, 1988](#)).²⁵² British actions reflect peace in several ways. Britain recognized Germany as soon as Germany federated, and set out to foster strong commercial relations and other institutional ties. Prussia's actions also reflect Anglo-German stability starting in the late 1860s. Most critically, when Wilhelm declared Germany had been unified, he acknowledged the end of Prussian expansion. any in Britain viewed this as a proclamation that Prussia was done with its expansion and viewed its position within European order as stable ([Stafford, 1982](#)). In contrast, and inconsistent with my predictions, I code France as turning to competition in July 1870 when they declared general war against Prussia.

Why did France turn to war when Prussian behavior was consistent with its limited principle, and what explains the differences in French and English reactions? The difference lies in what France and Britain considered as acceptably limited. Recall, I defined an 'acceptably limited' Challenger based on the Defender's cost-benefit calculus. The Defender would weigh two options: conceding everything implied by the Challenger's declared principle, turning to competition in the first period. A principle was acceptably limited if the Defender preferred to concede those issues,

²⁵¹There are other notable events. For example, in 1866, Prussia secretly Britain aid to fight France if France invaded Belgium. In 1866, Prussia sent supplies to Italy in aid of Italian unification.

²⁵²?, p295 sees the origins of peace as starting even earlier.

rather than turn to competition.

Prussia's declared principle was acceptably limited for Britain but unacceptably greedy for France. Notably, if Prussia genuinely wanted German unification, then it would demand territories that France viewed as part of its sovereign land. Since these territories were highly salient to both France and Prussia, there was no room to achieve a stable peace. In contrast, German unification was far less salient for England. As stated, London favored Austria as the primary representative of Germans. It also held relations with several principalities that Prussia would capture. However, these issues were small relative to the costs of competition with Prussia.

Bismarck explicitly acknowledged how Prussian interests differently conflict with Britain and France. For France, he noted that given Prussia's declared interest that he "did not doubt that a Franco-German war must take place before the construction of a United Germany could be realised."²⁵³ He also realized that Britain would not come to France's aid in a war because "France, the victor, would be a danger to everybody—Prussia to nobody,"²⁵⁴ In short, Bismarck realized that so long as his interests remain targeted at unification, Britain would not perceive Prussia as a threat.

British thinking also supports my interpretation in two ways. First, Britain was able to separate its limited interest in supporting Austria with its broader interest of finding a path to long-term peace. Indeed, the British "were shocked and disillusioned by Bismarck's methods (Stafford, 1982)." This disdain for Prussian methods drove the Queen to remark that "Prussia seems inclined to behave as atrociously as possible, and as she always has done! Odious people the Prussians are, that I must say." However, with a broader perspective, and "despite this indignation, there was no thought of actual intervention on London's part (Kennedy, 1988, p16)." Why did London take on this policy? According to Kennedy (1988, p18), and consistent with my theory, a major reason was that Britain perceived Prussia's broader interests were limited despite Prussia's repeated military actions. "What was clear about 1866, however, was virtually no Briton felt that way [threatened] by the rise of Prussian dominance." Further, Britain realized that Germany would prove a sound trade partner (?).

Second, Britain's interpretation of the difference in their policy and France's policy clearly

²⁵³Translated by Butler (1989) p58.

²⁵⁴von Bismarck, Otto Eduard Leopold; von Poschinger, Heinrich (1900). von Poschinger, Heinrich; Whitman, Sidney (eds.). *Conversations with Prince Bismarck*. p87

mirrors my own. As prime minister Stanley explained, “The growing jealousy of Russia and, I suspect France also, against Prussia is natural. We should feel the same in their position. But to us, there is no loss, rather a gain.”

Even if my interpretation is reasonable, it raises two questions. First, why didn’t France fight in 1862 when Bismark gave his “Blood and Iron” speech? Several situation-specific factors motivated France’s choice to delay war.²⁵⁵ But the long-term cause was a shift in France’s perception about Prussian capabilities between 1866 and 1870. Before 1866, France did not view Prussia as a serious threat military threat. However, three events between 1866 and 1870 led France to suddenly realize that Prussia was a large threat, and was increasing in relative strength each year. First, in 1866 Prussia easily defeating Austria. Prussia’s performance alerted France that Prussia was a skilled military foe. Second, each time Prussia won a war, it took possession of highly productive Germanic territories. As a result, France realized that Prussian power was growing with each military victory. Third, in 1870 a close friend of Bismark, Amadeo I, was crowned as the Spanish King.²⁵⁶ France feared that if it did not act soon, Prussia and Spain would forge an alliance that encircled France. Putting these three factors together, France faced the classic problem: it anticipated power would soon shift against her, and turned to war to prevent it.

This discussion helps clarify how my theory fits with theories of shifting power and war. In this case, France knew that Prussia was unacceptably greedy from the start because France was unwilling to tolerate Prussia’s limited aims. Therefore, France did not bother estimating Prussian intentions. Rather they thought about the problem as a classic bargaining problem. They did not instantly compete because they perceived Prussia as weak. In contrast, Britain perceived Prussian claims as acceptably limited. Since Britain believed that there was a plausible chance Prussia would stop at German unification, Britain worked hard to avoid competition so that they could forge peace with Prussia once it unified. For Britain the critical question was not Prussian capabilities, but Prussian intentions.

Second, why did Prussia make a claim that was unacceptably greedy to France and therefore provoked war with a major power? If the logic of salami slicing ([Mearsheimer, 2001](#)) is reasonable, then Bismark’s best strategy would be to make a modest claim first, and then expand into France

²⁵⁵Including domestic politics and Prussian provocation.

²⁵⁶Wilhelm I entered Amadeo into the Knight of the Order of the Black Eagle in 1868.

at the last possible moment. My theory suggests two plausible reasons Bismark started with a provocative claim. First, Bismark’s claim was likely the smallest plausible claim.²⁵⁷ Second, my theory explains that coordination only works once. If Bismark hoped to retain peace with London in the long run, it would have been unwise to make a different claim and then revise it. Since Britain was willing to tolerate Prussia’s actual principle, declaring that true principle was important for Anglo-Prussian peace.

7.3.2 British Assessments of German Intentions (1890s)

In 1888, the new German Emperor, Wilhelm II²⁵⁸, came to power. In 1890, Wilhelm II announced a new foreign policy objective that followed the doctrine of *Weltpolitik*. Wilhelm’s declaration was not clearly limited to British elites (or even to modern historians). Some argue that *Weltpolitik* was mainly “designed to secure recognition from Britain (?)” In this description, German armament was instrumental, not core to German interests. But not all British elites felt that way. The British Foreign Minister, Lord Salisbury, was deeply suspicious of Wilhelm’s intentions. For Salisbury, there was no clear end to German ambition under this new strategy. It seemed likely that Wilhelm could only achieve such status at the expense of Britain. Others argue that Wilhelm viewed a powerful navy as core to great power status (Kennedy, 1988). Others still argued that status would cause Germany to demand colonial possessions that could cause tension with Britain (?).

In my theory, the Defender is only willing to initially extend trust if the Challenger declares a clear and unambiguous limiting principle. If the Challenger fails to declare a clear principle, then the Defender will respond with competition instantly. Britain did not react this way. Rather, I code Britain as turning to competition in 1898 with the onset of the Anglo-German naval race. In 1897, Germany announced that it would start to construct a blue water navy. At that time, Lord Salisbury grew alarmed that this was Germany’s first step towards threatening British core interests. As a result, Britain turned to competition. Inconsistent with my theory, this was nearly a decade after *Weltpolitik* was announced, and before Germany had threatened British interests in any way.

²⁵⁷In fact, other versions of nationalism would have encouraged Prussia to conquer Austria also.

²⁵⁸Not to be confused with Wilhelm I mentioned above.

Why did Britain not turn to competition once Wilhelm announced Weltpolitik? The basic answer is that Germany behaved like a de facto status quo power during the early 1890s. Germany did not use its military power to coerce concessions in Europe. In fact, Germany worked hard to preserve the international order. Furthermore, the source of British power was in navy supremacy. Germany had a small navy, and made no effort to expand it. In my theory, all the Challengers make at least one demand. However, it is clear to see that if a Challenger made no demands, and did not expand its military to make future demands viable, then peace would persist no matter what claim Germany made. In short, the early period of this case falls outside my scope because Germany's rise was too slow.

From Britain's perspective, events in 1897 reflect the classic spiral model (Kydd, 2005). Britain conceptualized German status claim as possibly a desire for normative recognition and nothing more. In which case, Germany was a status quo power. Alternatively, Germany's status claims could drive expansive interests. Since British elites did not understand how expansive, they treated them effectively as unacceptably greedy. British elites used Germany's costly arming as a signal of Germany's intentions along this one dimension.²⁵⁹ When Germany chose to arm, they turned to competition.

However, one feature of this case is somewhat puzzling for the spiral model. What explains Germany's choice to initiate a naval build up and trigger the spiral of mistrust in the first place? After all Germany did not perceive a threat from Britain. They had no security reason to expand their navy. My theory clarifies and refines the spiral model by introducing normative preferences. Germany chose to kick-start the spiral because they needed to arm to secure their status motivations. For Britain, this act was ambiguous. It was unclear if a large military was a status symbol, or an instrument to demand much more. Therefore it posed a security threat in the sense that defensive realists mean it.

7.4 Part 3: My value add to existing explanations.

The case vignettes illustrate that grand strategic choices are nuanced. A detailed look at elite decision-making shows that all sorts of factors play a critical role. Consistent with existing research, the Defender appreciated that structural changes, such as power shifts, cause tension. Defenders

²⁵⁹In fact, as early as 1866, British elites articulated this basic test as early as 1866 (Kennedy, 1988).

also factored in the Challenger’s leadership style and regime type to form initial estimates about their motives. They also closely monitored the Challenger’s costly choices to update their beliefs. Consistent with my theory, it is also clear that they interpreted these events using the logic of qualitative inferences. They did not just look at indicators, they interpreted these indicators through their knowledge of the Challenger’s history and culture. Across the four cases that I detail, the amount my theory mattered relative to the rest did vary.

This multi-variable evidence leaves us with two broader questions that I now address: how much do different theories contribute to explaining the over-arching patterns of competition and peace across observed cases? If multiple theories contribute to explaining the timing of competition and peace, then how should we best understand where my theory first in this multi-causal process?

To address these questions, I code each case for years in which theories of power suggest competition is likely. Table 11 summarizes my codings for these cases. Column 4 and 5 focus on pressures caused by conflict. Some argue that the first crisis over territory triggers competition (Powell, 1999), others argue that the largest and most violent crisis that the Challenger initiates creates the largest pressures for mistrust and competition (Glaser, 2010). Consistent with these theories, column 4 identifies the Challenger’s first threat of force to take territory (if they did); and column 5 identifies the year in which the Challenger uses the most force to take territory.

Columns 6 and 7 focus on pressures caused by the rate of shifting power. Research suggests that a threshold emerges on the rate of shifting power (Spaniel, 2019; Debs and Monteiro, 2014). If power shifts faster than the threshold in a given period, then war occurs at the point where the rate of shifting power is most rapid. If the rate of shifting power never exceeds the threshold, then the power transition passes peacefully. Based on this insight, I identified cases that experience at least one year of unusually rapidly shifting power.²⁶⁰ When I find it, I record the year in which power shifts the fastest in that case. If the rate of shifting power is never extreme, I omit the year. If shifting power confounds my theory, then we should observe most cases that end in competition surrounding the year I record. Further, we should rarely observe competition when power shifts are never rapid (I do not record a year).

Columns 8 and 9 focus on pressures caused by power parity. Research suggests that when the

²⁶⁰As I explain in Appendix E, I define power as shifting unusually fast based on the average rate of shifting power across all cases and years. Unusually fast shifts are two standard deviations outside of the norm.

Table 11: The Timing of Competition During Great Power Rivalries

Case		My Mechanism	Confounder: Use of Force		Confounder: Shift Power [†]		Confounder: Relative Power		Outcome	
Def	Chal	Year	First Inconsistent Behavior	First Use of force to take concession	Most violent Behavior	Max Expected Future Power	Max. Shifting Capabilities	First Mil. Parity	First Econ. Parity	Shift to Competition
FRA	GER	1866		1866	1868		1868		1866	1869
RUS	CHN	1949	1957	1968	1968	1950			1949	1961
RUS	JPN	1978								
UK	GER	1866		1866	1868	1871	1868	1869		
UK	GER	1890		1914	1914	1914	1914	1890	1898	1897
UK	GER	1931	1938	1934	1938	1939	1938	1933	1931	1939
UK	RUS	1941	1946	1945	1945	1945	1946	1941	1941	1946
UK	USA	1890		1898	1898	1898	1868	1898	1890	
USA	GER	1934	1938	1934	1938	1941	1938	1933		1939
USA	GER	1990								
USA	IND	1974		1984	1984				1985	
USA	JPN	1905	1915	1910	1931			1906		1916
USA	JPN	1987							1987	
USA	RUS	1942	1946	1945	1945	1945	1946			1946

[†] In these columns, years not underlined imply power shifted slowly throughout this power transition. Years underlined imply power shifted rapidly in that year. Missing Years imply the event did not occur.

Challenger achieves power parity, that the pressures for war are most severe (Organski and Kugler, 1980). Based on this insight, I identified cases in which the Challenger achieves power parity in at least one year. When I find it, I record the year in which the Challenger achieves parity. When I do not find it, I omit the year. If power parity confounds my theory, then we should only observe cases that end in competition in the cases where I record a year. We should expect those pressures to be most severe in the year that power shifts are fastest. Further, we should never observe competition or war in cases where power shifts slowly.

As a first cut, Figure 12 summarizes the predictive accuracy of each variable on its own terms. My theory is reported in the first row. The power variables appear in the remaining rows. The cases are broken out by whether the case ends in competition or peace (and then the total predictive accuracy). The black shaded region in each pie represents the proportion of cases that are correctly predicted. To be clear, I constructed the case universe and coded variables to test my theory while factoring in potential confounds. Therefore, we should not draw strong inferences against other theories from this plot. However, there are two interesting results that we can derive from this summary plot.

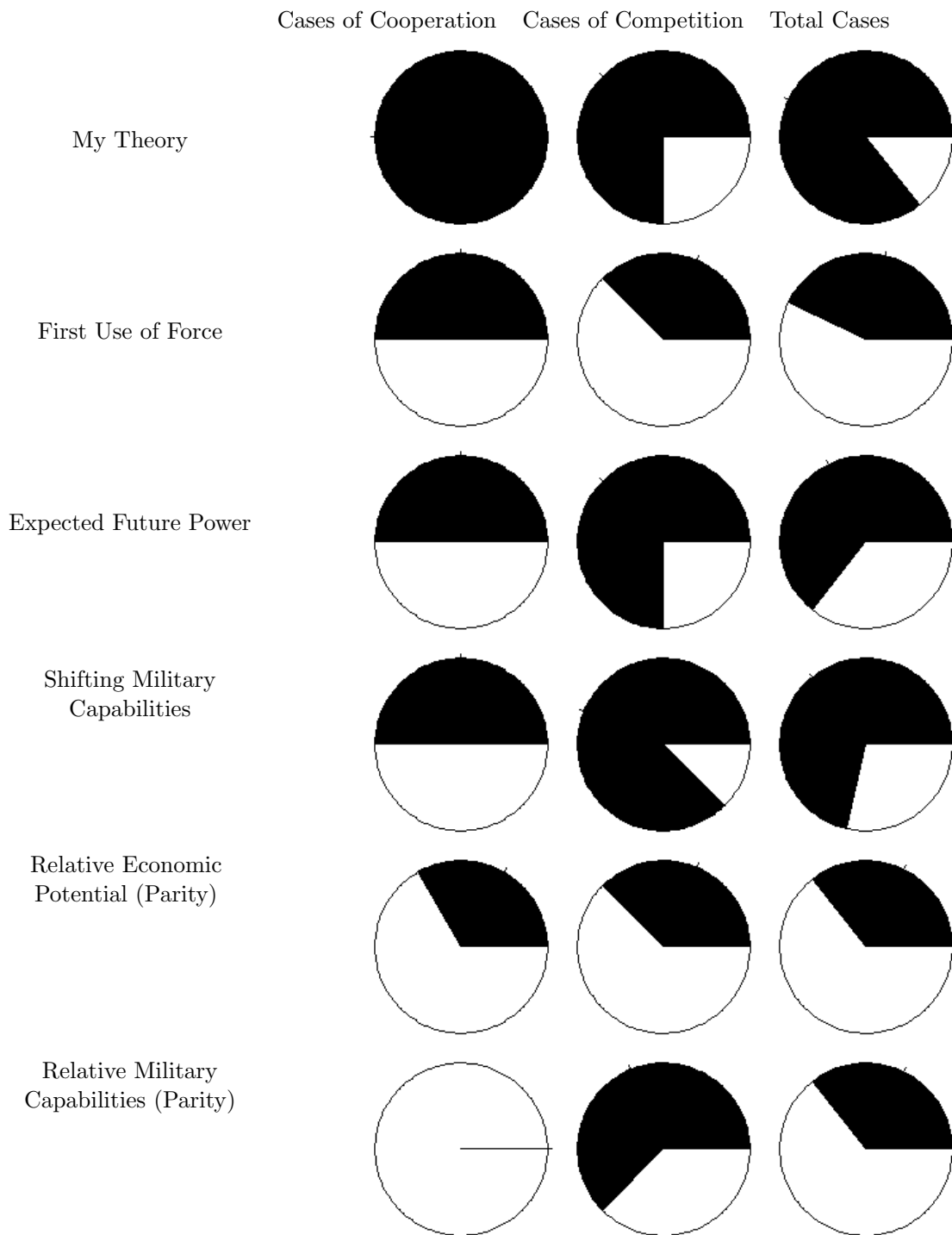
First, my theory well predicts many cases. However, it does better (and remarkably well) at predicting cases that end in peace relative to cases that end in competition. As we saw in the case vignettes, the only two cases I mis-predict end in competition. In one, my theory expected peace. In the other, my theory expected competition would come earlier.

Second, one alternative theory: shifting military capabilities also predicts many cases (almost as many as my own). However, this alternative theory does better at predicting the cases that end in competition than in peace. In fact, that seems to be a trend across the power based explanations that do not perform as well: they tend to better predict cases that end in competition than cases that end in peace.

This trend matches what we learned from the case vignettes. Recall that power shifts rapidly in Anglo-American relations. The United States achieves and exceeds power parity with Britain. But competition never comes. Similarly, Prussia rapidly expands its military and economic power during unification. Britain refrains from competition and actually promotes Prussia's power by expanding commercial ties.

Figure 17 reports the correlation between the predictive accuracy of all of the variables that I

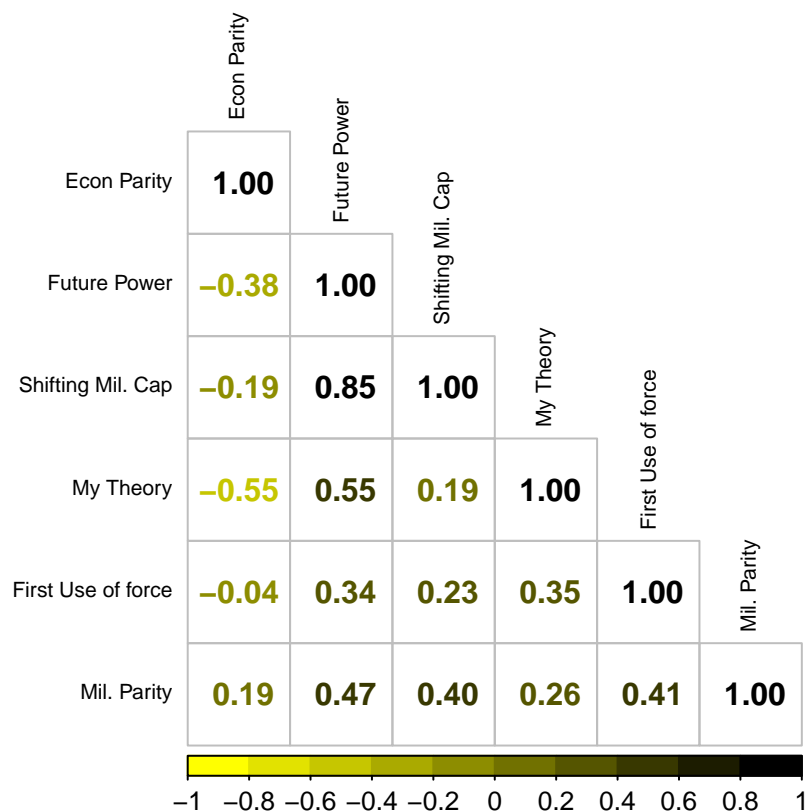
Table 12: Testing Theories that Predict a Shift to Competition



Note: Shaded in black are the proportion of correctly predicted cases.

test. If the correlation is close to one it means that the two theories well predict the same cases and fail to predict the same cases. Numbers close to -1 mean that when one theory makes a correct prediction, when the other makes an incorrect prediction. Notice that my theory is not well correlated with any of the power based explanations. The correlation is noticeably weak when compared to shifting military capabilities (0.19). This is surprising because shifting military power correctly predict the outcomes of many cases.

Figure 17: Correlations Between Theoretical Explanations



A closer look at the cases shows that The two case that my theory fails to predict, are well predicted by rates of shifting power. The 4 case that shifting power fails to predict, are well explained by my theory. There are 8 cases that both theories correctly predict. These results

confirm that my theory not only explains many cases, the cases that it well explains are the cases that theories of power struggle with. As a result, I view my theory as especially valuable because it explains the cases that existing theories cannot.

7.5 Discussion

Taken together, the case vignettes and the comparative medium-n analysis suggest that my theory and theories of shifting power compliment each other. The vignettes of outlier cases confirm that power provides two scope conditions for my theory. First, if the Challenger's declared principle includes highly salient territories that the Defender cares a lot about, then the Defender wants to compete even if the Challenger's aims are limited. In a case like this, competition is governed by the rate of shifting power. Second, if the rate of shifting power is incredibly slow, then the Defender will delay competition even if he perceives the Challenger has expansive aims. In the 14 cases I study, only 2 of them fall into these extreme ranges.

For the 12 cases that fall between these extreme ranges, the analysis shows that perceptions of the Challenger's motives play a critical role in the Defender's choice to compete or not. As all four vignettes show, the Defender relies on principles to develop an assessment framework, then exploits the logic of qualitative inferences to update beliefs. In the two vignettes that represent typical cases, the Defender also conditions competition choices on those beliefs.

For these 12 cases, theories of power are less accurate mainly because they fail to predict the dogs that don't bark: cases that end in peace despite rapidly shifting power. Indeed, this seems consistent with the core logic of my theory. My theory explains why trust persists for long periods as the Challenger rapidly militarizes, takes territory and commits unspeakable abuses to serve a limited principle. The existing literature does not have a good explanation for inaction during these periods. My theory fills this important gap. It explains the timing of competition and peace for many cases of great power competition since 1850.

8 Modern Sino American Relations

US strategy towards China in the post-Cold War world is often described as hedging. Under this strategy, the US created opportunities for long term cooperation in the hopes that China was peaceful. It deepened commercial ties, promoted technological exchange, and supported China's bid into international institutions. The US also maintained forward deployed bases across Asia, focused intelligence collection on China, and invested in naval capabilities that would be important if the US discovered that competition was necessary. Although each president had pet projects, this basic hedging strategy persisted for two decades (Steinberg, 2020).

Things changed under the Obama Administration (James, 2012). Obama announced a "strategic pivot" away from hedging and towards competition. Obama ended policies that accommodated China on commercial and diplomatic issues. Instead, he developed the Trans-Pacific Partnership to exclude China from the economic order in Asia (Naughton, Kroeber, de Jonquières, and Webster, 2015). Obama also promised diplomatic support to states vulnerable to China's economic coercion, and incentivized US firms to invest in Asian states other than China. On the security front, Obama promised to station 60% of US air and naval forces in Asia over the coming decade (O'Callaghan and Mogato, 2012). He wanted to increase our presence in states especially vulnerable to Chinese coercion (Tan, 2016, pp12-14). US forces also started to confront China by refusing to sail away when Chinese naval vessels patrolled near them in the South China Sea (Glaser, 2012).

Obama's strategic pivot broke from past strategy. But the break was incomplete. Most notably, Obama avoided public rhetoric that suggested Sino-American relations had soured, even though many analysts have characterized his policy as anti-China in spirit (Ross, 2013). The Trump Administration was more direct. The 2018 National Security Strategy explicitly calls for competition because *China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage.... [China] seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future.* Trump started a trade war with China, accused China of currency manipulation, extradited and prosecuted executives from Chinese owned firms, and promoted US military patrols in East Asian waters that confronted Chinese ships directly. Trump also focused US military spending on platforms necessary to compete with China.

Why, after two decades of cautious hedging, did competition start under the Obama Administration, and then rapidly intensify under Trump and Biden? This pattern of behavior is puzzling for two reasons. First, China experienced rapid economic growth and military spending across this whole period. Thus, scholars would expect a gradual shift in US policy to account for China's growth. They are puzzled by long periods of inaction, followed by an extreme policy change.

Second, each president faced different China-specific challenges that many believe they did not deal with appropriately. Critics argue that HW Bush and Clinton should have, but did not, respond to China's human rights abuses and autocratic consolidation ([Nakatsuji, 1999](#); [Skidmore and Gates, 1997](#)). Critics also believe that these presidents improperly enabled China's rise by deepening commercial and diplomatic ties ([Allison, 2017b](#); [He, 2016](#)). Critics of Obama argue that the Pivot to Asia unnecessarily provoked China because Obama's shift was too sudden but also poorly resourced ([Gilder, 2010](#); [Lieberthal, 2011](#)). Critics of President Trump argue that his rhetoric was unsophisticated and extreme ([Swaine, 2018](#)); and that his policy changes were so rapid that they harmed American firms and workers ([Johnson, 2019](#)). In each case, critics attribute the history of US policy to a series of individual and bureaucratic blunders, each worst than the last. They argue that our leaders are inexperienced ([Gilder, 2010](#)), ignorant of East Asia ([Bader, 2020](#)), or captured by personal preferences ([He, 2016](#)) or encounters with Chinese elites ([Engel, 2010](#)). But these individual-level explanations are puzzling given continuity across presidents. For example, as President Biden acknowledges, he and president Trump "agree on very little." They differ in terms of experience, political party, world view and many other attributes. However, "when it comes to the greatest foreign policy challenge facing the United States — how to deal with the rise of China — Biden's team have continued and mimicked Trump's destructive approach ([Bader, 2020](#))." Similarly, HW Bush, Clinton and W Bush vary extensively in terms of their foreign policy experience, age, upbringing world view, partisan affiliation and adviser pool. But "in the end, most observers have argued that the similarities in each administration's China policy were greater than the differences" ([Steinberg, 2020](#)). If partisan or individual differences matter, what explains these two periods of remarkable continuity?

My theory explains this pattern. Continuity and sudden change in US policy reflects a rational response to a sudden change in information about China's motives circa 2011; with power shifting constantly in the background. I find that the intelligence community alerted US policymakers to

the fact that China's intentions were clearly expansive circa 2011. Before this estimate, the intelligence community was deeply uncertain if China's intentions were limited or expansive. Consistent with my theory, I find that policymakers believed this estimate was a vital piece of information they used to form their overall strategy. Consistent with my policy predictions, I find that presidents from HW Bush to W Bush pursued hedging largely because they were uncertain about China's motives and were hopeful that cooperation was possible. Mainly consistent with my policy predictions, president Obama reformed the Pivot to Asia, a huge departure from two decades of hedging, to focus on competition with China soon after he received estimates that China's intentions were vast.²⁶¹ Further consistent with my policy predictions, two subsequent presidents, who hold different world views, levels of experience and political affiliations, did not regress to hedging. Rather they intensified competition leaving no doubt in the future of US strategy.

Just because the policy is right given the intelligence, it does not mean that the intelligence was right. In fact, a second group of critics has argued that the intelligence community ignored clear indicators that China's intentions were vast.²⁶² They attribute these failures to bureaucratic pathologies deep inside the IC ([Herkert, 2017](#)). Our Congressional leaders are now calling for intelligence reform ([Schiff, 2020](#)).

I find that intelligence estimates of China's motives were ideal, and closely follow the logic of my theory. Long before the Cold War ended, US diplomats met with Chinese elites to better understand their intentions. During these meetings, China declared its interest in a variant of nationalism that would restore China's position in Asia. From that moment forward US intelligence analysts sought to verify if China's declared motives were genuine. Much changed in the post-Cold War world. This enabled China to pursue several violent actions. But analysts did not alter their long term estimates because China's actions plausibly fit with China's declared motives. It was only circa 2011 that analysts observed actions that they could not reconcile with China's narrow nationalist agenda. At that moment, they sounded the alarm.

In many ways, the story of Sino-American relations matches the Anglo-Soviet story I told in Chapter 6. There are three reasons to tell it again in the US-China context. First, understanding our past actions is vital for future policy. If the critics are right—our policy and intelligence was

²⁶¹As I explain below, the reason this finding is mixed is that Obama does not publicly declare competition.

²⁶²The House Select Committee on Intelligence recently chastised the IC in "The China Deep Dive: A Report on the Intelligence Community's Capabilities and Competencies with Respect to the People's Republic of China."

the result of individual and bureaucratic failures—then we need to fix our bureaucratic problems (Schiff, 2020), repair our relations with China (Bader, 2020) and enacting a China policy that fits their version of what we should be doing. I argue that these criticisms are based on a faulty premise. Because they are not correct, the reforms they seek will harm us. They will damage our ability to provide reasonable intelligence, and potentially cause us to embark on the wrong China policy.

To make these concerns clear, I focus on alternative arguments in the modern policy debate on US policy and intelligence towards China. As we shall see, these arguments implicitly follow the logic of defensive realism, power transition theory, and regime theory to explain what the US should have done. But they focus mainly on partisan politics, bureaucratic politics and the power of individual elites to explain what happened. I take these case-specific arguments head on.

Second, the world has changed so much in a century, you may wonder if my theory applies in modern times. One difference is that US national security policy is no longer formulated by a handful of cabinet officials. Rather, the president relies on 11 intelligence agencies, two legal advisers, several diplomatic and military departments and hundreds of other advisers inside and outside of government to estimate China's motives and formulate strategy (Lowenthal, 2019). A related challenge is that the US is more privatized than most historical states. Privatization means that the president cannot dramatically change US policy without getting US firms and defense contractors on board. A second difference is that Sino-American relations do not look like past cases. Both China and the US stockpile world-ending nuclear weapons, making major war unthinkable. China holds global commercial ties that amplify the cost of competition for the US and its partners (White, 2013). A final difference is that states care less about territorial control today than they did a century ago. The US and China contest regional influence. They also want more influence over global currency, and decision-making authority in global institutions.

To be clear, several of these factors are reflected in past cases. For example, Western-Soviet disputes were mainly over spheres of influence in Europe, and the structure of Liberal/Communist World Order and not direct territorial control. But the US-China case is extreme on all three dimensions. Given the combination of factors, it is not clear that my predictions will bear out.

I find that my theory performs well even in these extreme conditions. In a reading of the evidence designed to dis-confirm my theory, it is plausible that these unique pressures caused Obama to turn weakly to competition when he should have turned hard. But even this deviation is short-lived.

Within a few years, the Trump Administration did what my theory expects the president to do.

Finally, because the case is so recent there a lot we do not know about it. Part of my contribution is to answer factual questions about US perceptions of China. I utilize 200+ interviews with US China-watchers in Washington DC, and a policy analysis to answer the question: when and why did the consensus view shift on China's intentions? I find that perceptions changed suddenly circa 2010-2011 and these shifts were likely realized as revised estimates that reached the president around the same time. While the trigger for each analyst is different, I find that the majority use the logic of my theory.

I proceed as follows. Most of this chapter examines US choices up until now. First, I analyze US intelligence estimates of China's strategic intentions. Second, I analyze US policy towards China. At the end, I consider the future: what will come next, and what policies should we implement to best prepare for competition with China.²⁶³

8.1 US intelligence estimates of China's intentions.

We now know that the intelligence community (IC) remained uncertain about China's motives for decades. Why did it take the IC so long to realize that China's intentions were vast? The conventional wisdom is that they made a mistake. In a recent (2020) inquiry, the bipartisan House Select Committee on Intelligence reviewed all intelligence products on China written since the post-Cold War period. The year-long review culminated in a report, aptly titled "The China Deep Dive: A Report on the Intelligence Community's Capabilities and Competencies with Respect to the People's Republic of China." In this report, Congress chastised the IC for its poor performance and incompetence.²⁶⁴ Their most damning criticism relates to how the IC has evaluated China's intentions. Notably, Congress found that the IC waited about a decade too long to learn that China's intentions were vast. Congress laid out a clear statement of what the IC should have

²⁶³I separately analyze US perceptions of China formed by the IC, and US grand strategy formed by the president and the members of the NSC for two reasons. First, and as just described, the US National Security community is enormous and highly specialized. Unlike British elites in the 1940s, there is a clear delineation in the modern United States between the individuals responsible for intelligence estimates and policy choices (Lowenthal, 2019). As a result, it is not reasonable to focus on the president's detailed reasoning that led to a specific perception of China's intentions. Most of the time, the president came to that reasoning by reading estimates from the intelligence community.

²⁶⁴The criticism was far reaching. Congress argued that the IC: did not dedicate enough collection resources to monitoring China; did not predict crises that China instigated; and did not properly attribute cyber operations to China even months after attacks occurred.

estimates, and then what they actually did estimate. The report states:

China's ascendance has been spectacular in its scale and far less benign than initially expected. During the 1990s and 2000s there was a consensus in the West that, as China became more prosperous and developed, it would also become freer and play a constructive role in international relations in the 21st Century. Observers convinced themselves that the leadership in Beijing learned the "right" lessons from the international and domestic reaction to the Tiananmen Square crackdown in 1989. As a result, the broad trend as one of convergence between China and the West was assumed. Confidence that China would choose to liberalize was central to the decision to admit China to the WTO and to award the 2008 Summer Olympics to Beijing. This optimism was not entirely unfounded. Indeed, the introduction of village elections within China was considered by some to be a harbinger of liberalization.

However, the last decade has shown those expectations to have been deeply misplaced. Western policy-makers' belief that our own democratic systems were globally inevitable blinded observers to the Chinese Communist Party's overriding objective of retaining and growing its power. In the interim, the People's Republic of China (PRC) has increasingly sought to revise the international order and global norms in a way that furthers its own strategic interests and undermines those of the United States specifically, and the West generally. Beijing has sought to expand its economic and political influence through its "One Belt, One Road" Initiative and the large-scale co-option of media outlets throughout the world. Militarily, China has embarked on a massive modernization drive - creating a "blue water" navy, investing heavily in hyper-sonic weapons, developing its own fifth-generation fighter, militarizing a series of atolls and islets in the South China Sea to strengthen its claims in the region, and building its first overseas military base in Djibouti.

It is clear that two findings in the academic literature have crept into Congress' thinking about how states should draw inferences. First, consistent with the democratic peace, Congress assumes that autocratic, and illiberal regimes are war prone. Based on this theory, Congress believes that autocratic behaviors dating back to the Tiananmen Square Massacre (1989) should have convinced the IC that China was an illiberal regime, and not capable of liberalizing.

Second, consistent with defensive realism, Congress assumes that all costly actions communicate expansive aims. Based on this theory, Congress believes that IC should have drawn an inference from China's spending on offensive military weapons, China's efforts to undermine the liberal order in East Asia, military crises that China started, and China's territorial demands. Congress asserts that the IC did not appropriately update following these indicators.

Congress blames the error on pathologies well-known to researchers. Specifically, it argues that the IC relied on wishful thinking that interdependence would change China's preferences. Elsewhere, Congressional leaders find that bureaucratic incentives and group-think amplified these

pathological estimates. Based on this finding, they demand intense intelligence reform so this alleged failure does not happen again (see also [Schiff, 2020](#)).

This criticism highlights why this case is both tough for my theory and incredibly consequential. It is tough, because my predictions stand in contrast to the analysis of hundreds of Congressional experts who are privy to all the case details. It is consequential because it calls into question far reaching intelligence reforms that are happening right now.

I argue that the IC should monitor China's costly actions. But the inferences that the IC should draw depend on China's historical and cultural context. When I take China's historical and cultural context into account, I find that the IC rendered near-perfect estimates of China's intentions throughout the entire case. Thus, their estimates provide strong support for the logic of my theory and clarify how their assessment process has a nuanced appreciation of China's history that critics have missed.

Table 13 summarizes my case-specific predictions. The Table is broken down into the three periods that my theory identifies. I code the moment of focus as following from Henry Kissinger's 1970 diplomatic visit to China. Consistent with my theory, the IC exploited Mao's statements about China's declared motives to develop an assessment framework. I code the period of consistency between 1970 and 2011. I agree with Congress that China consolidated an illiberal autocratic government, and took many costly military actions. However, China's behavior is clearly explained by China's declared principles. As a result, the IC was right not to update their estimates. Finally, I code the moment of truth starting in 2011. I find that at this moment, the consensus view on China's intentions shifted. Although analysts disagree about the event that triggered the shift, they all use the logic of my theory to explain why the shift occurred. Specifically, they could not reconcile China's behavior with its declared principle, and therefore they concluded that China's aims were not limited. In what follows, I substantiate these claims one period at a time.

8.1.1 The moment of focus

In 1969, the US realized that Sino-Soviet relations were unusually tense. Henry Kissinger reasoned that if the US extended diplomatic and commercial support to China, that the US could feasibly coax China out of the Soviet-led communist bloc. Kissinger's goal was to meet with Mao and determine if a compromise was possible.

Table 13: Theoretical Expectations

My theory predicts	Dis-confirming evidence	
	The moment of focus	
<p>Nixon's visit to China, the first diplomatic exchange in decades, prompts the IC to write an estimate of China's intentions.</p> <p>In their estimate, the IC</p> <ul style="list-style-type: none"> - Explains China could hold limited or expansive aims. - Explicitly ties China's limited aims to a principle. - Details China's history and culture surrounding its declared principle. - Explains what specific issues and territories China will want if China is motivated by its declared principle. 	<p>The moment of focus</p> <p>The IC do not write an estimate, or otherwise communicate, an estimate about China's motives to the Executive.</p> <p>In their estimate, the IC</p> <ul style="list-style-type: none"> - Are certain China has limited/unlimited aims. - Assume that China is motivated by security if not greedy. - Discuss limited aims without reference to a principle. - Cannot tie specific issues to China's declared principle for most issues, possibly because of irreconcilable ambiguity. 	
	The period of consistency	
<p>The IC does not update their estimate about China's strategic intentions so long as China's behavior fits with its declared principle.</p> <p>This includes if China:</p> <ul style="list-style-type: none"> - Rapidly militarizes - Builds/purchases offensive weapons - Demands territory - Instigates a crisis /deploys forces. 	<p>The period of consistency</p> <p>The IC alters their estimates after China takes consistent actions.</p> <p>The IC does not evaluate China's intentions. Instead, relies on optimism about China's shifting intentions.</p> <p>The president ignores the IC estimates and makes choices based on personal characteristics or electoral incentives.</p>	
	The moment of Truth	
<p>When the IC observe China take actions that cannot be explained by their declared principle, IC update estimates that China's intentions are vast.</p>	<p>IC observe China do something inconsistent. Do not update their beliefs.</p> <p>IC update their beliefs because of the scope of China's actions and not because they cannot reconcile China's actions with assessment framework.</p> <p>Leaders turn to competition for personalist reasons/ based on inexperience.</p>	

In 1970, Henry Kissinger secretly visited China to express American intentions and obtain a clear statement of China's strategic intentions from China's leadership.²⁶⁵ Kissinger's historic visit well fits the moment of focus in my theory. Notably, the US had cut-off high level Sino-American diplomacy in the two decades prior. Therefore, in 1969 the IC did not have a clear statement from Mao about what China's intentions were. But Kissinger discussed China's strategic aims in great detail during the visit.²⁶⁶

Taking Kissinger's visit as the moment of focus, I make clear predictions about estimates of China's motives before and afterwards. Before Kissinger's visit, I expect that CIA will speculate about China's motives with low confidence. This is what we observe. The CIA knew little about the inner-workings of Communist China or its foreign policy goals.²⁶⁷ Even though the US knew very little about China, it did not stop the CIA from theorizing about China's strategic intentions. For example, in 1969 the CIA assessed that China's objectives could include "treatment as a major world power and as a primary source of revolutionary leadership; accommodation of its policies by other Asian states; and control of Taiwan."²⁶⁸ But even this report was not sure which of these interests China would prioritize. It also discussed the possibility that China wanted recognition as a nuclear power, among other objectives.

If my theory is correct, then CIA estimates should crystallize after Kissinger's visit. I make four specific predictions. First, I expect the IC to write a comprehensive national level estimate of China's strategic intentions shortly after Kissinger's visit. That estimate should be motivated by information gathered during Nixon's diplomatic exchange. This is exactly what I find. In November 1970, two months after Nixon's visit, the CIA produced National Intelligence Estimate (NIE) 30-7-70 titled "Communist China's International Posture," and circulated it to the White House and NSC. Consistent with my theory, NIE 30-7-70 is explicitly motivated by information

²⁶⁵The fact that Kissinger went to China to learn about China's motives and communicate US policy is also supportive of my theory. If diplomacy did not provide vital information, Kissinger would not have gone.

²⁶⁶I start the policy analysis in the post-Cold War period because this is where policymakers broaden their focus. However, the estimates during this period have not changed much since 1970. Starting with the earliest CIA estimates (1950s) shows a long period of deep uncertainty and disagreement amongst analysts. This is consistent with my theory because we are in the pre-diplomatic period.

²⁶⁷One reason was that the US did not think about China as an independent actor. Before 1969, the US had several analysts dedicated to understanding China's intentions. But they typically analyzed China in the Cold War context. Thus, estimates usually thought about China as a member of the communist bloc, and not an independent actor with a grand strategy. There were some exceptions. For example, the US analyzed China's intentions over Taiwan. But this was limited to a single issue.

²⁶⁸Summary of the CIA Response to NSSM 14. National Archives, RG 59, S/S Files: Lot 80 D 212, NSSM 14. Date still classified.

gleaned from “China’s return to active diplomacy.”

Second, I predict that the CIA should focus on two potential outcomes. One is that China’s interests are limited to a specific principle that is consistent with Mao’s diplomatic statements. The other is that China could be driven by more expansive aims. This is exactly what NIE 30-7-70 does. The second paragraph explains that China’s “basic goals” are determined by one of two principals. Either China sees itself as “*a great power and leader of the world revolution or as a more traditional but highly nationalistic country concerned primarily with Asian interests.*” In short, the NIE 30-7-70 makes clear a plausible reason that China could seek some revisionist territory and then stop: it is a highly nationalist country that cares about its nationalist history. But it also is open to the possibility that China is motivated by world revolution, that would force an expansive foreign policy.

To be clear, NIE 30-7-70 also estimates that China could be motivated by principals that imply broader foreign policy aims. The section on contingencies (i.e. potential alternatives) warns about “Peking’s Activist Foreign Policy,” as a potential alternative motivation that would drive more expansive aims.

Third, I expect that the CIA will detail the historical context that surrounds the principles. NIE 30-7-70 does that. It spends two pages fleshing out what nationalism means for China. It notes that the “*Sino-centric view of the Middle Kingdom,*” is the dominant narrative of China’s nationalism. And that “*The past century has left a residue of bitterness and frustration among those Chinese whose sense of nationalism and patriotism has been outraged by what they see as unfair treatment of China by foreigners* [this likely refers to both Europeans and neighboring Asian states].” NIE 30-7-70 goes on to distinguish between the principal of Nationalism and other potential motivating ideologies that would likely drive broader ambitions. Consistent with my theory, the CIA believes that their assessment is not leader specific. Rather, their assessment framework is valuable for understanding China’s long-term aims. It states, “*Unlike the ideology of Maoism, which may not long survive its creator, the traditional sense of China’s privileged role in the world will probably remain a consistent theme in this and any foreseeable Chinese government.*”

Finally, my theory expects that the CIA will use historical and cultural context to explain to policy-makers the issues and territories that fit and do not fit with China’s conceptualization of nationalism. NIE 30-7-70 does that. It states that territorial control of Taiwan, Tibet, and Hong

Kong unambiguously fit China's long-term interests. It also explains that China would like to resolve border disputes with India, and the Soviet Union, noting that China views these territories as part of its sovereign territory. However, it assesses these as less important because they have less salience to nationalism.

NIE 30-7-70 provides additional nuances that illustrate the CIA understood the difference between China's underlying principles and the strategy it could use to serve those principles. Specifically, NIE 30-7-70 clarifies a difference between China's actual interests and additional military actions China might take given the regional security situation. For example, NIE 30-7-30 states that China may make "defensive" military deployments if US or Soviet forces threaten to disrupt peace along China's borders. But the report clearly distinguishes between these military deployments which depend on the strategic situation, and China's core interests, which China will pursue in any strategic situation.²⁶⁹

One concern is that China's nationalist ambitions are somewhat ambiguous. There are several specific territories and normative issues that could fit (or not) within China's core interests. Indeed, if the CIA cannot identify the ambiguous issues, and render at least a moderate confidence judgement over whether they fit, then they may have trouble exploiting historical context as my theory expects. However, NIE 30-7-70 explicitly deals with ambiguous claims by showing that they map onto slightly different interpretations of China's nationalist identity. Specifically, the Middle Kingdom refers to a pre-Westphalian period where China exerted broad influence and not direct control over surrounding territories. It was not exactly clear what level of control China would want over South East Asia and Korea under a nationalist ideology. Consistent with my theory, NIE 30-7-30 renders a moderate confidence estimate on ambiguous issues, and explains the exact indicators that could help resolve this sort of ambiguity. It claims that if China's desire is for minimal control then "China is likely to persist in encouraging local revolutionaries, but... significant material assistance is unlikely to be provided."

From the perspective of my theory, this assessment framework is first rate. It identifies different principals that could motivate China, then uses an analysis of China's history and culture to detail what China wants depending on what principle motivates it.

²⁶⁹This insight is far more nuanced than many realist theories allow for. It shows that the CIA can distinguish between territories of intrinsic value, and instrumental objectives that states seek to achieve their true aims. See Glaser (2010) for a description of the differences.

8.1.2 Did this assessment framework persist?

To evaluate my theory in this case, I must be able to code the assessment framework that the US government uses starting at the end of the Cold War. One complication in this case is that the US meets with China to discuss China's motives in the 1970s. However, the Cold War remains the focus of US policy until 1990. In between this time, China experiences serious political and strategic changes. Notably, in the late 1970s, Mao died and the Cultural Revolution ended. These changes brought about major governance reforms in China. It is plausible that the incoming CCP leadership held entirely different intentions.²⁷⁰ At the end of the Cold War China's strategic position changed by so much that it could have affected their intentions.²⁷¹ It is plausible that China re-formulated its intrinsic motives at this moment. If they did, then I should focus on the (still classified) estimates of China's intentions that were formed at these times.

Fortunately, the evidence I have suggests that the US relied on the same basic assessment framework that is laid out in NIE 3-7-70. Whether or not this followed from an entirely new assessment effort in 1976, or 1990, or was a continuation of NIE 3-7-70 does not matter. To evaluate my theory, all I need to know is the assessment framework they utilized in the 1990s.

Here are some examples that illustrate continuity in the assessment process. In 1982, President Reagan ordered two National Security Study Directives (NSSD 1, 12) that caused the IC to provide a holistic assessment of China's Strategic intentions. Both studies remain classified, but the initial outline and study plans are declassified. Consistent with NIE 30-7-70, these documents reveal that the US appreciated that China could pose a strategic threat to US security interests. However, it could also hold regional aims grounded in nationalist ideology.

In 1989 President HW Bush ordered a National Security Review (summarized in his executive orders NSR-12 and NSR-29) to assess any and all threats to US interests in the post-Cold War world. These far-reaching reviews took two full years to complete (there was no National Security Strategy in 1990). Most of the study documents remain classified. However, I interviewed the Deputy Assistant Secretary of State, Amb. Robert Kimmet who coordinated these reviews. Kimmet acknowledged that the study teams considered China as a potential threat based on the trajectory

²⁷⁰There is also good reason to suspect that they didn't. Notably, they were mainly Mao loyalists.

²⁷¹For example, the fall of the Soviet Union could have de-legitimized the principle of global communism. It also changed China's largest threat. It also created normative space for China to legitimately pursue regional influence in the area previously occupied by the USSR.

of its economic growth and population. However, the study team was uncertain about China's strategic aims. Since they were uncertain about China's aims, they were uncertain if China would pose a long-term threat to US interests.²⁷²

Published interviews also suggest that the National Security Council up until the Obama Administration held the same core impression of China. For example, Obama's Deputy National Security Adviser for East Asian Affairs, Jeffery Bader, has noted, "we were, for the most part, inheriting a general framework for dealing with China that went back decades."²⁷³

Publicly available documents published since 2000 communicate that the intelligence community continued to follow this assessment rubric. For example, the 2005 Report to Congress on the "The Military Power of the People's Republic of China," included a 10 page declassified assessment of China's future strategic intentions. It started by noting that "*Direct insights into China's national strategies are difficult to acquire. To assess China's intent, analysis of official Chinese strategy documents and White Papers must be augmented by examination of what China has accomplished in recent years and is attempting to accomplish in the future.*" In other words, the best estimate must take China's actions in the context of its stated aims. The report then goes on to outline two potential strategic orientations that are consistent with NIE 3-7-70. In another example, a 2010 Department of Defense Report to Congress that included an assessment of China's strategic aims affirms a statement made by President Obama earlier that year, "[the U.S.-China] *relationship has not been without disagreement and difficulty. But the notion that we must be adversaries is not pre-destined.*"²⁷⁴ While the report does not go into as much detail about the basis of the estimate as NIE 3-7-70, it is clear that the Department of Defense's strategic estimate is that China could prove to be either a "partner" or an "adversary."

Interviews I conducted suggest that this basic framework was consistent with how the IC approached China-analysis up until 2012. Notably, when I asked the DNI how the IC went about understanding China's interest. He explained that "Determining core interests has a long and honorable place in analysis, [however] that's not that difficult. You ask any 50 China-analysts and they'd give you that same list of things that I came up with."²⁷⁵

²⁷²He did state that the US and China were destined to compete over Taiwan and Hong Kong. This indicates a broader view that the IC realized what specific issues fit within China's nationalist aims.

²⁷³<https://www.brookings.edu/on-the-record/obamas-past-and-bidens-future-with-china/>

²⁷⁴Military and Security Developments Involving the People's Republic of China (2010)

²⁷⁵Author's interview with Denis Blair.

In other interviews, I showed intelligence analysts and former NSC staff NIE 3-7-70 and asked them if much has changed about how the US viewed the plausible outcomes with regard to China before 2010. While their answers were carefully worded so as not to violate classification rules, it was clear that this was how they thought about the problem.

8.1.3 The period of consistency: Was the IC right to ignore costly signals?

One of the central criticisms levied against the IC is that they missed key indicators that China's aims were vast. Like these critics I take two sets of facts as given. First, China displayed many violent actions that clearly signaled it was an illiberal regime that desired revision of the status quo. In 1989, China brutally suppressed student protesters leading to the Tienanmen Square Massacre. In 1995, China dramatically escalated in the Taiwan Straits leading to a military crisis with the United States. In 2005, China embarked on an aggressive military modernization program. Military analysts assessed that China's modernization would help China conduct offensive military operations in Taiwan and its near abroad, while deterring a retaliatory strike from the United States in mainland China. Second, I also take as given that the IC did not alter their estimates of China's intentions during this period.

Consistent with a large literature on costly signaling and the democratic peace, the critics argue that these two facts evidence an intelligence failure. The existing signaling literature suggests that China's choice to militarize, purchase clearly offensive weapons, demand territory, instigate crises, and brutally suppress all efforts at democratization should cause the US to grow alarmed.

My theory expects something different. I argue that the IC should conduct a qualitative estimate of China's actions and ask: "can I look at the history of China's actions and say that they plausibly serve China's declared aims? If I can, I will not update my estimate of China's strategic intentions." Thus, unlike theories that focus on indicators alone, the fact that the IC did not update their estimates during this period is not inconsistent with my theory.

Upon review, it is quite obvious that the foreign policy actions highlighted by Congress are broadly consistent with China's stated aims. For example, in 1995 China sought to revise the status quo over Taiwan. China initiated an invasion plan, moved 150,000 forces to its coastline, and executed live-fire drills. China backed down only after the United States sailed a carrier through the Taiwan Strait. But even then China did not stop. In 1996, China invested in offensive battleships

and used live-fire exercises to influence Taiwan's election. American foreign policy elites acknowledged that they had underestimated China's interest in violent territorial revision over Taiwan. The IC understood the importance of these actions and used them to update their inferences about China's resolve to fight for Taiwan. A declassified assessment from ONI, affirmed by the CIA, reads 'China is likely to conduct similar, politically motivated exercises in the vicinity of Taiwan in the near future.' However, analysts drew a different inference about China's strategic intentions. Most analysts did not alter their estimates in response to the Taiwan Straits Crisis. Surprisingly, a handful of senior analysts even raised their confidence that China's long-term intentions were "limited to peaceful reunification" (Qimao, 1996).

This episode is puzzling for scholars of trust (Kydd, 2005), great power competition (Waltz, 1979), and the security dilemma (Jervis, 1978). If anything, scholars think that violent territorial demands (Trager, 2016), or either rapid or offensive arming signal aggressive motives (Glaser, 2010; Coe and Vaynman, 2019). We do not see that in this case.

Of course, just because the IC failed to alter their estimates in response to the 1995 crisis does not directly support my theory. It could be that the IC failed to update for a different reason. In fact, the Select Committee on Intelligence explicitly present an alternative story. They argue that the IC's optimism was based on a naive hope that China would liberalize, and therefore China's intentions would change.²⁷⁶

The Select Committee's criticism against the intelligence community²⁷⁷ is largely misplaced for two reasons. First, it assumes that China's regime type almost completely determines foreign policy aims. Second, it assumes that the main reason that the IC was unsure about China's strategic aims was that the IC could not predict whether China would liberalize. However, and as we just detailed, this is not true. NIE 30-7-70 made no mention of the fact that China could liberalize. And yet, NIE 30-7-70 still estimated that *autocratic* China's could hold limited strategic intentions. The reason is that it was plausible that autocratic China was motivated by restoring its historical position in Asia.

A closer look at China estimates at two critical periods shows that uncertainty about China's

²⁷⁶A related criticism is that they believed China would become so enmeshed in the US economy that they would prefer to live in a compromise over Asia, rather than compete with the US and lose the economic benefits (Campbell and Ratner, 2018).

²⁷⁷Medeiros and Blanchette (2021) convincingly argued that a similar criticisms levied against policy-makers is also misplaced.

future behavior did not rest on beliefs that China's true intentions could change. The first period comes in the wake of the Tienanmen Square Massacre. We now know from declassified documents that Chinese leaders viewed liberalization and democratization as an extreme threat to their rule (Nathan, 2019). During private deliberations the PRC agreed that economic and political isolation was better than risking enmeshment. The US intelligence community was aware of these deliberations and still estimated that China's intentions could be limited. The second period comes in 2018. As stated, the NSS reports a new, alarmist estimate of China's intentions. This revised estimate still includes the caveat that if China democratized that cooperation could be possible.

Putting these two estimates together, it is clear that IC beliefs about whether China's intentions *could change* did not determine their estimate about whether China's interests would cause a problem. In the 1990s, the IC believed that China would not liberalize and still thought long-term cooperation was possible. In 2018, the IC revised their estimate that China's intentions were aggressive but continued to note that if China changed their regime that cooperation could follow.²⁷⁸

8.1.4 The moment of truth: When did perceptions on China change?

Analysts now agree that US has gloomy predictions about China's strategic intentions. But they do not know exactly when and why we got here. One challenge is that the intelligence community is broad and compartmentalized (Lowenthal, 2019). Analysts across different agencies have access to different information, come from different backgrounds and do not always share their estimates. One might wonder, did the consensus shift at the same time, or was there widespread disagreement across individual analysts? Second, the aggregation of intelligence in the US can follow many pathways. We want to know when alarmist estimates started to reach the White House.

In what follows, I present new evidence to answer these questions. I find that the consensus view shifted suddenly between 2010 and 2012, and that many analysts across the IC shifted at the same time. I find that the view of several NSC officials responsible for whole-of-government estimates shifted between 2011 and 2013. As a result, I find that revised estimates were likely

²⁷⁸In my interviews, no subject argued that they were optimistic because they thought China's motives would change. Recall these interviews were conducted as early as 2014.

communicated to the president between 2011-2013.

I used two types of evidence to arrive at this finding. First, I interviewed 207 mid-level National Security Professionals between 2014 and 2019 who focused on China issues. Interview subjects included congressional staff, employees at National Security affiliated agencies, and the military, and think tanks employees. The opinions of mid-level China experts is important for two reasons. First, evidence shows that the mean of group responses is close to the true estimate (Horowitz, Stewart, Tingley, Bishop, Samotin, Roberts, Chang, Mellers, and Tetlock, 2019). Second, the IC uses a consensus model to write National Intelligence Estimates. As a result, the views of intelligence professionals as a whole is largely reflected in national level estimates (Lowenthal, 2019).²⁷⁹ As a result, the responses help me appreciate how the consensus view shifts among professional China experts within the United States.

During these interviews I asked subjects some variant of the following questions.²⁸⁰

1. Among those who think about China's strategic ambitions, is the consensus view that China has limited aims in East Asia, or that China has expansive aims that are unacceptable for US policy in the long run?
2. If the consensus is that China is a competitor when did that consensus form?
3. What is your personal views on China's ambitions?
4. If pessimistic, what event caused you to change your estimate?

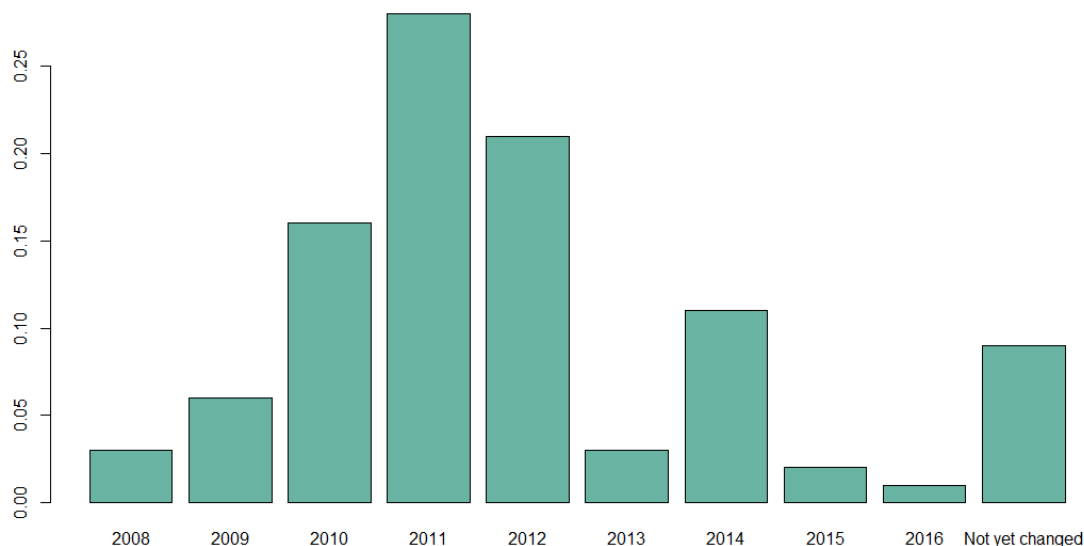
Figure 18 visualizes perceptions about when the “consensus view,” shifted. The majority of analysts (91%) believed that the consensus view had shifted. Some subjects (n=137) provided a specific year or episode that they believed drove the shift in US assessments. However, a large portion were uncertain about exactly when the shift took place (n=51). The most common answer was some time between 2010 and 2012. But many subjects said some time during the Obama Administration.²⁸¹ Consistent with my theory, these estimates changed quite suddenly (especially

²⁷⁹The IC also regularly consults outside experts to forming their strategic estimates. For example, in Global Trends 2030, the National Intelligence Council explicitly acknowledged that they circulated classified documents with several experts out of Government and took their opinions seriously into the final report.

²⁸⁰At the conclusion of each interview, I summarized that subject's answers to these questions in an excel spread sheet staying as close as possible to their language. After collecting all of the interview data, I normalized the answers to reflect the timing of when they believed the consensus view shifted.

²⁸¹I average out range answers across the range. E.g. If a subject stated between 2010 and 2014, I added 1/5 to each of those 4 years.

Figure 18: When China experts think the consensus view shifted about China's strategic intentions.



once we account for the fact that I distribute uncertain answers across Obama's entire term). Over 70% of analysts who believe that change happened, pin-point a 3 year window where perceptions change. 90% of analysts who believe change happened suggest that change happened during the Obama Administration. Notice that the earliest year any analysts suggested a change took place is 2008. No analyst suggested that perceptions began to change during the 1990s. Indeed, the complete lack of updating in the 1990s seems inconsistent with Congressional thinking.

Personal assessments follow a similar pattern. There is a strong but imperfect correlation between personal estimates and individual perceptions of the consensus view. More individuals could pin-point the year that they changed their personal assessment (and often the event that triggered their shift in beliefs). If we use personalist estimates we arrive at stronger confidence that perceptions shifted in 2011.

Second, I analyzed publicly available estimates of China's intentions to identify shifts in assessments at the national level. The documents I reviewed included unclassified, whole of intelligence community estimates of China's motives. These included short short estimates written in the National Security Strategy, the 5-yearly Global Trends Reports, the Annual Report to Congress on Military and Security Developments in the People's Republic of China. I also reviewed testimony

and public writings by the most senior NSC staff who command vast intelligence agencies notably the Director of Central Intelligence, the Director of National Intelligence, and the Secretary of Defense.

Using these documents, I identified a change in the tone and content of publicly available, whole of government estimates of China's intentions around 2011.²⁸² In 2011, intelligence reports no longer emphasized the prospect of cooperation under the current Chinese regime. The tone of these estimates started to shift towards revisionist China.²⁸³

The changes in publicly available documents were subtle. They certainly do not provide sufficient detail to explain the logic of change. To supplement my coding, I interviewed senior intelligence elites who were responsible for publishing the documents written during this period. These interviews included the former Director of National Intelligence, and former Deputy Director for Analysis at the Central Intelligence Agency, and 5 other senior elites who either served as CIA executives or on the NSC. Several respondents confirmed that I accurately identified the shift in net assessment as occurring around 2011. I'll discuss these interviews in the next section.

8.1.5 The moment of truth: Why did perceptions of China change?

My theory predicts that intelligence analysts will update their estimates of China's intentions because they cannot reconcile China's specific actions with China's claims. I've already argued that China's actions 1990-2010 were largely consistent with China's declared aims. For my theory to reasonably explain the sharp shift in estimates circa 2011, I need to know if China's actions circa 2011 represent a qualitative departure. That is, were China's actions at this time difficult to

²⁸²Obama's Adviser on East Asian policy, Amb. Jeffery Bader, has recently stated that while Obama was in office, he received "the first indications that Beijing was moving away from Deng Xiaoping's mantra about prudence and modesty in their international profile. In fact, that mantra and approach came into debate internally in China, and some of that spilled out. It was clear that it was being challenged by some who thought that China's growing power deserved a different approach." See <https://www.brookings.edu/on-the-record/obamas-past-and-bidens-future-with-china/>

²⁸³For example, the Director of National Intelligence (Denis Blair's) discussed China's strategic intentions during his confirmation hearing (2009) and then annually through reports to Congress. During his confirmation hearing, DNI Blair expressed "optimism" for "enduring" cooperation with China. In the 2010 report, Blair no longer expresses optimism. Instead, he notes "Beijing has tempered its cooperation, however, in areas where China views its interests or priorities as different from ours." He describes China's intentions as including "international status and influence." https://www.dni.gov/files/documents/Newsroom/Testimonies/20100202_testimony.pdf Blair was succeeded by James Clapper in late 2010. Clapper's 2011 report to Congress is even more grim, claiming, "China's rise drew increased international attention of the past year, as several episodes of assertive Chinese behavior fueled perceptions of Beijing as a more imposing and potentially difficult international actor." See: Statement for the Record on the World Wide Threat Assessment of the U.S. Intelligence Community for the Senate Committee on Armed Services. https://www.dni.gov/files/documents/Newsroom/Testimonies/20110310_testimony-clapper.pdf.

explain in the context of China's declared principles. My review of China's actions suggests that there was. Notably, and as stated in the 2010 NSS, China extended its claims over Islands in the South China Sea, expanded its military footprint to bases in Central Asia and Africa, built shadow institutions to subvert the international order in Central Asia. China also exploited predatory loans to gain political leverage over several states that did not fit its nationalist agenda.

It is important to note that many of these actions were less violent than China's behavior during the 1990s. For example, China's live fire exercises over Taiwan in 1995 was more violent than China's actions in the South China Sea in 2012. Furthermore, China's rate of military investment was faster in 2006 than it was in 2012. However, my theory suggests that subtle differences in the magnitude of military choices is less important than what China is using their military for. In my theory, what matters is whether China's actions are consistent with its stated aims. My read of these events is that it could not.

There is also a notable change in how China described its strategy. During the 1990s and 2000s, China used two statements to describe its foreign policy: 'Hide your brightness, bide your time;' and 'peaceful rise.' The former referred to China's policy of slow shifts in China's demands despite large shifts in China's economic influence and coercive abilities. The latter declared China's goals were limited. As a result, China would eventually seek a compromise with the Liberal Order generally, and with the US in Asia specifically. To be clear, these positions did not prevent China from contesting its core interests (e.g. the 1995 Taiwan Straits Crisis). But they did reflect China's overall approach to try to ease tensions with the United States through piecemeal concessions, and to focus only in areas that clearly fit within China's declared core interests. It was China's declared strategy that led Robert Zoellick to describe China as a 'responsible stakeholder' as late as 2008. Starting around 2010-2011, China dropped peaceful rise and hidden power from its lexicon.²⁸⁴

To be clear, this summary is largely based on my interpretation of China's actions. The more important question is whether the IC used a similar logic to draw their inferences. The public estimates of China's intentions are not sufficiently detailed to explain why analysts updated their beliefs. However, through a combination of interviews and policy analysis I arrive at two tentative conclusions. First, available information suggests that the IC changed estimates followed the logic of qualitative inferences. Second, discrepancies between the estimates of individual analysts

²⁸⁴<https://foreignpolicy.com/2010/11/28/the-end-of-the-peaceful-rise/>

reasonably followed different interpretations of China's limited aims claims.

Most of my evidence in support of this claim comes from elite interviews. The most direct evidence comes from a one hour interview with the former Director of National Intelligence responsible for National Level assessments between 2009 and 2011. As described, this period is critical because it is when the consensus view of China's intentions likely started to change. During the interview, I asked the DNI the following question.

Question: I want to talk about differences in the National Level Intelligence products published during your tenure between 2009 and 2010. I notice that there is a change in your language. In my reading, you are cautiously optimistic about China's strategic intentions and US-China cooperation during your confirmation hearing and in your 2009 report to Congress. But you are considerably more pessimistic in your reports during 2010. Am I correct in thinking that you changed your estimate during this period? If you did, is there something that China said or did in about 2010 that led you to reduce your confidence that they are peaceful?

Answer: Part of it was, speaking honestly, there was still good reason to leave room for China to develop in a benevolent fashion and not to drive them to believe that the United States was inevitably hostile. I believed in 2009, and I sort of believe it now that an overly aggressive policy would have been a self-fulfilling prophecy. And that it would be a mistake. When you look at the harder line that they have taken in the south China Sea since 2010. In that particular area at least they are pushing pretty hard to take control of that area. Pushing the US out. *It was out of character for what they'd been doing up until that point. It was different and it would be hard to interpret their actions in any way other than their intentions were aggressive.* That sort of made me think about this dual path that China could follow – we are beyond that point. They had chosen to take a hard line.

His response clearly indicates that his logic, which supports different estimates reported to the highest levels of government, closely matched my theoretical ideal. Critically, the DNI's correctly draws an inference by interpreting China's actions in the context of China's plausible motives.

Of course, it is possible that the DNI would have derived the same inference following any violent action over another issue. To make certain this was not the next exchange we had went as follows.

Question: Let me asked you as a hypothetical – if China had behaved the same way against Taiwan. So rather than go to the South China Sea and do these very provocative actions in the South China Seas, if they had instead ran the same bellicose and aggressive missions around the Strait of Taiwan would you have updated your assessment in the same way?

Answer: No – I don't think it would have been the same. I would have seen that as speeding up the time-table on something they had long-declared that they had been

serious about. I think it has been the taking on a new area that was not mentioned as a core interest that influenced the assessment.

Again his answer clearly demonstrates how his estimate was mediated through how he understood China's limited aims. In fact he clearly explains that what distinguishes the two issues is that China had no long-standing historical or cultural claim to the South China Sea in his view, and this drove the shift in his estimate.²⁸⁵

To be clear, this was not the only event that drove the shift. Later in the interview I asked how we would know if China held global or regional ambitions. He explained that "The one piece of evidence that I think I've written about that do show a global interest rather than a regional interest are their space systems. If you are just interested in knowing what goes on up to the second Island chain you don't need satellites for intelligence and military applications. That's the one piece I've seen – but I haven't seen any other pieces." Again, this insight draws a clear link between China's choices, what kinds of objectives that those choices could plausibly serve, and then an appreciation of how to reconcile those choices with China's strategic context.²⁸⁶

My recorded interviews with other intelligence elites rendered a similar result. For example, I interviewed the former Deputy Director of the CIA who was responsible for analysis and production, Mark Lowenthal.²⁸⁷ I asked him how analysts should go about evaluating the strategic intentions of long term rivals "like China." He responded that "Inferring China's strategic intentions was the single most difficult and important challenge that we faced." Then consistent with the logic of my theory he explained that "analysts need deep historical knowledge of China to properly appreciate China's interests." He also explained that, "you can't just rely on indicators like military spending... analysts need detailed historical knowledge to understand the context that surrounds China's actions." While he did not go into specifics about the US estimates, he generally agreed that the CIA analysts followed these practices.

²⁸⁵DNI Blair was not unique in his thinking. I posed similar counter-factual to five other elites that either served in the most senior roles at the CIA, on the NSC, or as senior diplomats working on East Asian issues. Each of them responded in a similar way.

²⁸⁶Blair was succeeded by James Clapper in late 2010. Clapper's 2011 report to Congress is even more grim, claiming, "China's rise drew increased international attention of the past year, as several episodes of assertive Chinese behavior fueled perceptions of Beijing as a more imposing and potentially difficult international actor." See: Statement for the Record on the World Wide Threat Assessment of the U.S Intelligence Community for the Senate Committee on Armed Services. https://www.dni.gov/files/documents/Newsroom/Testimonies/20110310_testimony_clapper.pdf.

²⁸⁷Lowenthal was responsible for overhauling the CIA analytic training program (CAP) in the 1990s, and therefore had an over-sized impact on how our largest intelligence agency processes information to form beliefs.

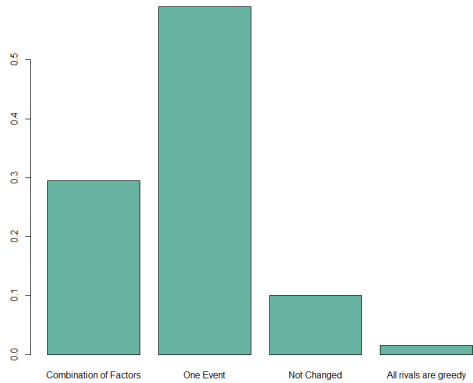
In addition to long form interviews with intelligence elites, I also conducted short, informal interviews with 207 mid-level national security professionals who worked on China issues. I asked 171 of these subjects why they altered their personal estimates of China's intentions. Figure 19 summarizes their answers. Different analysts disagree about exactly what event drove their pessimism. As a result, different analysts changed their beliefs at different points in time. However, the source of their disagreement usually hinged on a common logic: they all realized that China's behaviors could not be explained by a limited pursuit of historically salient territories. China's behavior therefore signaled a broader shift.

Although it is not easily seen in the quantified data, my discussions about how analysts saw the South China Sea dispute is instructive. Some analysts argued that China's claims in 2010 concerned them because these Islands were not previously part of China's nationalist project. Other analysts grew concerned in 2012 when China began to erect Islands on the Scarborough Shoal. In their view, China's decision to extend its territory was a qualitatively different demand from what it had historically held, and therefore signaled China wanted to extend beyond its historical borders. Others still argued that China held long-standing cultural claim over the Islands that it simply did not express. As a result this incident did not affect them. What this example illustrates is that analysts interpreted this event differently. However, the differences hinge on the correct distinction: how should we interpret China's actions in the context of its historical and cultural claims?

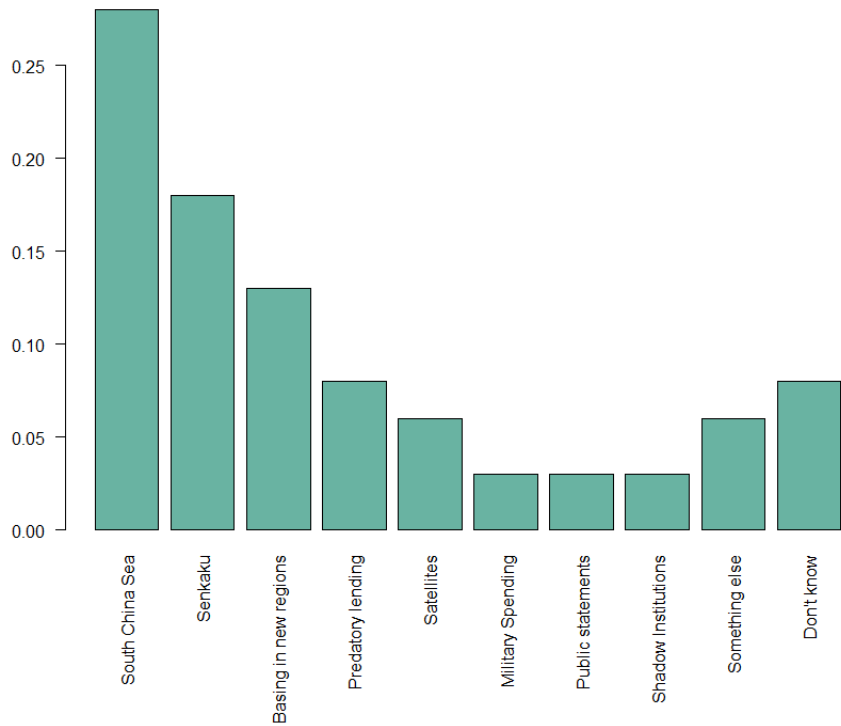
In a different example, several analysts suggested that a range of factors influenced their estimate. On the surface, these analysts seem like they are not correctly following the logic of qualitative inferences. But when they explain their reasoning, it is clear that they are correctly using my logic of cumulative qualitative inferences.

For example one analyst noted that it was a combination of China's expansion into the South China Sea; China's push to establish shadow institutions (One Belt One Road) in Central and South Asia; China's expanding military presence in the Malacca Straits, Sri Lanka, Pakistan and Bangladesh. The analyst acknowledged that he did not have a complete picture of China's strategy. He could imagine a situation in which any one of these actions could be part of a broader security strategy that was consistent with China's limited aims. However, when he looked at all of these choices together, he could not understand how China's actions were consistent with China's

Figure 19: Why American China experts think the consensus view shifted about China’s strategic intentions.



(a) Summary of total.



(b) Most common answers for those who believe a shift has happened.

historical and cultural claims.

Summing up, all of the evidence suggests that intelligence analysts thought about inferring China's motives as a puzzle. They looked at China's actions and asked, "given what I know about China's history and culture, how do these actions fit together in service of a specific strategy towards a specific principal?" So long as China's actions fit China's declared core interests grounded in China's historical experiences, analysts did not alter their estimates. But once they found a piece that did not fit, they revised their estimates.

This evidence also highlights something surprising about China's actions. Within a period of a few years, China engaged in many violent actions that were inconsistent with their declared motives. Even if my theory well explains shifts in perceptions, one might wonder: why did China take so many provocative actions at the same time?

Others have sought to explain why China's rhetoric and actions became provocative circa 2012. The dominant explanation is that Xi Ji Ping held unusually hawkish goals, and quickly consolidated power when he was appointed General Secretary of the CCP ([Campbell and Blackwill, 2016](#); [Shuman, 2021](#)). These accounts convincingly show that Xi is more hawkish. But there are limits to what they explain. First, and as others have argued, Xi was chosen by a small group of Party elites who knew of his hawkish preferences, and who shared them. As [Doshi \(2021\)](#) has argued, "Many aspects of an increasingly assertive Chinese policy that the United States finds disagreeable are not "bugs" introduced by Xi's unique power consolidation and aggressiveness but enduring "features" of that consensus."

Second, Xi was appointed General Secretary of the CCP in 2012. But as I just showed, US perceptions of China mainly changed in 2010 and 2011.²⁸⁸ The reason for this change was that US analysts inferred qualitative differences in China's strategy before Xi came to power.

If Xi does not explain a sudden increase in highly provocative actions after two decades of peaceful rise, then what does? My theory provides the following answer. While the US was uncertain about China's strategic intentions, China avoided costly actions that implied its motives extended beyond what it had declared. Once China had tipped its hand to US analysts, then it had no incentive to hold back.²⁸⁹

²⁸⁸While it is true that Xi was the Party Secretariat and Vice President since 2008.

²⁸⁹This echoes Hitler's behavior once he violated the Munich Agreement.

8.1.6 Discussion

Against the findings of Congress and many recent pundits, I find that the IC did a great job in using the information that they had to estimate China's intentions. At the earliest possible moment, the IC exploited China's diplomatic statements and their knowledge of China's history and culture to develop a rigorous assessment framework. They used that framework carefully from 1970 onward. They applied it despite political pressure to respond to China's aggressive behavior. In my opinion, their estimates were first rate and consistent with my understand of what a rational intelligence community would do if it was interested in serving the national interest (and not some bureaucratic interest).

As a result, Congress' choice to chastise the IC and demand reforms for its low confidence estimates risks damaging the IC's rigorous process. After all, if we tell the IC that they did a bad job, and force them to reform, they are likely to conform to Congress's mistaken impression of what high-quality estimates would have looked like.

This does not mean the IC does not need to shift focus. Now that we know that China is a competitor with the United States, the IC must ask different questions including: what tools will China use to expand its influence, what will China target and what are the implications for our security, and how can we quickly identify China's revisionist behaviors in cyber and covert operations? These different questions generate different intelligence requirements, and new demands on current and strategic intelligence priorities. My interviews suggest that the IC is aware of these new requirements and has chosen to reconfigure itself to meet these challenges. If we demand that they address Congress' faulty criticisms, we will prevent them from making meaningful changes to address important questions they need to address.

Finally, my analysis sheds light on China's inflammatory behavior circa 2011. Consistent with recent insights, I argue that Xi's personal preferences did not determine wholly determine what appears to be a radical departure from the Peaceful rise policy. Rather, I argue that China took several provocative actions because they had revealed their true motives. Therefore, there was little incentive to hold back.

Table 14: Summary of Predictions and finding

President	Prediction	What happened
HW Bush	Hedging	Hedging
Clinton	Hedging	Hedging
W Bush	Hedging	Hedging
Obama	Competition	Weak turn to competition
Trump	Competition	Complete Competition
Biden	Competition	Complete Competition

8.2 US Policy towards China

The puzzle I started this chapter with is common among China watchers: why did US competition with China start under the Obama Administration and then rapidly intensify? My theory provides a clear answer. US policymakers should condition their strategy on perceptions of China’s motives. Intelligence estimates correctly shifted circa 2011. US policy soon followed.

Table 14 summarizes my predictions and findings. Given what I found about US intelligence estimates, I expect that President Obama would turn to competition. All those that came before him should have hedged, and all those that came after him should have pursued competition.

In what follows, I use my theory to illuminate unappreciated features of three periods: hedging; the Pivot to Asia; and the complete turn to competition.

8.2.1 Hedging: HW Bush to W Bush

My theory predicts that presidents before Barack Obama should have pursued a policy of cautious hedging. Consistent with the historiography, this is what I find. Policy analysts and modern historians agree that each president had nuances in their China strategy. However, up until about 2012 “in the end, most observers have argued that the similarities in each administration’s China policy were greater than the differences” (Steinberg, 2020).

Several common features of the core US strategy closely matched my theoretical ideal. During this period, each Administration:

- Sought to raise the value of peaceful exchange through economic cooperation and reduce the risk of unnecessary conflict.
- Minimized concessions over issues of core interest to the United States, such as democratic

freedoms in Taiwan.

- Strengthen US alliances in East Asia and the Pacific with states outside of China's declared core interests.
- Used diplomatic and economic exchange to bind China to long-term institutions that had the greatest chance of securing peace, such as getting a commitment for the NPT, and not short term concessions.
- Worried about spirals of mistrust, and backed out of many contests that could have caused them.

While past scholars agree that this is what happened, many criticise each president for their choices. The critics pejoratively refer to post-Cold War China strategy as appeasement ([Medeiros, 2005](#); [Shambaugh, 1996](#)). Successive administrations have been criticized from three different perspectives. Some argue that the US position was too soft. By providing China such substantial economic opportunities, the US facilitated the rise of our greatest adversary ([Kagan, 2005](#)). Others suggest that the US was too tough. By imposing some sanctions on China, engaging in arms races ([Zhang, 2011](#)), and by refusing to negotiate over core claims like Taiwan, the US created a dynamic of mistrust (see [Glaser, 2015](#)).

Many of these critics explain the president's choice in terms of the president's unique style. As a result, they argue that the policies followed because of unique features of the president, and not because it was the right thing to do. If these critics are right, then my theory does not explain this case because the intelligence estimates did not factor into policy choices.

I now revisit domestic-level explanations at a critical moment of US China-policy: president HW Bush's responses to China's Human Rights Abuses at the end of the Cold War. With the fall of the Berlin Wall, liberal Chinese citizens had hoped for better democratic representation. When it did not come, protesters took to the Beijing Streets. The Chinese Government responded with brutal repression. But unlike past crack-downs, this repression was broadcast across the globe. Most famously Americans saw footage of a Chinese tank slowly crushing and killing a defiant student in Tiananmen Square. The image outraged the American public and many members of Congress. On the question of whether the US should develop economic relationships with China, support

dropped from 78% to 32% ([Wike, 2014](#)). Picking up on this public sentiment, then-Junior Senator Nancy Pelosi rallied bipartisan Congressional support for fierce sanctions against China and a firm statement of condemnation ([Nakatsuji, 1999](#)).

If the president was sensitive to public preferences or Congressional support, he would have adopted Congress' policies. But Bush took three steps to undermine efforts to punish China for its human rights abuses. First, Bush refused to support sanctions legislation that made it to his desk. Congress passed legislation to reject the president's annual extension of China's most-favored-nation (MFN) trading status. Without those extensions, Chinese exports would have to pay enormous tariffs from the Smoot-Hawley era ([Bush, 2019](#)). President Bush vetoed the Bill after it passed with bipartisan support. A month later a bipartisan effort sought to condition China's MNF status on China's future human rights record. This new Bill would only take affect on China's human rights behavior moving forward. Again, Bush vetoed it. The House then overrode the Veto with a 70% senate vote. Second, Bush was not willing to openly chastise the Chinese regime. Third, after Congress passed sanctions that formally paused high-level Sino-American diplomacy, Bush continued diplomacy with China in secret. Bush had several phone conversations with Chinese Premier Deng Xan Ping were Bush reassured Deng that the US sought a prosperous relationship with China in the long run despite the current outrage. He also secretly sent his most trusted Advisers, Scowcroft and Schultz, to deliver the message in person.

Historians agree that "President Bush's conciliatory approach to dealing with Chinese authorities was deeply unpopular at home within both Congress and the public at large" ([Skidmore and Gates, 1997](#)). Thus, many wonder why Bush pursued these policies against the wishes of Congress and the American public? One important factor was that Bush believed that his China policy would form part of his legacy, and that the policy he pursued was the best one, and would be thought of favourably in the long term.²⁹⁰

Those who believe that Bush made the wrong choice, locate the source of his error in his unique experiences. Some argue that Bush was overly optimistic that China would change as a result of personal impressions he formed. Critically, Bush served as Special Envoy to China during the historic thaw in Sino-American relations (1974-1975). While in China, he developed a close

²⁹⁰The Bush Archives today specifically argues that Bush's policies had a powerful legacy [TheU.S.-ChinaRelationsLegacyofPresidentGeorgeH.W.Bush](#).

relationship with Deng Xiaoping; the man who would become China's Premier in 1989 (Engel, 2010). Compounding this personal experience, Bush served as the CIA Director, and had high confidence in his own ability to draw inferences. It is plausible that his over-confidence in his own estimates, and vivid personal interactions influenced his perceptions, causing him to pursue a sub-optimal policy.

I argue that Bush chose the optimal policy because the intelligence estimates he received were uncertain about the scope of China's aims, and avoiding a long-term spiral of Sino-American mistrust was more important than China's human rights violations to US policymakers.²⁹¹ If Bush imposed crippling sanctions in 1989, it could have irreparable harm on the relationship. Thus, if Bush was a forward-thinking president, he would prioritize the potential benefits of long-term cooperation with China, over the short term benefits from punishing human rights abusers.

Indeed, Bush describes this exact logic in the 1990 National Security Strategy, "The relationship between the United States and China, restored in the early 1970s after so many years of estrangement, has also contributed to regional stability and the global balance of power. The United States strongly deplored the repression in China last June and we have imposed sanctions to demonstrate our displeasure. At the same time, we have sought to avoid a total cutoff of China's ties to the outside world. Those ties not only have strategic importance, both globally and regionally; they are crucial to China's prospects for regaining the path of economic reform and political liberalization. China's angry isolation would harm all of these prospects."²⁹²

Personalist or regime explanations for Bush's policy seem especially unlikely once we factor in president Clinton's policy choices. This is for two reasons. First, president Clinton held different policy preferences for Bush, but followed Bush's policy anyway. In 1991 then presidential candidate Clinton hammered Bush on his disregard for human rights. To separate himself on foreign policy, Clinton called Chinese Premier Li Ping the "Butcher of Beijing," and used the incident to question Bush's commitment to US values. Clinton's claims on the campaign trail were a genuine reflection

²⁹¹Furthermore, the assessment framework they developed suggested that (1) China's violent human rights behavior was not necessarily inconsistent with long-term cooperation; (2) China's willingness to work with the United States hinged on the possibility of benefits from long-term peace.

²⁹²To be clear, it is plausible that Bush's experiences as a key figure in Nixon's China-policy team could have driven him to pursue policies that diverged from the public and Congress (Engel, 2010; Skidmore and Gates, 1997). In these roles, Bush was asked to ignore short-term normative issues and instead focus on the long-term security and prosperity of the United States. But this does not detract from the fact that Bush pursued the correct policy at considerable political costs.

of his personal preferences (He, 2016).

When Clinton first came to power, he explicitly tied China's MFN status to human rights issues. But after a year of hearing active intelligence and expert advice, he reversed course and deepened Sino-American economic cooperation beyond even what Bush had envisioned. Notably, Clinton facilitated China's accession into the WTO. This policy was especially controversial because it allowed China to rapidly grow its economy and generate leverage over Asian democracies through economic dependencies.

Consistent with leader and regime theories, Bush and Clinton held different preferences and held different personal characteristics and advisers. They vary considerably in their foreign policy expertise, knowledge of China, world view, age in office, and other professional experience. But inconsistent with these theories, Clinton reverted to Bush's policy once he had access to the necessary intelligence. Clinton reversed his own decision and deepened Sino-American economic cooperation beyond what Bush had even envisioned. Notably, Clinton facilitated China's accession into the WTO. This policy was especially controversial because it allowed China to rapidly grow its economy and generate leverage over Asian democracies through economic dependencies.

Second, theories of domestic institutional constraints suggest that leaders should be sensitive to audience costs, or ex-post efficiencies. However, the leading theories in this tradition struggle to explain each of these president's choices. Some of these theories argue that leaders face incentives to pursue competitive policies if the leader is skilled at foreign policy, competition is popular, and the president is likely to lose re-election (Downs and Rocke, 1994; Goemans et al., 2009). This exactly describes Bush. And despite these electoral incentives, he chose to continue with competition.

A second set of theories suggests that the public imposes audience costs when leaders say one thing and then do another.²⁹³ Clinton's decision to reverse his policies and to bolster China's influence came with personal costs. Members of his own party, especially Nanci Pelosi, fiercely criticized him (He, 2016). It is surprising that Clinton would select a policy against his personal preferences, and for which he would suffer internal criticisms from his own party and the public for personalist reasons.

But through the lens of my theory, Clinton's decision to seek cooperation with China demonstrates strong leadership. It is somewhat unreasonable to expect a candidate with limited access

²⁹³For exception see Levendusky and Horowitz (2012).

to top secret National Security advice, little foreign policy experience and almost no knowledge of China to know the right policy. So it is reasonable for Clinton to come to power without appreciating the complexities of long-term China policy. Not only did Clinton quickly learn, he also was willing to suffer sharp criticism within his own party to put the US back on track.²⁹⁴

My theory also illuminates other episodes of this period that are not well appreciated by existing scholars. Notably, once we think in terms of my theory, we can learn how great powers resolve ambiguities in the Challenger's declared core interests over time. Recall, that the 1970 NIE identified some ambiguities in China's historical connection to a handful of territories. This created uncertainty about what China would want even if China held limited aims. Specifically, China repeatedly referred to a desire to restore the Middle Kingdom and right a century humiliation. What did this mean? Did restoring the Middle Kingdom mean loose influence over Mongolia, and the East Asian seas, or did it mean direct control? Would China slowly increase its influence over Taiwan using coercion short of war, or would it revert to an all-out military assault unprovoked? In the 1990s, these ambiguities were not important because China was focused on issues that unambiguously fell within its core interests: increasing influence over Taiwan, Tibet, Hong Kong and its recognition as a nuclear power. It did not pursue policies to serve the handful of issues that ambiguously fell within its declared core interests.

Things started to change circa 2004. A 2005 report from the Department of Defense to Congress²⁹⁵ observes that "The Chinese People's Liberation Army (PLA) is modernizing its forces, emphasizing preparations to fight and win short-duration, high-intensity conflicts along China's periphery. PLA modernization has accelerated since the mid-to-late 1990s in response to central leadership demands to develop military options for Taiwan scenarios."

Under the assessment framework that the IC used to judge China's ambitions, militarization to take Taiwan was not alarmist. However, the report also noted that, "A second set of objectives includes building counters to third-party, including potential U.S., intervention in cross-Strait crises. PLA preparations, including an expanding force of ballistic missiles (long-range and short-range), cruise missiles, submarines, advanced aircraft, and other modern systems, come against the background of a policy toward Taiwan that espouses "peaceful reunification." China has not renounced

²⁹⁴My finding that Clinton's policy served American interests given what we knew at the time is consistent with recent arguments that vindicate Clinton (Steinberg, 2020; Johnston, 2019).

²⁹⁵Military and Security Developments Involving the People's Republic of China (2005).

the use of force, however. Over the long term, if current trends persist, PLA capabilities could pose a credible threat to other modern militaries operating in the region.”²⁹⁶ In short, military modernization would put ambiguous issues within China’s striking range. DoD judged that China’s new forces created several opportunities for “misperceptions and miscalculation” to start and then escalate crises.

Through the lens of my theory, ambiguities about China’s core interests are part of a coordination problem that can be resolved through diplomacy. Indeed, under my evaluation metrics, a nuanced US strategy would explicitly seek to resolve these ambiguities through asking China to clarify its exact strategic intentions. The point being that a clear statement of intentions could prevent a situation where China’s legitimate attempts to take core interests were perceived as opportunistic land grabs.

This is exactly what the Bush administration set out to do. In 2005, Robert Zoellick visited China to better understand China’s intentions. He did not get a straight answer. Returning to the United States frustrated, Zoellick publicly explained:

“China needs to recognize how its actions are perceived by others. China’s involvement with troublesome states indicates at best a blindness to consequences and at worst something more ominous. China’s actions – combined with a lack of transparency – can create risks. Uncertainties about how China will use its power will lead the United States – and others as well – to hedge relations with China. Many countries hope China will pursue a ‘Peaceful Rise,’ but none will bet their future on it.

For example, China’s rapid military modernization and increases in capabilities raise questions about the purposes of this buildup and China’s lack of transparency. The recent report by the U.S. Department of Defense on China’s military posture was not confrontational, although China’s reaction to it was. The U.S. report described facts, including what we know about China’s military, and discussed alternative scenarios. If China wants to lessen anxieties, it should openly explain its defense spending, intentions, doctrine, and military exercises (Zoellick, 2005).”

More broadly the W Bush Administration made several public overtures calling on China to be a “responsible stakeholder” in the international community. Part of that responsibility meant explaining its interests (Powaski, 2018).

²⁹⁶ibid.

I have no direct evidence that this pressure led China to make a clearer statement of its aims. However, China did release a clearer picture of its core aims shortly after. Consistent with what I believe is the best estimate, the IC used this information to report clearer picture of China's intentions. Unlike the 2005 DoD report to Congress described above, the 2010 report stated, "Chinese State Councilor Dai Bingguo in July 2009 defined China's "core interests" as safeguarding the basic system and national security, national sovereignty, and territorial integrity, and sustained and stable economic and social development. China's current strategy remains one of managing the external environment to ensure conditions are conducive to its own economic development. This strategy appears to be accepted widely by Beijing's foreign and security policy establishment. However, differences of opinion within China occasionally surface, particularly in academic circles, about how China can achieve these goals and how it can best do so over time without conflict with its neighbors or the United States."

From the perspective of realists, Zoellick's diplomatic efforts were puzzling ([Mearsheimer, 2001](#)). Why would he spend so much time soliciting these cheap-talk statements of China's strategic aims? My theory illuminates that diplomatic clarification can credibly (and rationally) reveal information. Thus relying on diplomacy is not a function of misperceptions ([Snyder et al., 1987](#)), it is a mechanism to help avoid them and foster trust.

8.2.2 The Pivot to Asia

My theory predicts that once the IC revised its estimates of China's intentions, that the president should turn sharply to strategic competition. While Obama's policy represents a clear departure from the period of hedging, it is perhaps not as sharp as my theory would expect.

Obama's Pivot to Asia is often criticised because its fell somewhere between competition and hedging ([Shambaugh, 2013](#)). One variant of this criticism is that Obama wanted to contain China, but the Pivot was poorly executed because the Obama Administration did not put the necessary diplomatic and economic resources into it ([Lieberthal, 2011](#); [Cha, 2016](#)). Another was that calling the strategy a pivot caused alarm amongst European allies and partners in the War on Terror. To preserve these relations, Obama had to resource these older objectives more than what he would have liked. Others argue that the Pivot to Asia was poorly executed because the military and diplomatic arms worked against each other ([James, 2012](#)). On the one hand, the policy sought to

keep trade relations with China, but on the other it sought to promote military competition and exclude China from major institutions (Gilder, 2010).

In all of these accounts two things are clear. First, and consistent with my theory, the policies that Obama implemented are far more competitive than all prior presidents. Second, and not consistent with my theory, there are several cooperative elements that do not fit neatly into a strategy of competition as I defined it.

It is important to note that these criticisms largely rest on how the Pivot to Asia was executed. Obama did not provide the adequate resources to the policy. Therefore it failed to do what he intended it to do. But as described in Chapter 2, the core difference between competition and hedging in my theory is the Defender's intent. The question, then, is what did Obama intend from his Pivot to Asia Policy starting in 2011? Did he intend the Pivot to Asia as a last ditch effort to hedge, or as a turn to competition?

There is not a lot of research on this question. Regrettably, the documents I need to evaluate Obama's intentions from the Pivot to Asia are still classified. But the evidence I can collect suggests that Obama's strategic objectives shifted over the course of his tenure in a way that is consistent with my theory. Indeed, others notice that Obama re-purposes the Pivot to Asia by contrasting two speeches Obama gave in Australia. The first in 2011²⁹⁷ and the second in 2014.²⁹⁸ During the 2011 speech, Obama only mentions China four times, promotes China's recent history of cooperation over Korea, and limits concerns to US efforts to "speak candidly to Beijing about the importance of upholding international norms and respecting the universal human rights of the Chinese people." Many view this as part of the carrot and stick approach designed to reach a stable bargain in Asia.

The 2014 speech is widely viewed as much more provocative. In it, Obama directly questioned China's intentions, asking, *"By virtue of its size and its remarkable growth, China will inevitably play a critical role in the future of this region. And the question is, what kind of role will it play?"* Obama then explained that the US is "encouraging China to adhere to the same rules as other nations – whether in trade or on the seas. And in this engagement we will continue to be frank about where there are differences, because America will continue to stand up for our interests and principles, including our unwavering support for the fundamental human rights of all people. We

²⁹⁷<https://obamawhitehouse.archives.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament>

²⁹⁸<https://obamawhitehouse.archives.gov/the-press-office/2014/11/15/remarks-president-obama-university-queensland>

do not benefit from a relationship with China or any other country in which we put our values and our ideals aside. And for the young people, practicality is a good thing. There are times where compromise is necessary. That's part of wisdom. But it's also important to hang on to what you believe – to know what you believe and then be willing to stand up for it. And what's true for individuals is also true for countries.”

Off record interviews I conducted with two mid-level staff in Obama's Administration suggest that the strategic objectives of the Pivot started to shift circa 2012-2013.²⁹⁹ Interview subjects explained that the NSC increasingly came of the view that cooperation would hurt US interests in the long run, and the best course was to emphasize the competitive aspects of the strategy. This is what we observed. Circa 2012, the US military started to ramp up patrols in the South China Sea, approved highly controversial weapons sales to Taiwan and Japan, and permanently stationed forces across the Asia-Pacific region.³⁰⁰ Also in 2012, the Trans-Pacific Partnership took shape as an economic agreement that would exclude China. This represents a radical departure from talk of economic partnership in Obama's 2011 speech.

This evidence provides partial support for my theory. The reason is that intelligence estimates started to change towards the end of 2011. This was around the same time that Secretary of State Hillary Clinton announced the Pivot to Asia. Furthermore, Obama's National Security Advisor, Thomas Donilon, had been crafting a China policy since the day he took office (2010). Donilon was dovish on China and wanted to build an East Asia strategy to maximize the chance of cooperation with China. He was also known for overruling dissenting voices within the NSC. Indeed, it is consistent with my theory that Obama would appoint a China dove as the National Security Adviser in 2010 because the consensus view on China had not yet shifted. It could be consistent with my theory that Obama would roll out a China policy that was an intense version of hedging in 2011 because he may not have received revised estimates of China's intentions just yet. The above evidence is consistent with my theory because it suggests that Obama's position stiffened some time in between the middle of 2011 and 2014.

Supporting this account, there is evidence that fissures started to emerge amongst Obama's

²⁹⁹One subject stated that military and NSC staff responsible for military deployments drove increased military policies as early as 2012. However, one subject pointed out that National Security Adviser Thomas Donilon prevented economic policy from shifting to competition until he left office in 2013. I discuss this more in a moment.

³⁰⁰One notable deployment was nuclear-capable B52 bombers to Northern Australia that are capable of striking China's mainland.

senior advisers circa 2011. The NSC Director for East Asian Affairs, Kurt [Campbell \(2016\)](#), pushed to make the Pivot to Asia more hawkish starting in late 2011. Furthermore Donilon, who remained dovish on China until the end, was replaced with Susan Rice in 2013. Rice was not an Asia expert. Off record interviews I conducted suggest that Rice was open to the growing consensus that China's aims were vast, and the US strategy should be competitive in a way that Donilon was not.

How the TPP unfolded provides another piece of suggestive evidence. When Secretary [Clinton \(2011\)](#) initially announced a new regional economic order, it was ambiguous whether how China would fit in. It was not until 2012 that the Administration revealed that the TPP would seek to exclude China.

Thought of in this way, my theory provides a new account for why the Pivot to Asia failed. Part of it was bad timing. Obama developed the Pivot to Asia as a comprehensive strategy to achieve hedging. He unveiled this strategy right at the time he was learning that China's intentions were vast. Part of it was a lack of political dexterity. Obama was unable to unwind the Pivot after a major announcement. All he could do was exploit the ambiguities in the policy, and under resource the parts that related to promoting China.

Of course, this is not the only explanation. It is plausible that Obama was hamstrung by domestic interest groups, the costs of a rapid shift to competition, or wishful thinking. However, even if this is the case, Obama's "policy is widely believed to have failed, and [in 2016] strong arguments are being presented for a tougher U.S. policy toward Beijing," which Obama should have considered ([Harding, 2015](#)). In other words, even in the worst case, domestic factors only derail the structural pressures that my theory highlights for the remainder of Obama's presidency. As we shall see in the next section, president Trump did exactly what my theory expects the president to do: a sharp turn to competition.

8.2.3 Trump and Biden: the sharp turn to competition

Obama's failure offers a unique test of my theory. After all, in the face of Obama's failed policy, it is tempting for the incoming president Trump to revert to hedging. By reverting to hedging, Trump could have argued that Obama's efforts were misplaced. He could also have learned from Obama's efforts that competition would be difficult. Finally, if Obama was wrong to Pivot, then Trump may have reverted because it was the right thing to do.

I argue, however, that the best policy was to double down: expand Obama’s policy by an intensified effort to compete with China. Consistent with this expectation the Trump Administration turned US strategy sharply towards competition.

This shift was stark. Michael Swaine has noted that in Trump’s 2018 National Security Strategy “Beijing is apparently seen as a near-existential threat to the United States and the West in general, engaged in a concerted effort to realize a “repressive vision of world order” by overthrowing the long-standing “free” vision of world order led by Washington. Unlike their predecessors, the strategies entirely “neglect to portray China as a potential contributor to regional or global stability and prosperity, or as a possible collaborator on common global and regional security (and other) problems.”

In fact, Swaine believes the shift was so stark, that Trump and Secretary of Defense Mattis unnecessarily risk escalation and war with China because they “seek to pit the United States and other democracies against China in a zero-sum competition” for dominance. (Swaine, 2018)” Others argue that the sharp shift in Trump’s economic policy against China has caused backlash among the president’s base (Hass and Denmark, 2020). Specifically, Trump’s Trade War only hurt American farmers and manufacturers who lost customers in China during the Trade War.

To the critics, Trump’s heavy hand is an aberration. Searching for an answer, the critics argue that Trump’s policies are the result of partisanship, hawkish preferences, inexperience, leader-specific world views (Panda, 2018; Hamilton, 2017; Bisley, 2017; Dollar, Hass, and Bader, 2019).³⁰¹ Indeed, if these criticisms are correct, then Trump’s decision to double down may not be the result of good choices, but of leader-specific preferences.

Until the NSC declassifies its minutes, it will be difficult to know exactly what happened. However, statements from the president and his key advisers suggest that the Administration thought the policy was appropriate for competition to be effective. For example, Trump argued that short term costs were necessary to cultivate a lasting change in US-Sino economic relations that favored America’s position (Johnson, 2019).

Perhaps the strongest evidence against a leader-specific explanation came from what happened

³⁰¹Some have questioned whether Trump consciously directed this strategic shift, or if his Senior advisers crafted the strategy (Rogin, 2020). Ultimately, this is not relevant for my purposes. The key point is that the Administration correctly undertook an incredibly difficult task: Shift US resources towards competition with China. It is likely that Senior Advisers contributed to the shift.

after president Biden took office. President Biden put that question to rest by deepening competition (Pesek, 2021). As president Biden has acknowledge, he and president Trump “Agree on very little.” However, even democrats who remain dovish on China policy have noted that “when it comes to the greatest foreign policy challenge facing the United States — how to deal with the rise of China — Biden’s team have continued and mimicked Trump’s destructive approach (Bader, 2020).” Indeed, many argue that Biden has further deepened military and economic competition with China (Pesek, 2021). These presidents differ in their partisanship, world views leadership styles and preferences for hawkishness. And yet, both have taken the US down the same path to competition. This is highly puzzling from anyone who suggests individual leaders matter. But from the perspective of my theory there is a simple explanation: it is the correct choice to make.

8.2.4 Discussion

US policy towards China is a story of long periods of continuity, punctuated by a sharp change. Analysts have long wondered why some presidents failed to adapt our China policy to specific crises that they faced, and why others changed so sharply. They typically attribute both continuity and change to partisan differences, the structure of the NSC, or the president’s abilities, world view and experiences.

I argue that the US China policy is mainly a story of structural pressures and information about China’s motives. My structural story predicts long periods of continuity, punctuated by a shift to competition as soon as the president learns that China’s intentions are vast. While I see differences across presidents in the details, and potentially a delay in the shift to fierce competition, this account well fits the trajectory of US policy towards China.

8.3 The future: What will happen?

How will Sino-American relations unfold over the next two decades? Optimists argue that current tensions are temporary. For example, those who believe that leaders play a critical role note that Xi Ji Ping is notoriously hawkish. They hold out hope that a new leader will alter China’s military trajectory. These scholars point out that Sino-American relations have overcome tensions following the Tiananmen Square Massacre and the Taiwan Straits Crisis. Pessimists argue that China and the US are destined for war so long as China’s rise persists. They believe that absent a

collapse of the Chinese economy that war will come.

Relative to the optimists, my theory predicts grim news: this time competition is here to stay. In the coming years, we will see a dramatic rise in tensions with China. As a nation we should prepare for Sino-American relations to look much more like the Cold War than a collaborative effort to mutually benefit from peace.

One might wonder, why is this time different? Why won't this tense period revert to cooperation as it did in the 1990s? The reason is that past tensions were driven by questions of resolve in a specific crisis over specific issues. After these crises resolved, the US remained optimistic that China's territorial aims were limited to historical and cultural claims in East Asia, and that China saw the value of integrating within the US-led Order. For example, months after the Taiwan Straits Crisis brought the US and China to the brink of war, American policymakers called for stronger commercial ties with China because they were optimistic that long-term cooperation was possible. The reason for this optimism was simple: China had repeatedly claimed that its foreign policy was motivated by restoring its historical legacy. CIA assessments judged that China's choice to escalate over Taiwan matched their long-standing claims. Thus, China's actions in Taiwan said nothing about China's interest in Africa, the Pacific, or Central Asia. When the crisis eased, American policy-makers still believed that long-term cooperation was possible.

This time, tension is driven by a fundamental shift in US beliefs about China's strategic aims and not a specific dispute over a specific issue. This fundamental shift has caused the US to dramatically re-orientate its peace-time strategy. As the 2018 National Security Strategy makes clear, US now estimates that China is an adversary. This fundamental shift in beliefs alters how we interact with China outside of periods of crisis.

Relative to the pessimists my theory predicts mixed news. I am more optimistic because I do not believe that war is inevitable. In fact, given that China and the United States both hold large nuclear arsenals, I believe that war is unlikely. Rather, Sino-American competition will look more like the Cold War. But I am more pessimistic because I do not think that variation in China's economic or military growth will moderate strategic competition. If China's rise slows down but the regime remains in place, great power competition will persist.

Even though a Cold War is better than a World War, it is still a very bad outcome. The last Cold War was incredibly costly and dangerous. It lasted five decades. During that time, the US

fought 3 proxy wars, and several covert wars. The economic burden of five decades of competition was immense. The future Sino-American Cold War will likely be worse. When we started the Cold War, the US did not depend on the Soviet economy in any way. As relations sour with China, we will likely enter a huge recession because we rely so much on their economy. To illustrate the scope of our vulnerability, the Director of Citigroup has pointed out that the US economy is beholden to microchips produced in Taiwan. If China decided to fight for Taiwan, the US would instantly plunge into an enormous recession because we could not generate the microchips necessary to produce our consumer goods.

We are also far less likely to win the Cold War against China because of economic, normative and security dynamics that are now more tense. When we started the Cold War against the Soviet Union, the Soviet economy was in ruins at a time when the US economy was flourishing. Early on, we contained the Soviets Union. We cut them off from our allies, and denied them our technological advances. China is deeply integrated into the global economy. It leads innovation in several important areas. It is the largest trading partner of our allies including Japan, Taiwan Australia, and South Korea. We cannot replace China for our allies and it is hard to ask them to cut China off.

On the normative front, China's view of world order is a more plausible alternative than the Liberal Order to developing and unaligned states today than Soviet-communism was during the 1960s. Part of the problem is that the US-led Order has lost some luster. In the 1950s, the promise of Liberal values was attractive to many. However, after decades of stalled economic growth in the global south, and the US meddling in the affairs of liberal and illiberal states, the Liberal Order is facing resistance. In contrast, the China Model brought 1 billion people out of poverty. This is attractive to states that have been stuck in poverty for decades. Furthermore, China's world order does not ask autocrats to liberalize domestically and completely accepts repression. This is highly attractive for middle powers like Iran, Venezuela, Nigeria, Egypt, Saudi Arabia, and Turkey.

On the security front, the dynamics of modern war afford China several advantages. First, China is leading us in modern methods of fighting such as cyber warfare. Second, the dynamics of modern warfare create risks that disadvantage status quo powers. Most notably, the ambiguity of grey zone technologies makes it harder for the US to deter Chinese advances through forward deployments. Third, specialist technologies mean that US advantages may be lost on the battlefield. For example,

US forces rely heavily on satellite coverage. China has a formidable anti-satellite system that it would likely deploy in battle, in conjunction with cyber weapons.

Putting it altogether, it is not clear that we will win a Cold War if we fight it. Our chances against China are likely lower than they were against Russia in the 1960s.

8.4 The future: what we should do about it.

If I am right, and Cold War style competition will dominate the next several decades of US strategy, then it holds critical implications for US policy. In what follows I extrapolate from my theory to explain the changes that still need to happen. At the broadest level we must discard efforts to find a path back to peace. Instead, we should quickly re-orientate our entire national security apparatus towards competition with China. This is starting to happen. First, with the 2018 National Security Strategy. Then more recently with think tanks that are calling for a comprehensive strategy (eg [Anonymous, 2021](#)).

But more can be done. Critically, we need to stop focusing on how to avoid crises over specific issue areas (like Taiwan). Rather, we need to focus our efforts on how to undermine China in peace time. This must include a comprehensive economic containment policy that includes technology and economic controls. It should include a comprehensive review of the strategic advantage of each ally under the assumption that China will soon start to undermine us. We must ask our allies to prepare for their own defense, and in the collective defense of Liberal values.

We also need to think about which battles we will want to pick. We have started to make tough choices by pulling out of Afghanistan, and avoiding sending troops to Russia. But more can be done to focus on our primary adversary.

In terms of values, we need to do two things. First, we must find a way that the Liberal Order can accommodate rogue states that we want to cut-off from China. For example, it would devastate US strategy if China established a base in Venezuela or Cuba. Finding a compromise with these states will be critical. Similarly, Saudi Arabia is considering selling oil contracts in Yen. This would give China enormous economic power. We need to be mindful of how our human rights claims affect Saudi policy choices. Similarly, it would help to contain China if we found a way to accommodate Iran and Syria. These are not policies that fit our values. They will indeed involve compromise. But taking these powerful states out of China's sphere of influence will dramatically improve our

chances of winning the coming Cold War.

Second, we need to highlight China's predatory practices. The China Miracle is attractive to autocratic regimes who want to lift citizens out of poverty. But China's predatory lending practices under One Belt One Road makes clear that China does not want for others what it has for itself. We need to make clear to states in South Asia and Eurasia that if they pick China, that it will cost them.

In terms of intelligence bureaucracy, we likely need some changes but not because the IC made a mistake. Rather, we need reform to deal with two unique features of China. First, China's brand of digital authoritarianism will make covert operations very difficult. We need to figure out how we can maintain human intelligence against a rival that monitors every move of its elites. Second, we need better defensive measures. Congress rightly points out that the IC needs better early warning systems to manage China's cyber attacks. But the IC is aware of this problem and is finding ways to manage it. More broadly, we need better counter-intelligence inside the United States.³⁰²

³⁰²Recent reports suggest Chinese spies have infiltrated the CIA and dismantled our HUMINT networks in China. See <https://www.businessinsider.com/james-bamford-chinese-mole-fbi-cia-spy-network-gutted-2023-1>.

9 Conclusion

For nearly a century (Carr, 1945), scholars have known that states hold complicated foreign policy motivations, and that each state's historical and cultural context determines its foreign policy objectives. But we also know that historical context is both nuanced and case specific. As a result, it is hard to utilize this variation to draw predictions that generalize across cases. It is even harder to account for it in a strategic model that includes uncertainty and learning. In chapter 3, I developed a structured way to analyze how a Defender can exploit information about a Challenger's historical and cultural context, to learn about the Challenger's intrinsic motivations. The theory celebrates the fact that Challengers can hold one of many diverse motivations that include nationalism, status, security, revenge etc. It also celebrates the fact that each of these intrinsic motivations will drive specific foreign policy objectives for different states. Despite this seemingly chaotic process, a relatively simple signaling dynamic emerges that compliments and expands rationalist theories of threat perceptions. Like standard signaling arguments, when a Challenger incurs costs over a specific issue, the Defender increases his confidence that the Challenger cares about that specific issue. But unlike standard arguments, what the Defender infers about the Challenger's strategic intentions depends on the historical and cultural context that surrounds that issue. Thus, when CIA analysts learn that China is willing to fight for Taiwan, they draw a different inference about China's strategic intentions than if they learn China is willing to overthrow a government in Africa.

I embedded this core insight into a strategic theory of great power politics that takes seriously the strategic difficulties created by shifting power, and uncertainty about the Challenger's motives. Against the conventional wisdom I find that great power relations unfold as either delayed competition or delayed peace. Which way they unfold depends on the Challenger's true motives, how the Challenger leverages costless diplomacy to initially communicate those motives, and then the pattern of costly military actions during the early revisionist period.

I supported my theory with three kinds of evidence. I use an elite survey experiment to show that real world national security elites use the logic of qualitative inferences to form and update their beliefs about a rival's motivations. I use a medium-n analysis to show that my predictions about the timing of competition and peace well fit critical great power cases that fill our history books. I trace my theoretical mechanism through British reasoning at the onset of the Cold War. My

theory fits this case, and illuminates how British elites exploit diplomacy with Stalin, their history knowledge of Russia, and costly signals to coordination concessions and infer Stalin's strategic aims. The case also illuminates what kind of debate individual-level variation causes in the context of threat perceptions. I find that each elite's unique experiences drive them to differently interpret Stalin's behavior as consistent (or inconsistent) with Stalin's declared principle. But almost all agree that the right way to draw inferences is to use the logic of qualitative inferences. In the end, this common framework clarifies when these individual differences emerge, and why they are short lived.

Finally, I show that my theory well explains modern Sino-American relations. This case takes seriously a diverse set of critics levied against US presidents and the IC about how we have managed China's rise. But once we take my theory into account, the last two decades of US policy and intelligence no longer seems like a series of unusual choices that are best explained by individual interests. Rather, a pattern emerges that seems rational, and that critics are unable to explain. For example, if individual differences explain US policies, it is hard to understand why presidents with radically different world views, levels of experience and from different political parties (e.g Trump and Biden; or Bush and Clinton) chose remarkably similar policies. This difference is especially stark given that presidents from the same party and with similar backgrounds pursued very different policies (e.g. Biden and Clinton). Instead, my theory explains two periods of US grand strategy punctuated by a shift when intelligence estimates changed. It also explains why the IC rationally ignored China's autocratic consolidation, terrible human rights record, and militaristic behavior for decades. In the end, I find that the US government did a great job at the broadest level.³⁰³ This finding is valuable because it will prevent us from spending scarce resources on the problem of bureaucracy and free those resources to focus on the problem of China.

Beyond China, my theory has important implications for other US rivals. For example, at the onset of Russia's invasion of Ukraine, Putin made expansive territorial claims that extended to all previously Soviet states. Many have wondered why Vladimir Putin didn't say 'I want Ukraine and nothing else'? My theory suggests that this claim would have been implausible because Russia has a high historical and cultural attachment to many post-Soviet states. By invading Ukraine, Putin made clear he was willing to bear large situation-specific costs to fight for historically salient

³⁰³I make no comment about execution of strategy and other details.

territories. Russia-experts in NATO would have quickly realized that Ukraine was not the end of Putin's ambition precisely because they know that there are many other territories of a similar high historical value. In effect, the world's knowledge of Russia's history bounded what Putin could claim.

My theory likely extends beyond great power relations. It likely explains regional contests such as Middle Eastern conflicts during the 1900s between Iran, Israel, Saudi Arabia and Turkey. It also likely explains why newly formed Central Asian states found a path to peace, but certain South American dyads did not at the end of the Cold War. It also likely explains why the US was willing to tolerate nuclear proliferation in some cases (e.g. Pakistan) but not others (Iran). Even though these states are strategically similar from the US perspective, Pakistan could tell a plausible story to explain why it held limited aims and desired nuclear weapons. Iran could not. But there are limits. For example, my insights do not help us better understand minor powers who only contest a single issue. The reason is that a one-issue dispute boils down to whether you want it or not. Thus, variation in historical context will not explain much beyond what standard theories of bargaining or signaling explain.

The way I conceptualize motives is general. It can be applied to many strategic problems beyond trust during great power rivalries. We know that uncertainty complicates many strategic interactions between powerful states. Thus, embedding my theory of motives into other interactions will likely yield important insights. Three interactions will become critical as Sino-American relations intensify. First, in the coming decades the US must effectively cultivate a reputation for resolve over the issues and territories it is willing to fight wars over. If it doesn't, it risks accidental escalation with China. We know from recent evidence that how reputation transfers across issues likely depends on a more complex understanding of state motives ([Weisiger and Yarhi-Milo, 2015](#); [Crescenzi, 2007](#)). My theory provides a structured way to understand exactly when reputations will transfer. For example, we might think that supporting our allies in Europe will help us cultivate a reputation for resolve to support our allies. But it could also communicate that we care about Europe more than Asia. We must weigh these different reputational consequences when we chose to act.

Second, as we start to prioritize competition with China, we must consider the value of reconciling with other rivals. If we don't, we will be forced to split our resources and may face a large block

of dissatisfied states that align with China. But who can we reconcile with cheaply? My framework offers a method to systematize [Walt \(1992\)](#)'s insights about balancing threats. This will help us evaluate threats to US interests based on their historical and cultural context and not only their military capabilities, and economic and strategic position. We can use the overall framework to better estimate the scope of rivalry with others, and understand the minimal necessary concessions to entice them away from China's sphere of influence ([Crescenzi, 2018](#)). Conversely, my framework also explains which of our existing allies are most at risk of defecting to China's side. For example, it suggests that autocratic regimes with ethics that do not fit ours, and fungible assets (such as Saudi Arabia) are at a high risk of defection to China's side.

Third, eventually (i.e. many decades from now) domestic politics may change so much in either China or the United States that our preferences may align, and reconciliation may be plausible. At that moment, trust will be very low. We will want to communicate our compatible motivations, but will be reluctant to unilaterally disarm or send other trust-building signals because of severe mistrust ([Jervis, 1978](#)). My theory provides a blue-print for sending qualitatively distinctive signals that will help us escape the tragedy of politics at the end of enduring rivalries ([Kydd, 2005](#)). These signals may allow us to communicate a deep interest in a specific issue-area without leaving ourselves vulnerable in the overall military balance. In many ways, this provides a theoretical compliment to recent analyses about how to draw inferences in grand strategic goals from recent shifts in China's nuclear posture ([Talmadge, 2017](#)).

In my opinion, the future looks gloomy relative to unipolarity of the 1990s and 2000s ([Monteiro, 2014](#)). But if we better understand the dynamics of the situation we are in, we can reduce the harm we suffer, shorten the time that we suffer for, and come out the other side victorious.

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A Generating the assumptions for my theory

I generated the assumptions for my model using two-waves of semi-structured elite interviews. In the first wave, I used minimally primed questions to elicit responses about the core features of great power rivalries. At the end of the first wave, I analyzed inconsistencies across responses, and between the first-wave responses and common assumptions made in the literature on great power competition. For each inconsistency that I identified, I constructed more specific questions that sought to verify either an assumption I derived from the first-wave interviews, or the common assumption in the existing literature. I asked these questions during the second wave.

I interpret my approach as follows. I use the first wave interviews to generate hypotheses about the actions and beliefs that states have in great power rivalries. I then validate those hypotheses against the existing literature. That is, I start with the hypothesis that common assumptions in the literature represent how decision-makers think. When the existing literature makes assumptions that match the first-wave responses, I take that as evidence in support of my initial hypothesis. When there is a discrepancy between a specific assumption in the literature and the first-wave response, I say that I cannot use the existing literature to confirm the interview response is accurate.

In cases where there is a discrepancy, I treat the differences as competing hypotheses. For example, if elites emphasize that the main type of competition that they consider is sanctions but theories emphasize preventive war, then I have two competing hypothesis. H1: Great powers consider sanctions as their main form of competition. H2: Great powers consider preventive war as their main form of competition. These competing hypotheses share a common null hypothesis: an entirely different assumption is right. In this example, there is a third alternative, both preventive war and sanctions are important choices that they consider. I designed some second-wave questions to rule out the assumptions I wrote down at the end of the first wave, and others to rule out the assumptions in the existing literature.

If there truly is one model that can summarize this setting, then I should be able to derive consistent answers from second wave subjects and resolve any discrepancies. If I rejected both hypotheses, I resolved to break ties by reading through the decision-making processes in an important historical case: Anglo-German relations (1930s). Fortunately, this never happened. I was able to generate a clear picture from the interviews.

A.0.1 Sampling Frame

I focused on subjects that met two criteria. First, they had experience setting strategic national-security policy-making (e.g. they could contribute to the National Security Strategy, or the Quadrennial Defense Review), or the production of strategic intelligence (e.g. they could contribute to National Intelligence Estimates). Second, at one point in their career, they had regularly briefed a head of state. I solicited subjects through third-party connections I developed during field work in Washington DC. I interviewed 14 subjects (7 in each wave) that met these two criteria. The highest-ranked subjects included retired Cabinet-appointed officials and Chairpersons of Intelligence Committees (n=4). The lowest-ranked subjects included a former Adviser at the National Security Council (n=5). In between these extremes included Ambassadors, Generals, Deputy Assistant Secretaries.

To be clear, I also use elite interviews to validate the predictions of my model and explore my theory's implications for Sino-American relations. There is no overlap between the elites I use to build my theory and the elites I use to analyze whether US policy makers follow Sino-American relations.

A.0.2 First Wave:

During the first wave of interviews, I relied on a structured template to elicit subject responses:

"My goal is to understand how senior policy-makers approach major national security choices. I am not interested in what the United States should or should not have done in a specific case. Rather, I am interested in the choices that national security policymakers consider. While a specific example may come to mind as I am talking, try to think about how you generally approach these sorts of problems. Furthermore, while you are likely to draw from your own decision-making, I am interested in the broad range of options and beliefs discussed by all senior policymakers. It would be helpful if you could provide the complete perspective.

From time-to-time the United States worries about other powerful states in the international system.

1. What initially alerts you to the possibility that a state may pose a long-term strategic threat to US national security interests?

2. What are the most important policy options that the United States considers in managing its relations with a long-term strategic rival?
3. What are the different policy options that an emerging threat chooses between that you would consider in planning out your own choices?
4. To the extent that uncertainty makes strategic policy difficult, what is the most important question you have about an emerging threat for picking one policy approach over another?
5. What are the broad indicators you would use to answer these questions?

I allowed myself to ask clarifying questions. However, I explicitly forbid myself from asking questions that challenged the subjects' answers, referred to specific cases, or discussed answers from other interviews. The reason was that I did not want to prime their responses to later questions. In some cases, when subjects talked about a specific case, I asked them, "was this specific to this case, or would you say that this is a general set of options that you would consider in this sort of setting?" and also, "was this your position, or does this characterize the set of options (beliefs) debated amongst your peers?"

A.0.3 Second wave

At the end of the first wave, I analyzed inconsistencies across responses, and between the first-wave responses and common assumptions made in the literature on great power competition. For each inconsistency that I identified, I constructed more specific questions to verify the most appropriate assumptions for a general theory.

In the second wave, I asked subjects these more targeted questions to better understand the choices and dynamics that senior decision-makers considered.

While these interviews were less structured than the first wave, I still focused on assumptions, rather than mechanisms or predictions. Specifically, I refrained from asking them why they made choices in particular cases, or what assessments they made about their rivals after observing their behavior. When their answers veered into the land of predictions in specific cases, I stopped probing, and redirected the conversation. This was important because I wanted to allow the

mathematical analysis to speak for itself. Later in the project, I interviewed a different group of elites to understand if my theoretical predictions matched their beliefs and choices in specific cases.

B Formal justification for theory

In this Appendix I provide a formal foundation for the claims raised in the manuscript. The following describes the model set-up. The set-up provides some details about the Challenger's value for different issues in dispute. However, it omits a detailed explanation of the Challenger's value, or the type space from which the Challenger's value functions are drawn. This is deliberate. As we shall see, the main innovation is that the set of actions that states can take is held constant, but through variation in the type space we get interesting results.

B.1 Set up

A Challenger (C, she) and Defender (D, he) bargain over J foreign policy issues. Each issue is indexed $j \in \{1 : J\}$. I keep track of who controls which issue at any point in time (where t denotes an arbitrary period) using a vector of indicator functions: $q_t^D \{q_j^D\}$. Element $q_j^D = 1$ if D controls that issue at time t and 0 otherwise. I define a corresponding vector $q_t^C \{q_j^C\}$ where element $q_j^C = 1$ if C controls that issue at time t and 0 otherwise. I assume that every issue is controlled by one player. Thus, $q_t^D + q_t^C = \mathbf{1}$. Where $\mathbf{1}$ is a vector of J elements equal to 1. For example, $q_1^D = 1, 0, 1$, means that D controls issues 1 and 3 at the end of the first period (beginning of the second period). This implies $q_1^C = 0, 1, 0$.

Players extract utility if they control issues that they care about. To capture this dynamic, I assign each player a value vector. For simplicity, D's value vector is $\mathbf{1}$.³⁰⁴ I define C's true value vector as V , which represents C's type. As we shall see in a moment, I allow C's motives to vary in different ways in different versions of the model. However, I assume that C can value each of the J issues either h (for high) or l (for low) such that: $0 < l < 1 \leq h$. For example, $V = l, l, h$ means that C values issue 1 high and issues 2 and 3 low. V is not indexed because it represents an attribute of C that will persist throughout the game.

I allow C to send a costless, diplomatic message about her type each period. This message takes the form \hat{V}_t , a vector of J elements, where each element can take on values $\{l, h\}$. I say that C's message is honest in period t if $\hat{V}_t = V$. The message is costless because it does not directly alter payoffs or future actions. For example, if $V = l, l, h$ and $\hat{V}_1 = h, h, l$ but $\hat{V}_2 = l, l, h$ it would mean

³⁰⁴Substantively, I focus on foreign policy objectives that the Defender wants to Defend.

that C sent a dishonest first period message and an honest second period message.

The model starts with D controlling all J issues in dispute: $q_0^D = \mathbf{1}$, $q_0^C = \mathbf{0}$. At the beginning of the game the type-space is known to both players. Nature selects C's value vector from a discrete uniform distribution over the type-space and shows it privately to C. Then periods of sequential negotiation proceed. In each period:

1. C sends a costless message about her type, and then either decides to accept the status quo, or demand another concession.
 - (a) If C accepts the status quo, the game stops and payoffs are realized.
 - (b) If C demands another concession, the game continues.
2. D transfers a single element to C or decides to stop the game.
 - (a) If D transfers an element, D chooses one element to transfer and the game repeats.
 - (b) If D stops the game, the game ends and competition payoffs are realized.

If no one has stopped the game after J periods, it means that C has captured all of the issues. I assume that C accepts peace in period $t = J + 1$ and peace payoffs are realized.

If C stops the game, she accepts the status quo leading to a stable peace. Thus, utilities are based on who controls what territory in the period where C stops the game (q_t^D, q_t^C) and how much they value each territory $(V, \mathbf{1})$:

$$U^D = q_t^D \mathbf{1} \tag{5}$$

$$U^C = q_t^C V \tag{6}$$

This payoff function makes clear that the specific concessions that C receives matters. Consider that if $V = h, l, l$ then C's utility from accepting peace in the second period (following one concession) is h if $q_1^C = 1, 0, 0$ and l if $q_1^C = 0, 1, 0$.

D stopping the game represents broad strategic competition. Both players enter a costly lottery (with common cost K) over the issues that D has not yet conceded to C. For each issue that D still controls, C wins the lottery with probability p , and D wins with probability $1 - p$. The winner of each lottery captures the issue in dispute. When D stops the game at $t + 1$, expected utilities are:

$$EU^D = q_t^D(1 - p) - K \quad (7)$$

$$EU^C = q_t^C V + q_t^D V p - K \quad (8)$$

By design, this competition payoff is very close to [Powell \(1996\)](#). I chose this as a point of comparison for two reasons. First, it is the model that explicitly analyzes a long-term reassurance problem.³⁰⁵ Second, the payoff functions guarantee that as time moves on, D's value for competition and peace is decreasing, and C's value for both outcomes is increasing. While this does not exactly model shifting power and war in the context of bargaining, it is similar in that the range of acceptable bargains and war payoffs shift in the Challenger's favor over time.

This happens because competition allows D to keep (with probability $1 - p$) the issues that are not yet conceded. This has several plausible substantive interpretations. It closely represents a situation where Challengers install friendly governments and forward deploy forces to territories they capture. Thus, these territories are much harder for the Defender to take back once competition starts (i.e. there is a defensive advantage). Here p represents the probability of winning in war given that the Defender is most likely to win territories that the Challenger has not taken. It also represents a setting where the Defender is unable to fight, but deploys sanctions or containment policies to prevent the Challenger's future revision. Here p represents the Defender's expectation that containment will prevent the Challenger from future revision.

A strategy for D, $s^D(O, r^D)|s^C$, includes an offer vector $O|s^C \rightarrow 1, 2, \dots, J$ that determines the order in which D makes concessions over the J territories (i.e. a vector $O = 3, 6, 7, \dots$ means that D concedes issue 3 then 6, then 7, etc). The offer vector is conditional because D may alter the order with which he makes concessions in reply to C's choices over time. It also includes a vector of competition choices $r^D|s^C \in r_1^D, r_2^D, r_3^D \dots r_T^D$, where each element (subscripted by time) is an element equal to 1 if D's choice is certain competition in that period, and 0 if D's choice is certain peace.

A strategy for C, $s^C(y(\hat{V}_t), r^C)|s^D$, includes a status quo vector $r^C|s^D \in \{1 : J + 1\}$ that determines the periods that C will stop the game in peace. This vector is 1 element larger than the

³⁰⁵The core difference in payoffs is that Powell (1996) assumes linear preferences that guarantees the Challenger gets her favourite issues first. My model assumes that C's value from competition depends on the order of concessions. Therefore, C's incentives to stop will depend on how many and which concessions she has.

others because C may not ever stop the game. I assume $r_{J+1}^C = 1$ meaning C will always stop the game once she has every issue in her control. C's strategy also includes a messaging function: $y_t(\hat{V}_t)|s^D$ that probabilistically tells us the message \hat{V}_t C sends in period (t) .

B.1.1 Calibrating the parameters

We make two assumptions to focus on Challengers that fit our basic assumptions about the reassurance problem.

$$\mathcal{A}_1 = h > \frac{k}{p}$$

$$\mathcal{A}_2 = l < \frac{k}{Jp}$$

Assumption \mathcal{A}_1 means that Challengers prefer to demand a core interest and face competition, than live in a world where they will certainly never get it (i.e. the accept peace without it). If this condition is violated, we increase the conditions under which we can support peaceful equilibria. For example, we can support a case in which the Challenger accepts peace before after she takes some of her core interests, but before she takes all of them.

Assumption \mathcal{A}_2 means that once the Challenger has captured all of her core interests, she prefer to accept the status quo, then face certain competition. To be clear, for the greediest type, this condition does not apply. But for types that value at least 1 issue low, they would prefer to accept peace than compete over their peripheral interests.

B.2 The strategic dynamics

My model assumes a specific type-space that matches my informal theory of principals. In what follows, I describe the basic tensions that the model generates under more conventional assumptions. First, I solve the model with complete information considering a variety of different Challenger types. This helps clarify the core counter-factual: what happens when D is fully informed.

Second, I make classic offensive realist assumptions. I assume that the Challenger's motives vary in scope and that the Defender is deeply uncertain about the Challenger's type. I show that

in this condition, cheap talk cannot work, and first period competition is the unique best reply. The basic logic reflects the reassurance problem I solve in the manuscript.

B.2.1 Complete Information

I now solve the model with complete information. I analyze sub game perfect equilibria (SPE). For simplicity, I focus on the simplest working example $J = 3$. First, I show that delayed peace is possible if C holds one core interests. Second, I show that if C holds more than 1 core interest than delayed peace is not possible. Third, I provide some general results about $J > 3$.

Before we get into the main analysis, I prove a preliminary result that bounds my parameters.

Lemma B.1 *Total concessions if the cost of competition is too high. For any Challenger type, if $k > J(1 - p)$ then in every SPE $r_j^D = 0 \forall j$ and $r_j^C = 0$ for $j \leq J$ and $r_{J+1}^C = 1$. D's utility is 0 and C's utility is $1 \times V$.*

The condition $k > J(1 - p)$ implies D strictly prefers to make every concession rather than compete in every period. Since D will make a concession, we cannot support an equilibrium in which C stops the game in peace. The reason is that C can always profitably deviate to making another demand. Since C gets all of the issues, the order of offers or C's actual preferences do not impact the result.

This result helps us in two ways. First, it shows that there is an upper bound on parameter ranges that we need to consider. Second, it illustrates that C's decision to stop is contingent on D's threat. As we shall see, once we enter a sub-game where D strictly prefers to concede the remaining issues to instant war, then the only supportable on path sub-game is complete concessions.

Delayed peace is possible To start, I show that delayed peace is possible. Let's consider a case where $V = h, l, l$. Since it is complete information, I would get identical results if I assumed C's motives were any other type that held a single core interests (e.g. $V = l, h, l$). Because the model includes complete information, I omit a discussion of C's costless diplomacy which trivially holds no affect. Further, I write an offering strategy $O_h = 1, 2/3, 3/2$ to mean that D offers C her high valued issue first (q_1) and then her low valued issues in remaining periods in any order.

We say r^{D*}, r^{C*} are the equilibrium stopping strategies if D plays O_h and $r^{D\dagger}, r^{C\dagger}$ are the equilibrium stopping strategies if D deviates to any other offer.

Proposition B.2 *Delayed peace.* *If the Challenger values a single core interest (e.g. $V = h, l, l$) and*

$$1 - p < k < 2(1 - p) \quad (9)$$

then the following strategies are a pure strategy SPE. D's equilibrium offer strategy is O_h , D's competition strategy is $r^{D} = 0, 1, 0|s^{C*}$. C's peace strategy is $r^{C*} = 0, 1, 0, 1|s^D$. Off the path, if D deviates to any other offering strategy, then $r^{D\dagger} = 1, 1, 0|r^{C\dagger}$ and $r^{C\dagger} = 0, 0, 0, 1$.*

We solve via backward induction under the assumption that D plays O_h . We then turn to the case where D deviates from this offer. In the third period, D prefers making a concession to competition if $1 - p - k < 0 \equiv 1 - p < k$. This is the left hand side of 9.

Working backwards, I claim C makes a demand in the third period. Given that D cannot threaten competition if C makes a demand, C makes a demand if $l > 0$, as desired.

In period 2, knowing that we can support on path play in period 3, D prefers competition to peace if $2(1 - p) - k > 0$. This solves for the right hand side of 9 as desired.

I claim C selects peace at the beginning of period 2. Given the on path offer ensures D offered q_1 in the first period, C's value for peace is h . If instead, C does not accept peace, on path play ensures that she will face competition, leading to an expected utility of $h + 2pl - k$. C prefers accepting peace to making a demand if $l < \frac{k}{2l}$. This is satisfied by \mathcal{A}_2 .

In period 1, D gets $3(1 - p) - k$ from competition. Knowing that C will accept peace in period 2, D gets 2 if he waits. Thus, D prefers to wait if $1 - 3p > k$, covered by the left hand side of 9.

Clearly, C prefers to get a concession rather than not.

In summary I've shown that there is no profitable deviation in the stopping strategies if D plays the on path offer O_h . As a result, if D plays on the path, his expected utility is 2.

The next thing to check is that D cannot profitably deviate to any other offer. To confirm this is true, we need to solve for the stopping strategies we can support if D deviates from O_h to all other offers. We've already shown that D cannot credibly threaten competition in the third period, and therefore C's best third period choice is to make a demand. We've also shown that D strictly prefers second period competition to making total concessions. It follows that $r_2^D = 1, r_3^D = 0, r_3^C = 0$.

However, under assumption \mathcal{A}_1 C will not stop until she has acquired her core interest. Since any deviation from O_h means that C has not acquired her core interest in the first period, C strictly prefers to make a second period demand. It follows that for any set of offers not in O_h , $r_2^C = 0$.

In the first period, D's first period competition choice weighs instant competition (with utility $3(1-p) - K$) against making one concession, and then competition in the second period (with utility $2(1-p) - K$). Clearly, instant competition is better.

In summary, I've shown that if D deviates from his on path offer, then we can support a sub-game that triggers instant competition. In this case, D gets $3(1-p) - k$.

The final thing to check is that D prefers his on path offer to deviating to another offer. We've already shown that D prefers his on path offer to instant competition. It follows that D cannot profit from deviating from an offer in O_h . This completes the proof.

Delayed peace requires moderate costs of competition In the delayed peace equilibrium, we reported an upper and lower bound on the competition parameters K, p . Intuitively, we think that increasing the cost of competition raises the chance of peace. But we do not know what happens if k is larger. What happens if the cost of competition increases?

Proposition B.3 *If the Challenger values a single core interest (e.g. $V = h, l, l$) and $2(1-p) < k < 3(1-p)$, then instant war appears on the path in every strategy SPE. For any offer strategy, D's competition strategy is $r^D = 1, 0, 0$. C's peace strategy is $s^C = 0, 0, 0, 1 | s^D$.*

Again we solve by backward induction. In the solution to prop B.2, we've shown that so long as $k > 1-p$, then there is a unique, third period sub-game $r_3^D = r_3^C = 0$.

In prop B.2 we showed that in the second period, D can only credibly threaten competition if $2(1-p) < k$. The equilibrium described in prop B.3 is different because this condition is violated. As a result $r_2^D = 0$.

Working backwards, C knows that if she makes a demand in the second period, she will face two consecutive concessions. Thus, C's value from on path play at this point is $h + 2l$ which is strictly greater than what C could get from stopping the game in the second period (which is either h or l depending on the offer). It follows that $r_2^C = 0$.

In the first period, D knows that he cannot credibly threaten second period competition. There-

fore, if he makes the first concession, he will end up conceding the lot. Thus, D prefers a concession iff $3(1-p) - k < 0$. This gives or the right hand side of our equilibrium condition.

The only remaining question is if C makes a first period demand. By \mathcal{A}_1 she must. Since we observe first period competition, the offering strategy is moot. This completes the proof.

Implication: Peace is not linear in the competition parameters. This result is surprising. The reason it follows is that peace requires that D can credibly threaten competition once C has taken her core interests. If D cannot, C continues to make demands. This creates different first period expectations for D. Since he knows that C will make total demands, D's first period choice weighs total concessions against total competition. If the cost of competition was less, D's first period choice would weigh peace following one concession against total war.

To be clear, if the cost of competition is very high $k > 3(1-p)$ (and more generally $K > J(1-p)$), then the game reverts to peace. Under this condition there is a unique equilibrium where C makes three demands and D makes three concessions.

On the other side of the spectrum, if $k < 1-p$ then we also get instant competition but for a different reason. In this case, D prefers competition to making even a single concession.

Competition dominates if C holds 2 or more core interests. We now consider the case where C values two issues $V = h, h, l$ or more. In an informal way, we can think of this type as holding limited aims because she does not value everything high. But clearly, she values more than $V = h, l, l$.

Proposition B.4 *If the Challenger holds two (e.g. $V = h, h, l$) or three ($V = h, h, h$) core interest issues then we observe first period competition in every pure strategy equilibrium if $k < 3(1-p)$. Otherwise, we observe total concessions.*

We solve the case where $V = h, h, l$. In the third period, there are two cases to consider that are defined by $1-p < k$. If this inequality is satisfied, then as we show in proposition B.2, D uniquely prefers a third period concession to competition. If it is not, D prefers third period competition to a third period concession.

Assume $1-p < k$. By \mathcal{A}_1 , C must make at least two demands given that C values two issues high. This combined with the solution to proposition B.2 implies that $s^D = ., 1, 1$ and $s^R = 0, 0, 0$

must be on the path. The only thing left to check is that D strictly prefers first period competition to delayed competition. This is true if $3(1 - p) - k > 2(1 - p) - k$. This is strictly true.

Assume $1 - p > k$. In this case, D prefers to compete in the third period rather than make a concession. However, this condition also implies that D prefers to compete in every period, rather than the best case: D makes one concession and C stops in the next period. As stated, C makes two demands at minimum.

Since first period competition is on the path, the order of offers is irrelevant. This completes the proof if C values 2 issues. The proof also makes obvious that D prefers competition to peace if C holds 3 core interests.³⁰⁶

Longer interactions ($J > 3$) One might wonder, if we can support delayed peace with more issues. Later we will consider a model with $J = 9$ and show that we can support peace if a limited aims Challenger holds 3 core interests. Here we prove some general results that illustrate some of the more general results when $J > 3$. In later sections, we will consider a model in which $J = 9$ and show delayed peace is possible in this model.

The main concern relates to D's credible threat of deterrence. Contrasting proposition B.4 and B.2 we see that delayed peace can only be sustained if D can credibly threaten competition at some point after C has taken her core interest issues. It turns out that with long rivalries ($J \gg 0$) all SPE equilibria converge to a single sub-game under a desirable condition.

Lemma B.5 *For any information set, and type space, suppose a period $J - x$ for which $k > (J - x)(1 - p)$. The sub-game of any SPE starting in period $J - x$ includes the stopping rules $r_j^D = 0 \forall j \geq J - x, r_j^C = 0 \forall j \in \{J - x, J\} \& r_{J+1}^C = 1$.*

The result follows closely from the proof above. If $k > (J - x)(1 - p)$, it means that in period $J - x$, D strictly prefers to make the $J - x$ remaining concessions and get nothing, rather than compete. This guarantees that D's on path strategy is concessions. As we've already shown, when D will always make concessions, we cannot support $r_j^C = 1$ because C can always profit by deviating to a demand.

Working backwards one period,

³⁰⁶As we've already stated in A₃, if $k > 3(1 - p)$, then in every equilibrium, D concedes all three issues and C makes three demands. But this is not the same as delayed peace. This is total concessions.

Lemma B.6 *For any information set, and type space, suppose a period $J - x > 1$ for which $(J - x + 1)(1 - p) > k > (J - x)(1 - p)$. Then $r_{J-x-1}^D = 1$ is on the path in every SPE.*

The condition implies that in period $J - x - 1$ that D strictly prefers competition to total concessions. However, if D makes one more concession, then we arrive at the subgame described in Lemma B.5. Conjecture that $r_{J-x-1}^D = 0$ on the path. Then D could always profitably deviate to competition in that period.

It is easy to see that if C has taken all of her high valued issues by period $t = J - x - 1$, then C's unique strategy is to stop and accept peace at that point.

The second concern is that D prefers to concede C her core interests knowing that C will stop, rather than compete straight away. When there are more issues, is D willing to wait longer.

Proposition B.7 *Suppose k satisfies $(J-x+1)(1-p) > k > (J-x)(1-p)$ and also $J(1-p)-x-1 > k$ then delayed peace is a pure strategy SPE given that D is fully informed, and C values less than $J - x$ issues high.*

The condition $J(1 - p) - x - 1 > k$ defines the point that D prefers to concede $J - x - 1$ issues rather than compete straight away. When these conditions hold, it means that we can find an equilibrium in which D concedes C $J - x - 1$ issues, including all of her high-valued issues. Then C stops the game and accepts peace.

To be clear, this is the upper bound for which we can support delayed peace. Under broader conditions, we can violate $J(1 - p) - x - 1 > k$ and still find delayed peace SPE where D stops in an earlier period, so long as C's core interests are sufficiently few.

With a little algebra, the upper bound conditions reveal that $x > J/2$, meaning that we can only support delayed peace if C values less than half of available issues high.

B.2.2 The reassurance problem.

We now introduce incomplete information and assume the type space suggested by Mearsheimer (2001). Consistent with the complete information analysis, we assume $J = 3$. That is we assume that the type space is γ which includes three possible types $\gamma_1 = h, l, l; \gamma_2 = h, h, l; \gamma_3 = h, h, h$. As stated in the set up and consistent with Mearshiemer's deep uncertainty assumption, we assume

each type is equally likely. For ease, we are going to assume that the order of offers is fixed at $O = 1, 2, 3$. This is without loss of generality. As we showed above, we can construct stopping strategies that guarantee first period competition if this condition is violated.

Finally, define λ_1 as the probability that C stops after one concession (in the second period), rather than make a demand. Define λ_2 as the probability that C will stop after a second concession (third period). Define λ_3 as the probability C stops after the third concession (i.e. total concessions). All of these are functions that depend on the type space, strategy and stage of the game.

Thus, if we assume that C makes a first period demand, we can generally define D's first period expected utility from $r^D = 0, 0, 0$ as: $EU_1^D = \lambda_1 2 + \lambda_2 + \lambda_3 0$. We can define D's first period utility from $r^D = 0, 1, .$ as: $EU_1^D = \lambda_1 2 + (1 - \lambda_1)(2(1 - p) - k)$.

Proposition B.8 *Suppose C's type is drawn from γ and $\mathcal{A}_1, \mathcal{A}_2$ hold, then delayed peace is not an SPE. If $k > 3(1 - p)$ the game ends in total concessions, and otherwise it ends in first period competition.*

Remark There exists a k, h, l, p for which delayed peace is possible if the prior probability $pr(V = \gamma_1) > 1/2$.

First, we solve for the result under the assumption that cheap talk is ineffective. Second, we explain that cheap talk cannot be effective. Lemma B.1 confirms that if $k > 3(1 - p)$ the unique result is total concessions. I focus on when this inequality is violated. I use backward induction. I've already shown that in the subgame where C makes a third period demand, a cut-point emerges that defines D's pure strategy best reply in every SPE. If $k > 1 - p$, $r_3^D = 0$ and otherwise $r_3^D = 1$.

We've shown that for any type $\gamma_1, \gamma_2, \gamma_3$ that if $k < 1 - p$, first period competition is D's unique equilibrium strategy. The reason is that competition is so cheap, that D prefers it to making a single concession.

Thus, we focus on the case $k > 1 - p$, we've shown that if $r_3^D = 0$ that $r_3^C = 0$. It follows that $\lambda_2 = 0 | k > 1 - p$. Therefore, D prefers $r_2^D = 1$ to $r_2^D = 0$ if $2(1 - p) - k > 0 \equiv k < 2(1 - p)$.

Working backwards, there are two conditions to consider. If $3(1 - p) > k > 2(1 - p)$ then in the second period, every Challenger type makes a demand because the Challenger knows that D will not select competition. It follows that $\lambda_1 = 0$. Thus, in the first period, D's expected utility

from making a concession is $EU^D|3(1-p) > k > 2(1-p) = 0$. D prefers to make these offers if $0 > 3(1-p)$ which violates the condition. It follows that if $3(1-p) > k > 2(1-p)$, then war is D's best reply.

The second condition is that $2(1-p) > k > 1-p$. In this case, $r_2^D = 1$ is D's unique best reply. Working backwards, C's strategy hinges on C's type. γ_1 's best reply is to stop. But otherwise, C's best reply is to make an additional demand. It follows that $\lambda_1 = pr(V = \gamma_1) = 1/3$.

In the first period, if C makes a demand, D's expected utility from making an offer $EU^D(r_1^D = 0)|2(1-p) > k > 1-p = \lambda_1 2 + (1-\lambda_1)((2(1-p) - k) = \lambda_1(2p+k) + 2(1-p) - k$. Alternatively, if D turns to competition, D gets $3(1-p) - k$. It follows that D makes a concession iff $\lambda_1 > \frac{1-p}{2p+k}$. Given our bounds on k , this is easiest to satisfy when $k = 2(1-p) \implies \lambda_1 > \frac{1-p}{2}$. But given $h > 1, \mathcal{A}_1$, the smallest value we can satisfy this for is $\lambda_1 > 1/2$.

The tragedy of politics Recall that $2(1-p) > k > 1-p$ are the exact conditions where we can support delayed peace with complete information. Thus, this result represents the tragedy of politics. With complete information there is an efficient equilibrium in which all states avoid competition and D makes a single concession. But incomplete information significantly complicates this.

Implications for different variants of realism: the only difference is in the prior beliefs.

This result makes clear an important difference between offensive and defensive realism. Offensive realism starts with the assumption that uncertainty is very high, and states vary enormously in the scope of their preference. This assumption is most clearly stated when Mearshiemer claims that states can promise to make just one more demand. This would only be credibly if a type existed that would insist on one more demand, but then be willing to stop. As we just showed, if we allow for many types, and assume that each type is equally likely, then first period competition is the best

In contrast, defensive realists emphasize a situation where there is one limited aims and one greedy type. They also argue that Defenders vary in their initial levels of optimism. This variation could follow from regime type, terrain that makes attacking specific territories easier, etc. We've shown that even in this case, the model requires a significant amount of optimism to generate peace.

But even in the defensive realist model, there still exists a reassurance problem.

A note on Cheap-talk Realists argue that cheap talk cannot work. This is clearly true in this variant of the model. The reason is that all Challenger types do better if they get a concession. Suppose there was a message a Challenger could send that led D to alter his strategy to making a first period concession with positive probability. Then all types would pool on this message. We make this point for emphasis. Later we will show that cheap talk is important when we introduce a specific kind of coordination problem.

B.3 Motives tied to principals

I now solve the model under the assumption that the Challenger's motives are tied to principals. As described in the manuscript, I consider four variants of the model. In one variant, I assume $J = 3$, and that the Challenger's motives are drawn from Figure 2(a). In the other three variants, I assume that $J = 9$ and that the Challenger's motives are drawn from the type-space described in Figure 2(b), (c) or Figure 1.

First, I illuminate the coordination problem. Second, I solve for the informative cheap talk equilibrium with $J = 3$. Third, I solve for the informative equilibrium for the example described in the manuscript. Finally, I explain how the solution works in the remaining two games.

B.3.1 The coordination problem (babbling equilibrium)

I informally described an information problem that I call a coordination problem. I claim that the coordination problem is severe, and exacerbates the reassurance problem. To see that this is the case, I solve for the babbling equilibrium here under the assumption that $J = 3$, and the Challenger's motives are drawn from the type-space presented in Figure 2(a). The babbling equilibrium explains patterns of competition in the case where diplomacy has no affect. Thus, this analysis helps us address the question: how do strategic dynamics play out if C cannot credibly communicate any meaningful information about her preferences?

Notice that this type space includes one unacceptably greedy challenger $\omega_4 = h, h, h$ and three acceptably limited Challengers $\omega_1 = h, l, l, \omega_2 = l, h, l, \omega_3 = l, l, h$. We saw in the proof of proposition B.8, that incomplete information made delayed peace impossible if there was less than a half

chance that C valued a single issue. The reason was a reassurance problem. In this type-space there is a $3/4$ chance that C values a single issue. Therefore, the cumulative probability that C will stop following a specific single concession is $3/4$. As we shall see, the raw probability is not enough to generate peace because of the coordination problem.

Define a messaging strategy $y(bab)$ as one in which all Challenger-types mix evenly over every message in every period. Since they all mix evenly over every message, there is no off-path message to consider. Define an offering strategy O_{bab} as one where D offers the three issues in random order. To be clear, this offering strategy is not conditional on C's message or C's stopping rule, or the history of the game.

Lemma B.9 *If $\mathcal{A}_1, \mathcal{A}_2$ hold, then there are PBE that include $s^C(y(bab)), s^D(O_{bab})$. In all of them, first period competition appears on the path.*

Following the proof of proposition B.8, we can only support delayed peace if $2(1-p) > k > 1-p$ and if $\lambda_1 > \frac{1-p}{2p+k}$. The first conditions determined when D could credibly play $r^D = ., 1, 0$. In the second condition, λ_1 represents D's expectation that C will stop following a single concession. When this inequality was satisfied, D strictly preferred $r_1^D = 0$ to $r_1^D = 1$. We showed that given the parameter restrictions that allowed C to make demands and face competition, $\lambda_1 > 1/2$ for D to prefer $r_1^D = 0$.

With 3 single issue types, you may expect that $\lambda_1 > 3/4$. But this turns out not to be true. The reason is that D does not know which issue to target his concession against. Consider if D plays targets his first concession at issue 1, $o_1 = 1$. Then $\lambda_1 = pr(V = \omega_1) = 1/4$. From this point, the proof of proposition B.8 is to show that first period competition dominates.

Notice that D's expected value for delaying competition is affected by two kinds of uncertainty. First, D factors in the possibility that C holds greedy intentions. Second, D factors in the possibility that C holds limited intentions, but D has not correctly targeted his first period offer against C's favourite issue. These different challenges are described informally in the manuscript.

B.3.2 Informative equilibrium $J = 3$

The informative equilibrium rests on an incentive compatible messaging and offering strategy. Define a messaging strategy $y(inform)|V$ as follows. In the first period, single-issue Challengers

send an honest message: $pr(\hat{V}_t = V) = 1$. Then in every subsequent period, the single issue types send a babbling message.³⁰⁷ In the first period, ω_4 sends a dishonest first-period message that pools with the single issue types. Specifically, ω_4 sends $pr(\hat{V}_1 = \omega_1) = pr(\hat{V}_1 = \omega_2) = pr(\hat{V}_1 = \omega_3) = 1/3$. In all remaining periods, the greedy type mixes over all of the available messages.

In $y(inform)$, limited aims Challengers send distinctive first period messages and there are off-path messages that could arise. In what follows I omit any analysis of off-path messages. The reason is that, as Chakraborty and Harbaugh (2010) argues, there is an outcome-equivalent result that covers all off-path messages. For example, assume that ω_1 mixes over all feasible messages accept $\hat{V}_1 = \omega_2, \omega_3$.

Define an offering strategy $O(target)|\hat{V}_1$ as follows. D targets his first period message on the issue that C claims to value high. Then D offers the remaining issues in random order. For example, if $\hat{V}_1 = \omega_2$, then $O(target) = 2, 1/3, 3/1$ where the $1/3$ represents 1 or 3.

We define an informative equilibrium as one in which D's beliefs change as a function of C's message. We define delayed competition as an equilibrium that ends in competition after the first period.

Proposition B.10 *If $2(1 - p) > k > 1 - p$ and*

$$p < \frac{1}{2} \tag{10}$$

*there is an **informative** Pure Bayesian Equilibrium. In it, D's equilibrium offer is $O^* = O(target|\hat{V}_1)$. D's on path competition rule is $r^{D^*} = 0, 1, 0|O^*$. C's equilibrium message is $y^* = y(inform|V)$. ω_4 has a non-conditioned competition rule $r^C = 0, 0, 0, 1$. If D plays O^* and C plays y^* , then the three limited aims Challengers have an on path competition rule $r^{C^*} = 0, 1, 0|O^*, V$. If D deviates from O^* , the the limited aims Challengers play competition rule $r^{C^\dagger} = 0, 0, 0, 1|r^{D^\dagger}$, and D deviates to $r^{D^\dagger} = 1, 1, 0$. If the limited aims Challengers deviate from y^* then they deviate to $r^{C^\dagger}|r^{D^*}$. On the path, the game ends in second period peace if the Challenger holds limited aims, and second period competition if the Challenger is greedy.*

In a moment, we will prove the equilibrium using backward induction. First, we describe D's beliefs at different stages of the game. Given these on-path strategies, we can characterize D's beliefs at every stage of the game as follows. Starting with D's first period belief. Without loss of generality, assume D observes a first period message $\hat{V}_1 = \omega_1$ and C does not stop the game. In equilibrium, all Challenger-types do not stop the game. Thus, only C's message is informative.

³⁰⁷This assumption rules out off-path messages.

Given the on path strategies, D's posterior belief is:

$$\frac{\text{prior pr. } V = \omega_1 \times \text{pr. } \omega_1 \text{ sends } \hat{V}_1 = \omega_1}{\text{prior pr. } V = \omega_1 \times \text{pr. } \omega_1 \text{ sends } \hat{V}_1 = \omega_1 + \text{prior pr. } V = \omega_4 \times \text{pr. } \omega_4 \text{ sends } \hat{V}_1 = \omega_1} \quad (11)$$

This solves for:

$$\frac{1/4 \times 1}{1/4 \times 1 + 1/4 \times 1/3} = \frac{3}{4}$$

Since ω_2, ω_3 never send $\hat{V}_1 = \omega_1$, D's posterior belief that C is one of these types is 0. All of the remaining probability is assigned to ω_4 . That is, D's posterior belief is $pr(V = \omega_4) = 1/4$. The reason that D's beliefs shift in favor of ω_1 is that ω_4 mixes her message, but ω_1 sends $\hat{V} = V$ with 100% probability.

Turning to D's second period belief. Only the greedy Challenger does not stop the game. Furthermore, all challenger-types send identical messages that mix over all feasible messages. As a result, if D observes C not stop the game, D's is certain that C is greedy: $pr(V = \omega_4) = 1$. If C stops the game, then D's beliefs are $pr(V = \omega_1) = 1$. There is an equivalent result for ω_2, ω_3 based on $\hat{V}_1 = \omega_2, \omega_3$. Since the game stops on the path in the second period, C's third period actions (which are all off-path) do not influence D's on path-beliefs.

The rest of the solution for the competition rules exactly follows the solution to proposition B.8. We know that we can support delayed peace iff $\lambda_1 > \frac{1-p}{2p+k}$. We just showed that $\lambda_1 = 3/4$. This is always true given the conditions stated in the equilibrium.

Next we need to show that D cannot profit from deviating to a different offering strategy. To show that, we need to know that we can support the off-path sub-game $r^{D\dagger}|r^{C\dagger}$. We showed this is true in proposition B.2.

The final thing to show is that C cannot profitably deviate from y^* . Notice that ω_4 covers all messages with probability and plays the same peace strategy. Also notice that D does not know if the limited aims Challenger has deviated. It follows that any deviation from a limited aims Challenger implies that the Challenger will not receive her core interest in the first period. Given this fact, the proof of proposition B.2 is sufficient to show that C cannot profitably deviate.

B.3.3 Informative equilibrium: 9-issue model

I'll now describe an informative equilibrium under the assumption that $J = 9$ and C's type is drawn using a discrete uniform distribution from the type space visualized in Figure Figure 2. There are three three-issue types $\omega_1, \omega_2, \omega_3$ and one 9 issue type ω_4 . We'll focus on parameter ranges where the first three are acceptably limited and the final type is unacceptably greedy.

Although many combinations of messages and offering strategies can be supported on the equilibrium path, I focus on a simple one. Define a messaging strategy $y(\text{inform} - 9)|V$ as follows. In the first period, $\omega_1, \omega_2, \omega_3$ send an honest message. ω_4 mixes evenly over these messages such that $y(\text{inform} - 9)|V = \omega_4 = \text{pr}(\hat{V}_1 = \omega_1) = \text{pr}(\hat{V}_1 = \omega_2) = \text{pr}(\hat{V}_1 = \omega_3) = 1/3$.³⁰⁸ In all remaining periods, all types mix evenly over all messages.

Define an offering strategy $O(\text{target} - 9|\hat{V}_1)$ as one that targets concessions under the assumption that C's first period message was honest. D then targets remaining concessions to satisfy one type at a time. If fewer concessions will satisfy the next type, D targets concessions at that type. For example, if D observes $\hat{V}_1 = \omega_1$, D offers three concessions in random order so that $q_3^D = [1, 1, 1, 0, 0, 0, 0, 0, 0]$. Then D randomly chooses from ω_2, ω_3 and targets concessions in periods 4 to 6, to satisfy the type he chooses. Thus, one outcome could be $q_6^D = [1, 1, 1, 0, 0, 0, 1, 1, 1]$.

If instead, D observes $\hat{V}_1 = \omega_2$, D offers three concessions in random order so that $q_3^D = [0, 0, 0, 1, 1, 1, 0, 0, 0]$. Then in periods 4 to 9, D offers the remaining six territories in random order. If D observes any other message, D offers three concessions in random order so that $q_3^D = [0, 0, 0, 0, 0, 0, 1, 1, 1]$. Then in periods 4 to 9, D offers the remaining six territories in random order.

Proposition B.11 *If $\mathcal{A}_1, \mathcal{A}_2$ and:*

$$6(1 - p) > K > 4 - 10p \quad (12)$$

*is satisfied, then there is an **informative** Pure Bayesian Equilibrium that includes the following strategies. D's equilibrium offer is $O^* = O(\text{target} - 9|\hat{V}_t)$. D's on path competition rule is $r^{D*} = 0, 0, 0, 1, \dots, 0, 0, 0, 0|O^*$. Here the off path action r_5^{D*} depends on the parameters but will not impact on path play. C's equilibrium message is $y^* = y(\text{inform} - 9)|V$. ω_4 has a non-conditioned competition rule $r^{C*}|V = \omega_4 = 0, 0, 0, 0, 0, 0, 0, 0, 1$. If D plays O^* and C plays y^* , then the three limited aims Challengers have an on path competition rule $r^{C*}|V \neq \omega_4 = 0, 0, 0, 1, \dots, 1, 1, 1, 1|O^*, V$. The competition rules that states play if D deviates from O^* , or if C deviates from y^* vary with the parameters. On the path, the game ends in fourth period peace if the Challenger holds limited aims,*

³⁰⁸As we argued above, we do not need to consider off-path messages because there is an outcome equivalent messaging strategy.

and fourth period competition if the Challenger is greedy.

Given these on-path strategies, we can characterize D's beliefs at every stage of the game as follows. Starting with D's first period belief. Without loss of generality, assume D observes a first period message $\hat{V}_1 = \omega_1$ and C does not stop the game. The first period strategies are identical to the 3-issue model. No Challenger-types stop the game. Thus, only C's message is informative. Given the on path strategies, D's posterior belief is:

$$\frac{\text{prior pr. } V = \omega_1 \times \text{pr. } \omega_1 \text{ sends } \hat{V}_1 = \omega_1}{\text{prior pr. } V = \omega_1 \times \text{pr. } \omega_1 \text{ sends } \hat{V}_1 = \omega_1 + \text{prior pr. } V = \omega_4 \times \text{pr. } \omega_4 \text{ sends } \hat{V}_1 = \omega_1} \quad (13)$$

This solves for:

$$\frac{1/4 \times 1}{1/4 \times 1 + 1/4 \times 1/3} = \frac{3}{4}$$

Since ω_2, ω_3 never send $\hat{V}_1 = \omega_1$, D's posterior belief that C is one of these types is 0. All of the remaining probability is assigned to ω_4 .

Notice that in periods 2 and 3 all players play identical strategies. They all make a second and third demand and mix evenly over all messages. It follows that D's beliefs do not change in this period.

In period 4, only the greedy Challenger does not stop the game. Furthermore, all challenger-types send identical messages that mix over all feasible messages. As a result, if D observes C not stop the game, D's is certain that C is greedy: $pr(V = \omega_4) = 1$. If C stops the game, then D's beliefs are $pr(V = \omega_1) = 1$. There is an equivalent result for ω_2, ω_3 based on $\hat{V}_1 = \omega_2, \omega_3$. Since the game stops on the path in the fourth period, C's fourth period actions (which are all off-path) do not influence D's on path-beliefs.

With these beliefs out of the way, we turn to on-path stopping rules. We focus on D's 4th period choice to compete if C does not stop the game. D's utility from competition in the fourth period is $6(1-p) - K$. We can start at the fourth period for two reasons. First, on the path only ω_4 does not stop the game in the 4th period. It follows that D's beliefs are $pr(V = \omega_4) = 1 | r_4^{*C}, r_4^C = 1$. Furthermore, ω_4 's on-path strategy is to only stop after taking everything. This strategy must be

on the path by \mathcal{A}_1 .

Given ω_4 's strategy is dominant, D knows that his utility from making a concession either comes from delayed competition, or total concessions. Clearly D cannot profit from delayed competition because $6(1-p) - K > 5(1-p) - K > 4(1-p) - k > \dots 1-p - K$ D also cannot profit from total concessions if $6(1-p) - K > 0$. This forms the equilibrium condition as desired. It follows that if this condition is satisfied, D strictly prefers 4th period competition to a 4th period concession.

In the fourth period, I claim that the limited aims Challengers stop the game. Given \mathcal{A}_2, r^{D*} and on-path play this must be true.

Working backwards, I claim that no Challenger type stops the game in the first three periods. This also must be true given $r^{D*} = 0, 0, 0, \dots$. Since D will not stop the game in any of the first three periods, no Challenger has an incentive to deviate to accepting peace.

Working backwards, I claim that D's on path strategy in periods 1-3 is to make a concession following a demand. Notice that D's beliefs do not change during these periods. Thus, D's expectation for on path play (making 3 concession) is identical in each period. D's expected value for on path play in the first 3 periods is $\frac{3}{4}6 + \frac{1}{4}(6(1-p) - K)$. In contrast, D's value for competition diminishes every period. In the first period it is $9(1-p) - K$. It follows, that D's preference for deviation to competition is strongest in the first period. I focus on D's first period choice and ask: can D profitably deviate to competition? D prefers on path play to deviating to competition when the right hand side of the equilibrium condition is satisfied.

Summing up, we've shown that no player can profitably deviate from their stopping rules given the on path message, order of offers and beliefs.

Could C deviate to a better message? Notice ω_4 sends all messages with positive probability on the path. So there is no deviation to consider. Each of the limited aims Challengers could deviate to pooling with a different limited aims Challenger. But D does not know that the deviation has occurred and plays the same stopping rule. It follows, that such a deviation would generate a payoff of $3l + p(3h + 3l) - k$. But on the path they get $3h$. By \mathcal{A}_1 they cannot profitably deviate.

Could D deviate to a better offering strategy. To show this completely, we need to identify the punishment strategies that players revert to if D deviates to an alternative offering strategy. There are two few alternatives depending on the parameters. But it is clear that D cannot profit from either of them. In one, D is able to make 4 concessions and then stop the game in period 5. Then

all the Challenger types make one additional demand. Clearly D does worse because he is forced to make a 4th concession. In the other, D is unable to threaten competition in period 5. Thus, D keeps $r_4^{D*} = 1$. But by \mathcal{A}_1 , all the limited aims Challengers will make a 4th period demand. This assures 4th period competition. It follows that as soon as D deviates from O^* to any other offering strategy, that D's best reply is instant competition. We've shown that this is worse.

B.3.4 More complicated type spaces: 9-issue model

Consider a model with $J = 9$ issues and a type space with the following properties. One Challenger is unacceptably greedy (ω_4) and values 7 or more issues high. Three Challengers are acceptably limited ($\omega_1, \omega_2, \omega_3$) and value 3 or fewer issues high. The acceptably limited Challengers are all perfectly nested in the greedy Challenger, meaning if ω_1 values an issue high, so does ω_4 . The acceptably limited Challengers can hold overlapping preferences, but are not perfectly nested within each other. Then

Proposition B.12 *Consider any variant of the type space just described, there is an informative equilibrium under the conditions described in proposition B.11.*

Here I only sketch the proof since it follows naturally from the proof of proposition B.11. One difference is that the greedy Challenger can want less than 9 issues. The reason this works is that under the conditions described in B.11, once D has made 6 concessions, D strictly prefers to make all the remaining concessions, rather than revert to war. As we showed in the complete information model, at this point, C's dominant strategy is to demand the remaining concessions no matter C's preferences.

The second difference is that Challenger preferences could partially overlap. This clearly has no affect because each sends an honest message. Since all of the messages are covered, D's 4th period belief is still purely conditioned on C's action.

The third difference is that limited aims Challengers can value a different numbers of issues. It is somewhat surprising that I can support this because we might that that ω_4 would always pool with the Challenger that wanted the most issues. The way D circumvents this problem is that D's equilibrium offer always concedes three concessions if the limited aims Challenger that values the most concessions, values 3 issues high. For example, imagine we replace ω_3 with $h, l, l, l, l, h, l, l, l$

but keep all other features of the model the same. Then on the path, D's offering strategy ensures that at the end of the third period $q_3 = 1, 0, 0, 0, 0, 1, 0, 0, 1, 0$. This gives ω_3 a payoff of $2h + l$ for stopping in the fourth period. We keep the stopping rules the same as in proposition B.11. Notice that if ω_3 knows that D will make a third period concession, her choice to make a demand is still on path in the third period. D could deviate to competition, but we've shown that D prefers not to.

C Chapter 5: Experimental Evidence

Below I provide additional information about the survey experiment. Appendix B presented the text of the survey. This appendix presents summary statistics, additional analyses and also information about sampling procedures.

C.1 Sampling Procedure

In this section I explain the sampling procedure. I describe my method of solicitation, then two types of checks I used to rule out inappropriate subjects: sample inclusion questions (that ensure subjects are elites); and attention checks (that ensure subjects properly read the questions).

C.1.1 Two distinct samples:

The sampling method relied on a convenience sample of policy elites. I used two distinct sampling methods that targeted different groups of elites. I provided these groups with different links to two identical surveys. First, I sent solicitation emails through institutions that interact with mid-level foreign professionals. Three Master’s Degree Programs that accept only mid-Career American Foreign Policy and Intelligence Professionals sent solicitation emails to their alumni network. The Australian Embassy in the United States and the American Embassy in New Zealand solicited their policy, defense and analytical staff (approximately 800 solicitations).

Second, I used an elite “snowball” sampling technique. During field research, I developed contacts within 31 foreign policy professionals. I asked them to distribute solicitations through their professional networks within my sample frame.³⁰⁹ Employers include the State Department, Office of the Secretary of Defense, various military and civilian intelligence agencies and staff for the Armed Services Congressional Committees. In the snowball sample, I asked my professional network to extend a solicitation email to subjects that they believed fit my sampling frame.

Table 15 reports the results of two linear regression analysis. The dependent variables in columns (a) and (b) are the responses to questions **A** and **B** respectively. In the analysis include the treatment — whether or not the subject observed Bandaria fight for a core or peripheral interest

³⁰⁹To be clear, I did not ask the people I knew directly to take the survey, only to distribute it through their network.

(the control is omitted). We also included a control for sampling method. The table confirms that the treatment significantly predicts how subjects respond, but the method of treatment does not.

Table 15: Sampling Method

	Response to Strategic Intentions	Response to Resolve
	(1)	(2)
Fought for Core Interests	10.426** (3.759)	-16.880** (5.100)
Institutional Sample (Y/N)	-2.354 (3.834)	-3.465 (5.202)
Constant	78.236** (3.171)	68.128** (4.303)
Observations	60	60
<i>Note:</i>		*p<0.05; **p<0.01

Figure 20(a) summarizes the biographical information from the two sub-samples. The snowball sample had considerably less military experience than the institutional sample, and worked in civilian government agencies more frequently. Figure 20(b), reports biographical information from the NSC principle members selected by president Obama, and president Trump. The comparisons demonstrate that the variation across my sampling methods corresponds with actual variation in NSC selection.

C.1.2 Solicitation:

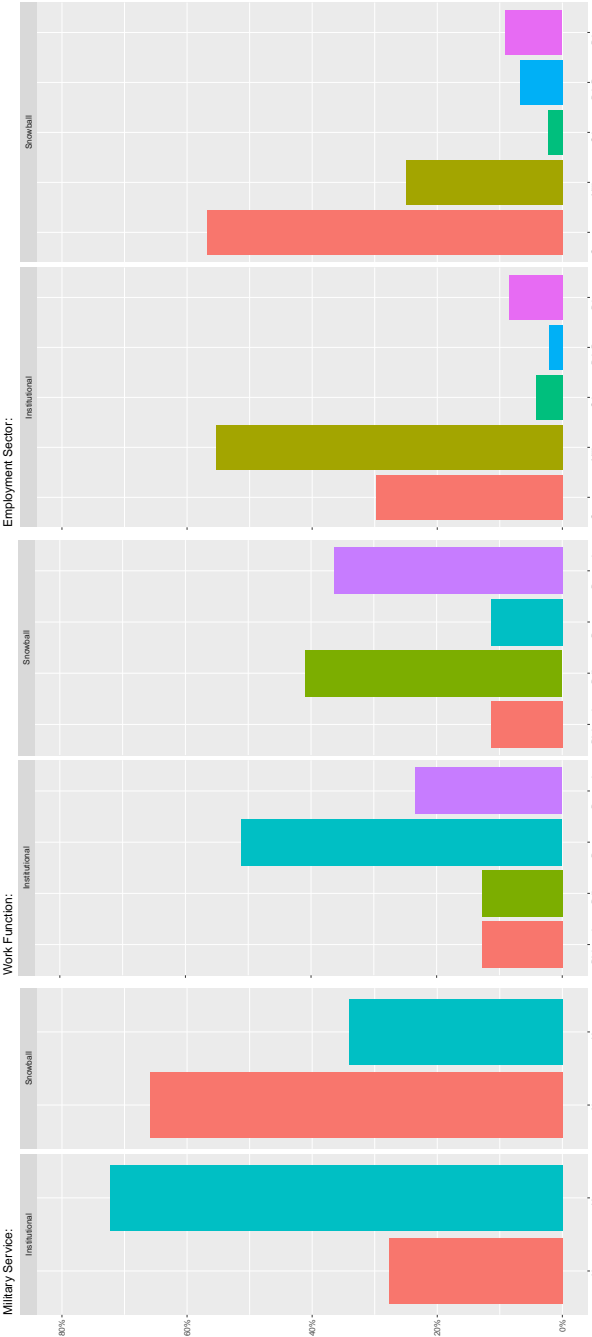
The sampling method relied on a convenience sample of policy elites. As described in the manuscript, I used two sampling methods described. In the snowball sample, I asked my professional network to extend a solicitation email to subjects that they believed fit my sampling frame. The following text is the solicitation email sent to subjects from the snowball sample:³¹⁰

Please take part in a study that simulates a foreign policy assessment. We need foreign policy, and

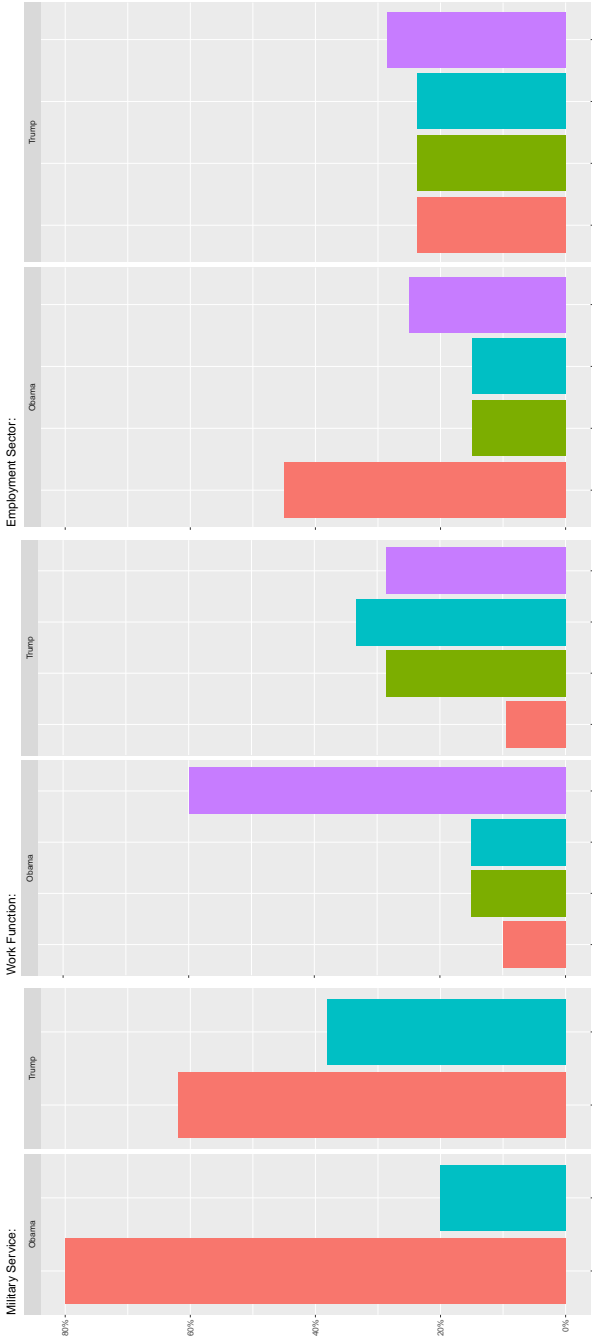
³¹⁰The Solicitation for the institutions is similar, and therefore omitted.

Figure 20: Biographical information:

(a) Survey participants by sampling method.



(b) NSC principals by president.



Each plot represents the percentage of responses to a single biographical question. Within each plot, there are two panels that correspond to sub-groups.

defense professionals, broadly defined, to participate. We are contacting you through a friend or colleague that knows about the project and recommended you as an ideal participant.

To let you know about the survey:

1. The research simulates a foreign policy assessment. The information is fictitious, but drawn from simulations that very senior leaders have participated in.
2. It is totally anonymous. We collect no meta-data or identifying information. We are surveying several organizations and all answers are pooled. Thus, we do not know who responds or even which organization they work for. An external survey firm (Qualtrics) guarantees the anonymity of the results.
3. It takes about 20 minutes. Pilot subjects took between 15-25 minutes to complete. But all noted it took their full attention for that time.
4. The survey will end on June 29th.
5. Take it at your convenience on any desktop computer (Smartphones are disabled): Just click the link below and the survey will begin. We disable the survey on mobile devices to make sure we can protect your identity.
6. It's fun. Pilot subjects really enjoyed taking it.

Please start the survey when you have 20 minutes to focus on it. To begin, click the link below:

[LINK]

As you can see, the link directs you to [Institution Name]'s Qualtrics research account. [Institution Name] is a research university in [City]. Qualtrics is the leading survey research firm worldwide. Qualtrics makes sure the information is anonymous.

Your participation will make a meaningful difference. We really appreciate your help!

For more information please contact: [My Email]. We'd be happy to tell you more about the research.

Cordially,

Michael Joseph George Washington University

C.1.3 Response Rates

217 subjects clicked on the link and read the prompt. 198 subjects clicked past the prompt page to read the baseline vignette. 138 subjects clicked to the next page and answered at least one question. 131 subjects read the two treatments and answered all the questions. Since my analyses

focuses on answers in the last phase of the experiment I could only analyze subjects that made it to the end of the experiment.

There is a noticeable drop-off between those that observed the baseline vignette and those that clicked to the next screen and answered one question. The probable reason is that the baseline vignette is approximately three pages long and contains a great deal of information. Many subjects probably observed this information and chose to end participation.

Fortunately, I can be certain that differential treatment effects did not cause this large drop-off in participation because all subjects receive the same baseline information. Thus, the drop-off occurred before subjects received different information.

The attrition rate between those that answered one question (before differential treatment effects) and those that completed the survey (after treatments) is just 7 subjects. As Table 16 shows, these subjects are dispersed across treatment groups.

	Ethnic Int.	Security Int.
Control Message	0	2
Ethic Message	2	0
Security Message	1	2

Table 16: Dropout Rates Between Answering First Question and All Questions.

C.1.4 Sample Inclusion Questions

Subjects were asked 2 questions to determine if they fit the sample frame:

1. What is the position of the highest ranking government official you have briefed during your career? [Text]
2. Do you work on foreign policy issues? [Y/N]

Subjects were ruled out if they answers to these answers to these questions indicated they were outside the sampling frame. Additionally, 7 subjects completed the survey and passed all attention checks but did not answer any of the biographical questions including these sample inclusion questions. It is possible, that these subjects did not want to provide personal information on an online survey platform because of their work affiliation. Thus, these subjects may be appropriate for inclusion. Nevertheless, I chose to omit these subjects from the sample for two reasons: (1) I wanted to

be as sure as possible that the sample was elite; (2) some property of these subjects that led them to be reluctant to complete biographical questions may have also interacted with the treatment group. By eliminating them, I can omit factors that may have effected sample heterogeneity.

C.2 Did the subjects pay attention

The experiment contains three checks to ensure that subjects paid attention and that attention did not vary with treatment. First, I included attention checks. Second, I recorded long-form text responses and timed the survey to see if subjects spent a reasonable amount of time on the survey. Third, I then re-ran the survey with Mechanical Turk workers to compare the attention statistics of elites to mechanical turk workers: 73% of elite respondents correctly answered these attention checks (twice as many as M-Turk workers). The elites took on average 29 minutes (50% longer than the M-Turk Workers) and had an average open text response of 509 characters (3 times longer than the average M-Turk worker).

C.2.1 Attention Checks

Subjects were asked two post-treatment questions to test if they read the information in the vignette. Of those that passed sample inclusion questions,³¹¹ and completed the survey, 32 failed at least one of the attention checks. Table 17 shows that they are well dispersed across treatment groups.

	Passed	Failed
Core interest crisis	29	11
Peripheral interest crisis	31	13
Interests Undefined	33	8

Table 17: Elites Who Passed Attention Checks?

C.2.2 Meta-data

Table 18 reports the time it took subjects to respond and the length of their text responses.

³¹¹i.e subjects I am confident are elites.

Table 18: Attention Data By Treatment

Treatment Group	Median Minutes
Core interest crisis	25
Peripheral interest crisis	36
Interests Undefined	29
Full Sample	33

Treatment Group	Median Character Length
Core interest crisis	457
Peripheral interest crisis	623
Interests Undefined	498
Full Sample	509

Interestingly, the subjects that observed a peripheral crisis took longer to respond than the other groups. In other settings, subjects who observe unusual or out of place information feel anxious and spend more time evaluating information before they reach their assessment. It is consistent with my theory that observing the peripheral interest treatment would behave this way.

C.3 Dissociating Bandaria from real cases

I took several steps to make sure subjects did not associated Bandaria with a real case. I administered the survey towards the end of the American presidential primary when all eyes were on domestic politics. The major interstate incident during this period was Brexit—an event unrelated to military intervention. I chose a fictitious scenario with fake names and a map based on merging and manipulating American congressional districts. Finally, I told subjects that the scenario was designed not to resemble a particular case, but rather that the information was derived from war games that senior policymakers had participated in. In a mechanical turk pilot I provided test subjects parts of the vignette and asked them what pieces of information reminded them of particular cases. I then developed a fact base that was not similar to any single case.

To make sure these steps were effective, I asked subjects two questions after they completed the survey.

- Did you have a particular event, either current or historical, in mind at the beginning of this survey? If yes which one?

- Did you have a particular event, either current or historical, in mind at the end of this survey?
If yes which one?

70% of subjects reported no event in their mind at the beginning and at the end. Of the 30% that had an event in mind at the beginning of the experiment, 3/4 reported that they had a different case in mind at the end of the experiment. Further, there was enormous variation in what subjects identified. Subjects identified Vietnam, China, Afghanistan, Iraq, Russia, Iran and Sudan as cases. The case most frequently identified was Russia/USSR, and only 8% of participants identified it (it is unclear if they were describing Russia today or the Soviet Union).

C.4 Balance tests in Summary Statistics

The following tables breaks out treatment groups by various covariates.³¹² I broke out the tables to show that there is a good dispersion of covariates across the sample and most subjects responded to biographical information if they completed the survey.

Subjects also cover a broad range of work functions and organizational affiliations. Notably, the NSC includes advisors from defense, treasury, commerce, the intelligence community, state department and so on. It includes analysts as well as operations staff who deal with more practical matters. Thus, the broad scope of subjects' experiences captures a certain amount of diversity that one might find on the NSC.³¹³ Further, two subjects briefed a Head of State on a foreign policy issue. 30% had briefed a member of the NSC. An additional 52% had briefed an Ambassador, Member of Congress or the Senate, or a General.

³¹²Note all subjects answered all of the biographical questions. Thus, the numbers do not correspond. I restrict my attention to the sample I analyze in the paper.

³¹³Not all subjects answered all biographical information. The numbers therefore do not always add up to 93.

Table 19: Biographical Data By Treatment

	Core	Undefined	Peripheral	Total
Yes	24	21	22	67
No	5	12	9	26
Total	29	33	31	93

	Core	Undefined	Peripheral	Total
Yes	14	20	15	49
No	15	12	15	42
Total	29	32	30	91

	Core	Undefined	Peripheral	Total
Civil Government Agency	15	12	12	39
Military Agency	9	15	13	37
Political Party	2	1	1	4
Private Sector	3	2	3	8
Other	0	2	1	3
Total	29	32	30	91

	Core	Undefined	Peripheral	Total
Research/Analysis	9	6	12	27
Policy-Making	13	7	4	24
Programmatic Work/Operations	2	14	13	29
Diplomacy/Political Communication	5	5	1	11
Total	29	32	30	91

	Core	Undefined	Peripheral	Total
Head of State	1	1	0	2
Cabinet Official/Chairman of Joint Chiefs	9	8	7	24
Amb./General/Senator/Congress	14	17	15	46
Other Elites	3	5	8	16
Total	27	31	30	88

Table 20: Sector By Military Service:

	Military Service	No Service
Civil Government Agency	10	29
Military Agency	33	4
Political Party	1	3
Private Sector	4	4
Other	1	2

C.5 Regression Analysis

To further demonstrate the proper application of randomization, I report regression results that include covariates above. The sample only includes those that saw Bandaria fight for either core or peripheral interests. I omit the control group. Since my sample size is already small, I consider potential confounding effects separately.

The procedure is as follows. First, I subset the data to omit those that received a control. Next, I estimate regressions of the following form:

$$High\ resolve_i = \beta_0 + \beta_1 Core\ interest + \beta_k Control_j + \epsilon \quad (14)$$

$$Opportunistic_i = \beta_0 + \beta_1 Core\ interest + \beta_k Control_j + \epsilon \quad (15)$$

Where the outcome variable is the subject's response at the third stage of the experiment. The main independent variable is a binary indicator, equal to one if subject received consistent treatment, and 0 if they received an inconsistent treatment. The equation then includes some controls (indexed by j to make explicit I estimate different models for each set of controls). I consider the following controls:

1. Message Type: (1) Security Message, (2) Ethnic Message
2. Military Service
3. Citizenship: (1) American, (0) Australian/New Zealand
4. Highest Ranking Official: Ordinal variable
5. Employment Sector
6. Work Function
7. Survey Duration: continuous variable

Each table presents the results to both Dependent Variables with the same suite of controls.

The results clearly show that the treatment is reliably consistent with high confidence in 15 out of 16 models. The one model where treatment is no longer significant includes a categorical variable with 5 categories. Even that model is significant with 89% confidence.

Table 21: Type of Core Interests

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	10.940** (3.726)	-16.674** (5.033)
Security Core Interests (Y/N)	1.110 (3.757)	-4.122 (5.076)
Observations	60	60
<i>Note:</i> * p<0.05; ** p<0.01		

Table 22: Military Service

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	10.082** (3.691)	-16.690** (5.104)
Military Service (Y/N)	0.918 (3.691)	1.690 (5.104)
Observations	59	59
<i>Note:</i> * p<0.05; ** p<0.01		

C.6 Text Responses

I report responses to the question:

If other countries have aggressive intentions, they have strong incentives to hide them. So why should we believe anything that their leaders say? In your work, do you consider what foreign leaders say when you evaluate their interests? If so why?

categorized by the theory they support.

Table 23: Citizenship

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	11.691** (3.658)	-16.267** (5.088)
American Citizen (Y/N)	-7.266 (4.322)	-0.102 (6.012)
Observations	60	60
<i>Note:</i> * p<0.05; ** p<0.01		

Table 24: Seniority

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	10.083* (3.805)	-16.046** (5.418)
Briefed NSC principle (Y/N)	-1.265 (2.612)	1.263 (3.720)
Observations	57	57
<i>Note:</i> * p<0.05; ** p<0.01		

Table 25: Employment Sector

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	9.102** (3.346)	-17.186** (5.262)
Military	0.138 (3.648)	-2.130 (5.738)
Other	-30.684* (12.951)	-18.251 (20.370)
Political Party	1.581 (7.669)	-10.127 (12.061)
Private Sector	-19.402** (5.684)	4.508 (8.939)
Observations	59	59

Note: Diplomat is baseline category

Note: * p<0.05; ** p<0.01

Table 26: Work Function

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	6.780 (4.262)	-19.171** (5.867)
Policy-making	6.909 (4.782)	-6.791 (6.584)
Programs/operations	0.954 (4.892)	-12.660 (6.735)
Diplomatic	10.708 (6.699)	0.260 (9.223)
Observations	59	59

Note: Baseline category is research
Note: Core interest treatment is significant at 11%
Note: * p<0.05; ** p<0.01

Table 27: Duration

	High Resolve	Strategic Intentions
	(1)	(2)
Fought for core interest	10.512** (3.646)	-16.765** (4.928)
Duration	-3.383 (2.251)	-5.097 (3.042)
Observations	60	60

Note: * p<0.05; ** p<0.01

Consistency Between Words and Deeds

Trust is at the core of all diplomatic efforts. Analysis of known data will indicate how much trust can be afforded to the rising power based on historical and current perspectives and actions.

Yes, it can give indications of intentions, to at least some degree.

I think we need to listen to what we are being told with a critical mind. That does not mean we automatically assume someone is lying to us, nor does it mean we take them wholly at their word. The closer we can develop diplomatic and security ties with a country, the harder it is for them to lie to us, but the more obvious to the other country if we think they are lying. What state leaders say is useful to a country assessment, but must be balanced with other information sources and historical context.

It is not possible to be certain that the target country is being truthful. Precedent/history, leader personality, the country's political system and other variables all contribute to this uncertainty. Because the decisions involved include people who are by their nature at least partially irrational and influenced by circumstance, ego, threats etc, every situation is different and it is not possible to make a generic assessment; doing so risks making significant errors. / So we should not necessarily "believe anything they say" but we must consider everything they say.

When assessing a situation in real life, there is more information than just the declarations of a country. Assessing the all intelligence available for a country would give a better basis on whether we should believe what they say. Regardless of whether what they say is truthful or misleading, it is important because a country would not say anything without first giving it careful thought. We, as analysts, must understand what that thought was so we can interpret what they say.

We should never simply "believe" anything said by foreign leader. We can never rule out that a rising power might have "aggressive" foreign policy objectives. That being said, if a nation's leaders are dishonest about its intentions, then we won't know that it has "aggressive" long term

objectives until that nation is, in fact, aggressive. We cannot prevent a sovereign nation from building its military without evidence that it intends to use that military to violate international laws or undermine our own objectives (or that of our allies)

Yes, because I still think (as I did here) that it is possible to see undertones of defensive or offensive interests. Furthermore, I think it is important to see how their intentions when said line up or fail to line up with their clear international actions, as indicators of their sincerity.

Obviously actions are generally more indicative of underlying intentions (and in the application of international law are generally considered to be a stronger indication of a nation's position than its statements). However, words can also be quite indicative; other than in full blown war scenarios, international disputes are fought out in multiple spheres, including diplomatic and even public relations ones. Therefore, it could be assumed that nations will attempt to claim a moral position and avoid lying or backflipping. It is for this reason that broad phrases such as acting for its 'core security interests' are used. This enables a moral stake to be taken (its reasonable for all countries to be concerned for and, to an extent, act to ensure security for its citizens and interests) and such a broad remit allows it to undertake a wide range of actions under that guise while seeking to argue that its objectives remain consistent. // As such, statements that contain or allude to broad, subjective goals or principles can be taken to indicate that those making the statements may want to stake a moral claim yet preserve their ability to take a wide range of paths without diverting from the apparent broad moral principle.

There is seemingly always a gap between a given nation's declaratory policy and their actual pursued policy, but that is not to suggest there is no value in the declaratory. Other sources of information need to be brought to bear (intelligence, domestic politics, past behavior, strategic culture, etc.) in order to often tease out basic strategic truths contained in declaratory policy.

Words do matter, but it really depends on the history with the nation and the setting. If there is a history of truthful statements and follow-through on measures, then the words of leaders are easier to believe. If the opposite is true, then words are much more difficult to believe.

Yes. There is always more information on which assessments can be made. Historic context and cultural awareness can help determine if statements are truthful or not. In any case, statements are useful in determining intent.

It is absolutely vital to believe what they say - unless and until facts on the ground contravene what was uttered; as well, one must invariably Trust, but Verify.... / / Yes it was. It gave a benchmark which then factored into a much larger tapestry of facts, informed judgment, history, geopolitical imperatives, and strategic national interest, which = when synthesized - helps determine foreign policy.

Anything the target country says is useful, either through what is actually said, or from reading between the lines. Where a country knowingly spread falsehoods it utilises diplomatic capital. As in this scenario once military action was taken trust in future actions was reduced leading to greater uncertainty and instability.

Neither Confirming Nor Dis-confirming

It is usually what a country is not saying that a state must be most mindful. Hearing what another country is saying is important, but what is it leaving out of the equation? We must be sure to ask all of the right questions.

It is useful, but the cultural-historical-political-economic (esp. resources) context is often more telling.

Cheap talk is often useful; especially if you don't have much else to divine intent

Diplomacy is not Useful

Depends upon the country - but honestly, what's said is rarely a useful basis for assessment.

We shouldn't believe anything they say. / / It is useful to a certain extent, but every nation has worked own self interests in mind.

Diplomacy is Useful Because of the Tone of the Meetings

What the target country says is secondary to how the country says it. The message itself will be self-interested, biased and perhaps false. But how the message is promulgated and to whom the message is actually intended may reveal the true intentions of the message.

D Chapter 6: Case study

The following prefixes to cables describe the Catalogue sources for primary documents cited in the text. CAB Cabinet Documents.

Table 28: Primary Source Series Described in Text

Prefix	Description
CAB 65	War Cabinet minutes
CAB 66	War Cabinet papers
CAB 79	Cabinet Records of Chief of Staff Minutes
CAB 81	Cabinet Records of Post-Hostilities Planning Staff
CAB 87	Cabinet Records of Armistice on Post-War Committee
CAB 118	Attlee's Papers
CAB 127	Correspondence from Cripp's to the War Cabinet
COS	Chief of Staff Records
FO 371	General Diplomatic Correspondence
FO 800	Sargent's papers
FO 381	Foreign Office: Consulates and Legation, Greece
N	Northern Department of the Foreign Office
A	Arab Bureau of the Foreign Office
JIC	Joint Intelligence Committee Documents
PHPS	Post-Hostilities Planning Staff Records
Prem 3	Operational Papers, Prime Minister's Office
Prem 4	Confidential Papers, Prime Minister's Office
WC	The War Cabinet Papers

E Chapter 7: Medium-n analysis.

In what follows I explain and justify my coding procedures for my medium-n analysis.

The report is broken into two sections:

- Case selection
- Coding variables.

E.1 Case Selection

I chose to develop my own dataset to overcome selection and measurement issues that the current literature faces. Indeed, there are many datasets on great power rivalries generally, and power transitions specifically. Each uses a diverse case selection criteria. Some scholars code cases based on their knowledge of history ([Organski and Kugler, 1980](#); [Allison, 2017b](#)). These methods do a good job of ruling out cases that do not well fit theoretical assumptions. Furthermore, they are useful for capturing cases of one way revision that do not exclusively rely on fluctuations in bilateral indicators of economic or military power (see [Vasquez, 1993](#); [Barnett and Duvall, 2005](#), for discussion). However, it is difficult to know if they capture all the relevant cases. Further, it is unclear if they systematically omit cases based on variables at the front of the author’s mind.³¹⁴

Another set of scholars use quantitative indicators to identify cases. Some include cases based on unusual rates of shifting economic potential, military capabilities ([de Soysa, Oneal, and Park, 1997](#); [Houweling and Siccama, 1988](#)). Others include cases based on existing rivalries and politically relevant dyads ([Kim and Morrow, 1992](#)). Others still include all great power dyads, or all mixed dyads or even all state-year dyads, and measure relative power, and expected shifts in relative power as a variable ([Bell and Johnson, 2015](#)). While these studies are likely to include more cases, they too suffer from selection concerns. Relative power is often based on economic and military choices that Challengers and Defenders make. Those choices depend on expected responses from other states, the distribution of benefits (how satisfied a Challenger is with the status quo), etc. These variables also effect the outcome of study: conflict. Therefore, case selection methods that focus on rapid shifts in power, rivalries, or conflict are more likely to locate cases where conflict occurs ([Siverson and Miller, 1996](#)).

³¹⁴i.e. power transitions that end in war are noticeable and therefore more likely to be recorded in a dataset.

I overcome these selection concerns by including cases based on the Defender's threat perception. That is, I include all cases where one state first recognized that another state has, or will have, the potential to make regular foreign policy demands.

My unit of analysis is a rivalry that includes a directed dyad of one Challenger (state **A**) and one Defender (state **B**). My case universe includes all cases where state **A** first realizes that state **B** has the capacity to transfer resources into its military sector at a rate that will shift the relative distribution of capabilities such that the **B** could demand regular and sustained foreign policy concessions. The universe of cases I analyze is presented in Table 8.

In practice, my inclusion rule is largely consistent with power transition theory because elites in some cases point to shifting economic and military power as an important reason that a state could make future demands.³¹⁵ These cases are included in our dataset.

But my approach improves upon those who use power as a method of case inclusion for two reasons. First, I omit cases where power shifts rapidly but the declining power does not believe that the Challenger poses a significant threat. These cases, which include the United States' rapid military rise in the 1960s relative to Britain, France and West Germany, are very difficult to explain using standard power transition theory. Thus, we give power variables the best chance by omitting cases that their theories poorly explain. Second, I include other rivalry cases where relative power is not shifting by many measures, but where a Defender is clearly concerned about a Challenger. The most prominent example is the rise of the Soviet Union starting in 1942. Under many measures of shifting power, this case is not included until 1955—long after the Cold War started.

I restrict my attention to post-1850 because my theory assumes that conquest is not always profitable, and that states' motives vary. Changes in domestic and international politics in the mid-1800s generate an appropriate environment for study. Rapid advances in globalization in the mid-1800s led to an integrated economy where trade could compensate for territorial control. Further, increasing nationalism and democratic transitions implied that states took on broader preferences that included identity politics. I restrict my attention to mixed dyads (i.e. the Defender must be a great power, but the Challenger need not be) to most closely match my theoretical predictions about state behavior under anarchy.

³¹⁵How one measures expected future potential is a measurement decision — not a theoretical ideal. A good theory should be robust to all different measures of shifting power and we shall consider many below.

To identify cases under my selection rule, I combine the strengths of the two existing approaches. First, I used quantitative indicators to identify possible Challenger-Defender pairs. I then conducted extensive qualitative research targeted at these plausible cases to identify actual cases of great power rivalries. My methodology proceeded in three steps:

1. Identify a list of great powers in each decade that meet my definitional assumptions about what makes a Defender.
2. Identify emerging states capable of threatening world order as possible Challengers.
3. Check the historical record to see if the states identified in step 1 ever thought that an emerging power identified in step 2 was capable of threatening their global interests.

E.1.1 Possible Defenders

To begin, I developed a list of very powerful states that could serve as Defenders. My coding procedure combined the criteria suggested by [Volgy \(2011\)](#) and [Fordham \(2011\)](#) who identified a list of great powers in a given decade. I coded a country as a great power if it has “(1) unusual material capabilities, (2a) the willingness to pursue a wide range of foreign policies and interests (2b) across a large geographical area, and (3) recognition by other states that they are major powers.”³¹⁶ I then disaggregated the capabilities criteria (1) into (1a) military capabilities and (1b) economic potential ([Fordham, 2011](#)).

Table [E.2.5](#) reports the states I code as great power Defenders. Each row represents a decade. The first 5 columns summarize whether a state meets all of the necessary conditions for my coding rules in that decade. The final column provides a check-mark if that state meets all the criteria in that decade.

To make the cut as a great power, a state must satisfy all of the criteria in this definition. Thus, I coded states in each decade against all of these criteria and only included those that satisfied every condition in five or more years in that decade. Many states met some of these criteria at certain points in time, but few met all of them.

This coding procedure is highly exclusionary by design. The goal was to identify a list of states that have a large stake in global order and the capacity to unilaterally pursue foreign policy world-

³¹⁶The quote appears in [Volgy \(2011, p. 12\)](#). I added the numbers in parentheses.

wide without relying on an ally or partner. I wanted to exclude even powerful states who either focused on their region, or did not have the economic or military capacity to project power globally.

I focus on the most narrow definition for two reasons. First, my theory and model assume that states operate under anarchy. By focusing on the most powerful states I make sure to match my assumptions as closely as possible. Second, the coding procedure involved historical research for each potential case. Excluding cases was necessary to make sure I gave each adequate attention.

This coding procedure led to tough choices. Most notably, Germany never features as a great power on my list. However, Germany is commonly listed as a declining power or Defender in other datasets ([Allison, 2017b](#); [de Soysa et al., 1997](#); [Copeland, 2000](#)). These scholars have noted that the German leadership was concerned about threats from expanding Italian, Russian and Austro-Hungarian influence. Therefore by removing Germany, I miss cases. In my coding scheme, Germany never satisfies the unusually large military reach and economic potential criteria in the same decade. In the late 1800s, Germany's economy grows sufficiently large, but it does not invest sufficiently in military reach. Of course, my theory may apply to regional great powers (including Germany) and even border disputes in the shadow of shifting power. Future work should develop the theory and evidence systematically to address this broader universe of potential cases (cf [Tammen, 2000](#)).

I identified states that achieved recognition as a major power (3) using the coding procedure developed by [Singer, Bremer, and Stuckey \(1972\)](#). That study asked historians and political scientists to list states that were commonly regarded as great powers by other states. [Singer et al. \(1972\)](#) then coded great power status based on the consensus view of the experts they surveyed. At various points in time, Japan, Austria-Hungary, Germany, the United States, Britain, France, China and Russia/USSR made the list. As a first cut, I restricted my attention to these states.

I measured military capabilities (1a) and economic potential (1b), using the procedures developed by [Bell and Johnson \(2015\)](#) and [Fordham \(2011\)](#). These studies disaggregated measures from the Correlates of War National Capabilities index ([Singer et al., 1972](#)) into measures of economic potential and military capabilities and constructed a measure of each. CINC scores are an additive, state-year index of six variables: total population, urban population, industrial production, electricity output, military spending and military personnel. Following [Bell and Johnson \(2015\)](#), I separated these raw data into latent economic potential (industrial production, electricity output and urban population) and military capabilities (military spending and military personnel). I then

developed two additive indexes for both economic potential and military capabilities in a given year.

An important part of Volgy (2011)’s definition is that a state must score high on each of these measures in a given year. To code a state as “unusually large” on any single measure I developed a 10% rule. That is, for each measure I summed the total scores for all great powers in that year. I then coded a state as unusually large if their score made up 10% of that total. I repeat this process for every year in the decade, then coded a state as meeting the criteria if it has at least 10% of the total for more than half the years in that decade. I plot these proportion in Figures 21 and 22.

For example, to determine if Britain had unusually large economic potential in 1860, I added together Britain’s industrial production, electricity output and population in 1860. I then repeated that procedure for Japan, Austria-Hungary, Germany, the United States, France, China and Russia/USSR and summed them all together. I observed that Britain’s score was more than 10% of the total. I therefore concluded that Britain satisfied the 10% rule for economic production in 1860. I repeated this process for every year in the decade. I observed that Britain satisfied the 10% rule for more than 5 years in the 1860s. Therefore, I code Britain as having unusually large economic potential in the 1860s. I repeated this same process to measure military capabilities using military spending and military personnel as the raw measures for the index. Observing that Britain passes the 10% for more than 5 years in the decade, I also code Britain as having unusually large military capabilities in the 1860s.

I identified states with unusually large global reach (2b) by dividing military expenditures by military personnel (Volgy, 2011; Fordham, 2011) and applying the 10% rule to that ratio.³¹⁷ I plot this proportion in Figure 23 in Appendix E.

I defined states as having an expansive foreign policy (2a) if they satisfied two of the following criteria: at least one defensive alliance commitment to defend a smaller power (Leeds, 2010), started a militarized dispute against another state outside their region, or controlled a colony outside their region (Singer et al., 1972).

For example, to determine if Britain had unusually large global reach in the 1860s, I divided its

³¹⁷The logic behind this measurement strategy is that forces require longer logistic and supply lines, more complex chains of command, with senior officers who can act independently, when they fight further afield. In the military effectiveness literature, this same measure is used to study soldier quality. I accept that I may pick up both concepts with this measure. However, great powers need high-quality soldiers. Thus, I am comfortable if I capture some of both.

military expenditures by its military personnel in 1860. I then completed that procedure for Japan, Austria-Hungary, Germany, the United States, France, China and Russia/USSR. I then observed that Britain's score was more than 10% of the total and concluded that Britain satisfied the 10% rule for military reach in 1860. I repeated this process for every year in the decade. I observed that Britain satisfied the 10% rule for more than 5 years in the 1860s. Therefore, I code Britain as having unusually large military reach in the 1860s. Finally, Britain had colonies and defensive alliance commitments outside its region for more than half the decade. I therefore code Britain as having an expansive foreign policy. Since Britain passes the coding rules for every category, I code Britain as a great power. If Britain failed on any one rule, I would omit it from the great power list.

E.1.2 Possible Challengers

Next, I compiled a list of specific states at specific points in time that could have threatened world order. I present the list in Table 29. My coding procedure worked as follows. First, I restricted my attention to states that command 1% of global economic potential in a given decade. I used this rule because smaller states are unlikely to seriously threaten the interests of major powers. The rule is intentionally broad to include all possible threats. For example, Romania (1940), Iran (1950-2000), the Ukraine (1980), Australia (1950-2000) all command at least 1% of economic potential. So long as states met the 1% economic potential condition, I included them as potential Challengers if they also met any one of the following criteria (i.e. each of the following coding rule is sufficient rather than necessary for inclusion.).

Following the power transition literature, I included any state that had unusually large rates of growth. In general, I developed country-year measures of rates of growth. I then defined a state as having an unusually large rate of growth if they lay 2 standard deviations above the mean in a given year. As discussed, how a researcher codes shifting power can dramatically alter their case selection. I measured shifting power in three different ways and included states that met any criteria. First, I constructed a measure of shifting military capabilities by subtracting the previous year's military capabilities from the following year's. Second, I constructed a measure of shifting economic potential using the same differencing strategy. Third, I used Bell and Johnson (2015)'s measure of future capabilities. Bell et. al. estimate future power using a variety of political and

Table 29: Potential Challenger

Candidate State	1850	1860	1870	1880	1890	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
Argentina														✓	✓	
Brazil														✓		
China		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
France	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓				
India												✓	✓	✓	✓	✓
Iran													✓	✓	✓	✓
Italy	✓		✓			✓	✓		✓							
Japan				✓		✓		✓		✓		✓	✓	✓	✓	✓
South Korea												✓	✓			
Mexico													✓			
Netherlands																✓
Pakistan												✓	✓	✓		
Portugal																✓
Romania							✓									
Russia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
South Africa													✓			
Spain	✓	✓				✓	✓				✓	✓	✓			
Turkey	✓		✓										✓	✓		
United Kingdom	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓		✓	✓
United States	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note: Australia, Bangladesh, Belgium, Canada, Czechoslovakia, Indonesia, Sweden and Ukraine control 1% of global production capacity at some points in history. However, they do not meet the other inclusion criteria. I found no evidence that these states were considered as threats to world order by Defenders in my case research.

economic factors, then computes the expected value of future power using the model's parameters. Any state that lies outside two standard deviations for any measure in any year is considered a potential Challenger for that decade. I plot how the outlier states perform across time on all these measures in Appendix E.

Of course, increasing capabilities is not the only way a state may pose a threat. Often great powers are alerted to potential threats by violent events. To capture this dynamic, I included all states that start a militarized dispute in a given decade, and all states with an ongoing nuclear weapons program. I also included all states that made demands for territorial concessions ([Mitchell and Prins, 1999](#)).

E.1.3 Identifying Rivalry Dyads

Using the lists of possible Challengers and Defenders described above, I constructed a list of possible rivalry dyads for each decade (simply the Cartesian product of each state-decade in the lists). For each dyad, I reviewed historical accounts of the foreign relations between these states. I used history books and online sources about the threat perceptions of great powers as well as accounts of diplomatic relations between great powers and potential threats. Where my potential cases overlap with [Allison \(2017b\)](#)'s, [Organski and Kugler \(1980\)](#) and others, I used the historical sources they relied on to code my dataset. For potential cases not recorded in other datasets, I found the history book with the most scholarly citations on Google scholar and reviewed these accounts. For modern cases, I used think-tank and government reports and publicly released intelligence assessments.

The final list includes all cases where I found evidence that a Defender recognized that a Challenger had the capability to threaten his interests. I rule out cases where the Challenger was considered a regional or single issue threat. If I found no evidence that a Challenger was considered a potential threat or capable adversary by a Defender, I assumed the Defender did not consider it a threat, and omitted the dyad from my dataset.

E.1.4 “New” Rivalries and Terminations of Rivalries

Several rivalries include the same two states decades apart. In these cases, I made the decision to code a new rivalry between the same two states, rather than a continuation of the prior case.

In many cases, this improves the face validity of my coding procedure. For example, Germany in 1990 is clearly not the same as Germany in 1932. It would be absurd to consider Germany's rise in 1990 as a continuation of Hitler's revision in 1933. Yet rather than rely on my own judgment, I developed a systematic rule to determine when one rivalry ends and another begins.

I argue that a Challenger is a "new" state following a change in the system of government (rather than a leadership change). This occurred under two conditions. First, a state that was newly federated counted as a substantively new regime. In the dataset, this includes the foundation of the Soviet Union, the break-down of the Soviet Union and the formation of Russia. The federation of Turkey following the Ottoman collapse and the federation of Germany in 1871. Second, I included irregular regime changes that brought about a radically new system of government. This includes any state that undertook a transition to democracy (e.g. India), or any state that re-wrote their constitution (Japan in 1945). It also includes cases where autocrats were overthrown in coups and revolutions that led to dramatically new processes for leadership selection. It differs from ACHIGOS because I do not include assassinations, impeachments or coups that oust one government but then install another that reverts to the same constitutional process (e.g. Pakistan).

I code the end of a rivalry if (1) a change in the Challenger or Defender's system of government; (2) the Defender selected a long-term competitive strategy, such as containment or war; or (3) both states entered into deep cooperation. The final coding rule is somewhat subjective. The cases it covers is Anglo-American cooperation (circa 1914), Indian-American cooperation (1994), German-American cooperation and the expansion of NATO (1991) and Japanese-American cooperation (1992). I chose the end dates that marked periods where these states entered into formalized treaties of friendship, or began a vast expansion of existing treaties of friendship.³¹⁸

E.1.5 Face Validity: Comparison to Other Datasets

Comparing my dataset to Allison's dataset of great power rivalries, there are important similarities that support the confidence in my coding scheme. Allison lists 8 Challengers from the mid-19th Century to present. My list intersects with 7 of these cases.³¹⁹

³¹⁸Alternatively, I could have left these as ongoing cases and reached the same result. However, it seems absurd to say that Anglo-American rivalry continues.

³¹⁹I omit Russia's assessment of Japan in the late 1800s because Russia is not coded as a very powerful state in my theory in the late 1800s.

In addition, my universe includes one case not on Allison's list: United States' assessment of India in the 1960s. Finally, I disaggregate a case he codes as a single case (America-Japan mid-20th Century) into two cases (1910s, 1970s). The reason is that I code a regime change in Japanese politics following the Second World War. Therefore, I assume Japan is a substantively "new" state. From a face validity perspective, Japan's foreign policy and governance institutions following the Meiji Restoration are qualitatively different from modern-day Japan.

In some cases, one Challenger is considered a threat by multiple Defenders at the same time. Allison aggregates these into single observations, however, I chose to disaggregate these cases into dyads, increasing my case universe by three cases.³²⁰ I disaggregate cases into dyads to properly account for variation in the independent and dependent variables. As we shall see, Defenders do not always choose the same policies at the same points in time. Most notably, Britain and France both considered Germany to be a threat in 1866. However, only France chooses to compete with Germany. If I aggregated these cases into one rivalry, I would miss important variation in my dependent variable and hide the main deviant cases from my theory.

Aggregating cases would also conceal important variation in many of the independent variables from alternative theories. For example, the United States and Britain both evaluate Germany (1930s) and Russia (1940) as threats to their respective interests. Yet Britain was considerably weaker than the United States was during the 1940s, and had a slower rate of growth. Given that relative power and shifting power are important variables in many accounts of great power competition, it is important that I analyze these states separately.

E.1.6 Face validity: Expert review.

One might wonder if I properly captured each time a Defender considered another state as a potential threat. Since most of these deliberations are secretive, it is difficult to know if I missed cases. Furthermore, it is likely that the cases I missed ended peacefully (therefore they systematically vary with my outcome). I used two different methods to make sure my reading of history was sufficiently comprehensive to accurately capture all the cases that meet my coding rule.

First, as part of my case analysis, I conducted a detailed historical review of declassified, primary source intelligence documents in Britain from 1930 through 1945. Thus, I can validate my coding

³²⁰In robustness checks I confirm that aggregating cases only improves the predictive accuracy of my theory.

procedure for the medium-n analysis against a more detailed review of primary source material in that case. According to my list of potential cases, there were 7 plausible threats that Britain could have analyzed in this period: Germany, Japan, Russia, France, Italy, China and the United States. Yet my analysis of history books found that Britain only considered Germany in the 1930s, and Soviet intentions in 1940s as potential threats to world order. Thus, I only code 2 rivalry dyads over the two-decade period. The primary source research confirmed this coding was accurate. In 1931, the British established the Defense Requirements Committee (DRC) to assess all threats to British strategic intentions. The DRC noted that Japan, Italy and Russia were all potential threats (all included in my potential list), but did not have the capabilities to really challenge British long-term strategic interests or world order. The report recommended that the British focus on Hitler as the ultimate potential enemy and discard the rest (consistent with my coding circa 1932).

As discussed in Chapter 6, the British focus extensively on Russia as a potential threat in 1941.

Second, I validated my coding of United States threat assessments between 1980 and 1991 through an elite interview with Amb. Robert Kimmitt, who served on the NSC regularly from 1975 through till 2005.³²¹ My coding procedure led me to consider 15 potential Challengers over 30 years that the United States could have considered as threats to world order, yet I claim that the United States focused on just 3: China (1990),³²² Japan (1982) and Germany (1990).

To ensure my coding was correct I asked Amb. Kimmitt what states were considered potential threats to either global order or American security during the 1989 review process. To be clear, I did not mention any states specifically. Rather, the question was phrased as an open-ended question. Consistent with my expectations, he noted that the end of the Cold War led to a much broader assessment of threat than during the Cold War. He argued that several middle powers and other smaller states were given attention that were not previously considered. This is clearly consistent with my coding of new cases in 1989. Although these states had growing economies for some time, it was not until the end of the Cold War that the American government gave them serious analytical attention. Kimmitt identified Iran and Pakistan as important states “on the radar” of the Administration, but he stated that these states posed regional, not international

³²¹ Amb. Kimmitt was especially helpful because he was the primary author of president George H.W. Bush’s Strategic Policy Review 1989-1991.

³²² In the end, I omit China from the dataset because the case is not obviously complete. I discuss China in the last Chapter.

threats. Kimmitt's answer reflects the logic of my coding procedure. I included these states as potential threats, but ruled them out of the final list of cases because I deemed them insufficiently capable of threatening world order in the view of American policy-makers.

Amb. Kimmitt then identified China and Russia as the two states considered most threatening to global order in 1989. He stated that the Administration believed that Russia was a country in decline that may use force to consolidate its domestic position. He noted that Russia's ongoing military operations and forward positions in Eurasia largely drove the concern. He then stated that the Administration did not think about Russia in the same way as the Soviet Union, but still attached a history to the relationship that made it difficult to trust them. He stated that China's growing economic potential, human rights record and expanding military led the Administration to consider China as a capable threat to world order. Although, he made clear that the Administration was optimistic that China could rise peacefully.

Finally, he mentioned that earlier in the 1980s there had been some concern about the economic power of Japan. However, he noted that Japan was dismissed as a threat because of its commitment to democracy, strong history of positive trade and military relations with the United States. Consistent with my coding, the US government recognized Japan as a powerful state capable of challenging world order, but dismissed them as a threat because American-Japanese interests were aligned.³²³ Thus, it makes sense that Japan had already been dismissed as a potential threat by the time the strategic review began in 1989.

E.2 Coding Variables

E.2.1 Dependent Variable: Cooperative or Competitive Strategy

The dependent variable in this study is the Defender's choice between competition and cooperation. More specifically, I want to identify the specific point (or the year) where the Defender first adopts a competitive long-term strategy against the Challenger. I define competition as a systematic attempt to undermine the economic or military growth of a Challenger, or overthrow or subvert the Challenger's political leadership. Competition includes military containment through forward deployed forces, economic containment through widespread economic sanctions, attempts

³²³Amb. Kimmitt served as Amb. to Germany and chose not to comment on American-German relations on this issue.

at covert or overt foreign-imposed regime change, large-scale strategic arms races or major war. It does not include fortifications or defensive arming of core interests or limited wars over single, specific issues. The key difference between strategic competition and a single-issue dispute lies in the Defender's intent. If the Defender looked for opportunities to undermine the growth or expansion of the Challenger whenever the Challenger sought to expand, it constitutes a competitive strategy. If the Defender resists because the Challenger contested a specific issue that the Defender cares about it does not count as a competitive strategic response.

For example, one might code the Taiwan Straits Crisis (1995) as Sino-American competition because the United States deployed military forces. Yet at the same time, the United States made strategic choices to improve China's economy through deep economic engagement and technology transfers. Similarly, one might code the Alaska Boundary Dispute (1901) and the Venezuela Crisis (1899) as competition between the United and Britain. In both cases war was narrowly avoided following military deployment. In one case, Anglo-American forces came to blows leading to battle deaths. Yet at a broader level, these states were deeply engaged in political, economic and exchange (Layne, 1997).

I coded the Defender's strategy using a variety of history books, primary source materials, such as white papers and strategic reviews, and online sources. My focus was historical accounts of the foreign relations between these two states across the case. Through this process, I coded the year in which the Defender first enacted a competitive strategic policy against the Challenger. I present the codings in Table 30 broken out at different points in the case.³²⁴ In 1 of 15 cases I coded the Defender as enacting competition early in the rivalry. Of the remaining 14 cases, half end in competition at some point later on in the rivalry.

There is considerable variation in which Challengers enacted competition and when. Broken down by Defender, Britain enacts competition late twice and then never twice. The United States enacts competition at the onset once, then late in 3 cases and never in 5 cases. Broken down by Challenger, Germany faces competition early once, late 3 times and never twice. This variation suggests that within country effects do not appropriately account for the nature or timing of strategic competition.

³²⁴In the table, I define competition at the onset of the rivalry if it occurred in the first three years.

Table 30: Coding the DV: Competitive/Cooperative Strategies

Def	Chal	Onset	Year of Competition	Comp. At Onset	Comp. Later	Comp. Never	Summary
FRA	GER	1866	1869	✓			Franco-Prussian War
RUS	CHN	1949	1961		✓		Sever diplomacy, arms & economic supplies
RUS	JPN	1978				✓	
UK	GER	1866				✓	
UK	GER	1890	1897		✓		Naval Race
UK	GER	1931	1939		✓		WW2
UK	RUS	1941	1946		✓		Cold War
UK	USA	1890				✓	
USA	GER	1932	1940		✓		WW2
USA	GER	1990				✓	
USA	IND	1974				✓	
USA	JPN	1905	1918		✓		Containment/Strategic Investment
USA	JPN	1987				✓	
USA	RUS	1942	1946		✓		Cold War

E.2.2 Mediating Variable: Appeals to Principles

The driving force for competition in my theory is inconsistencies between a Challenger's strategic behavior and its stated core interests. But for words and deeds to be inconsistent, Challengers must say something. Thus, it is important to first code whether or not Challengers made a reassurance, and then what was the substance of that reassurance. I coded three variables about the nature of reassurances during great power rivalries:

1. Did the Challenger promise her aims were limited?
2. How did she justify her claim?
3. What tangible concessions would the Challenger want if its claims were genuine?

To identify the claims each state made, I used a variety of historical sources, online sources and policy reports. Where possible, I consulted the secondary historical literature on the foreign relations between the rising and Defender. It turns out that there is broad consensus in every case about what the Challenger claimed motivated their foreign policy and the coding procedure was straightforward.

Although every Challenger made their foreign policy motives explicit, there is one case where they did not promise their intentions were limited. Germany in the 1890s openly pursued a policy of *Weltpolitik*, or World Politics. This policy is widely regarded as a commitment to opportunistic expansion and not a limiting claim. Later on we will investigate this outlying case.

I also coded what sorts of demands the Challenger would make if its claims were genuine. To a large extent, this is a judgment call on my part. As a result, I triangulated my coding through mixing deductive and inductive methods. On the deductive side, I considered the nature of the claim, then determined a plausible list of potential interests that the Challenger might pursue. The method varied depending on the nature of the claim that the Challenger made. For Challengers that claimed their foreign policy was motivated by security, I looked to see if they had previously been attacked through specific territories or areas, or if they had economic vulnerabilities or other strategic choke-points along their borders (such as ports or oilfields). I also found a list of their past rivals that may be the source of international threats. I considered any attempts to form alliances or take territory that met these objectives as consistent with security.

For states that claimed that they were motivated by ethnic, linguistic or other forms of nationalism, I looked for their diaspora populations, or other issues and areas of relevance to their national identity. I then reasoned that any behavior to improve the welfare of these populations, or attempts to govern territories that contained diaspora groups was consistent. For states that claimed historical legacy motivated their foreign policy, I looked for territories they had controlled in the last 1000 years as potential targets for their foreign policy.

I also thought about what sorts of behaviors would be inconsistent with each claim. I reasoned that states that made claims based on identity considerations could not reasonably purge large numbers of people that shared that identity affiliation. States motivated by security would not provoke open wars with states over peripheral issues and were unlikely to engage in peace keeping or human rights exercises. States motivated by influence in their own hemisphere or region would not try to colonize continental areas outside their primary region of interest.

To check my deductive lists, I reviewed the historical record in two areas. First, I looked at how the Challenger explained their limited aims claims, and whether or not the demands that they identified were consistent with my deductive codings. In historical cases, I use declassified cables and reports as well as history books. For example, when Stalin claimed he was motivated by security, he also listed a number of specific foreign policy objectives, such as control over Eastern Poland. In modern cases, I use Defense White Papers or other strategic documents where the Challenger publicizes its foreign policies. For example, India released a strategic White Paper that clearly outlined its foreign policy concerns in Pakistan, Kashmir and the Indian Ocean and nuclear issues in the 1980s.

Second, I reviewed assessments made by the Defender about the Challenger's potential objectives. In many of these assessments, Defender projected what the Challenger would likely ask for based on the claims that it made. In older cases I used declassified deliberations and history books. In modern cases, I use think tank reports and National Intelligence Estimates to identify what Defender believed that Challengers would plausibly demand. In both types of documents, it was common for Defender to make red lines clear. For example, Britain made explicit in 1936 that any attempts by the Soviets to remain in Iran after 1946, would extend beyond its interests in security. Similarly, most NIEs contain sections that outline areas for concern.

I present and analyze my coding of political reassurances in Table 9 of the manuscript.

E.2.3 Independent Variables

Below I describe the primary independent variables of my theory and the alternative theories. My analysis focuses on temporal correlations between these variables. For each theory I identified a trigger: an event that should induce the Defender to choose strategic competition shortly after. I am interested in the years that trigger events occurred. I analyzed if these events occurred right before the Defender selected competition. I summarized the predictions and measurement strategies for each of the independent variables in Table 31. I reported the raw coding for the relevant years in Table 11 in the manuscript.

E.2.4 My Independent Variable: Consistency between principles and actions

To code my independent variable, I developed a list of what each Challenger did, then matched it to the principle that the Challenger said she wanted. To do this, I constructed a temporally ordered list of the Challenger's behaviors during the rivalry. I constructed one list for every Challenger over the rivalry. The list included each time a Challenger engaged in a militarized dispute (Palmer, D'Orazio, Kenwick, and Lane, 2015), or foreign policy crisis, formed or ended an alliance (Leeds, 2010), threatened another state (Sechser, 2010; Palmer et al., 2015), expanded its militarization program or attempted to acquire nuclear weapons. It also included any new demands that the Challenger made for additional concessions (Mitchell and Prins, 1999) or any time the Challenger acquired a new concession. I also included instances of irregular regime change, changes in a state's polity score by more than 1 unit, and domestic repression. In addition to actions I identified from quantitative datasets, I took note of actions I read about during my historical review in the case selection process. Specifically, I looked for changes in strategic policies, withdrawal from world organizations, attempted to generate competing international institutions, violate treaties, make threats, create alliances, or undertake covert actions not captured in quantitative data sets.

For each Challenger, I then looked for the first time during the rivalry when the Challenger's actions did not match their stated core interests. Fortunately, most Challengers that start deviating from their stated foreign policy do so all at once. Thus, although some historians may disagree with the event I choose as the first inconsistent event, the alternatives that they would likely suggest are all around the same time. Since my analysis focuses on the sequencing of events, this will not

Table 31: Summary of Competing Theories and the Measures I use

Theory	Competition occurs...	Concept to measure	Measures Used
Bargaining Theory With Shifting Power	When power shifts rapidly	Rates of rising power	(1) Bell's measure of anticipated latent power potential (2) Year over year difference in military capabilities measure.
Balance of Power Theory / Realism	Following the revisionist use of force, revisionist behavior.	Did R use force or take territory?	Qualitative coding that records first use of force
My Theory	Following inconsistent behavior	Inconsistent behavior	Qualitative coding that records first inconsistent behavior.
Power Transition Theory	When states approach parity	Relative power	(1) Relative military capabilities (2) Relative economic potential.

change the results.

E.2.5 Alternative Independent Variables

I also coded variables to test theories in the existing literature. Realists suggest that violent behavior triggers competition. Thus, I code the year of the most violent event during the rivalry, and the year the Challenger first used military force to take a concession. If these theories are correct then we should observe no strategic competition if the Challenger never uses force, and competition shortly after the first year that the Challenger uses force to take concessions.

The coding is reported in the fifth and sixth column of Table 11. In column five, the years correspond with the first year that the Challenger used force to revise the status quo in its favor (successfully or not). Empty entries imply that the Challenger never used force. If these theories are correct then if Challengers never use force for revision we should not observe competition. However, when Challengers use force for revision we should observe competition shortly after. I define competition within three years of the first violent event as coming shortly after.

In BTSP, rates of shifting power trigger competition. Thus, I code the Challenger's shift in military capabilities (Fordham, 2011), and expected shift in economic potential (Bell and Johnson, 2015). Since these theories expect that fast shifts in power cause war, I coded the years in each rivalry with the fastest rates of shifting power.³²⁵

Of course, some rivalries move much slower than others. BTSP only predicts that rapid shifts in power should trigger conflict. To properly test the theory, I separate fast- and slow-moving power transitions. Challengers that scored above 14 on Bell and Johnson (2015)'s measure of projected future power are coded as rising rapidly. Challengers that have a year over year shift in their military capabilities that is larger than 10 are defined as rising rapidly.³²⁶ If these theories are correct then we should see no conflict when power shifts slowly and conflict near the year where power shifts rapidly. I define competition either one year before, or up to three years after the most rapid shift in power, as coming shortly after.³²⁷

³²⁵Since the literature suggests that both economic potential and military capabilities may be the best measure of power, I measure both separately.

³²⁶These cut-offs are entirely arbitrary. I chose them to maximize the predictive power of each of the theories. In robustness I consider alternative cut-offs.

³²⁷The reason I include the prior year is that states often anticipate shifts in military spending. Changing it to the strict 3-year rule weakens the result by one case. I consider alternatives in robustness.

The seventh and eighth column of Table 11 report the coding. The years correspond with the year that power shifted the fastest. The underlined years imply power shifted rapidly. Those not underlined imply that power shifted slowly. If these theories are correct then if power shifts slowly we should not observe competition. However, if power shifts rapidly we should observe competition shortly after. I define competition either one year before, or up to three years after the first instance of parity as coming shortly after.

In PTT, power parity should trigger strategic competition. Thus, I record the relative military capabilities and relative latent economic potential between the Challenger and Defender for each year of the rivalry. I code parity if the ratio of relative power lies between .4 and .6. I then code the first year, if ever, two states achieve parity.³²⁸ If these theories are correct then we should see no conflict in cases where power parity is never achieved, and conflict near the year where parity is first achieved.

The ninth and tenth column of Table 11 report the coding. The years correspond with the first year that parity was achieved for both measures. Missing years imply parity was not achieved in this measure. If these theories are correct then in cases where parity is not achieved, we should not observe competition. However, if power parity is achieved we should observe competition shortly after.

Table 32: Coding Potential Declining Powers

China						
Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	+	-	-	-	+	
1860	+	-	-	-	+	
1870	+	-	-	-	+	
1880	+	-	-	-	+	
1890	+	-	-	-	+	
1900	+	-	-	-	+	
1910	+	-	-	-	+	
1920	+	+	-	-	+	
1930	+	-	-	-	+	
1940	+	-	-	-	+	
1950	+	-	-	-	-	
1960	+	-	+	-	+	
1970	+	-	-	-	+	
1980	+	+	-	-	+	

³²⁸These cut-offs are also arbitrary. I chose them to maximize the correct number of cases predicted. In robustness I consider alternative cut-offs.

1990	+	+	-	-	+	
2000	+	+	+	-	+	
France						
Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	+	+	+	+	+	✓
1860	+	+	+	+	+	✓
1870	-	+	+	-	+	
1880	-	+	+	+	+	
1890	-	+	+	-	+	
1900	-	+	+	-	+	
1910	-	+	+	-	+	
1920	-	+	+	-	+	
1930	-	+	+	-	+	
1940	-	+	+	-	+	
1950	-	+	-	+	+	
1960	-	+	-	-	+	
1970	-	-	-	+	+	
1980	-	-	-	+	+	
1990	-	+	-	+	+	
2000	-	+	-	+	+	

Germany						
Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	-	-	+	-	+	
1860	-	-	+	-	+	
1870	+	-	+	-	+	
1880	+	-	+	-	+	
1890	+	-	+	-	+	
1900	+	+	+	-	+	
1910	+	+	-	-	+	
1920	+	-	-	+	+	
1930	+	-	+	+	+	
1940	+	+	-	+	+	
1950	-	-	-	+	+	
1960	-	-	-	+	+	
1970	-	-	-	+	+	
1980	-	-	-	+	+	
1990	-	+	-	+	+	
2000	-	+	-	+	+	

Japan						
Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	-	-	-	-	+	
1860	-	-	-	-	+	
1870	-	-	-	-	+	
1880	-	-	-	-	+	
1890	-	-	-	-	+	
1900	-	-	-	-	+	
1910	-	-	-	-	+	

1920	-	-	-	-	+
1930	-	+	-	-	+
1940	-	+	-	-	+
1950	-	+	-	-	-
1960	-	-	-	-	-
1970	+	-	-	+	-
1980	+	+	-	+	-
1990	+	+	-	+	-
2000	+	+	-	+	-

Russia

Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	-	-	+	-	+	
1860	-	+	+	-	+	
1870	+	+	+	-	+	
1880	+	-	+	-	+	
1890	+	-	+	-	+	
1900	+	+	+	-	+	
1910	+	+	+	-	+	
1920	+	+	+	-	+	
1930	+	-	+	+	+	
1940	+	+	+	+	+	✓
1950	+	+	+	+	+	✓
1960	+	+	+	+	+	✓
1970	+	+	+	+	+	✓
1980	+	+	+	+	+	✓
1990	-	+	+	-	+	
2000	-	-	-	-	+	

United Kingdom

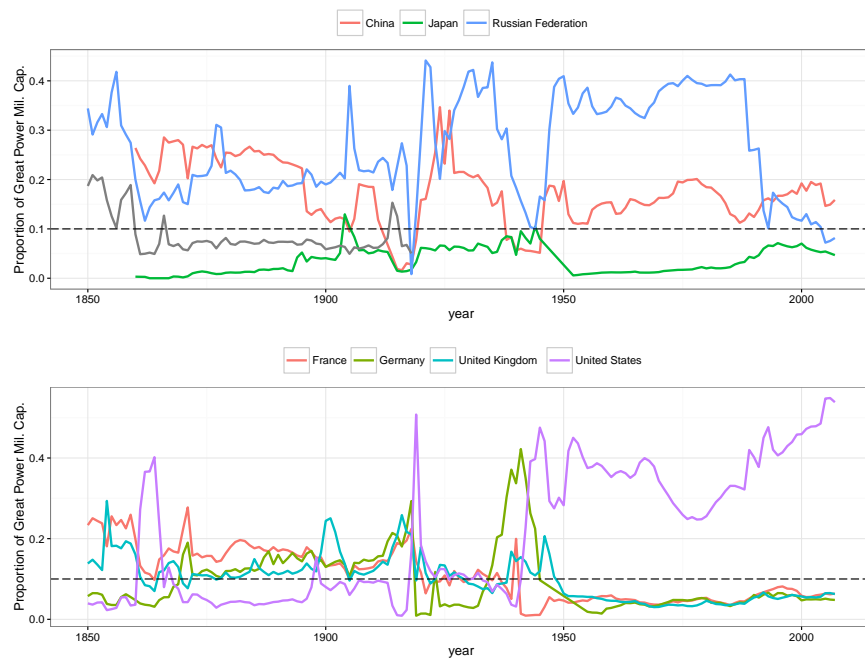
Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
1850	+	+	+	+	+	✓
1860	+	+	+	+	+	✓
1870	+	+	+	+	+	✓
1880	+	+	+	+	+	✓
1890	+	+	+	+	+	✓
1900	+	+	+	+	+	✓
1910	+	+	+	+	+	✓
1920	+	+	+	+	+	✓
1930	+	+	+	+	+	✓
1940	+	+	+	+	+	✓
1950	-	+	+	+	+	
1960	-	-	-	+	+	
1970	-	-	-	+	+	
1980	-	+	-	+	+	
1990	-	+	-	+	+	
2000	-	+	-	+	+	

United States

Decade	Economic	Foreign Policy	Mil. Cap.	Mil. Reach	Nukes	Great Power
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1850	-	+	-	+	+	
1860	-	-	+	+	+	
1870	+	-	-	+	+	
1880	+	-	-	+	+	
1890	+	-	-	+	+	
1900	+	-	+	+	+	
1910	+	+	+	+	+	✓
1920	+	-	+	+	+	
1930	+	+	+	+	+	✓
1940	+	+	+	+	+	✓
1950	+	+	+	+	+	✓
1960	+	+	+	+	+	✓
1970	+	+	+	+	+	✓
1980	+	+	+	+	+	✓
1990	+	+	+	+	+	✓
2000	+	+	+	+	+	✓

Figure 21: Global Proportions of military capabilities for very powerful states



Note: Dashed line is 10% cutoff.

Figure 22: Global Proportions of Latent Economic Potential for Very Powerful States

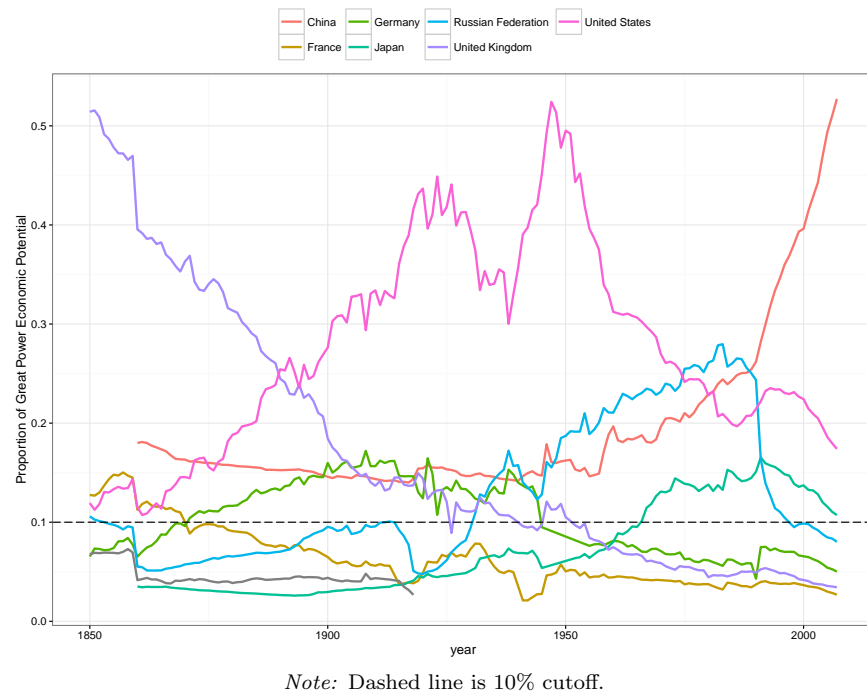


Figure 23: Global Proportions of Military Reach for Very Powerful States

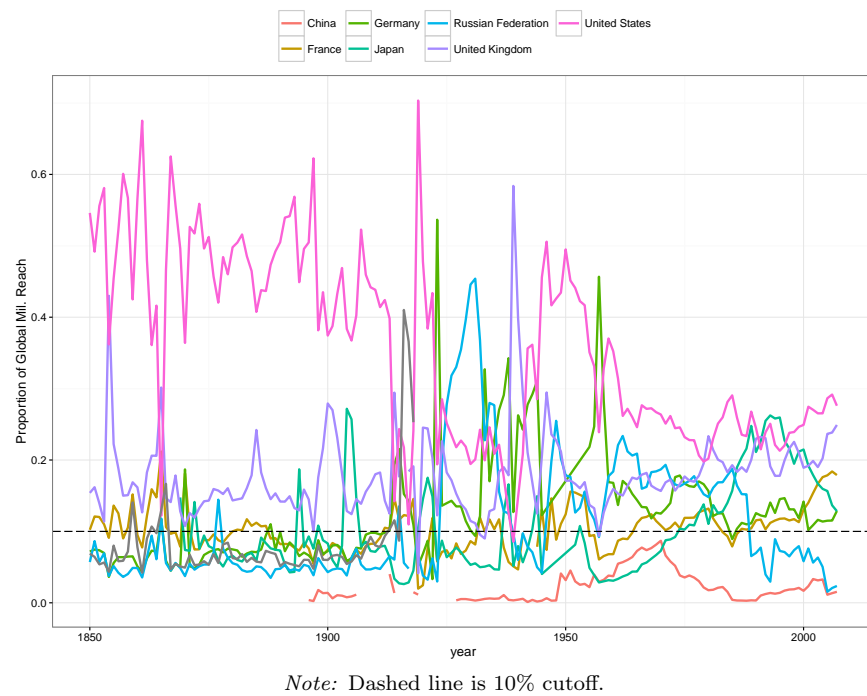
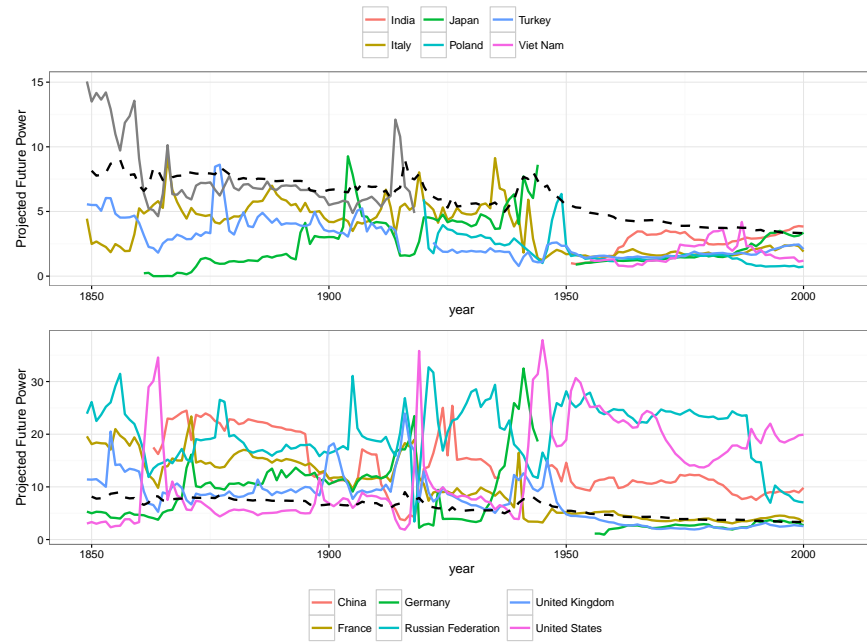
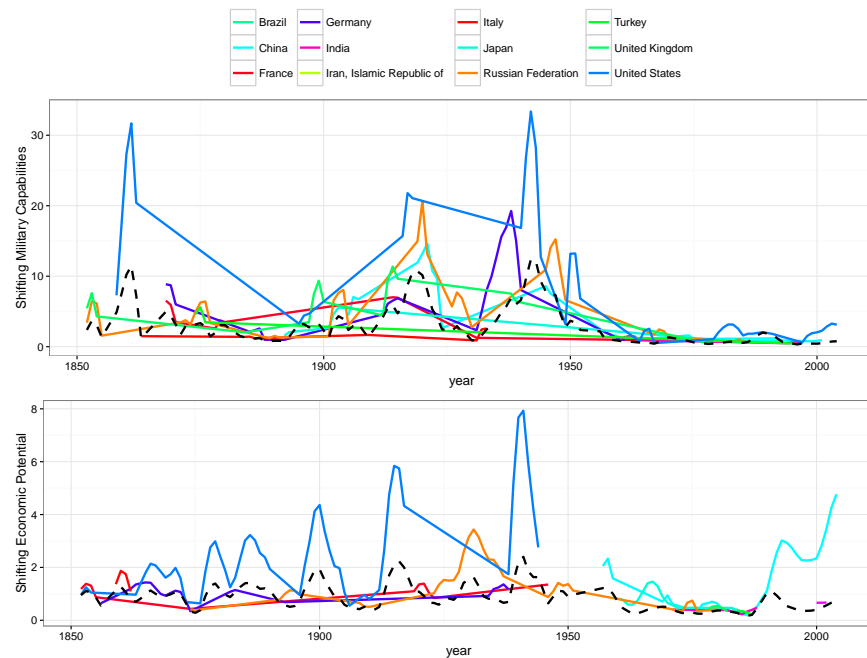


Figure 24: Projected Future Power of Outliers



Note: Dashed line is 2 standard deviation cut-off.
States that meet the cut-off in any year are included.

Figure 25: States with Rapidly Shifting Economic and Military Capabilities.



Note: Dashed line is 2 standard deviation cut-off.
States that meet the cut-off in any year are included.