Jeffry Frieden, "Actors and Preferences in International Relations," in Strategic Choice and International Relations, ed. David Lake and Robert Powell

Headline/Key Points

Frieden sets out to clarify the sources of "national or subnational interests." In other words, he wants to identify how states and domestic groups formulate preferences. He points out the common errors in preference identification and explores different approaches to deriving preferences.

> Preferences must be kept separate from other factors explaining international politics – particularly from the "strategic setting." Scholars need to be explicit about how they determine the preferences of relevant social actors.
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> Preferences are not directly observable. We can only observe the behavior of states and leaders; we cannot know their true motivations. Other factors (institutions, uncertainty, strategic setting) may cause actors to act in contradiction to their preferences. Therefore, actions do not always reflect preferences.
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> Since all international relations analyses require some notion of preferences, research as a whole would be greatly improved by more careful attention to the explanatory role of preferences.

Definitions

> Preferences: the way an actor orders possible outcomes of an interaction ("ends"). These are taken as "given" in one defined interaction and used to analyze other factors. We assume actors have preferences over the results of an interaction and do not have independent preferences over the means to achieve these results ("preferences over outcomes").
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> Strategy: the tools/actions an actor uses to achieve its most preferred possible outcome ("means"). Like preferences, strategies are not directly observable – it is never inherently obvious whether actions are the result of preferences, strategies, the strategic setting, or underlying interests.
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> Strategic Setting: The environment in which actors operate. This consists of other actors and their expected behavior, available information, and power disparities. The strategic setting fundamentally affects the behavior of actors as they design strategies to achieve preferred outcomes.

Given preferences, an actor forms strategies based on the possibilities presented by the environment. A preference in one "box," however, may be a strategy from the previous box. Frieden uses an international trade example to illustrate this point: a firm's preference is to maximize profits. This leads to a strategy of rent-seeking. In the next interaction, the preference for rent maximization leads to a strategy of quotas. In a third interaction, the firm's preference for quotas (over tariffs over nothing) leads to a strategy of demanding tariffs (NOTE: the firm prefers quotas to tariffs, but the strategic setting – the structure of the game – leads its to a strategy of asking for tariffs).

Problems with Preferences

Frieden identifies three types of errors scholars commit by not separate preferences from strategies:

1. Sins of confusion: mixing preferences and the strategic setting in ways that do not allow their independent effects to be examined. This is akin to combining preferences and the strategic setting into one "overarching variable" (e.g., the realist problem of stating that the desire of

power is a *preference* of states while also claiming that the international system forces states to maximize power).

2. Sins of commission: asserting that outcomes are solely determined by preferences. This ignores the impact the strategic setting may have had on the outcome.

3. Sins of omission: asserting that outcomes are solely determined by the strategic setting and the strategic interaction. This ignores the role of preferences.

To avoid these errors, Frieden stresses the need to pay careful attention to both preferences and the strategic environment.

Identifying Preferences
Frieden defines three methods of identifying preferences and the problems inherent in each:

1. Assumption: the easiest method, akin to that used in economics (economists assume firms act so as to maximize profits). This works in economics because actors are mostly homogeneous (e.g., firms and individuals, for economic purposes, are not very different). In IR, however, there is a multiplicity of actors (states, individuals, firms, groups, NGOs, etc.) and issues. Assuming a single preference for each of these types of actors is all but impossible.

2. Observation: "induction" – attempting to determine preferences by observing actors' behavior. This is known as "revealed preferences." Some scholars seek to observe national preferences themselves, while others try to "induce" national preferences through the revealed preferences of subnational actors. The problem with observation is that it risks committing sins of commission – directly linking observed outcomes to preferences ignores the strategic setting. We cannot observe preferences, only outcomes.

3. Deduction: Deriving preferences from preexisting theories, which predict how specific types of actors, in specific contexts, formulate a particular set of preferences.

   The trade example helps to understand what Frieden means here: if we want to know a firm's preferences over trade protection, we start one level up, where we know the firm's properties and environment (i.e., we have a prior theory that tells us that firms are profit-maximizers whose preference for international trade varies inversely with profitability). Using this theory, we can *deduce* a particular firm's trade protection preferences from its profitability. *Still, it is important to note that, at some point in the process, we must assume something (in the trade example, we assumed that firms are profit-maximizers).*

   Frieden sees several advantages to this approach:

   Deduced preferences vary along with conditions that are more easily measurable than preferences themselves. In other words, the features that determine the preferences to be derived (e.g., a firm's profitability) are relatively easy to observe and quantify.

   This method better predicts changes in preferences, because it clearly links preferences to an actor's characteristics. Thus, as the characteristics change (e.g., a firm becomes more profitable), its preferences are expected to change.

   Deduction best utilizes the accumulated theoretical and empirical knowledge in a field.

At the same time, Frieden identifies the problems of deduction:

The preferences deduced from prior theories are only as good as the theories themselves.

We do not have a ready-made "toolbox" of prior theories to use in all cases.

It is very hard to deduce **national preferences** – we need to aggregate up to national preferences, which entails an entire set of additional problems (see p. 65 for details).

Illustrative Examples

Frieden concludes by looking at two examples – international trade relations and imperialism – to show how explicit attention to preferences improves understanding, while confusion about preferences impedes scholarly progress. In short, clear statements of the preferences of major actors in international trade (states, firms, etc.) have been of great benefit in understanding trade relations. In contrast, the debate over the causes of the European countries' 19th-century colonial "rush" has been plagued by the intermingling of preferences and the strategic setting.