



A production of H-Diplo with the journals *Security Studies*, *International Security*, *Journal of Strategic Studies*, and the *International Studies Association's Security Studies Section* (ISSS).

<http://issforum.org>

Christopher Ball and Diane Labrosse, H-Diplo/ISSF Editors

George Fujii, H-Diplo/ISSF Web and Production Editor

Commissioned by **Christopher Ball**

H-Diplo | ISSF Article Review 11

Paul K. MacDonald and Joseph M. Parent. "Graceful Decline? The Surprising Success of Great Power Retrenchment." *International Security* 35:4 (Spring 2011): 7-44. DOI: 10.1162/ISEC_a_00034. http://dx.doi.org/10.1162/ISEC_a_00034

Reviewer: **Stephen R. Rock**, Vassar College

Originally Published by H-Diplo/ISSF on **23 March 2011**

Reissued on 1 October 2015

<https://issforum.org/articlereviews/11-graceful-decline>

<http://issforum.org/ISSF/PDF/ISSF-AR11.pdf>

If successful grand strategy requires balancing a state's commitments and its resources, a great power in decline might be expected to retrench. According to Paul MacDonald and Joseph Parent, however, the conventional wisdom is that retrenchment rarely occurs and, when it does, rarely succeeds. "Retrenchment pessimists," they note, contend either (1) that strategic retrenchment is dangerous because it signals weakness and invites attack, or (2) that retrenchment is desirable, but cannot be achieved because of domestic cultural and/or political constraints (9-10).

In "Graceful Decline?" the authors argue that the conventional wisdom is wrong on both counts. Retrenchment by declining great powers is neither uncommon nor inimical to their interests. MacDonald and Parent examine eighteen cases of what they term "moments of acute relative decline," periods during which "states are under pressure to curtail their foreign commitments because they have fallen in the ordinal ranking of great powers and lost relative power for at least five years" (12-13). They find that declining great powers retrenched in at least eleven, and possibly as many as fifteen of the cases. They also find that in most of these cases, retrenchment proved not to be a dangerous strategy. Indeed, of those states that engaged in retrenchment, 40 percent were able to regain their previous ordinal rank. In only four

instances did the declining great power become involved in war, and in only one case was this war against the great power that had surpassed it in rank.

Beyond these central conclusions, MacDonald and Parent also find that the depth of decline helps to explain the extent of retrenchment: greater decline leads to greater retrenchment. And they find that the rate of decline accounts for variations in the form retrenchment takes. States that are declining precipitously, for example, pursue new alliances much more vigorously than states that confront a less serious deterioration in their relative power position. To learn whether or not the correlations revealed by the eighteen-case analysis reflect genuine causation, the authors investigate in detail two cases – 1924 France and 1946 Britain – using process-tracing and cross-case comparison. They conclude that the case studies support the results obtained via their large-n analysis.

As MacDonald and Parent note, their findings have important prescriptive and predictive implications. Great powers that experience relative decline should retrench because the strategy is not hazardous and, at least in some cases, offers the possibility of reclaiming one's previous position. With respect to the ongoing decline of the United States relative to China, there are reasons to believe that China will surpass the United States in ordinal power ranking without the two states becoming embroiled in a major conflict with one another. Hence, concern over a Sino-American war may well be overblown.

“Graceful Decline?” is a significant work in part because it articulates, tests, and finds support for a neorealist theory of foreign policy. Neorealism, or structural realism as it is often called, attributes international outcomes to the structure of the international system, typically defined in terms of polarity and the distribution of capabilities. Although not always identified as such, neorealist theories of international politics – theories of polarity, balance-of-power theory, power transition theory, long-cycle theory, hegemonic stability theory, and others – abound. But most neorealists, including Kenneth Waltz, have contended that neorealism cannot be used to explain or predict the behavior of individual states, especially in the short term. MacDonald and Parent disagree. In offering a neorealist theory of foreign policy, they make a valuable contribution to the literature in international relations.

How far might neorealist theories of foreign policy take us? The answer is unclear. Acute relative decline is an easy case for neorealism. The authors write, “If neorealism is a powerful theory, it should apply when power shifts are most dramatic” (21). Indeed it should, and for this reason discovering that it does so tells us relatively little about the explanatory power of neorealism. Perhaps more importantly, a number of the retrenchment pessimists cited by the authors are realists or even neorealists. MacDonald and Parent offer an alternative hypothesis concerning the impact of declining power, arguing that it leads to retrenchment rather than attempts to increase capabilities and, eventually, preventive war. Their theory of foreign policy is much more fully developed and much more rigorously tested. But the ground they are breaking is not entirely new. Whether or not scholars can generate neorealist theories to explain or predict successfully the behavior of states outside the context of relative decline remains, at least to some degree, an open question.

MacDonald and Parent themselves express a healthy skepticism regarding the power of neorealist theory in the realm of foreign policy. They acknowledge that they “are not structural determinists” (22). In suggesting that the United States and China are unlikely to go to war, they speculate that “the importance of the U.S. market to the Chinese economy” might serve

to deter Chinese leaders from confronting the United States (42). This is an argument that could easily be offered by a liberal or neoliberal theorist of economic interdependence. According to the authors, neorealism expects only that states will “respond with rough rationality to their environment” (18) and will be “sensitive to international constraints” (22). Beyond that, they write, “neorealism admits ignorance on the details of state behavior” (21).

Given their sense of what neorealism can and cannot do, MacDonald and Parent wisely advance only modest claims for their own theory. They explain great power retrenchment as a function of acute relative decline, but they are careful to note that they do not explain (or predict) the ways in which states choose to carry out this policy. On the whole, this article suggests that, although neorealist theories of foreign policy are certainly possible, there are likely to be substantial limits to their explanatory and predictive power.

Large-n, quantitative analyses excel at producing correlations. When the findings are corroborated by process-tracing, as in this study, they can confirm causation. But the results are probabilistic and frequently do not reveal the reasons for variation among the cases. As noted above, MacDonald and Parent find that at a minimum, eleven of eighteen great powers facing acute relative decline elected to retrench. This means, of course, that at a maximum, seven of eighteen great powers confronting acute relative decline decided not to retrench. Similarly, their finding that 40 percent of retrenching great powers recovered their previous power position means that 60 percent of retrenching great powers failed to do so. It is worth knowing, certainly, that declining great powers retrench more often than not, and that retrenchment often succeeds. But it would also be worth knowing why great powers sometimes do not retrench, and why, even when they do, the strategy sometimes fails. The latter sort of knowledge would be particularly relevant to policymakers. To learn these things, further research will be necessary, and the research will require the consideration of multiple independent variables, most likely with cross-case comparisons and within-case analysis.

In conducting such research, it might be useful to consider an adjustment to the research design of the present study. MacDonald and Parent measure a state's relative power by its share of the gross domestic product (G.D.P.) of all the great powers in the system. They acknowledge the limitations of operationalizing power in this way and offer a persuasive rationale for doing so. But as the authors note, “realism puts theoretical priority on military power” (21). Neorealists should expect, therefore, that states will respond more readily to shifts in military power than to shifts in economic power. Indeed, this expectation seems, at least on the surface, to be confirmed by the fact that Britain retrenched little or not at all in the five years following 1872, when the United States surpassed it in G.D.P. ranking, but undertook substantial retrenchment roughly three decades later when America (and Germany) began to challenge British naval supremacy. MacDonald and Parent reject the idea of employing an index of power that combines economic and military indicators, arguing that a reduction in military expenditures, for example, might be part of a policy of retrenchment and hence “an outcome rather than a marker of relative decline” (24). This is a valid concern. That military indicators can be used to measure both relative decline and retrenchment poses a dilemma. That researchers should resolve this dilemma by choosing to employ such indicators in the latter capacity rather than the former is, however, not entirely obvious. It would be interesting to see if MacDonald and Parent's findings are corroborated – perhaps even strengthened – by efforts to discover how states respond to acute declines in relative military power.

A question raised by this study, and others like it, is whether or not analyses of great power behavior in the nineteenth and twentieth centuries will be of much relevance to international politics in the third millennium. As scholars from Richard Rosecrance to John Mueller have noted, many wealthy states have elected not to build militaries commensurate with their economic strength. Indeed, they have opted out of the “power game” either partially or altogether. Do the leaders of Great Britain, Germany, and France still worry about the ordinal power rankings of their countries? If they do, it is surely much less a concern than it once was. The applicability of MacDonald and Parent’s work to Sino-American relations, and its importance in this context, seems obvious enough. But are the United States and China anachronisms, holdovers from a largely bygone era?

If they are, then international politics may be different in the future. Some analysts have observed what they believe to be a fundamental change in the international system. Rather than focusing on the structure of the system, as neorealists do, constructivists such as Christopher Fettweis concentrate on the norms that they believe determine how the system operates. In *Dangerous Times? The International Politics of Great Power Peace*, Fettweis has argued that states have largely abandoned the notion of fighting major wars with one another. Terrorism and other forms of asymmetrical warfare, while a menace to human life, do not pose an existential threat to contemporary states. The international environment confronting the United States and most other countries is therefore a fairly benign one. In such an environment, relative power rankings are of little importance. Most neorealists will, of course, reject this characterization of contemporary international politics. But if the world has changed as much as Fettweis and other scholars suggest, then neorealism will be a paradigm less relevant to the future than to the past.

Stephen R. Rock is professor of Political Science at Vassar College. He is the author of *Why Peace Breaks Out: Great Power Rapprochement in Historical Perspective* (Chapel Hill: University of North Carolina Press, 1989), *Appeasement in International Politics* (Lexington: University Press of Kentucky, 2000), and *Faith and Foreign Policy: The Views and Influence of U.S. Christians and Christian Organizations* (New York: Continuum, 2011). His research interests include the causes of peace, the efficacy of diplomatic strategies such as deterrence and appeasement, and religion and U.S. foreign policy.

Copyright ©2012-2015 The Authors.

This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivs 3.0 United States License](http://creativecommons.org/licenses/by-nc-nd/3.0/).