

# GV103: Introduction to International Relations

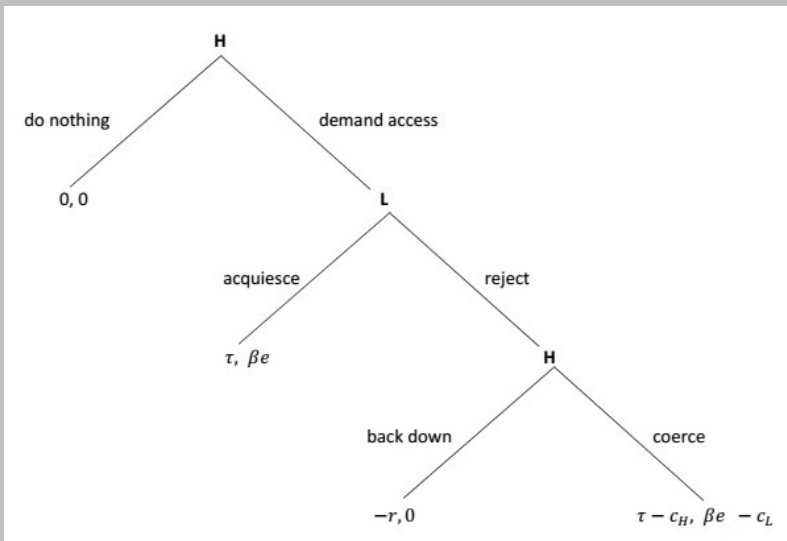
Dr. Philip Arena

Systemic Forces

# Introduction

- Two goals for this lecture
  - Discuss how **strong hegemons** foster cooperation
  - Evaluate implications for **trade**

# A Model of Coercive Cooperation



# Analysis

- Weak hegemon
  - If final stage reached, would back down
  - Anticipating this,  $L$  rejects demand
  - Anticipating that,  $H$  does nothing
  - Exists when  $c_H \geq \tau + r$
- Strong hegemon
  - If final stage reached, would coerce
  - Anticipating this,  $L$  acquiesces
  - Anticipating that,  $H$  demands access
  - Exists when  $c_H < \tau + r$

# Data

- Observations: international system from 1870 to 2006
- $y$ : total world trade
- $x_s$ : strongest state's share of  $m$  (top two, top three)

# Results

	Total Trade	Total Trade
Top Two	+*	
Top Three		+*