

# WORLD POLITICS

Vol. 44

January 1992

No. 2

## CONTENTS

Institutions and Culture: Health Policy and  
Public Opinion in the U.S. and Britain *Lawrence R. Jacobs* 179

Explaining the Long-Term Maintenance  
of a Military Regime: Panama before  
the U.S. Invasion *Steve C. Ropp* 210

Domestic Structure and Preventive War:  
Are Democracies More Pacific? *Randall L. Schweller* 235

### REVIEW ARTICLE

East Asia's Economic Success: Conflicting  
Perspectives, Partial Insights, Shaky Evidence *Robert Wade* 270

The Contributors ii

Abstracts iii

## THE CONTRIBUTORS

LAWRENCE R. JACOBS is Assistant Professor of Political Science at the University of Minnesota. He is the author of a forthcoming book, *The Influential Public: Health Policy and Public Opinion in the U.S. and Britain*.

STEVE C. ROPP is Professor of Political Science at the University of Wyoming. He is the author of *Panamanian Politics: From Guarded Nation to National Guard* (1982) and the coeditor of *Central America: Crisis and Adaptation* (1984).

RANDALL L. SCHWELLER is a MacArthur Foundation Fellow in International Conflict, Peace, and Security and a Ph.D. candidate in the Department of Political Science at Columbia University.

ROBERT WADE is a Fellow of the Institute of Development Studies, Sussex University, and Visiting Professor at the Sloan School of Management, Massachusetts Institute of Technology. He is the author of *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization* (1990) and is currently writing a book about irrigation, bureaucracy, and corruption in India, with a Korean comparison.

Authorization to photocopy items for internal or personal use, or the internal or personal use of specific clients, is granted by The Johns Hopkins University Press for libraries and other users registered with the Copyright Clearance Center (CCC) Transactional Reporting Service, provided that the fee of \$1.00 per copy is paid directly to CCC, 21 Congress St., Salem, MA 01970. 0043-8871/91 \$01.00

## ABSTRACTS

### INSTITUTIONS AND CULTURE:

#### HEALTH POLICY AND PUBLIC OPINION IN THE U.S. AND BRITAIN

By LAWRENCE R. JACOBS

This article argues that explaining institutional differentiation requires the incorporation of public preferences and understandings into accounts of state development. Using primary evidence concerning policy discussions and public opinion, it suggests that culture determined the specific features of both the British National Health Service Act of 1946 and the American Medicare Act of 1965, as well as the differences between them. Examining the interaction of institutions and culture inserts democratic standards into the top-heavy Weberian discussions of state autonomy and accounts for the seemingly inexplicable failure of policymakers to ensure cost control over the new health programs.

### EXPLAINING THE LONG-TERM MAINTENANCE OF A MILITARY REGIME:

#### PANAMA BEFORE THE U.S. INVASION

By STEVE C. ROPP

Before the U.S. invasion of December 1989, Panama experienced one of the longest periods of military rule in the modern-day history of Latin America. While numerous authoritarian military regimes emerged in the region during the 1960s and established for themselves a relatively high degree of autonomy from both domestic and international actors, only those in Panama, Paraguay, and Chile survived until the late 1980s. And of these three surviving military regimes, only Panama's was ended through the application of external military force. For the past several years, there has been considerable discussion of the factors that seem best to account for General Manuel Antonio Noriega's personal ability to resist U.S. pressure from 1987 until 1989 and to largely insulate himself from the political and economic constraints of Panamanian domestic politics. However, much less attention has been devoted to discussion of the factors that explain the long-term maintenance of the military authoritarian regime in existence for fifteen years prior to his assumption of power. This analysis suggests that the long-term maintenance of Panama's military authoritarian regime was due in large part to its ability to acquire substantial amounts of foreign capital. During the 1970s, such capital was preferentially obtained from the international banking community. During the 1980s, it was obtained through illicit activities of various kinds, including participation in the growing international drug trade.

### DOMESTIC STRUCTURE AND PREVENTIVE WAR:

#### ARE DEMOCRACIES MORE PACIFIC?

By RANDALL L. SCHWELLER

Realists have long viewed uneven rates of growth among states as a major cause of wars. According to strict logic of *realpolitik*, a declining dominant power should launch a preventive war against a rising challenger as a prudent long-term security strategy. But historically, power shifts have only sometimes resulted in war. Although preventive war has been the preferred response of declining authoritarian leaders, no democracy has ever initiated such a war. Instead, depending on the regime type of the rising challenger, democratic states have chosen accommodation, defensive alliances, or internal balancing to solve the problem of impending decline. In addition to establishing the correlation between preventive war and authoritarian regimes and explaining why democratic states forgo this option, this essay (1) develops a model based on the domestic structures of the leader and challenger that predicts which strategy will be employed by a declining dominant power and (2) tests the propositions against historical survey data and several in-depth case studies.

## WORLD POLITICS

### EAST ASIA'S ECONOMIC SUCCESS:

#### CONFLICTING PERSPECTIVES, PARTIAL INSIGHTS, SHAKY EVIDENCE

By ROBERT WADE

Neoliberal economists say that growth is easy, provided the state does not obstruct the natural growth-inducing processes of a capitalist economy. They point to the success of South Korea and Taiwan as evidence that this proposition also holds for quite poor economies. Using chapters of Helen Hughes's edited volume by way of illustration, this article shows that the neoliberals ignore so much contrary evidence as to suggest that the neoliberal paradigm has entered a degenerative stage, like classical economics in the years before Keynes's breakthrough and like much Marxist writing of the 1970s.

Two recent books about East Asia offer ways forward. The one by Alice Amsden argues that Korea has done better than other developing countries because it has created a more powerful synergy between a state that aggressively steers market competition and large, diversified business groups whose firms focus strategically on production processes at the shop floor. In conditions of "late development" this synergy is the key to success. Stephan Haggard's book accepts the core economic mechanism of the neoliberals but argues that the choice between sensible export-oriented policies, as in East Asia, or unsensible secondary import-substitution policies, as in Latin America, is determined by a complex conjunction of international pressures, domestic coalitions, political institutions, and ideas.

Both books make important contributions to the debate. But they are weakened by not situating the experience of their case studies within an account of trends in the world system and by not addressing the question of what prevented massive "government failure" in market interventions in the East Asian cases. The last part of this paper takes a short step in this direction.