Understanding Foreign Policy Decision Making

Book · January 2010

DOI: 10.1017/CBO9780511757761

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2

Types of Decisions and Levels of Analysis in Foreign Policy Decision Making

TYPES OF DECISIONS

One can speak of a variety of decision types. Some decisions are simple and, once made, can be forgotten. Other decisions must be revisited every so often and might be dependent on what a rival does in response. Some decisions are small but are part of a series of related decisions. This section introduces a number of important concepts related to decision type. These decision types are listed in Table 2.1 below.[1]

One-shot or **single decisions** are rare in international affairs because most decisions are part of a sequence of decisions and/or decisions that are made interactively with other actors. However, scholars of foreign policy decision making (FPDM) often focus on the analysis of a single decision, such as the U.S. government's decision not to invade Iraq in 1991 or its decision to invade Iraq in 2003. As another example, the U.S. decision not to provide militarily aid to the French at Dien Bien Phu in 1954 was a one-shot decision. Although perhaps not a perfect example, the U.S. decision not to ratify the Kyoto Protocol might be considered another example of a one-shot foreign policy decision.

Strategic, interactive decisions are those involving at least two players who make decisions that affect and are affected by the other player's decisions. For example, Yasser Arafat, while president of the Palestinian National Authority, had to decide whether to accept, counter, or reject the offer made to him by Israeli prime minister Ehud Barak at Camp David in 2000. The classic Prisoner's Dilemma provides a prime example of a one-shot **interactive decision**. In this scenario, two suspects are arrested on suspicion of carrying out a serious crime. The suspects are interrogated separately. They each have one choice over time. They can accept a plea bargain deal offered by the police. This deal would mean testifying against the other suspect. Or they can refuse the deal and stay loyal to their partner.

[1] Any model of decision making needs to explain each of these decision types. The models are introduced in Chapters 4 and 5.

Table 2.1. *Types of decisions*

One-shot (single) decisions
Interactive decisions
Sequential decisions
Sequential-interactive decisions
Group decisions

Assuming a single decision to explain foreign policy acts may be unrealistic. For this reason, some scholars turn to **sequential decision making**. Sequential decisions involve a series of interrelated decisions, such as whether to attack Iraq; occupy Iraq; increase or decrease troop levels; whether to withdraw or to stay; and, finally, when the operation should end.

Foreign policy making consists of many decisions that involve a **sequence of interactive decisions**. For example, the arms race (e.g., between the United States and the Soviet Union, or NATO and the Warsaw Treaty Organization (WTO) during the Cold War, or Israel and its Arab neighbors, or India and Pakistan, or North and South Korea) is a sequential and interactive process of decisions by at least two countries responding to each other's decisions on armament or disarmament. Chess is a game of strategic and sequential interaction as one player's move affects the other player's as well as her own subsequent moves.

Foreign policy decisions are influenced by group dynamics (Maoz 1990a, 1990b). The Cuban Missile Crisis is a prime example. Groups can be ad hoc combinations of individuals, bureaucratic agencies, or coalitions. **Group decision making** can be complicated because group members may have different agendas, interests, and preferences for ordering structures and policy options. Thus, group processes often involve bargaining among group members. There is substantial difference between individual and group decision-making dynamics. Examples of group decisions include decisions of presidential advisory groups, UN Security Council members, or the U.S. National Security Council.

Decisions can also be conceptualized as "impulse-driven (emotional) actions, ends-means (instrumental) actions, or interaction-oriented (strategic) actions" (Walker and Schafer forthcoming, 4). As for foreign policy and political decision making, there are two types of decisions: impulse-driven (the psychological approach) and ends-means (the rational choice approach). Both consider strategic interaction.

Unilateral, Negotiated, Structured, and Unstructured Decisions

Sometimes, decisions are **unilateral**, such as Libyan leader Muammar Qaddafi's decision to abandon Libya's nuclear program in 2003 or New Zealand's 1985 decision to prohibit visits to its ports by ships carrying nuclear cargo.

Negotiated decisions result from interaction between at least two players, and sometimes more, such as the decision by North Korea, after intensive multilateral talks and negotiations, to offer to abandon its nuclear program in exchange for massive aid.

There are structured, semistructured and unstructured decisions. **Structured decisions** are repetitive, routine decisions, involving relatively high certainty, and a definitive procedure. **Semistructured decisions** involve more risk and are unstructured in one or more of the factors. **Unstructured decisions** involve complexity and have no ready or routine solution. Structural features such as goals and choices can be poorly specified or missing, putting the decision maker in a somewhat uncertain situation.[2]

Herbert Simon (1960) pointed out that the decision making process consists of the following stages:

1. intelligence (collect information and identify problem),
2. design (identify alternatives, and select criteria),
3. choice (use criteria to evaluate alternatives and make a decision), and
4. implementation (put decision into effect and allocate resources).

Holistic, Heuristic and Wholistic Decisions

Decisions can be made based on holistic, heuristic, or wholistic search (Sage 1990, 239–242). Holistic search involves a thorough examination of all the alternatives, dimensions, and implications of the decision. Heuristic decisions are made while employing cognitive shortcuts. Wholistic decisions are made while disregarding the components of the decision. Such decisions are intuitive, involving standard operating procedures (SOPs) and/or the use of analogies (ibid.). Heuristic and wholistic searches are more process oriented than holistic searches (ibid.).

For example, in making interest rates decisions, the U.S. Federal Reserve typically evaluates alternatives in a comprehensive manner based on multiple decision criteria in a holistic fashion. The 1961 U.S. decision to invade the Bay of Pigs is an example of a nonholistic process because implications for each alternative were not carefully assessed (Neustadt and May 1986). Some decisions regarding the 2003 Iraq War relied on historical analogies – wholistic search – stemming from the 1991 Gulf War. Many budgetary decisions, such as changes in defense spending, also follow SOPs, such as incremental increase in spending or "fair share" allocation of resources.

Trade-offs in Decision Making

Leaders often face difficult dilemmas in making foreign policy because numerous foreign policy decisions involve trade-offs between competing alternatives.

[2] See http://dssresources.com/glossary/177.php.

Table 2.2. *Levels of analysis in foreign policy decision making*

Individual
Group
Coalition

Source: M. Hermann (2001).

For example, given the repeated threats Iranian president Mahmoud Ahmadinejad has made against Israel, including the direct threat that Iran will wipe Israel from the map, Israeli leaders are confronted with a dilemma of whether to use force to halt (or at least slow down) the Iranian nuclear program. Given a fixed amount of resources, policy makers have also to decide whether to allocate more resources to "guns" (defense spending) or "butter" (welfare programs) with all the attended ramifications.

Trade-offs can also appear among dimensions (criteria) of a decision – for example, trade-offs between economic and electoral consequences of an alternative course of foreign policy or between security and human rights concerns. Trade-offs affect information processing and choice.

THE LEVEL OF ANALYSIS IN FOREIGN POLICY DECISION MAKING

One can examine foreign policy decisions from three main levels: the individual, the group, and the coalition[3] (see Table 2.2). Decision processes and actual choices are shaped by who makes the decision – the **decision unit**. Both the size and composition of the decision unit directly influence foreign policy decision making. The decision-making process taken by a single person is not expected to follow the same dynamics as a group decision or a coalition decision. If there are several groups involved, the process will be different from the other processes. In this section, we discuss how the decision unit shapes foreign policy decision making.

Individual-Level Decisions

The premise of the decision-making approach to foreign policy and international relations "assumes that leaders matter in the explanation of foreign policy decisions by acting on their definitions of the situation in the domain of world politics" (Walker and Schafer, forthcoming, 2). The decisions of individuals aggregate into the behavior of groups, coalitions, and states. Individual-level

[3] The levels of analysis in FPDM are somewhat different from those in international relations, a discipline in which scholars typically talk about the individual, the state, and the system as the main units of analysis. In FPDM the units specifically refer to entities making decisions (leaders, groups, coalitions).

decisions are more likely when leaders have an inordinate amount of power within a state. Powerful leaders typically do not need to seek consensus. Examples here include Mao Tse-tung of China, Fidel Castro of Cuba, Joseph Stalin of the USSR, Napoleon of France, Kim Jong-il of North Korea, and Saddam Hussein of Iraq. Institutional constraints are not a major factor for these decision makers.

Individuals are critically important during times of crisis. Political psychologist Margaret Hermann (2001) notes that crises, high-level diplomacy, and leader interest increase the probability of individual-level decision making. For example, decisions to go to war or participate in international summits are often associated with decision making by a dominant individual (M. Hermann 2001). Studies of individual decision making focus on psychological factors such as the personality of the decision maker, operational codes, learning, evoked set, cognitive consistency, and misperception (Cashman 1993). On 9/11, then-mayor of New York City Rudolph Giuliani made critical decisions seemingly on the spur of the moment. In the following chapters, we carefully explore the dynamics of decisions made by individual leaders.

Group-level Decisions

Here, numerous foreign policy decisions are made by groups, not by all-powerful individuals (Maoz 1990a). Such concepts as groupthink, polythink, group polarization, and advisory group influence show the importance of small-group dynamics in foreign policy decision making. They also demonstrate the potential biases and errors that group decision making can lead to. There are a variety of group-level decisions. There are the prototypical groups such as President Kennedy's Executive Committee (EXCOM), which dealt with the Cuban Missile Crisis. This is an example of how a group can deal with an ad hoc problem. Other examples of groups, such as the Soviet Politburo and the American Joint Chiefs of Staff, contend with ongoing policy debates and operational issues (M. Hermann 2001). The group comprises members whose allegiance is primarily directed within the group, and the respective actors do not have to consult others outside the group (ibid.). The decision reached by this unit is a group decision that emerges after debate. The group might reach a conclusion on the basis of concurrence (groupthink), unanimity, or plurality (C. Hermann et al. 2001). Unlike the individual-level model, certain group dynamics can influence the decision process. For example, members strive to avoid the conflict that often occurs in groups and work toward concurrence (ibid.). The groupthink dynamic identified by Irving Janis (1982) is a classic example of how group dynamics can affect decisions.

Decision making within agencies or presidential cabinets can also be considered group decisions in a bureaucratic politics decision setting. Long, drawn-out policies that deal with international terror, AIDS in Africa, or global

warming usually involve bureaucratic agencies (Mingst 2002). Decisions made here involve a fair amount of political power struggle and debate between agencies and influential bureaucrats. Actors recognize that political conflict and differences of opinion, even differences of philosophy, are inevitable (M. Hermann 2001). To take an example from a domestic issue, the federally funded program designed to combat coastal erosion in Louisiana is managed by a task force of several state and federal agencies. The process involves a great deal of political infighting, compromise, and political give and take as the various agencies act on their interests, agendas, and preferences. Agency representatives are typically loyal to their agency first and foremost, and this can sometimes present a challenge to executives.

Coalition Decision Making

Coalition decision making represents a third type of decision unit. Individual units within a coalition cannot make decisions on their own, thus there is some level of bargaining and leverage between relatively independent actors. No single actor in the unit can make the decision unilaterally. Here, the first level of allegiance is directed outside the group toward the party or constituency of the coalition members. In the context of international politics, this means no one actor can decide state policy (M. Hermann 2001). For example, the government of Israel relies on coalitional decision making. The members of coalition cabinets owe their immediate allegiance to their parties and constituencies. Decisions here might reflect coalition dynamics such as majority rule and minimum-winning coalitions. Another example of this type of decision making, this one in a nondemocratic society, occurred during the Iranian hostage crisis of 1979–1981. No one actor (that is, the students, the government, or the Ayatollah) could alone decide the fate of the crisis (ibid.).

The coalition decision unit is also quite common. Coalition dynamics are shaped by size factors. Minimum-winning coalition refers to the minimum number of parties needed to keep the coalition in power. The coalition is generally not interested in including more parties than necessary because credit and resources would then have to be shared, and there would be more groups to please when making any decision (Hagan et al. 2001). A surplus coalition, in contrast, can lose a party and still remain in power.

Michael Ireland and Scott Gartner (2001, 562) observe that cabinet coalition structure is a strong indicator of the likelihood of conflict initiation. In other words, are surplus parties (those that can withstand the loss of at least one party) more or less likely to initiate force than minimum-winning coalitions (those that cannot survive the loss of any party)? The role of veto players is an important variable in cabinet structures; in this context, a veto player is a party "whose agreement is necessary for a change in the status quo" (Tsebelis 1999, 593). Significant policy change is harder with more veto players.

Coalition governments are more likely to reciprocate force with force because with so many parties involved, the blame is shared if things go wrong (Prins and Sprecher 1999). If the policy is a success, all can claim credit. However, as the number of veto players within the coalition increases, initiation is less likely (Ireland and Gartner 2001, 551). Veto players (parties that can stop an action by threatening to leave the government) are less important in a surplus setting (Tsebelis 1999; Ireland and Gartner 2001). Glenn Palmer, Patrick Regan, and Tamar London (2004) also find that surplus governments are more forceful.

Coalition decision making involves invoking certain rules and guidelines to reach a decision. A decision can be reached as a consensus but often will be based on a simple majority rule. Coalition dynamics are important. For instance, small parties in a coalition can be "pivotal" if they have the capacity to bring down the government with their defection. Another variation occurs if there are no set rules for reaching a decision. In these extreme cases, the decision process is one of anarchy (Hagan et al. 2001; M. Hermann 2001).

If the executive and legislative branches are controlled by opposing parties, presidential systems resemble coalitions (Hagan et al. 2001). Such was the case during the Nixon Administration, which culminated in the passage of the War Powers Act over the president's veto. The three main coalition models are the unit veto, minimum winning, and anarchy (Hagan et al. 2001). Different institutional factors such as laws or constitutions establish the rules of the game for decision making. If the rules dictate that unanimity is required for the coalition to reach a decision, then the coalition will tend toward the unit veto or minimum-winning coalition models. In the unit veto system, any actor can put up a roadblock. In the minimum-winning coalition model, the pivotal party dynamic becomes an issue. In the anarchy model, there is no official rule for decision making. As noted, the Iranian decision model during the hostage crisis reflected an anarchic process (Hagan et al. 2001). We take up coalitions in greater detail in the case studies in the next sections.

CASE STUDY: ISRAEL'S FOREIGN POLICY MAKING BY COALITION

The Israeli Cabinet often provides a good example of the effect of political coalitions on foreign policy decision making. Israel has a wide range of parties that cover the political and religious spectra. For a government to form, a major party must establish a coalition with other parties. Small, pivotal parties often keep the government in power. Defection of coalition partners can threaten the survival of the government.

Former Israeli Prime Minister Ehud Olmert's government embarked on negotiations with the leaders of the Palestinian Authority, President Mahmoud Abbas (Abu-Mazen) and Prime Minister Salem Fayad. The highlight of the negotiating process was the Annapolis Summit held at the Naval Academy

outside of Washington, D.C., in November 2007. As Verter (2007) and others pointed out, however, Olmert's decisions about the extent and timing of concessions to the Palestinians were heavily constrained, influenced, and determined by the views of Olmert's Kadima party's coalition partners, Shas and Israel Beytenu. In a coalition government consisting of Kadima, Labor, Shas, Israel Beytenu, and the Pensioners' Party, Olmert simply could not make meaningful territorial concessions to the Palestinians on Jerusalem and elsewhere without risking the downfall of his government. Thus, whereas the president of the Palestinian Authority wanted to finalize the principles of the final agreement prior to the Annapolis Summit, Olmert pushed for a vaguer statement that left the main issues off the table for future discussions.

Knesset member Eli Yishai, leader of the Shas party (and deputy prime minister and minister of industry, trade, and labor) had indicated that Shas would not stay in the Olmert government should the sensitive Jerusalem issue be on the agenda at the summit or even be discussed with the Palestinians. Such a move by Shas would topple Olmert's government and lead to early elections. Minister Avigdor Liberman, head of the Israel Beytenu party and then minister of strategic threats and a coalition member, warned that should Israel make concessions to the Palestinians, his party also would quit the government (Liberman resigned from the government shortly after Annapolis). As then U.S. Secretary of State Rice discovered in her many visits to the region, there are serious limits to the prime minister's power in Israel, a power that is constrained by coalition calculations and domestic political considerations.[4]

As Verter pointed out (2007), Olmert's stand at Annapolis ensured that his government would stay in power – for the time being. The failure to discuss sensitive issues at the summit, such as the status of Jerusalem, enabled the leaders of the Shas and Israel Beytenu parties to claim credit in front of their constituencies for preventing Olmert from reaching an agreement on sensitive territorial issues at Annapolis. Unable to conclude a deal with the Palestinians because of domestic coalition constraints, Olmert and his Palestinian partners decided to *start* the negotiation process instead of agreeing on key issues.

Secretary of State Rice, who met with the Shas and Israel Beytenu leaders in Israel before the summit at Annapolis, quickly realized that Olmert could not make such concessions because of coalition limitations and threats to the survival of his government, despite plans by Kadima ministers Ramon and Livni to further the talks. In fact, the Shas spiritual leader and chief rabbi, Ovadia Yossef, was not discouraged from meeting with the head of the opposition, Benjamin Netanyahu, to signal to Olmert that the Shas party had the option to form a government led by the opposition (Verter 2007). It was the degree of

[4] One should also recall that leaders of Israel and Egypt who made bold concessions, Yitzhak Rabin (with the Oslo agreements) and Anwar Sadat (with the Camp David agreement), were both assassinated by their own people.

political flexibility of Olmert's coalition partners that determined Israel's stand on concessions to the Palestinians and the outcome of the Annapolis summit.

Turning to the Palestinian side, the situation is not much different. Challenges to the president of the Palestinian Authority from such Palestinian groups as Hamas and Islamic Jihad have been serious and even violent. Some Palestinian factions have even participated in a counter-Annapolis summit organized by Iran to denounce and challenge the Annapolis meeting.

ANOTHER EXAMPLE OF COALITION DECISION MAKING: ICELAND'S COD WAR, 1971–1974[5]

From the late 1950s to the late 1970s, the governments of Iceland and the United Kingdom faced off several times over fishing rights. In the wake of diminished catches in 1967, Iceland extended its territorial waters from twelve to fifty miles in opposition to fishermen from other European countries – especially Britain. What made this crisis especially interesting was that Iceland and the UK were both democracies, members of the NATO alliance, and strong trade partners. Nevertheless, the Icelandic Coast Guard ships and British naval vessels had serious encounters.

The government of Iceland was ruled by a three-party, left-leaning coalition during the 1970s fisheries crisis. The three parties were the centrist Progressive Party (which had 25 percent of the vote), the Socialist Popular Alliance (20 percent), and the Organization of Leftists and Liberals (9 percent). In the early 1970s, the government had to contend with two related issues: territorial limits and the continued presence of U.S. troops in the strategically important North Atlantic. The Progressives and the Leftists and Liberals favored continued NATO membership but were divided on the issue of U.S. troop deployment in Iceland. The Popular Alliance did not support NATO membership or U.S. troops. Thus, there were very serious policy differences within the coalition. Valur Ingimundarson (2003) notes that the dominant theme for agreement was that U.S. troops should leave and that the territorial waters should be extended beyond twelve miles. These two policies were expressions partly of nationalism and partly of solidarity with the Third World. The main disagreement was over how Iceland should align itself geopolitically. The moderate parties supported continued NATO involvement, whereas the leftist Popular Alliance favored a new direction.

The Fisheries portfolio was held by Lúdvík Jósepsson of the far-left Popular Alliance. Jósepsson was in charge of the negotiations with Britain that ensued after Iceland unilaterally extended its territorial waters to fifty miles. He was very popular, and his forceful actions in this arena garnered favorable public

[5] This section borrows heavily from Ingimundarson (2003).

attention and support. His political clout in dealing with the fisheries issue seems to have come at the expense of Foreign Minister Guoni Ágústsson. Jósepsson attempted bold moves during the crisis that had to be superseded by the prime minister. The prime minister and foreign minister, both of the Progressive Party, also favored the extension to fifty miles and were aware of the nationalistic overtones surrounding fisheries, but were also keen on keeping a U.S. military presence in the country. The Popular Alliance wanted the U.S. forces out and Iceland out of NATO. Thus, the parties shared a relatively similar position on fisheries but differed drastically on foreign policy.

One key difference of opinion was over how to negotiate with Britain. The crisis escalated almost to the point of warfare. Iceland deployed special ships that cut fishing lines of British vessels and, in return, the British fishers demanded and obtained protection by British frigates. Icelandic and British ships rammed one another, but no shots were fired by either side. Nevertheless, this crisis provides a rare example of two democracies on the brink of war.

The Cod War crisis of 1971–1974 is a good example of how one party can have inordinate power in a coalition setting. The Popular Alliance was forcing the government to act aggressively by linking the debate over the fisheries to the debate over U.S. troops. The leftists were more willing to anger the United States by directly linking these two issues. The collision of these two issues and the presence of a party in government that was willing to upset both British and American allies made it difficult for the moderate prime minister and foreign minister to deal effectively with the United States. The Americans perceived that Foreign Minister Ágústsson was incapable of facilitating the troops deal. The prime minister also had a hard time striking a deal with Britain over fisheries because the Popular Alliance did not want such a deal and did not want to be excluded from any such talks.

When foreign policy issues emerge that cut across coalition parties, it can be difficult for governments to make decisions. Several times during the crisis, the Popular Alliance threatened to leave the coalition. The Alliance had effectively linked troops and fisheries. The extension of the territorial limit had broad national support. The U.S. troops issue was not so clear cut. By linking the two issues, the Popular Alliance played the part of a pivotal party. It used the fisheries issue, which the other two coalition parties generally supported, to drive their more radical position on the troops policy.

Within the framework provided by Margaret Hermann (2001), the Icelandic coalition is an example of a multiple-autonomous-actors decision unit rather than a single decision unit. The Popular Alliance was acting almost in a renegade manner and overstepping the bounds of the Fisheries portfolio by delving into foreign policy. The more moderate foreign minister had little credibility in dealing with the Americans, who did not believe he could deliver on his promises.

THE DECISION ENVIRONMENT

A decision problem typically consists of a set of decision alternatives (for example, do nothing, apply sanctions, or attack) and a set of decision dimensions or criteria (for example, political, diplomatic, military, and economic considerations).

Many foreign policy decisions must be made in a relatively short time frame, under stress and ambiguity of information. Characteristics of the **decision environment** affect the decision strategies used by leaders and their ultimate choices (Kahneman and Tversky 1982; Payne, Bettman, and Johnson 1993). Specifically, uncertainty, stress, familiarity or lack of familiarity with the decision task, risk and threat perception, and accountability all influence decision strategy and choice. Some scholars have argued that stress and external threats may even lead to increased "rigidity in decision making" and overreliance on standard operating procedures in decision making (Renshon and Renshon 2008, 515).

The common denominator of the factors that mediate the onset of decision strategies centers on the cognitive demands (load) imposed by the decision task. The heavier the demand (for example, the more ambiguous and unfamiliar the decision task is to the decision maker), the more likely the decision maker is to employ simplifying heuristics (cognitive shortcuts).

Decision-making environments are often in a state of flux (Anderson 1983; Vertzberger 1990). Foreign policy crises are characterized by an evolving choice set out of which policy alternatives emerge during the process (Mintz et al. 1997). National security and foreign policy crises are marked by a somewhat chaotic situation wherein information is presented to and received by a leader in a rather complex and varied fashion.

Most decisions in foreign policy are taken in interactive settings: Bush versus Saddam, Olmert versus Nasrallah, and, during the Cold War, NATO versus the WTO. The foreign policy decision-making environment is also characterized by ambiguity of information, uncertainty about opponents' motivations and intentions, dynamic settings, and high risk (see Table 2.3). Foreign policy decisions often have important consequences for nations, their allies, and rival countries. Furthermore, they can affect the survivability of leaders in power.

Time Constraints

One of the hallmarks of crises is that time is limited and decisions might be rushed. Time pressure may take the form of a short deadline for a decision or, more likely, "an uncertain deadline that is believed to necessitate a quick decision" (Renshon and Renshon 2008, 513). Crisis decision makers do not have the luxury of waiting to see how decisions play out. Because time is limited, the rational actor model is typically compromised. It becomes difficult to carry

Table 2.3. *Environmental factors affecting foreign policy decisions*

Time constraints
Information constraints
Ambiguity
Familiarity
Accountability
Risk
Stress
Dynamic vs. static setting
Interactive setting

out rational calculations. This does not necessarily mean that a bad decision will be made. Sometimes time constraints and pressure can force a decision maker to stop and devote full attention to the problem at hand and actually enhance a decision (see Maule and Andrade 1997).

Time constraints are more likely to lead to nonholistic search, the use of simplified heuristic and SOPs, and satisficing decision making. We further discuss time pressures when we take up the effects of stress on decision making in Chapter 6.

Information Constraints

The rational actor model requires solid information if it is to work as designed (Allison 1971). Without reliable information, it is difficult to compare alternatives, conduct a cost-benefit analysis, and determine utilities. However, foreign policy is rife with incomplete and inaccurate information.

Producer-consumer problems abound in foreign policy. Producers are the information gatherers in the field. For example, intelligence agencies have field operatives who send intelligence back to headquarters where consumers use it to inform decisions. The process is prone to problems. For example, producers may generate biased information. One motivation for this behavior is that producers want their information to be noticed.

The Vietnam War was characterized by well-known information problems. President Johnson was repeatedly told that the war was going according to plan and that incremental increases in troops could lead to victory. The president was being given biased information that was not entirely accurate. This made it difficult for the president to compare alternatives and utilities realistically. Israeli Prime Minister Menachem Begin received inaccurate information about troop level and deployment in Lebanon in 1982. The information he received led to decisions he would later regret. This does not equate, of course, to being irrational, but it does mean the conditions required to make an optimal decision were not met.

Ambiguity

Ambiguity occurs when information has multiple, often competing, meanings, or when a situation can have multiple possible outcomes. Ambiguity might, for example, result when an adversary sends a signal that can be interpreted as either hostile or conciliatory, leaving the ultimate move of the adversary in doubt. Ambiguous information is more likely to be ignored or discounted (Vertzberger 1990). For example, in the week before the Yom Kippur War in 1973, information about Soviet advisors and their families leaving Syria and Egypt was discounted by Israeli intelligence analysts in part because it could be indicative of either defensive or offensive intentions (ibid., 58). Information supplied by U.S. intelligence agencies about Iraqi offensive force posture before the August 1990 invasion of Kuwait was ignored by the U.S. administration largely because it contradicted assessments of U.S. allies in the region, such as Egypt and Saudia Arabia. Ambiguity typically increases the complexity of foreign policy decisions, causing decision makers to use cognitive shortcuts to simplify the decision-making process.

Familiarity

Familiarity with the decision problem is present when decision makers encounter a situation that is similar to one that they have seen or experienced before. In these situations, foreign policy decision makers often employ heuristics or SOPs because they believe that what worked before will work again (Payne, Bettman, and Johnson 1993) and tend to rely on prior acts and decisions. Familiarity with the decision problem often leads to the use of intuitive decision making. Instead of examining the components of the decision, the decision maker jumps to conclusions based on prior experience with a similar situation before even assessing the costs and benefits of alternatives. Often, familiarity with the decision task can be helpful in simplifying and facilitating a decision and allows a leader to choose an alternative quickly, without having to consider all of the information again. However, this process may lead to the discounting of inconsistent information as well as biases and errors in decision making; it can even result in overgeneralization (for example, Kruglanski and Ajzen 1983; Vertzberger 1990; Hirshberg 1993).

Dynamic Setting

Dynamic settings are those in which the choice set (meaning alternatives) or dimension set (criteria) that is available to the decision maker changes in the process of the decision, as opposed to static settings in which the decision maker is aware of all alternatives upfront and these alternatives remain fixed during the decision process. A dynamic setting could involve the emergence

of a new alternative (for example, an avenue of diplomatic communication opening up during a crisis) or an old alternative being taken off the table (for example, the closing of a diplomatic channel by the adversary). Alternatives can also disappear and later reappear during a crisis. Mintz et al. (1997) showed that dynamic choice sets can change the way decision makers process information and arrive at a decision: the emergence of a new option may cause it to be compared to the previous options in an alternative-based manner.

Interactive Setting

Leaders make decisions that affect and are affected by the decisions of other players or leaders. As we pointed out in Chapter 1, an example of a game in an interactive, sequential setting is chess. Understanding the strategic interactive context of a decision is a crucial part of understanding foreign policy preferences, processes, judgment, and choice, because previous and future reasoning of the opponent will have an effect on the payoffs. Failure to consider the interactive setting of the foreign policy decision is likely to result in an incomplete understanding of the decision.

Risk

Risk is an important component of foreign policy decision making because the stakes in the foreign policy arena tend to be high (Astorino-Courtois and Trusty 2000). The amount of risk leaders are willing to take affects their foreign policy decisions. Risk can be thought of as the probability that an actor associates with receiving a negative outcome. A high-risk alternative is one in which the probability associated with failure is large enough that the expected utility of the action is negative. At the individual level, attitudes toward risk are an important determinant of a decision maker's actions because those attitudes will influence the level of uncertainty with which a decision maker is comfortable acting. Although these attitudes are in part a function of individual idiosyncrasies, they are also affected by the individual's level of satisfaction with the status quo: those who are more dissatisfied are more willing to take risks (Kahneman and Tversky 1979). Prospect theory centers around the risk orientation of decision makers. Risk acceptance is assumed in the domain of loss, and risk avoidance in the domain of gain.

Stress

Stress can be conceptualized as "an excess of demands over capacity" (Renshon and Renshon 2008, 512). International crises entail high levels of perceived threat. Decision makers are faced with situations that must be dealt with

right away because ignoring them could lead to an unfavorable outcome. For example, the Thatcher government had to act quickly after Argentina invaded the Falkland Islands. The stress level was heightened by the fact that it would take a number of days for British ships to reach the islands. Such time constraints introduce an element of stress to decision making.

Robert Mandel (1986, 257) and Ole Holsti (1972; cited in Dougherty and Pfaltzgraff 1990, 496–499; see also Holsti 1989) have summarized some of the impacts that a stressful environment can have on decision makers during crises. Stress caused by time constraints or uncertainty can unleash feelings of shame or anxiety. It can also influence information processing by causing decision makers to ignore certain information and alternatives, oversimplify, and rely more on historical analogy. Stress also has been found to frequently cause leaders to overestimate the capabilities of their opponents. Taken to the extreme, stress can even cause panic. Studies have revealed that stress leads to decreased focus, regression to primitive or very elementary decision styles, an increase in errors, and tendencies toward random behavior.

In their influential book on conflict and choice, Irving Janis and Leon Mann (1977) view psychological stress as a situation involving high levels of unfavorable emotion, such as guilt or fear, that make information processing more difficult (cited in Sage 1990, 35). In turn, the risk and uncertainty associated with the decision make the stress more profound. Janis and Mann (1977) identify several behaviors that result from stress (also cited in Sage 1990, 35). If the decision maker thinks that avoiding a major loss will be hard because of severe time constraints, there is a greater likelihood of panic. If all alternatives seem risky and finding a reasonable one seems unlikely, decision makers maintain a **defensive avoidance** posture.

However, some research has shown that low levels of stress can actually lead to good decisions. Janis and Mann (1977) observe that if stress is moderate during an important decision and it does not induce severe time constraints, quality alternatives can be identified and carefully assessed.

McDermott (2004a, 173–177) claims that acute stress brought on, for example, by a deadline elicits a hormonal reaction in the brain that can be beneficial. The effects of the hormones are felt throughout the body and short-term performance improves. Chronic stress, by contrast, can have detrimental health effects if the threat does not subside. This form of stress is heightened if it comes on unexpectedly. Civil war is an example of a situation that can lead to chronic stress, and accordingly we would expect stress levels to be higher in countries experiencing civil war.

The ultimate effects of particularly stressful events such as terrorist attacks might not emerge until long after the event is over. This syndrome has come to be known as posttraumatic stress disorder (PTSD), and symptoms include numbness, guilt, flashbacks, and exaggerated reactions to surprise.

Susceptibility to PTSD varies by individual and typically affects leaders and their decisions.

Accountability

A decision maker is accountable if she must explain, or is expected to explain, a decision and believes that she can be rewarded or punished because of it. When a decision maker is held accountable for a decision, she is likely to be more careful and, as such, will be more likely to procure and evaluate information in a more holistic manner. These tendencies are even more pronounced in situations in which the leader commits publicly to a course of action. Payne, Bettman, and Johnson (1993), however, point out that accountability does not necessarily make one less likely to rely on cognitive heuristics (because these heuristics can become the justification) and will not automatically reduce bias.

The effects of accountability are also apparent when individuals must answer for mistakes they have made. Experimental work has shown that subjects who are held accountable for bad decisions in the face of unforeseen circumstances are likely to defend themselves on the grounds that if they had known, they would not have made the poor decision (Markman and Tetlock 2000). The tendency of managers to display certainty of hindsight bias can be reduced or prevented when individuals are held accountable and can defend their actions (ibid.).

One study looked at the impact of political accountability on performance of Israeli leaders in the Yom Kippur War of 1973. It found that differences in performance resulted from individual differences in personal accountability and available social support networks (Bar-Joseph and McDermott 2008, 144). Specifically, the degree to which a leader "feels responsible for the crisis, prepared for the challenges, and . . . accountable for the outcome affects that person's quality of decision making" (ibid., 145).

A common assumption is that good behavior is to be expected from individuals who are being held accountable (Lerner and Tetlock 1999). However, the relationship may not be quite so simple. Research on the effects of accountability on decision making finds that it varies widely depending on the context (ibid.). For example, legitimate accountability (being accountable to a friend or appropriate authority figure as opposed to a cruel person) leads to better behavior than its illegitimate form. The latter can lead to stress and decline in motivation, which obviously affect decision making.

David Brulé and Alex Mintz (2006) found that U.S. presidents are affected by public opinion on the use of force (because they prefer to be accountable to the public), but that the effect of public support and opposition is not symmetrical. Public support above 50 percent is typically seen as allowing for presidential use of force, whereas public opposition over 80 percent restrains leaders in most situations from using force against adversaries.

THE ROLE OF ADVISORY GROUPS

Many consequential foreign policy decisions involve several decision makers and advisors (Renshon and Renshon 2008, 518). Advisory groups can shape foreign (and domestic) policy by helping set the agenda, manipulating information, framing alternative courses of action, controling the flow of information, preventing contradictory and nonsupportive information from filtering in, interpreting incoming information for policy makers in certain ways, and serving as gatekeepers. Advisory groups (for example, to the president or prime minister) can be powerful and influential, or not so influential.

Steven Redd (2002, 335) studied how advisory groups shape foreign policy decisions and concluded, "decision makers are highly sensitive to and cognizant of the political ramifications of their decisions." Specifically, political information provided by advisors and advisory groups influences both information processing and foreign policy choices (ibid.). Thomas Preston (2001; see also George and George 1998, ch. 6) showed that presidents with foreign policy expertise (for example, Eisenhower, Kennedy, George H. W. Bush) are less likely to rely on advisory staff when making foreign policy decisions. For those with less foreign policy experience (for example, Clinton, Truman, Johnson), advisors are much more important.

At the time of 9/11, the U.S. Defense Policy Board was led by Richard Perle. The board played a key role in shaping U.S. policy on Iraq prior to the war and during the early stages of the war (Perle was replaced by Tillie Fowler in June 2003). According to its official charter:

> The Defense Policy Board "will provide the Secretary of Defense, Deputy Secretary and Under Secretary for Policy with independent, informed advice and opinion concerning major matters of defense policy. It will focus upon long-term, enduring issues central to strategic planning for the Department of Defense and will be responsible for research and analysis of topics, long or short range, addressed to it by the Secretary of Defense, Deputy Secretary and Under Secretary for Policy" Membership in the U.S. Defense Policy Board consists primarily of private sector individuals with distinguished backgrounds in national security affairs, but may include no more than four government officials. Membership will be approximately thirty. From time to time, associate members may be appointed to the Defense Policy Board to participate in an assessment of a particular issue.[6]

Another group, the Baker-Hamilton Committee, submitted a bipartisan report to President George W. Bush on the U.S. war in Iraq, providing the president with a face-saving strategy for withdrawing all U.S. combat forces by

[6] http://fl1.findlaw.com/news.findlaw.com/hdocs/docs/dod/dpbac80201chrtr.pdfww.findlaw.com.

Table 2.4. *Information search patterns*

Holistic vs. nonholistic
Order sensitive vs. order insensitive
Alternative based vs. dimension based
Maximizing vs. satisficing
Compensatory vs. noncompensatory

the beginning of 2008. The Baker-Hamilton report favored, among other things, direct negotiations with regional players such as Iran and Syria and an increase of U.S. advisors embedded within Iraqi troops. President Bush, however, almost immediately distanced himself from key proposals in the Baker-Hamilton report.

A key recommendation of the Winograd committee, which studied the performance of Israeli political and military leaders in the second war in Lebanon in the summer of 2006, was the bolstering of Israel's National Security Council as an advisory group to the prime minister and cabinet members so it could provide policy makers with systematic and detailed assessments of policy options and their implications and would counterbalance the opinion and recommendations of the Israel Defense Forces.

INFORMATION SEARCH PATTERNS

Policy makers perceive and access information in a number of ways. These perceptions, in turn, can determine how information is processed and decisions are made. The way information is gathered, processed, and framed affects foreign policy. In this section, we cover several of the most prominent patterns of information processing.

Andrew Sage (1990, 232–242) describes the various processing characteristics of the rational and cognitive approaches. The rational actor model can be considered holistic because the decision maker considers all information at hand and makes extensive use of comparison. However, this section also focuses on heuristic decision-processing characteristics and concepts because we discuss explanations of foreign policy decision making that do not rely on the classical rational assumptions. Sage notes that these approaches most directly address the decision process because they set out to explain and understand the limitations of human cognition.

Significant cognitive limitations affect information search. The use of heuristic decision rules generally means the use of simplified cognitive shortcuts in decision making. There is a wide variety of patterns to consider here, from order-sensitive searches and noncompensatory search rules to dimension or alternative-based search patterns (see Table 2.4).

Holistic versus Nonholistic Search

Holistic search simply means reviewing all the information on the alternative courses of action, the dimensions that influence the decision, and the implications of each alternative on each dimension.

While employing nonholistic search, the decision maker only reviews part of the information about the decision. Nonholistic searches are associated with the use of heuristics in decision making because simplifying cognitive shortcuts imply that not all the information is accessed and evaluated.

Order-Sensitive versus Order-Insensitive Search

Both the sequence of dimensions and the order of alternatives can affect our decisions (Redd 2002). For example, in searching for a used car, the order of viewing cars may affect the choice; we may only look at the first few cars we were considering buying because of the costs and efforts associated with traveling to see other cars on our list. Consequently, we will likely select one of the first few cars we see rather than look at all the cars. However, if we had reversed the sequence of car shopping, we may have purchased a different car.

Research has shown that the order in which information is presented to leaders affects foreign policy decision making. Political leaders are sensitive to negative political information and may discard alternatives that are presented to them by their advisors before other important criteria (economic, diplomatic) have been presented to them. If a political advisor sets the agenda prior to input from the military advisor, the outcome may be different from a reversed sequence of events.

Alternative-Based versus Dimension-Based Search

Decision makers can also base their search for information on alternatives or on dimensions. A search is considered alternative based if the decision maker considers in turn each of the possible implications for each alternative. In a dimension-based search, the payoffs for each dimension across alternatives are considered one at a time. For example, an individual conducting an alternative-based search for a new car would look closely at all information for each potential car in succession. In a dimension-based search, the person would proceed by assessing the implications of each dimension across alternatives. Alternative-based searches are sometimes referred to as **interdimensional** and dimension-based searches as **intradimensional**. As we will discuss, search patterns are important because they can influence how a decision is made and which alternative is selected.

Maximizing versus Satisficing Search Patterns

Rational decision makers attempt to **maximize**, which means that they select the best alternative out of a set of alternatives by evaluating the benefits and costs of each alternative and selecting the one that has the highest net gain (total benefits minus total costs).

In contrast, when employing a **satisficing** decision rule, the decision maker selects the alternative that is "good enough" but not necessarily the best. Once an alternative is acceptable to the decision maker, subsequent alternatives are not even considered. Seminal work by Nobel laureate Herbert Simon (1957; 1959) suggests that instead of optimizing gains, humans follow a pattern of satisficing in which decision makers select the first acceptable alternative rather than carry out a search and comparison. Because information costs are high, decision makers evaluate the possible alternatives and accept the first that meets a certain minimum requirement. Simon argued that decision makers are more likely to select the alternative that satisfies some minimum threshold. This rule is much less demanding than the rational ideal version of utility maximization.

Compensatory versus Noncompensatory Rule

We can now delve more deeply into the nuances of FPDM as we discuss two broad categories of information search patterns: **compensatory** (or linear) and **noncompensatory**. In the **compensatory** model, a low score on one dimension can be compensated for by a high score on another dimension. For example, if an executive is deciding whether to use force, a low score on the political dimension can be compensated for with a high score on the military dimension.

A **noncompensatory** search means that if an alternative has a low score in one dimension, then no other score along another dimension, or dimensions, can compensate. For example, during the Cuban Missile Crisis, the "diplomatic pressure" option scored so low on the political dimension that nothing could compensate. The noncompensatory approach is nonadditive and relies on cognitive shortcuts or heuristics because not all information is reviewed.

Compensatory processes are generally marked by interdimensional searches, typically using a constant amount of information per alternative (Billings and Marcus 1983, 333). The compensatory model is alternative based because the decision maker considers all dimensions of an alternative before moving on to another alternative (Payne et al. 1988, 536).

The noncompensatory model is dimension based. The process is simplified by sequentially eliminating alternatives that do not meet a certain threshold using one, or a few, criteria, as opposed to compensatory processes that entail the comparison of alternatives across dimensions (Mintz 1993). Noncompensatory models do not consider all alternatives on all dimensions before an

Table 2.5. *Noncompensatory decision rules*

Conjunctive
Disjunctive
Elimination by aspect
Lexicographic

acceptable solution is found (Mintz, Geva, and DeRouen Jr. 1993). Noncompensatory selection procedures usually imply an intradimensional component that is attribute based, rather than alternative based (Payne et al. 1988, 536). Some scholars suggest that noncompensatory, rather than compensatory, linear models, are used in more complicated decision environments because they are cognitively easier (Einhorn 1970, 1971; Payne 1976; E. Johnson and Meyer 1984; Brannick and Brannick 1989). The definitive feature of the noncompensatory models effectively rules out compensation between variables (Brannick and Brannick 1989).

The idea behind the noncompensatory models, then, is to eliminate alternatives quickly to simplify the information search and evaluation phases of the decision process (Payne 1976, 384; Payne et al. 1988, 534). Additive compensatory models present explanations of foreign policy decision making that do not necessarily capture the motivations for political survival and the constraints of public opinion.

Broadly speaking, the rational model is associated with compensatory searches. This process fits with the classic model's exhaustive search. Cognitive models, in contrast, are typically linked with noncompensatory, heuristic processes. Two main noncompensatory procedures that are used when decisions are made based on multidimensional criteria are the conjunctive and the disjunctive procedures. In the former, evaluations are made on the basis of the existence of more than one dimensional threshold that must be satisfied; in the latter, evaluations depend on the existence of one dimension that is of paramount importance (Dawes 1964).

NONCOMPENSATORY DECISION RULES

Research has shown that decision makers use a variety of decision rules while making decisions. The main noncompensatory decision models, listed in Table 2.5, are the conjunctive (CON), disjunctive (DIS), elimination by aspect (EBA), and lexicographic (LEX) (Sage 1990).

Conjunctive Decision Rule (CON)

The conjunctive decision rule (CON) procedure, by definition, implies noncompensatory logic in which values must be above a certain level on each

dimension. The CON model posits the existence of multiple thresholds. The least relevant dimension has the greatest impact on the selection procedure because all dimensions must surpass the threshold. For example, having an excellent heart, liver, and lungs cannot compensate for the fact that the body's sole remaining kidney is dysfunctional (Dawes 1964, 105).

Under the CON decision rule, the decision maker sets a minimum acceptable value for each dimension of the decision. To be accepted, the alternative, or alternatives, have to be above the minimum acceptable value for all dimensions. An alternative is rejected if it fails to exceed any minimum value.

Disjunctive Decision Rule (DIS)

The disjunctive decision rule (DIS) is the mirror image of the conjunctive rule. Using the disjunctive rule, the decision maker sets a minimally acceptable value for each dimension. To be retained, an alternative has to pass the threshold value for at least one dimension. Alternatives that fail to meet this critical value are rejected.

The DIS procedure eliminates alternatives on the basis of the most important dimension. Robyn Dawes (1964, 105) gave the example of the football player who is selected based on his exceptional ability in one aspect of the game, be it passing, kicking, running, or blocking. A disjunctive process is followed if a team that needs a quarterback eschews an average quarterback who can kick quite well in favor of an excellent passer. The key to the DIS process is the most relevant dimension (Einhorn 1971, 3).

Elimination-by-aspect (EBA) Decision Rule

The elimination-by-aspect (EBA) decision rule is a sequential elimination decision heuristic. In this procedure, each attribute or dimension is given a different weight reflective of its importance. The dimensions are selected for their use in comparing alternatives with a probability proportional to their weight. Alternatives that do not score above a certain threshold on a key dimension are then sequentially discarded. Then a second dimension is chosen and the process is repeated until only one dimension remains (Payne et al. 1988). EBA is inherently similar to other noncompensatory models, but it differs mainly as a result of its probabilistic nature – meaning that the order in which elimination proceeds may vary from case to case as weights change (Tversky 1972a, 285; 1972b, 349–350).

Lexicographic (LEX) Decision Rule

The lexicographic decision rule (LEX) involves the selection of the alternative that provides the greatest utility on what has been deemed the most important

dimension (Payne et al. 1988); for example, imposing economic sanctions on the adversary because it produces weapons of mass destruction. Other examples include buying a stock based on a report on favorable future earnings, selling a stock because one needs the money, and buying a car because one likes its color. Search patterns and decision rules obviously influence FPDM because the use of a specific decision rule can lead to a different outcome than the use of another rule.

CONCLUSION

There are a number of interesting avenues for exploring the FPDM environment. This chapter outlines a number of them: decision types, levels of analysis, environmental factors, information search patterns, and decision rules. Taken together, these perspectives provide a rich tapestry for exploring how and why foreign decisions are made.