

The Price of Protection: Success and Failure in Coercive Alliance Burden-Sharing¹

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Abstract

Existing scholarship on alliance burden-sharing focuses on explaining why smaller allies often under-contribute relative to their larger partners. However, the literature largely neglects the role played by coercive bargaining in shaping burden-sharing outcomes. I argue that rather than being a product of rational free-riding, allies' defense efforts are often a response to their patron's threat of abandonment. When the patron can more credibly threaten to reduce its protection, and when doing so would impose serious costs on allies, it is better positioned to elicit burden-sharing. I test the theory using data on allied burden-sharing in U.S. alliances from 1950-2010. The results show that allies increase their burden-sharing efforts when the United States faces resource constraints that brings its commitment into question, and that allies which are geographically vulnerable to attack contribute more for burden-sharing while allies which are in geostrategically valuable locations to the United States contribute less. I further illustrate the theory's causal mechanisms using qualitative evidence from burden-sharing in the U.S. alliances with South Korea and the United Kingdom.

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1 Introduction

In the wake of the 2016 presidential election, burden-sharing rose near the top of the U.S. foreign policy agenda. Both as a candidate and as President, Donald Trump repeatedly called for U.S. allies to pay more for their own defense. Trump argued that only allies paying their “fair share” should benefit from U.S. protection, and that the United States should be prepared “to walk” away from its commitments.¹ Defense Secretary James Mattis similarly warned the North Atlantic Treaty Organization (NATO) that “If your nations do not want to see America moderate its commitment to this alliance, each of your capitals needs to show support for our common defense.”² On other occasions, Trump even implied that he would seek direct cash payments from allies.³

Such efforts at coercive burden-sharing are not new, however. John F. Kennedy, for example, put enormous pressure on the Federal Republic of Germany to increase its defense efforts and compensate the United States for the costs of stationing hundreds of thousands of American troops in the country.⁴ He remarked in early 1963 that “We cannot continue to pay for the military protection of Europe while the NATO states are not paying their fair share and living off the ‘fat of the land.’”⁵ Jimmy Carter similarly threatened to withdraw U.S. troops from South Korea, and as a result the South Koreans agreed to increase their defense spending to 6% of their gross national

¹ Ben Jacobs, “Donald Trump Reiterates He Will Only Help NATO Countries that Pay ‘Fair Share,’” *The Guardian*, July 27, 2016, <https://www.theguardian.com/us-news/2016/jul/27/donald-trump-nato-isolationist> (accessed May 18, 2017); Esme Cribb, “Trump Doubles Down On NATO Comments: ‘We Have To Walk,’” *Talking Points Memo*, July 25, 2016, <http://talkingpointsmemo.com/livewire/trump-nato-we-have-to-walk> (accessed May 18, 2017).

² Helene Cooper, “Defense Secretary Mattis Tells NATO Allies to Spend More, or Else,” *New York Times*, February 15, 2017, <https://www.nytimes.com/2017/02/15/world/europe/jim-mattis-nato-trump.html> (accessed May 18, 2017).

³ Jeremy Lott, “Trump Reminds Merkel What Germany Owes NATO,” *Forbes*, April 7, 2017, <https://www.forbes.com/sites/realspin/2017/04/07/trump-reminds-merkel-what-germany-owes-nato> (accessed May 18, 2017).

⁴ Francis J. Gavin, *Gold, Dollars, and Power: The Politics of International Monetary Relations, 1958-1971* (Chapel Hill, NC: The University of North Carolina Press, 2004), 103–11.

⁵ Summary Record of NSC Executive Committee Meeting, No. 38 (Part II), January 25, 1963, *Foreign Relations of the United States (FRUS)*, 1961-1963, Vol. 13 (Washington, DC: United States Government Printing Office, 1994), p. 486.

product.⁶ In other cases, U.S. persuasion has not been as successful. The United Kingdom, for example, repeatedly proved resistant to U.S. pressure to retain its military presence in Asia during the 1960s.⁷

How, then, do we explain variation in the success or failure of coercive alliance burden-sharing? Since the pioneering work of scholars like Olson and Zeckhauser in the 1960s, the dominant research program on burden-sharing has treated security in alliances as a public good.⁸ The primary claim advanced by this literature is that the larger members of an alliance will tend to over-contribute to the costs of the alliance, since its success by-and-large depends on their efforts. Smaller members, by contrast, will under-contribute, or “free-ride.”⁹ This argument has generated considerable insights into the distribution of burdens in U.S. alliances – particularly in NATO – both during and after the Cold War.¹⁰ However, there is much variation that it has difficulty accounting for. It cannot explain why France withdrew from NATO’s military command in 1966, despite being among NATO’s largest members; why Germany since the end of the Cold War has been among NATO’s lowest spenders on defense as a percentage of its GDP; or why, by contrast, smaller NATO members in the 2010s – namely Estonia, Latvia, and Lithuania – have punched

⁶ Jong-Sup Lee and Uk Heo, *The U.S.-South Korean Alliance, 1961-1988: Free-Riding or Bargaining?* (Lewiston, NY: Edwin Mellen Press, 2002), 111–52.

⁷ John Dumbrell, “The Johnson Administration and the British Labour Government: Vietnam, the Pound and East of Suez,” *Journal of American Studies* 30, no. 2 (1996): 227–30; Glen O’Hara, “The Limits of US Power: Transatlantic Financial Diplomacy under the Johnson and Wilson Administrations, October 1964–November 1968,” *Contemporary European History* 12, no. 3 (2003): 275.

⁸ Mancur Olson Jr. and Richard Zeckhauser, “An Economic Theory of Alliances,” *The Review of Economics and Statistics* 48, no. 3 (1966): 266–79.

⁹ John R. Oneal, “The Theory of Collective Action and Burden Sharing in NATO,” *International Organization* 44, no. 3 (1990): 379–402; Thomas Plümpner and Eric Neumayer, “Free-Riding in Alliances: Testing an Old Theory with a New Method,” *Conflict Management and Peace Science* 32, no. 3 (2015): 247–68.

¹⁰ Todd Sandler, “The Economic Theory of Alliances: A Survey,” *The Journal of Conflict Resolution* 37, no. 3 (1993): 446–83; Todd Sandler and Hirofumi Shimizu, “NATO Burden Sharing 1999-2010: An Altered Alliance,” *Foreign Policy Analysis* 10 (2014): 43–60.

above their weight. Likewise, the economic theory of alliances cannot account for the rise in allied burden-sharing in 1970s and its subsequent fall in much of 1980s.¹¹

In this article, I present a theory which focuses explicitly on a great power's (or "patron's") ability to influence burden-sharing contributions of its junior allies ("allies," or "protégés"). In particular, the theory explains the conditions under which a patron's burden-sharing pressure is more or less likely to be effective. I argue that a patron's burden-sharing leverage is greatest when its threat to abandon the alliance is both *credible* and *salient* to its partners. Specifically, a patron can most credibly threaten to abandon allies when it faces constraints on the resources it can devote to its foreign commitments, and when allies are of limited strategic value. The consequences of abandonment, in turn, are most severe for allies that are highly vulnerable to attack.

In order to test the theory, I conduct statistical tests on U.S. alliances from 1950-2012, using data on allied military spending. Three key findings emerge from the results. First, I find that allies are more likely to increase their military spending when the United States faces resource constraints and pressure to retrench in the aftermath of costly foreign wars. Second, allies which are geographically vulnerable spend more on defense than allies with a large margin of security. Third, allies in geostrategically valuable locations near maritime chokepoints spend less on defense. I further illustrate the theory's causal mechanisms using short case studies on U.S. burden-sharing pressure toward South Korea and the United Kingdom during the 1960s and 1970s.

This article makes a number of contributions. For one, I directly draw attention to the bargaining process that shapes alliance burden-sharing. With few exceptions, the literature on free-riding and burden-sharing in asymmetric alliances has not emphasized the conditions under which great power patrons pressure their allies to pick up the burden. Instead, the literature has almost

¹¹ Songying Fang and Kristopher W. Ramsay, "Outside Options and Burden Sharing in Nonbinding Alliances," *Political Research Quarterly* 63, no. 1 (2010): 188–202.

exclusively focused on three questions: first, whether smaller allies free-ride more than larger allies¹²; second, whether alliance benefits such as deterrence and defense are truly “public” goods¹³; and third, how factors outside the context of the alliance itself may influence allies’ defense efforts.¹⁴ Studies generally adopt at most a tacit bargaining framework in which allies’ military expenditures are assumed to be responsive to changes in the military expenditures of the largest member.¹⁵ This article, by contrast, explicitly focuses on why and when patrons have bargaining leverage for extracting burden-sharing.

Second and more generally, the theory has implications for understanding how great powers – and especially hegemonic powers – manage their partnerships, deter adversaries, and maintain influence in the international system. Classic works in the international relations literature argue that free-riding is inherent in great powers’ alliances with weaker partners, and that the costs of maintaining these asymmetric partnerships can even contribute to overextension and long-term economic decline.¹⁶ Moreover, a lack of allied burden-sharing may make it more difficult for hegemonic states to compete with rising powers, and for great powers to deter their rivals more

¹² Olson and Zeckhauser, “An Economic Theory of Alliances”; Glenn Palmer, “Corralling the Free Rider: Deterrence and the Western Alliance,” *International Studies Quarterly* 34, no. 2 (1990): 147–64; Sandler, “The Economic Theory of Alliances: A Survey”; Plümper and Neumayer, “Free-Riding in Alliances: Testing an Old Theory with a New Method.”

¹³ Todd Sandler, “Impurity of Defense: An Application to the Economics of Alliances,” *Kyklos* 30, no. 3 (1977): 443–60; James C. Murdoch and Todd Sandler, “Complementarity, Free Riding, and the Military Expenditures of NATO Allies,” *Journal of Public Economics* 25, no. 1 (1984): 83–101; John R. Oneal and Mark A. Elrod, “NATO Burden Sharing and the Forces of Change,” *International Studies Quarterly* 33, no. 4 (1989): 435–56; Glenn Palmer, “Alliance Politics and Issue Areas: Determinants of Defense Spending,” *American Journal of Political Science* 34, no. 1 (1990): 190–211; Avery Goldstein, “Discounting the Free Ride: Alliances and Security in the Postwar World,” *International Organization* 49, no. 1 (1995): 39–71.

¹⁴ Bruce M. Russett, *What Price Vigilance?: Burdens of National Defence* (New Haven, CT: Yale University Press, 1970); Oneal, “The Theory of Collective Action and Burden Sharing in NATO”; Palmer, “Alliance Politics and Issue Areas: Determinants of Defense Spending”; Palmer, “Corralling the Free Rider: Deterrence and the Western Alliance.”

¹⁵ Exceptions include Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, who focus on American burden-sharing pressure on South Korea; and Alexander Lanoszka, “Do Allies Really Free-Ride?,” *Survival* 57, no. 3 (2015): 133–52, who argues that patrons may refrain from burden-sharing pressure in order to maintain allies’ loyalty.

¹⁶ Olson and Zeckhauser, “An Economic Theory of Alliances”; Robert Gilpin, *War and Change in World Politics*, First (Cambridge, MA: Cambridge University Press, 1981).

generally.¹⁷ Understanding how great powers encourage burden-sharing in their alliances thus has implications for understanding their ability to avoid “imperial overstretch” and navigate power transitions.¹⁸

The rest of this paper proceeds as follows. In the next two sections, I discuss the literature on burden-sharing and present my theory. I then proceed to a discussion of the research design and econometric results, followed by qualitative evidence from burden-sharing in the U.S.-South Korea and U.S.-United Kingdom alliances. Finally, I conclude with a discussion of theoretical and policy implications and avenues for future research.

2 Burden-Sharing in Asymmetric Alliances

There are two dominant strands of academic literature on burden-sharing in asymmetric alliances, both of which predict minimal burden-sharing. First, scholars argue that alliances between great powers and weaker states feature an asymmetric exchange of goods in which a great power provides security for the alliance, while the weaker power gives up “autonomy.” This autonomy can take a number of forms, from hosting the great power’s military bases to providing general support for its foreign policy initiatives.¹⁹ In this perspective, burden-sharing is limited almost by definition; the great power tacitly agrees to accept the costs of providing security in exchange for weaker states’ loyalty.²⁰ Lanoszka, for his part, similarly argues that allied “free-riding” may in some cases be the result of a “nuclear bargain,” in which the patron acquiesces to low levels of allied contributions in exchange for allies’ willingness to not pursue nuclear weapons.²¹

¹⁷ Gilpin, *War and Change in World Politics*.

¹⁸ Paul M. Kennedy, *The Rise and Fall of the Great Powers : Economic Change and Military Conflict from 1500 to 2000* (New York: Random House, 1987).

¹⁹ James D. Morrow, “Alliances and Asymmetry: An Alternative to the Capability Aggregation Model of Alliances,” *American Journal of Political Science* 35, no. 4 (1991): 904–33.

²⁰ David A. Lake, *Hierarchy in International Relations* (Ithaca, NY: Cornell University Press, 2009).

²¹ Lanoszka, “Do Allies Really Free-Ride?”

The second strand of literature more directly focuses on explaining burden-sharing outcomes, and draws on the logic of collective goods.²² In a seminal article, Olson and Zeckhauser argued that smaller countries tend to under-contribute to public goods – such as collective defense in an alliance – because their contributions are unlikely to be pivotal for the good to be provided.²³ Other scholars have built upon this observation to discuss conditions under which the logic of collective goods is more or less applicable to alliances. Some authors, for example, argue that collective defense is not always a public good but instead can be a good from which some countries benefit more than others, or from which some can be excluded altogether. In particular, some scholars argued that NATO’s shift toward a strategy of “Flexible Response” during the 1960s and 1970s, in which the alliance relied more on conventional defenses against an attack by the Warsaw Pact, and away from a “Massive Retaliation” approach that relied heavily on the threat of nuclear attack, meant that the strength of each ally’s military forces would be more important as a deterrent since members could not count on an overwhelming nuclear response from the United States.²⁴ Additionally, allies may spend more on defense than the logic of collective goods would predict because they are pursuing their own “private” goods from which their partners do not benefit – such as maintaining colonial empires or competing with non-shared rivals.²⁵

There is an alternative explanation, however, which has been largely understudied in the existing literature: bargaining. Patrons need not simply accept the level of effort their allies provide; rather, they may attempt to coerce or persuade them to do more. Indeed, Duncan Snidal noted in 1985 that powerful states can coerce their weaker allies such that the latter do not free-ride.²⁶ But

²² Mancur Olson, *The Logic of Collective Action: Public Goods and the Theory of Groups* (Cambridge: Harvard University Press, 1965).

²³ Olson and Zeckhauser, “An Economic Theory of Alliances.”

²⁴ Murdoch and Sandler, “Complementarity, Free Riding, and the Military Expenditures of NATO Allies.”

²⁵ Oneal and Elrod, “NATO Burden Sharing and the Forces of Change”; Oneal, “The Theory of Collective Action and Burden Sharing in NATO.”

²⁶ Duncan Snidal, “The Limits of Hegemonic Stability Theory,” *International Organization* 39, no. 4 (1985): 579–

the conditions under which such coercion is used and is more or less effective remain under-theorized and have not been the subject of much empirical testing. Perhaps the most notable exception to this is the study by Fang and Ramsay, who argue that a patron can drive a harder bargain with its partners when it can more easily find alternative partners.²⁷ They claim that such circumstances are most likely during periods of détente with adversaries, as here it is easier to cooperate with states outside of its existing allies. Similarly, Lee and Heo focus on factors that have shaped bargaining leverage in the U.S.-South Korea alliance, such as the threat environment and domestic politics, but they focus only on this one case and do not offer a general theory of burden-sharing.²⁸ In the following section, I lay out a unified theory of coercive burden-sharing, which I argue can explore variation in allied contributions both over time and across allies.

3 A Theory of Coercive Burden-Sharing

Burden-sharing is a key component of alliance management, as an alliance is unlikely to succeed in deterring and defeating adversaries unless its members possess adequate collective capabilities. As such, a patron will seek to ensure that its allies invest in their own defense, as well as in the alliance's collective goals. Failing this, the patron runs the risk of having to over-invest in the alliance in order to maintain the alliance's capability for adequate deterrence and defense – and if it fails to invest enough, it risks predation by competitors. Yet allies have incentives to free-ride, as they can devote those resources toward domestic consumption.²⁹ Moreover, in asymmetric

614.

²⁷ Fang and Ramsay, "Outside Options and Burden Sharing in Nonbinding Alliances."

²⁸ Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*.

²⁹ Michael N. Barnett and Jack S. Levy, "Domestic Sources of Alliances and Alignments: The Case of Egypt, 1962–73," *International Organization* 45, no. 3 (1991): 369–95; James D. Morrow, "Arms Versus Allies: Trade-Offs in the Search for Security," *International Organization* 47, no. 2 (1993): 207–33; Anessa L. Kimball, "Political Survival, Policy Distribution, and Alliance Formation," *Journal of Peace Research* 47, no. 4 (2010): 407–19.

alliances the contributions of the weaker partner(s) are less likely to decisively shift the balance of power between the alliance and the alliance's adversaries.³⁰

But allies will also be sensitive to patron coercion – and, in particular, to the possibility of abandonment. Bargaining in alliances occurs in the shadow of the threat of exit.³¹ A patron can use other means to persuade its allies to increase their burden-sharing efforts – including efforts to “name and shame” free-riders or economic inducements – but the threat to leave or otherwise reduce one's commitment to the alliance is its most potent bargaining chip.

Nevertheless, the patron faces obstacles in persuading its allies to burden-share, as its threat to exit the alliance over burden-sharing disputes may not be taken seriously. For one, the patron may have an inherent interest in defending and supporting its allies. Doing so allows it to deter expansion by neighboring states, mitigate regional security dilemmas that might otherwise lead to arms racing and wars, and preserve its ability to project power from their territory while denying that same privilege to adversaries.³² In the case of the United States in particular, the U.S. commitment to its allies is bolstered by its many troops stationed abroad, which act as cost-sinking and hands-tying devices and send costly signals of the United States' ability and willingness to defend its allies.³³ Indeed, many proponents of U.S. retrenchment favor withdrawing U.S. troops from abroad on the grounds that their presence encourages allied free-riding.³⁴

³⁰ Olson and Zeckhauser, “An Economic Theory of Alliances.”

³¹ Glenn H. Snyder, *Alliance Politics* (Ithaca, NY: Cornell University Press, 1997); Robert Jervis, *System Effects: Complexity in Political and Social Life* (Princeton, NJ: Princeton University Press, 1997); Timothy W. Crawford, *Pivotal Deterrence: Third-Party Statecraft and the Pursuit of Peace* (Ithaca, NY: Cornell University Press, 2003); the seminal work on exit in the marketplace is Albert O. Hirschman, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States* (Cambridge, MA: Harvard University Press, 1970).

³² Robert J. Art, *A Grand Strategy for America* (Ithaca, NY: Cornell University Press, 2003); Nuno P. Monteiro, *Theory of Unipolar Politics* (New York: Cambridge University Press, 2014).

³³ Morrow, “Alliances and Asymmetry: An Alternative to the Capability Aggregation Model of Alliances”; Thomas Schelling, *Arms and Influence*, 2008th ed. (New Haven, CT: Yale University Press, 1966); James D. Fearon, “Signaling Foreign Policy Interests: Tying Hands versus Sinking Costs,” *Journal of Conflict Resolution* 41, no. 1 (1997): 68–90.

³⁴ Barry R. Posen, *Restraint: A New Foundation for U.S. Grand Strategy* (Ithaca, NY: Cornell University Press, 2014).

There are reasons to suspect, however, that the United States need not go to such great lengths as withdrawing its foreign-deployed forces. First, existing evidence on the effects of U.S. troop presence on allied burden-sharing is both mixed and incomplete. On the one hand, Lake and Martinez Machain and Morgan find that states which host U.S. troops have lower defense contributions.³⁵ On the other hand, Allen, VanDusky-Allen, and Flynn show that NATO allies' defense efforts are positively related to U.S. military presence, while Bennett, Leggold, and Unger find that states with a large U.S. military presence – which they treat as a proxy for partners' dependence on the United States – were more likely to contribute to the 1990-91 Persian Gulf War.³⁶ Indeed, there are significant methodological hurdles to testing the relationship between U.S. presence and allied burden-sharing. For one, any relationship that exists between patron reassurance and allied burden-sharing may be spurious. For example, U.S. troop presence is likely to be correlated with threat, which may have an independent effect on allied military spending.

Second, the relationship between reassurance and burden-sharing may be endogenous; patrons may withhold reassurance from allies which are under-contributing and then reward them with assurances of protection once they have increased their efforts. Moreover, it is unclear what signal is even sent by U.S. troop presence. The straightforward free-riding approach treats U.S. signals of support as signals of U.S. interest in an ally's survival and commitment to its defense, thus predicting a negative effect on allied burden-sharing.³⁷ However, other authors treat U.S. signals

³⁵ Lake, *Hierarchy in International Relations*; Carla Martinez Machain and T. Clifton Morgan, "The Effect of US Troop Deployment on Host States' Foreign Policy," *Armed Forces & Society* 39, no. 1 (2013): 102–123.

³⁶ Michael A. Allen, Julie VanDusky-Allen, and Michael E. Flynn, "The Localized and Spatial Effects of US Troop Deployments on Host-State Defense Spending," *Foreign Policy Analysis* 12, no. 4 (2016): 674–94; Andrew Bennett, Joseph Leggold, and Danny Unger, "Burden-Sharing in the Persian Gulf War," *International Organization* 48, no. 1 (1994): 39–75.

³⁷ Martinez Machain and Morgan, "The Effect of US Troop Deployment on Host States' Foreign Policy"; Jo Jakobsen and Tor G. Jakobsen, "Tripwires and Free-Riders: Do Forward-Deployed US Troops Reduce the Willingness of Host-Country Citizens to Fight for Their Country?," *Contemporary Security Policy* Forthcoming (2018): doi: 10.1080/13523260.2018.1492066.

of support as a proxy measure for *allies'* dependence on the United States, and expect a positive effect on allied burden-sharing.³⁸

Second, focusing purely on a patron's signals of commitment ignores the patron's *ex ante* bargaining leverage and threat of abandonment. Even if troops are present, allies may fear (and, indeed, the patron may threaten) that they will be withdrawn. What matters is not only the presence of the patron's troops at time t , but rather how and whether allies expect the situation could change at time $t+n$. Indeed, evidence suggests that the United States deliberately stations U.S. troops abroad and uses other forms of reassurance *because* of perceptions about U.S. unreliability, thus implying that U.S. signals of support are endogenous to the ally's perception of U.S. reliability.³⁹

The solution to these methodological and theoretical challenges in studying the effects of endogenous signals of patron commitment, then, is to look first at more *ex ante*, exogenous conditions under which a patron's threat of abandonment is most effective. Indeed, reassurance and threats are not opposite ends of a spectrum, but rather can be used in tandem. Successful coercion requires the combination of threats and assurances; without reassurance, allies may lose faith in their patron's protection and conclude that even if they comply with its demands it will simply abandon them anyway.⁴⁰ Thus, the question is not only or even primarily "does being assured of protection lead allies to free-ride," but rather: under what conditions can a patron most credibly make its protection conditional on allied burden-sharing?

In the following parts of this section I describe the conditions under which patrons' threats of abandonment are more credible and salient to allies. In particular, these threats will be most believable when the patron can reasonably claim that its alliances no longer serve its interests or

³⁸ Bennett, Lepgold, and Unger, "Burden-Sharing in the Persian Gulf War."

³⁹ Brian Blankenship, "Promises under Pressure: Reassurance and Burden-Sharing in Asymmetric Alliances" (Ph.D. Dissertation, Columbia University, 2018).

⁴⁰ Schelling, *Arms and Influence*; James W. Davis, *Threats and Promises: The Pursuit of International Influence* (Baltimore, MD: Johns Hopkins University Press, 2000).

are unnecessary, whether because its perception of threat has declined, because a particular ally is of limited strategic value, or because it faces constraints on the resources it can devote to its foreign commitments. Additionally, threats of abandonment will be more salient to allies to the extent that they are vulnerable to attack.

3.1 Threats of Abandonment and the Effectiveness of Burden-Sharing Pressure

A patron's ability to successfully pressure its allies to increase their burden-sharing efforts depends on the credibility of its threat to abandon them and how salient that threat is to them. As an alternative to its alliances, a patron has two options for meeting its security and autonomy needs. First, it can unilaterally shed its commitments or reduce the amount of protection it provides. This can take the form of pursuing a more self-sufficient or even isolationist foreign policy. Alternatively, a patron can pursue rapprochement with its adversaries. These are far from mutually exclusive, and indeed are mutually reinforcing; détente with an adversary can facilitate efforts toward isolationism or retrenchment by reducing the *raison d'être* of having alliances. Second, the patron can find other allies to rely upon.

The extent to which the patron is capable of pursuing either of these alternative options thus determines the credibility of its threat to abandon allies. In particular, these outside options become more credible when the costs of maintaining its alliances become untenable for the patron, or when an alliance's benefits are less salient. Extending guarantees of protection allows the patron to deter expansion by adversaries, which might otherwise seek to gain influence over the patron's allies and encroach upon their territory, in order to prevent them from becoming more powerful and threatening in the future. However, these entanglements become less attractive when the patron faces constraints on its resources that render its foreign commitments less sustainable.

Additionally, the patron's threat to abandon any particular ally depends on the extent to which it is strategically valuable.

The salience of the patron's threat of abandonment, in turn, depends on each ally's threat environment. The greater the level of threat an ally faces, the more costly being abandoned by the patron would be. In the rest of this section I discuss in greater detail each of these factors – the patron's resource constraints, allies' strategic value, and the threat environment – and derive testable hypotheses.

3.1.1 Resource Constraints

The patron's threat of abandonment will be more credible to the extent that it faces constraints on the resources it can devote to its foreign commitments. Whether it is due to economic hardship, costly wars, or fiscal strain, resource constraints put pressure on the patron to retrench – both by cutting defense spending and by reducing its overseas military footprint.⁴¹ Additionally, domestic populaces that are war-weary or faced with painful fiscal trade-offs are likely to have less appetite for foreign commitments.⁴² As a result, allies are likely to doubt both the patron's *capability* to protect them and its *willingness* to do so, as in such circumstances retrenchment is likely to become more attractive for the patron.

When policymakers have intrinsic incentives to retrench, they can use those incentives to put burden-sharing pressure on allies. Leaders can claim that their country's commitment is not entirely in their hands, and that allies must contribute more to the common defense in order to both appease

⁴¹ Kennedy, *The Rise and Fall of the Great Powers : Economic Change and Military Conflict from 1500 to 2000*; Aaron L. Friedberg, *The Weary Titan : Britain and the Experience of Relative Decline, 1895-1905* (Princeton, NJ: Princeton University Press, 1988); Paul K. MacDonald and Joseph M. Parent, "Graceful Decline? The Surprising Success of Great Power Retrenchment," *International Security* 35, no. 4 (2011): 7–44.

⁴² Terrence L. Chapman, Patrick J. McDonald, and Scott Moser, "The Domestic Politics of Strategic Retrenchment, Power Shifts, and Preventive War," *International Studies Quarterly* 59, no. 1 (2015): 133–44.

U.S. domestic audiences, and to offset the patron's reduced ability to provide security.⁴³ In the late 1960s and early 1970s, for example, U.S. officials faced great pressure from Congress to reduce the United States' overseas footprint in the wake of the costly Vietnam War. This most notably took the form of the Mansfield Amendments and Resolutions, sponsored by the Senate Majority Leader, which called for withdrawing significant numbers of U.S. troops from Europe. Officials in the Johnson and Nixon administration were able to exploit allies' concerns about U.S. reliability in order to persuade them to assume great defense burdens.⁴⁴ Similarly, during the 1950s, Dwight Eisenhower's administration put pressure on allies to increase their burden-sharing efforts as part of his post-Korean War "New Look" policy, in which the United States would cut its own efforts. Secretary of State John Foster Dulles, for example, threatened an "agonizing reappraisal" of NATO commitment if the European allies did not take sufficient measures to pursue their own self-defense.⁴⁵

Moreover, resource constraints give the patron an incentive to pursue accommodation with its adversaries. When it faces strain on its capabilities or pressure to retrench from its domestic audiences, the patron becomes vulnerable to challenges from other states and may face budgetary or manpower constraints.⁴⁶ As such, rapprochement with competitors may become an attractive way of biding time and reducing costs until it is better able to compete.⁴⁷

The pursuit of détente with adversaries, in turn, makes the patron's threat to abandon allies more credible by reducing its deterrence needs – and thus its need for allies. Fang and Ramsay, for

⁴³ Kyle Haynes, "Decline and Devolution: The Sources of Strategic Military Retrenchment," *International Studies Quarterly* 59, no. 3 (2015): 490–502.

⁴⁴ Phil Williams, *The Senate and U.S. Troops in Europe* (London: Macmillan, 1985).

⁴⁵ Stanley R. Sloan, *Defense of the West: NATO, the European Union, and the Transatlantic Bargain* (Manchester, UK: Manchester University Press, 2016), 44.

⁴⁶ Gilpin, *War and Change in World Politics*.

⁴⁷ Daniel Treisman, "Rational Appeasement," *International Organization* 58, no. 2 (April 1, 2004): 345–73; Paul K. MacDonald and Joseph M. Parent, *Twilight of the Titans: Great Power Decline and Retrenchment* (Ithaca, NY: Cornell University Press, 2018).

one, argue that allies' value to the United States diminishes when relations between it and its adversaries are less tense, and that as a result allies increase their burden-sharing in response to the possibility of U.S. abandonment.⁴⁸ Allies are likely to fear being “sold out” as part of a deal between the patron and the adversary.⁴⁹ Indeed, West Germany and other NATO allies feared the possibility of a “grand bargain” between the United States and the Soviet Union during the 1970s, in which the United States would withdraw troops from Europe and allow the Soviet Union to have a larger sphere of influence in exchange for Soviet pledges not to attack the United States with nuclear weapons.⁵⁰

Hypothesis 1: *When the patron experiences constraints on its resources, allies will increase their burden-sharing efforts.*

3.1.2 Ally Strategic Value

The patron can more easily threaten to abandon an ally when that partner is less strategically valuable.⁵¹ By contrast, when a patron has few alternative options for local partners, its threat to abandon allies is less credible, and therefore its ability to pressure allies for burden-sharing is diminished. In particular, I would expect that the patron will have a less credible threat to abandon allies in geostrategically valuable locations.⁵² Having access to such locations – and denying them to adversaries – allows the patron to project power while restricting its adversary's ability to do so.

⁴⁸ Fang and Ramsay, “Outside Options and Burden Sharing in Nonbinding Alliances.”

⁴⁹ Keren Yarhi-Milo, Alexander Lanoszka, and Zachary Cooper, “To Arm or To Ally? The Patron's Dilemma and the Strategic Logic of Arms Transfers and Alliances,” *International Security* 41, no. 2 (2016): 90–139.

⁵⁰ Clift to Kissinger, “Reported Reactions in FRG Cabinet to US-USSR Agreement on the Prevention of Nuclear War,” June 30, 1973, Folder “Germany, Vol. XIII [2 of 3],” NSC Files, Country Files, Box 687, Richard M. Nixon Library, Yorba Linda, California [hereafter RMNL]; Telegram from U.S. embassy (Bonn) to Rogers and Hillenbrand, “Recent FRG Views on MBFR,” June 1971, Folder “Germany, Vol. IX [3 of 3],” NSC Files, Country Files, Box 685, RMNL.

⁵¹ Alexander Cooley and Hendrik Spruyt, *Contracting States: Sovereign Transfers in International Relations* (Princeton, NJ: Princeton University Press, 2009); Chad Rector, *Federations: The Political Dynamics of Cooperation* (Ithaca, NY: Cornell University Press, 2009).

⁵² A similar logic may hold for allies rich in natural resources such as oil; however, this does not apply to most formal U.S. allies.

Turkey, for example, controls the Bosphorus strait, which serves to connect the Black Sea and Mediterranean Sea. As a result, Russian and Soviet attempts to project naval power from the Black Sea faced potential interdiction, thus serving to make Turkey strategically valuable for not only Russia (and the Soviet Union), but also any adversary seeking to deny it access to the Mediterranean such as the United States.⁵³ Likewise, U.S. bases in the Western Pacific allowed it to contest Soviet attempts to project power using its Pacific Fleet.⁵⁴

Hypothesis 2: *Geostrategically valuable allies will contribute less for burden-sharing.*

3.1.3 External Threat

Threat creates need for the alliance, but its effect on bargaining within the alliance is indeterminate. Instead, what matters is which party perceives the threat more acutely. While threat raises the consequences of abandonment for allies, it may also undermine the credibility of abandonment for the patron.

On the one hand, my theory would expect that a patron's leverage for burden-sharing will be shaped by the level of damage it can impose by abandoning an ally. This, in turn, is a function of how much worse-off an ally would be if it were suddenly left without the patron's protection. In particular, allies will be vulnerable to coercive burden-sharing pressure to the extent that they have a high perception of external threat.

⁵³ Robert Chamberlain, "Security Exchange Theory: How Great Powers Trade Security with Small States" (Ph.D. Dissertation, New York, Columbia University, 2014).

⁵⁴ Michael C. Desch, "The Keys That Lock Up the World: Identifying American Interests in the Periphery," *International Security* 14, no. 1 (1989): 86–121; David A. Lake, *Entangling Relations: American Foreign Policy in Its Century* (Princeton, NJ: Princeton University Press, 1999).

On the other hand, however, it is important to distinguish between patron and ally threat perception, as the two are likely to have counterbalancing effects on burden-sharing. When the patron perceives a high level of threat from an adversary, it has less incentive to remain aloof from its allies, or else risk tempting the adversary to take its chances and attack a seemingly disunited alliance that does not have the patron's full commitment. This in turn reduces the patron's ability to threaten its allies with abandonment in order to demand burden-sharing efforts. Indeed, Christensen argues that alliance disunity – including over issues of burden-sharing – can tempt adversaries into attacking, presenting evidence from competition between the U.S. and Communist alliance systems in East Asia. Running such a risk is more dangerous when the threat environment is more dangerous.⁵⁵ As a result, allies can effectively exploit the patron's reluctance to drive a hard bargain with them during such periods.

The patron is by definition the most disproportionately powerful member of the alliance, and as such its ability to pass the buck to its allies is limited.⁵⁶ This is especially the case when an adversary poses a high level of threat to its neighbors, as allies may lack the capability to manage the threat themselves. Moreover, the patron has incentive to contain the expansion of hostile regional powers, lest they become even more of a threat in the future.⁵⁷ As Handel put it, during the Cold War “the readiness on the part of the super powers to pay almost any price to keep their primacy and alliance systems intact create[d] a situation in which weak states could enjoy defense and protection while at the same time reducing their own defense expenditures.”⁵⁸

⁵⁵ Thomas J. Christensen, *Worse Than a Monolith: Alliance Politics and Problems of Coercive Diplomacy in Asia* (Princeton, NJ: Princeton University Press, 2011).

⁵⁶ Kenneth N. Waltz, *Theory of International Politics* (Boston: McGraw-Hill, 1979); John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2001).

⁵⁷ Stephen M. Walt, *The Origins of Alliances* (Ithaca, NY: Cornell University Press, 1987); Evan Braden Montgomery, *In the Hegemon's Shadow: Leading States and the Rise of Regional Powers* (Ithaca, NY: Cornell University Press, 2016).

⁵⁸ Michael I. Handel, *Weak States in the International System* (Totowa, NJ: Frank Cass, 1981), 149.

Making empirical predictions about the effects of threat on burden-sharing thus requires disentangling patron and ally threat perceptions, as factors that elevate both are likely to have a mixed and ultimately indeterminate effect on allies' burden-sharing efforts. Stephen Walt famously argued that threat is a function of capabilities, intentions, and geography.⁵⁹ Of these, I argue that *geography* is the best-suited to making empirical predictions for burden-sharing, as it is a constant for the patron but varies significantly across allies.

Geographic proximity directly exposes allies to the costs of abandonment. As a result, the patron will be able to more effectively wield the threat of abandonment against geographically vulnerable allies – and thus to more effectively demand burden-sharing. By contrast, allies which are far from danger may be able to free-ride on the protection the patron provides to allies on the front-lines. During the Cold War, vulnerable allies such as South Korea, Turkey, and West Germany tended to be quite susceptible to U.S. burden-sharing pressure. Turkey, for example, hosted a substantial number of U.S. forces, but was nevertheless among the largest contributors to NATO.⁶⁰ Indeed, it is telling that many smaller U.S. allies that have faced comparatively higher levels of threat, such as South Korea, Poland, and the Baltic states, have often punched above their weight in assisting U.S. military interventions in, for example, Vietnam and Iraq.⁶¹

By contrast, states that are not immediately proximate to a major source of threat are less susceptible to the patron's pressure. Portugal, for example, contributed little to NATO for much of the 1950s through the 1970s, as it was far more concerned with protecting its overseas empire – and indeed even threatened to hold its bases in the Azores hostage from the United States on a

⁵⁹ Walt, *The Origins of Alliances*.

⁶⁰ Nasuh Uslu, *The Turkish-American Relationship Between 1947 and 2003: The History of a Distinctive Alliance* (Hauppauge, NY: Nova Science Publishers, 2003), chap. 4.

⁶¹ Bennett, Lepgold, and Unger, "Burden-Sharing in the Persian Gulf War"; Min Yong Lee, "The Vietnam War: South Korea's Search for National Security," in *The Park Chung Hee Era: The Transformation of South Korea*, ed. Pyöng-guk Kim and Ezra F. Vogel (Cambridge, MA: Harvard University Press, 2011), 403–29.

number of occasions.⁶² Similarly, Japan was generally more resistant to U.S. burden-sharing pressure during the Cold War than was South Korea or West Germany, in no small part because Japan's margin of security was much greater due to its being separated from the Asian mainland by water, and because South Korea provided a buffer for it. To the frustration of U.S. officials, the Japanese have historically spent relatively little of their GDP on their self-defense.⁶³

Hypothesis 3: *Geographically vulnerable allies will contribute more for burden-sharing.*

3.2 Alternative Explanations

My theory's predictions can be contrasted with those of several alternative explanations. The first of these is the "economic theory of alliances" originally described by Olson and Zeckhauser, which predicts that larger allies tend to contribute a disproportionate amount of their GDP to defense.⁶⁴ The second of these is the prediction offered by both deterrence theory and by traditional balance of power theory: namely, that allies' military spending will primarily be a response to their threat environment. The logic of my hypotheses does not discount this, but rather stresses that threat has cross-cutting effects; periods of high threat may not produce higher allied military spending because they also trigger an increase in the patron's commitment to allies' security, which undercuts its threat of abandonment and dampens allies' incentives for military investments. My

⁶² Alvaro Vasconcelos, "Portuguese Defence Policy: Internal Politics and Defense Commitments," in *NATO's Southern Allies: Internal and External Challenges*, ed. John Chipman (New York: Routledge, 1988); Intelligence Memorandum Prepared in the Central Intelligence Agency, "Current Problems in NATO," January 21, 1969, FRUS, 1969-1976, Vol. 41, p. 9.

⁶³ John Swenson-Wright, *Unequal Allies? United States Security and Alliance Policy Toward Japan, 1945-1960* (Stanford, CA: Stanford University Press, 2005), chap. 6.

⁶⁴ Olson and Zeckhauser, "An Economic Theory of Alliances."

theory expects that threat will only lead to more burden-sharing to the extent that it shapes allies' security environments more profoundly than that of their patron.

The third is regime type. Democratic states are more accountable to their populations than are autocratic states, and a large body of literature finds that democracies on average spend less on their militaries than non-democracies.⁶⁵ Thus, one may expect that democratic allies may exhibit military spending patterns that distinctive from autocratic allies.

4 Research Design

I test the hypotheses using a cross-national dataset of burden-sharing among American allies. The unit of analysis is the U.S. ally-year. My sample runs from 1950-2012 and includes all states that are defined as having defense pacts with the United States by the Correlates of War.⁶⁶ Ideally, I would include Soviet alliances in addition to American alliances, as the Soviet Union is the other post-1945 great power which has had a network of asymmetric alliances. Yet there are at least two differences between their blocs that render comparisons difficult. First, participation in the American alliance system was voluntary rather than coerced. Second, Soviet allies were

⁶⁵ Michelle R. Garfinkel, "Domestic Politics and International Conflict," *American Economic Review* 84, no. 5 (1994): 1294–1309; Benjamin E. Goldsmith, "Bearing the Defense Burden, 1886-1989: Why Spend More," *Journal of Conflict Resolution* 47, no. 5 (2003): 551–73; Benjamin O. Fordham and Thomas C. Walker, "Kantian Liberalism, Regime Type, and Military Resource Allocation: Do Democracies Spend Less?," *International Studies Quarterly* 49, no. 1 (2005): 141–57; Jeff Carter and Glenn Palmer, "Keeping the Schools Open While the Troops Are Away: Regime Type, Interstate War, and Government Spending," *International Studies Quarterly* 59, no. 1 (2015): 145–57.

⁶⁶ Douglas M. Gibler, *International Military Alliances, 1648-2008* (Washington, DC: CQ Press, 2009). I exclude U.S. allies in the Americas – both Canada, to which the United States is allied through NATO) and the Latin American countries, many of which it is allied to through the Rio Treaty. This is because these countries were largely insulated from the Cold War contest with the Soviet Union, and were not subject to direct threat of attack from the Communist bloc – only to internal subversion, which is not this article's focus. Moreover, they were within the United States' Monroe Doctrine sphere of influence – its "backyard" – and so coercive burden-sharing through the threat of abandonment did not feature prominently in U.S. alliances in the Western Hemisphere. See Tom Long, *Latin America Confronts the United States: Asymmetry and Influence* (New York: Cambridge University Press, 2015). Finally, there is little-to-no variation among for my independent variables – particularly strategic value, and also contiguity to shared adversaries – among allies in the Americas.

comparatively more concerned with internal threats than external ones.⁶⁷ However, although I do not explicitly study Soviet alliances, research by Daniel Nelson shows that burden-sharing in the Warsaw Pact was driven partly by members' perceptions of the likelihood of Soviet abandonment.⁶⁸

4.1 Dependent Variable

My primary dependent variable is allies' level of burden-sharing effort, measured using their military expenditures as a percentage of gross domestic product (GDP). Data on expenditures come from version 5.0 of the Correlates of War's National Material Capabilities (NMC) dataset and are used from 1950-2012.⁶⁹ Hypothesis 1, on the one hand, and Hypotheses 2 and 3, on the other, make predictions for slightly different outcomes, however – the former purports to explain *changes* in burden-sharing, while the latter makes predictions for absolute levels of effort – and thus I use two different operationalizations of allied military spending. In order to assess variation in military spending over time for H3.1.1, I use annual variation in allies' expenditures. For cross-national variation (H3.1.2 and H3), I instead use allies' amount of spending in each year. Following the convention in the literature, I use allies' military expenditures as a percentage of GDP to measure burden-sharing, as this captures which countries devote more or less of their resources toward defense, while also normalizing military spending by accounting for market size.⁷⁰

While military spending is a somewhat coarse measure of allied burden-sharing, given that it does not separate independent allied arming from efforts which are explicit alliance contributions,

⁶⁷ Hope M. Harrison, *Driving the Soviets up the Wall: Soviet-East German Relations, 1953-1961* (Princeton, NJ: Princeton University Press, 2005).

⁶⁸ Daniel N. Nelson, *Alliance Behavior in the Warsaw Pact* (Boulder, CO: Westview Press, 1986).

⁶⁹ J. David Singer, "Reconstructing the Correlates of War Dataset on Material Capabilities of States, 1816-1985," *International Interactions* 14 (1987): 115–32.

⁷⁰ Olson and Zeckhauser, "An Economic Theory of Alliances"; Garfinkel, "Domestic Politics and International Conflict"; Carter and Palmer, "Keeping the Schools Open While the Troops Are Away: Regime Type, Interstate War, and Government Spending."

it is the most widely available measures for cross-national analysis. Moreover, while some military spending may be purely internal balancing for allies' own purposes rather than direct alliance contributions, this is in many cases exactly what the United States seeks: for allies to do more for themselves.

4.2 Independent Variable

My first set of independent variables measure U.S. resource constraints. The first of these captures the costs of the U.S. wars in Korea, Vietnam, and Afghanistan and Iraq. Specifically, I include a three-year moving average of the annual U.S. casualties in these wars to capture how the costs of U.S. wars accumulate and dissipate over time, logarithmized to reduce the skew caused by large values. Data come from the U.S. Defense Manpower Data Center (DMDC).⁷¹ Wars can divert resources from the economy, increase the deficit and debt, contribute to inflation, and constrain military manpower, and their costs are likely to create pressure to divert resources from other commitments.⁷² Indeed, Krebs and Spindel argue that allies are most likely to doubt their patron's commitment once the war has taken a toll on its resources and political will.⁷³ As I discuss in Section

⁷¹ For Korea, see: <https://catalog.archives.gov/id/2240988> and <https://www.archives.gov/research/military/korean-war/casualty-lists> (accessed September 18, 2019). For Vietnam, see: <https://www.archives.gov/research/military/vietnam-war/casualty-statistics> (accessed September 18, 2019). For Afghanistan, see: https://dcas.dmdc.osd.mil/dcas/pages/report_oef_month.xhtml (accessed February 12, 2020). For Iraq, see: <https://web.archive.org/web/20110303182653/http://siadapp.dmdc.osd.mil/personnel/CASUALTY/oif-total-by-month.pdf> (accessed September 18, 2019).

⁷² Hugh Rockoff, *America's Economic Way of War: War and the U.S. Economy from the Spanish-American War to the Persian Gulf War* (New York: Cambridge University Press, 2012); Thomas Oatley, *A Political Economy of American Hegemony: Buildups, Booms, and Busts* (New York: Cambridge University Press, 2015); Sarah E. Krebs, *Taxing Wars: The American Way of War Finance and the Decline of Democracy* (New York: Oxford University Press, 2018).

⁷³ Ronald R. Krebs and Jennifer Spindel, "Divided Priorities: Why and When Allies Differ Over Military Intervention," *Security Studies* 27, no. 4 (2018): 575–606.

5.1, the results are also robust to using a variable that captures war duration, as well as to using a five-year average instead of a three-year average. Second, I capture U.S. economic constraints using the annual percentage change in U.S. GDP.

Next, in order to measure allies' strategic value, I create a dummy variable which takes a value of 1 if an ally is positioned near a key maritime chokepoint such that ships traveling through the chokepoint would need to pass by them to reach open waters. Following Stravers⁷⁴, I include chokepoints defined by the U.S. Energy Information Administration as major oil transit chokepoints.⁷⁵ Additionally, I include three more chokepoints of military significance: the Strait of Gibraltar safeguarding passage between the Atlantic Ocean and Mediterranean Sea⁷⁶; the "Greenland-Iceland-United Kingdom" (GIUK Gap) in the North Atlantic which stands between Russia and the Atlantic Ocean⁷⁷; and the Sea of Japan in the Northwestern Pacific, which stands between the Russian Far East port of Vladivostok and the Pacific Ocean.⁷⁸ Having access to countries situated near these chokepoints facilitates U.S. efforts to keep them open to international trade, as well as to create a bottleneck through which adversary ships would need to travel. Thus, having access to countries at key maritime chokepoints allowed the United States to both project power itself and secure its own maritime trade while simultaneously hindering adversaries' ability

⁷⁴ Andrew Stravers, "Pork, Parties, and Priorities: Partisan Politics and Overseas Military Deployments," *Conflict Management and Peace Science* Forthcoming (2018), <https://doi.org/10.1177/0738894218809702>.

⁷⁵ U.S. Energy Information Administration, "World Oil Transit Chokepoints," July 25, 2017, https://www.eia.gov/international/content/analysis/special_topics/World_Oil_Transit_Chokepoints/wotc.pdf. These are the following: Bab al-Mandab Strait; the Bosphorus; Danish Straits; Panama Canal; Strait of Hormuz; Strait of Malacca; and Suez Canal.

⁷⁶ On the Strait of Gibraltar's role in access between the Atlantic Ocean and Mediterranean Sea, see: Ranft and Till, *The Sea in Soviet Strategy*, 206–9, 218, 222–24.

⁷⁷ On Iceland's position in the "Greenland-Iceland-UK" (GIUK) gap between the Arctic and Atlantic Oceans, see: Michael J. Mazarr et al., *What Deters and Why: Exploring Requirements for Effective Deterrence of Interstate Aggression* (Santa Monica, CA: RAND Corporation, 2018), 146–47.

⁷⁸ On Japan and South Korea's role in access through the Sea of Okhotsk and the Sea of Japan, see: Ranft and Till, *The Sea in Soviet Strategy*, 117.

to project power and exposing adversaries' maritime trade to interdiction, rendering its threat to abandon them less credible.⁷⁹

Finally, I measure vulnerability to threat by using allies' proximity to shared adversary countries. Specifically, I create a dummy variable which takes a value of 1 if an ally either shares a land border with or is separated by 400 miles or less of water by an adversary country.⁸⁰ In some models I also separate this into two dummy variables, one indicating a land border and the other indicating separation by ≤ 400 miles of water.⁸¹ I would expect allies directly contiguous to adversaries to be the most susceptible to U.S. burden-sharing pressure, since unlike allies that lack a buffer country between themselves and adversaries they are more likely to be immediately involved in the event of conflict.⁸²

I use two dummy variables to capture allies' vulnerability and strategic location rather than using the absolute distances to strategic chokepoints and distance from adversaries, both because the latter are highly collinear, and because I expect each to have a nonlinear effect. The difference between allies that are moderately close and those further away are less meaningful than the difference between allies that are moderately close and those that border it. However, as robustness checks I also use the distances (in kilometers) between each ally and the nearest maritime chokepoint, as well as between each ally and shared adversaries.⁸³

⁷⁹ Ultimately, the following countries are receive a score of 1 on the dummy variable: Denmark (Danish Straits); Germany (Danish Straits); Greece (Bosporus); Iceland (GIUK Gap); Japan (Sea of Japan); Norway (Danish Straits); South Korea (Sea of Japan); Spain (Gibraltar); Turkey (Bosporus); United Kingdom (Gibraltar; GIUK Gap).

⁸⁰ During the Cold War, I define shared adversaries as any member of the Soviet bloc – all members of the Warsaw Pact, as well as China, North Korea, North Vietnam, and (starting in 1976) Laos and Cambodia – and during the post-Cold War period I define them as Russia, China, and the “rogue states” identified by the George W. Bush Administration as being members of the “axis of evil”: Iraq, Iran, and North Korea.

⁸¹ Data come from version 3.1 of the Correlates of War's Direct Contiguity dataset. Douglas M. Stinnett et al., “The Correlates of War Project Direct Contiguity Data, Version 3,” *Conflict Management and Peace Science* 19, no. 2 (2002): 58–66.

⁸² Tanisha Fazal, *State Death: The Politics and Geography of Conquest, Occupation, and Annexation* (Princeton, NJ: Princeton University Press, 2007).

⁸³ See Appendix A2 in the supplementary information for additional details.

4.3 Control Variables

4.3.1 Economic and Political Characteristics

I first control for allies' annual GDP growth, measured as a percentage of the previous year's GDP, as one can expect that growing economies will collect more revenue which they can spend on defense, while economies strained by recession will suffer declines in government revenue. Data come from Gleditsch's Expanded version 8.0 of the Penn World Table, with data extended to include more countries and years by Gleditsch.⁸⁴ Second, I control for allies' economic size, using their GDP, and their economic development, using GDP per capita. Allies which have greater resources at their disposal might be expected to spend more on defense, and the literature on alliance burden-sharing has long focused on the effects of GDP on military spending.⁸⁵ Alternatively, economically developed countries may instead prefer to focus their spending on domestic welfare. Both variables are logarithmized and in constant 2005 U.S. dollars, and come from Gleditsch's Expanded GDP and Trade Dataset.⁸⁶ Third, I control for allies' regime type using the binary democracy indicator created by Cheibub, Gandhi, and Vreeland.⁸⁷

4.3.2 Security Environment

Additionally, because allies may tailor their defense efforts based on their perceptions of threat, I also control for numerous factors that shape allies' security environments. The first of these are the capabilities of the United States and its competitors. Here, I define the primary competitor of the

⁸⁴ Robert C. Feenstra, Robert Inklaar, and Marcel P. Timmer, "The Next Generation of the Penn World Table," *American Economic Review* 105, no. 10 (2015): 3150–82; Kristian S. Gleditsch, "Expanded Trade and GDP Data," *Journal of Conflict Resolution* 46, no. 5 (2002): 712–24.

⁸⁵ Goldsmith, "Bearing the Defense Burden, 1886-1989: Why Spend More"; Olson and Zeckhauser, "An Economic Theory of Alliances."

⁸⁶ Gleditsch, "Expanded Trade and GDP Data."

⁸⁷ José A. Cheibub, Jennifer Gandhi, and James R. Vreeland, "Democracy and Dictatorship Revisited," *Public Choice* 143 (2010): 67–101.

alliance as the Soviet Union during the bipolar Cold War period (1950-1989), and then China (for U.S. allies in East Asia) and Russia (for allies elsewhere) during the post-Cold War period.⁸⁸ I measure capabilities in two ways – one which captures overall share of world power, and the other which captures changes in actual military capabilities. For the former I use the Composite Indicator of National Capabilities (CINC) score, which captures each state’s overall share of global resources. For the latter, I use the annual change in military expenditures, measured as a percentage of the previous year’s military spending. However, changes in U.S. and competitor military spending may be endogenous to the independent and dependent variables – for example, adversaries might spend more in reaction to allies spending more, while U.S. spending is likely affected by its resource constraints – and thus I do not include them in all models.

Second, I control for the degree to which the adversary is likely to be seen as hostile by the United States and its allies. Specifically, I include a dummy indicator for instances in which an adversary invaded the territory of a country not allied with the United States: the Korean War (1950-1953), the Soviet invasions of Hungary (1956), Czechoslovakia (1968), and Afghanistan (1979-1987), and the Russian invasion of Georgia (2008). I code the first year of each of these instances as 1, as well as the following two years and each year the conflict was ongoing.

Third, I account for each ally’s unique conflict environment by controlling for the number of MIDs it was involved in, weighted by the MIDs’ hostility level, as well as the number of foreign policy rivals it had. MID data come from version 4.1 of the Correlates of War’s Militarized Interstate Dispute dataset.⁸⁹ Rivalry data are from Thompson and Dreyer.⁹⁰

⁸⁸ Data come from version 5.0 of the Correlates of War’s National Material Capabilities (NMC) dataset. Singer, “Reconstructing the Correlates of War Dataset on Material Capabilities of States, 1816-1985.”

⁸⁹ Glenn Palmer et al., “The MID4 Data Set, 2002-2010: Procedures, Coding Rules and Description,” *Conflict Management and Peace Science* 32, no. 2 (2015): 222–42.

⁹⁰ William R. Thompson and David R. Dreyer, *The Handbook of International Rivalries: 1494-2010* (Washington, DC: CQ Press, 2012).

Fourth, I control for whether an ally had a substantial global military presence. The literature on burden-sharing notes that states which pursue “private goods” – those unrelated to the purpose of the alliance – are likely to spend more on defense. Allies’ efforts to maintain a global military presence or exert control over their colonial possessions, for example, were one such good, as doing so was extraneous to defending against the threats allies shared in common with the United States.⁹¹ I code this variable as a dummy which takes the value of 1 for the following country-years: Belgium (through 1962); France; Portugal (through 1975); Spain (through 1968); and United Kingdom. Unlike the others, Britain and France continue to have a global military presence, with France having bases throughout Africa and the Middle East while Britain has bases in a number of areas including the Indian Ocean (e.g., Diego Garcia) and South Atlantic (e.g., the Falklands Islands). Data on colonial possessions come from version 1.0 of the Issue Correlates of War’s Colonial History Data Set.⁹²

Fifth, I control for the number of U.S. troops that were present on an ally’s territory, which has been shown to have an effect on host country military spending.⁹³

4.4 Model Specification

The models I use are estimated using ordinary least squares regression. I employ standard errors clustered by country throughout. Because I use two variations of the dependent variable – one capturing change in military spending over time, the other capturing variation across countries – I include different control variables depending on the dependent variable. In the models which

⁹¹ Oneal and Elrod, “NATO Burden Sharing and the Forces of Change”; Oneal, “The Theory of Collective Action and Burden Sharing in NATO.”

⁹² Paul Hensel, “ICOW Colonial History Data Set” (2014), <http://www.paulhensel.org/icowcol.html>.

⁹³ Lake, *Hierarchy in International Relations*; Martinez Machain and Morgan, “The Effect of US Troop Deployment on Host States’ Foreign Policy”; Allen, VanDusky-Allen, and Flynn, “The Localized and Spatial Effects of US Troop Deployments on Host-State Defense Spending”; Troop data are from Tim Kane, “Global U.S. Troop Deployment, 1950-2005” (2006).

analyze year-to-year changes in military spending, I exclude those controls which are slow-moving or time-invariant, such as geography. Similarly, in the models which assess cross-national variation in military spending I include region and year fixed effects and exclude those controls which are country-invariant and would be perfectly correlated with the year fixed effects.⁹⁴

5 Results

The results provide strong support for my hypotheses. First, they suggest that allies increase their military spending in the wake of U.S. foreign wars. Similarly, geographically vulnerable allies spend considerably more on their defense, while geostrategically valuable allies spend less.

Table 1 focuses on explaining change in military spending over time to test H1 and uses annual change in military expenditures as a percentage of GDP as the dependent variable. Model 1 includes most of the covariates described above, while Model 2 controls for annual changes in adversary and U.S. military spending, and Model 3 adds an additional variable to control for each ally's military spending during the previous year. The results show that U.S. war casualties as well as drops in U.S. economic growth are associated with higher annual changes in allied military spending. Specifically, the substantive effects shown in Figure 1 show that each order of magnitude increase in U.S. war casualties over the last three years are associated with a 0.03 percentage point increase in the proportion of GDP that allies devote to defense, with years in which the United States incurred no casualties featuring a -0.05 percentage point change compared to a nearly 0.08 point increase in the percent of GDP spent on defense by allies. Each percentage point decrease in U.S. GDP growth, in turn, produces a nearly 0.02 percentage point increase in the average ally's defense burden.

⁹⁴ A summary of the independent and dependent variables can be found in Table A1. Summary statistics can be found in Table A2. See Section A3 for the regional classifications.

	(1)	(2)	(3)
	Δ Milex (% of GDP)	Δ Milex (% of GDP)	Δ Milex (% of GDP)
War casualties (3-yr moving avg)	0.020** (0.006)	0.017** (0.006)	0.013* (0.006)
US GDP growth	-0.018*** (0.005)	-0.023*** (0.005)	-0.023*** (0.005)
GDP growth	-0.012*** (0.003)	-0.010** (0.003)	-0.011** (0.003)
Adversary aggression	-0.101* (0.042)	-0.150** (0.042)	-0.138*** (0.038)
Adversary CINC	0.484 (0.340)	0.747+ (0.435)	0.717 (0.534)
US CINC	-0.346 (0.363)	-0.329 (0.345)	-0.340 (0.350)
MIDs (weighted)	-0.003 (0.004)	-0.003 (0.004)	0.005 (0.004)
Post-Cold War	-0.069 (0.051)	-0.068 (0.056)	-0.124+ (0.063)
Adversary milex change (%)		0.000 (0.000)	0.000 (0.000)
US milex change (%)		0.010*** (0.003)	0.009*** (0.002)
Milex/GDP (lag)			-0.095*** (0.017)
Constant	0.091 (0.111)	0.067 (0.114)	0.277+ (0.138)
Region FE			
Year FE			
N	1218	1218	1218
R ²	0.047	0.067	0.114

Standard errors clustered by country in parentheses.

+ p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001

Table 1: Results for change in military expenditures over time.

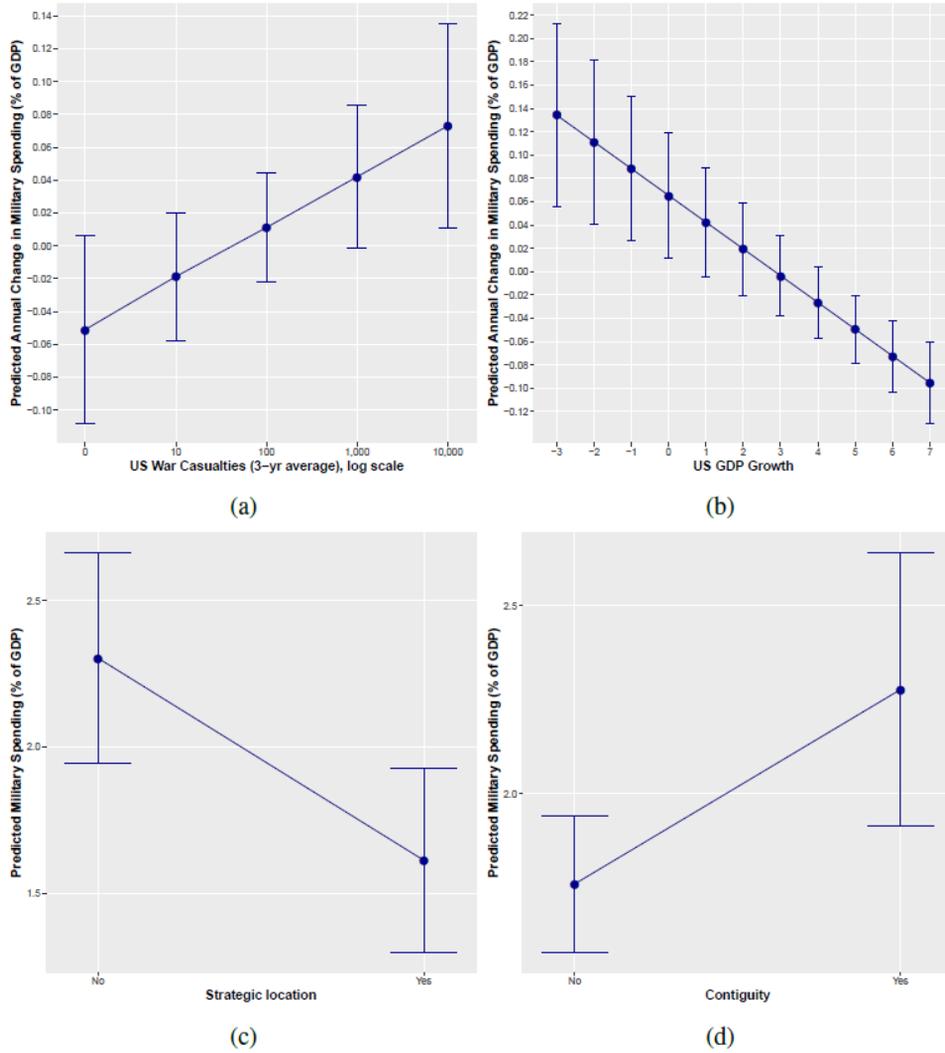


Figure 1: Predicted values of allied military spending across levels of the main independent variables. The y-axis in Figures 1a is a logarithmic scale. Figures 1a and 1b are based on Model 3 in Table 1, while Figures 1c and 1c are based on Model 1 in Table 2.

Table 2, in turn, focuses on explaining variation in military spending across allies. Model 1 includes a single dummy variable to capture whether allies are contiguous to an adversary, while Model 2 breaks this into two dummy variables – one for contiguity by land, the other for contiguity by water. These results show that geographically vulnerable allies spend substantially more on defense than more remote allies, and that geostrategically valuable allies spend less, and that these effects are statistically significant at the 95% confidence level. In particular, Model 2 shows that what drives the effect of contiguity on allies' defense burdens is whether they directly border an adversary by land; the effect of maritime contiguity is positive but does not reach statistical significance at conventional levels. In terms of substantive effects, Figure 1 shows that contiguous allies spend about 2.28% of GDP on defense, compared to 1.76% for non-contiguous allies. Allies in geostrategically valuable locations, in turn, spend on average only 1.61% of GDP on defense, whereas others spend 2.3% of GDP.

In terms of the other covariates, my theory's predictions fare better than those of alternative explanations. Threat does not have a uniform effect on burden-sharing, let alone a uniformly positive one. On the contrary, the results show that in the wake of adversary aggression allies reduced their defense burdens by more than 0.1 percentage points. Indeed, a visual examination of the over-time trends in allied military spending (Figure A1) show that the early 1980s – the period of the so-called “second Cold War” in the wake of the Soviet invasion of Afghanistan and rising Soviet-American tensions – featured a precipitous decline in allied burden-sharing. As for adversary capabilities, the results are inconclusive; allies spent no more or less when U.S. adversaries had a greater share of world power, or when adversary military spending increased. Of the threat-related variables, only allied geographic vulnerability has a consistently strong, positive effect on burden-sharing. Additionally, there is some evidence that democracies spend less on defense, though this effect only reaches statistical significance at the 0.1 level in two of three

models. Taken together, these results suggest that the possibility of U.S. abandonment is at least as good a predictor of allied burden-sharing as alternative explanations.

	(1) Milex/GDP	(2) Milex/GDP
Contiguity	0.517* (0.240)	
Land border w/ adversary		0.574** (0.208)
400 miles of water from adversary		0.445 (0.415)
Strategic location	-0.690* (0.312)	-0.683* (0.325)
MIDs (weighted)	0.054** (0.017)	0.053** (0.018)
GDPpc (log)	0.453* (0.169)	0.438* (0.200)
GDP (log)	0.264** (0.077)	0.268** (0.081)
GDP growth	0.000 (0.006)	0.000 (0.006)
Democracy	-0.584+ (0.292)	-0.579+ (0.308)
Global military presence	1.011*** (0.253)	1.013*** (0.254)
US Troops (log)	-0.017 (0.045)	-0.018 (0.046)
Rivalries	0.962*** (0.183)	0.942*** (0.223)
Constant	-8.026*** (1.879)	-7.982*** (1.841)
Region FE	✓	✓
Year FE	✓	✓
N	1239	1239
R ²	0.647	0.648

Standard errors clustered by country in parentheses.

+ p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001

Table 2: Results for variation in military spending across countries.

5.1 Robustness Checks

Next, I subject the initial results to a variety of additional robustness tests. First, I use alternative proxies to capture U.S. resource constraints in Table A5. To measure the cost of U.S. foreign wars, I create a variable that increases by 1 each year that a war has been ongoing, reaches a maximum value in the year the war ends, and then gradually decreases by 1 each year after the war has ended. For example, in the case of the Vietnam War, the variable has a value of 1 in 1966 (the year after the start of the war), 8 in 1973 (the year the war ended), 7 in 1974, and 1 in 1980. One might expect allies' doubts about U.S. reliability to gradually increase over the course of a protracted war, and then to gradually decrease as the United States recovers. The course of the war is likely to create pressure to divert resources from other commitments as it drags on, while the patron's appetite for foreign entanglements is likely to be diminished in its aftermath. Additionally, I use a five-year moving average for U.S. war fatalities instead of a three-year average. Second, to measure U.S. economic hardship, I use the economic misery index⁹⁵ (inflation plus unemployment) as well as U.S. economic crises data from Reinhart and Rogoff.⁹⁶

Second, the results presented in Table A6 use absolute distances (in kilometers) from adversaries and strategic maritime chokepoints to proxy for allies' vulnerability and strategic value instead of dummy variables. Third, in Table A8 I replicate Table 1 while clustering the standard errors by year instead of by country. The results are largely robust to both of these tests. U.S. war

⁹⁵ The misery index is commonly used to study the effect of economic conditions on U.S. foreign policy outcomes, and is moderately, negatively correlated (-0.316) with U.S. GDP growth in my sample. See: Charles Ostrom and Brian Job, "The President and the Political Use of Force," *American Political Science Review* 80 (1986): 541–66; Dennis M. Foster, "An 'Invitation to Struggle'? The Use of Force Against 'Legislatively Vulnerable' American Presidents," *International Studies Quarterly* 50, no. 2 (2006): 421–44; U.S. unemployment and inflation are available from the Bureau of Labor Statistics. Bureau of Labor Statistics, "CPI-All Urban Consumers (Current Series)" (2019); Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey" (2019).

⁹⁶ Carmen M. Reinhart and Kenneth Rogoff, *This Time Is Different: Eight Centuries of Financial Folly* (Princeton: Princeton University Press, 2009).

casualties have a positive and significant relationship with allied military spending, while the effect of U.S. GDP growth no longer reaches statistical significance at conventional levels, suggesting that the effect of U.S. war costs is more robust than the effect of U.S. economic hardship.

Finally, in Table A7 I add additional control variables to the models from Table 1. For one, I add linear, squared, and cubic time trends, which allows me to control for secular changes over time that might have shaped allied military expenditures in ways not captured by my control variables. Additionally, I control for the nuclear balance between the United States and the Soviet Union / Russia. A number of scholars have argued that the condition of nuclear parity undermined the credibility of the United States' commitment to defend its allies by making a disarming counterforce strike less feasible, thus rendering the use of nuclear weapons less believable by increasing the risk of retaliation against U.S. cities.⁹⁷ Thus one might expect that nuclear parity would also be conducive to allied burden-sharing. Indeed, it was around the end of U.S. nuclear dominance during the 1960s that U.S. policymakers began moving away from a heavy reliance on nuclear weapons for deterring the Soviet Union (“Massive Retaliation”) and toward a doctrine of “Flexible Response,” in which the United States would have a variety of options, including conventional defense and the use of tactical nuclear weapons.⁹⁸ U.S. allies effectively feared that the emergence of nuclear parity, to which Flexible Response was in no small part a response, would decouple the fates of the United States and its allies, encouraging the Americans to abandon their allies if a Soviet invasion was not repelled using conventional forces and tactical nuclear weapons

⁹⁷ Michael Howard, “Reassurance and Deterrence: Western Defense in the 1980s,” *Foreign Affairs* 61, no. 2 (1982): 309–24, <https://doi.org/10.2307/20041437>.

⁹⁸ Lawrence Freedman, *The Evolution of Nuclear Strategy*, Third (New York: Palgrave Macmillan, 2003), chs. 6, 19. Flexible Response became official codified NATO doctrine in December 1967. See “1967: Summary,” NATO Update, November 6, 2001, <https://www.nato.int/docu/update/60-69/1967e.htm>.

rather than face the destruction of its own cities.⁹⁹ The results show that the original findings hold after including these additional control variables.

6 Case Studies

While the quantitative analysis allows me to provide macro-level evidence that supports my theory's expectations – namely, that patterns of alliance burden-sharing in American alliances are related to variation in the credibility and salience of U.S. threats of abandonment – they can only provide limited evidence of the theory's causal mechanisms. As such, I also present qualitative evidence from two cases of burden-sharing by U.S. allies: South Korea and the United Kingdom, both during the presidencies of Lyndon Johnson (1963-1968) and Richard Nixon (1969-1974). I chose these cases because they allow me to exploit both variation across the two countries in terms of their geographic vulnerability to attack (H3), and because they offer within-case variation in the degree of U.S. resource constraints (H1) owing to the costs of the Vietnam War during the late 1960s and early 1970s.

In these cases, I would expect to see evidence that the United States put pressure on these allies to increase their burden-sharing contributions, and that the success of this pressure was related to the perceived credibility and salience of U.S. threats of abandonment (whether made explicitly or not). I would expect to see evidence that U.S. abandonment was taken more seriously during the later periods – especially from around 1970-1974 – owing to the rising costs of the Vietnam War. Additionally, I would expect U.S. burden-sharing leverage to have been greater in the South Korean case, owing to its geographic vulnerability to attack. Britain, by contrast, was separated from the Communist bloc by both considerable distance and bodies of water.

⁹⁹ Todd Sandler and John F. Forbes, "Burden Sharing, Strategy, and the Design of NATO," *Economic Inquiry* 18, no. 3 (1980): 425-44.

A caveat is in order before proceeding to the case studies. One complicating factor that makes studying the British case in particular difficult is the economic condition that London faced during this period, as the British economy grew at an anemic pace (2.5% on average) during much of the 1960s and early 1970s and the British government had to contend with high deficits that made investments in defense difficult. However, despite its comparatively higher levels of growth (13.1% on average), the South Korean economy's comparatively low level of development – its GDP per capita was only \$2,000 during the period compared to over \$14,000 in Britain – made defense spending equally difficult. Thus, I contend that a substantial amount of the variation in their defense burdens over this time period can be explained by their differences in vulnerability.

6.1 South Korea

The U.S. alliance with the Republic of Korea (ROK) dated to 1953, when the two countries signed a Mutual Defense Treaty (MDT). Due to its land border with North Korea and its proximity both to China and to the Soviet Far East, South Korea was highly vulnerable to U.S. threats of abandonment. This rendered it susceptible to U.S. burden-sharing pressure.

During the Vietnam War, South Korea was the second largest contributor of foreign forces fighting on behalf of South Vietnam (after the United States). At the United States' request, South Korea first sent about two thousand noncombat troops in 1964, followed by a combat division in 1965. As the situation in Vietnam deteriorated in 1966, the United States requested and secured an additional division of South Korean forces for combat in Vietnam, in exchange for more economic and military assistance.¹⁰⁰

South Korea's motivation for participating was in large part to remain in the good graces of the United States and gain a bargaining chip with which it could extract U.S. concessions such as aid

¹⁰⁰ Yong Lee, "The Vietnam War: South Korea's Search for National Security," 416–19.

and the continued presence of U.S. troops on the Korean Peninsula. Indeed, the country did gain some concessions. The United States defrayed the costs of stationing the South Korean forces in Vietnam and transporting them there, increased its military aid to South Korea, and promised not to withdraw troops from South Korea without prior consultation.¹⁰¹

However, American officials often threatened to withdraw U.S. troops from Korea in the absence of ROK participation in South Vietnam.¹⁰² In April 1968, for example, Johnson's Special Assistant Walt Rostow noted in a letter to Johnson that "We have told them many times that we have no plan to reduce the general level of our ground forces [in South Korea]—by implication as long as they have forces in Viet-Nam. Suggest you repeat that we have no plan to reduce our ground forces under present circumstances, but avoid going further than promising full consultation...on any later plan concerning ground forces."¹⁰³ U.S. envoy Cyrus Vance similarly told South Korean President Park Chung Hee during his early 1968 trip "that were they even to consider removing troops from South Vietnam we would pull ours out of Korea."¹⁰⁴

U.S. burden-sharing leverage only increased in the late 1960s and early 1970s. The costs of the Vietnam War, in tandem with the advent of nuclear parity with the Soviet Union and recognition of animosity between the Soviets and the Chinese, contributed to a shift in U.S. foreign policy that dramatically affected South Korea's calculations of U.S. credibility. This first of all took the form of a reduced U.S. overseas footprint, particularly in Asia. Second, the United States pursued *détente* with both the Soviet Union and China.

¹⁰¹ Yong Lee, 409–13.

¹⁰² Yong Lee, 410.

¹⁰³ Telegram From the President's Special Assistant (Rostow) to President Johnson in Texas, April 13, 1968, *FRUS*, 1964-1968, Vol. 29 (Part 1), p. 412.

¹⁰⁴ Notes of the President's Meeting With Cyrus R. Vance, February 15, 1968, *FRUS*, 1964-1968, Vol. 29 (Part 1), p. 378.

In the 1960s, U.S. domestic pressure had been largely a non-factor, with the U.S.-ROK alliance largely flying under the radar of domestic audiences.¹⁰⁵ As the costs of Vietnam mounted, however, the Nixon administration faced obstacles to maintaining U.S. commitments, both from the U.S. Congress and public and from a constrained pool of resources and manpower. Public opinion increasingly favored reduced U.S. involvement in international affairs and lower defense spending, while there were a series of Congressional resolutions and amendments during the late 1960s and early 1970s – most notably those of Senate Majority Leader Mike Mansfield – proposing reductions in the U.S. footprint abroad. The focus of these proposals was on burden-sharing and U.S. troop deployments in Europe, given the larger U.S. peacetime presence there, but they reflected an increasing preoccupation with burden-sharing and the costs of the United States’ foreign commitments more generally. Indeed, many in Congress favored troop withdrawals from Korea.¹⁰⁶ Moreover, Congress forced the largest defense cuts since the 1950s, and in 1973 passed the War Powers Act that limited the President’s ability to wage war without congressional approval.¹⁰⁷

In July 1969, Nixon articulated what became known as the Guam Doctrine, in which allies would be expected to carry more of the burden for their own defense. The goal of such an approach was two-fold: to rein in the costs of U.S. commitments and to reduce the probability of entanglement in future conflicts.¹⁰⁸ The hallmark of the Guam Doctrine was a reduced U.S. footprint. Nixon promised that the United States would assist its allies if they were attacked, but

¹⁰⁵ Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, 82–83.

¹⁰⁶ Study Prepared by the Office of International Security Affairs in the Department of Defense, “Policy Problems in Korea,” undated, *FRUS*, 1969-1976, Vol. E-12, Doc. 274.

¹⁰⁷ Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, 87–89, 102–4.

¹⁰⁸ Joo-Hong Nam, *America’s Commitment to South Korea: The First Decade of the Nixon Doctrine* (New York: Cambridge University Press, 1986), 83.

reserved the right to decide how much assistance would be forthcoming, as well as whether that assistance would take the form of direct involvement or simply financial and military assistance.

To this end, Nixon announced in March 1970 that one of the American divisions deployed in South Korea would be withdrawn, without any prior consultation with ROK officials and despite his having told Park in August 1969 that he opposed troop withdrawals.¹⁰⁹ By 1972, the U.S. presence on the peninsula had fallen from around 60,000 personnel to around 40,000. Moreover, U.S. forces by-and-large pulled away from the Demilitarized Zone, thus allowing the United States to avoid immediate engagement if North Korea attacked.¹¹⁰ Administration officials made frequent reference, both internally and to the South Koreans, to the Congressional retrenchment pressure they faced.¹¹¹ Secretary of Defense Melvin Laird similarly told Congress in 1971 that U.S. ground forces should not fight in another war in Asia, and internally pushed for further withdrawals.¹¹² Laird's successor James Schlesinger similarly pushed to make U.S. forces in South Korea a "mobile reserve" based outside of Korea that could be used elsewhere in the region. As compensation for the reduced U.S. presence, the Nixon Administration agreed to give \$1.5 billion to assist South Korea's Five-Year Military Modernization Plan over 1971-1975.¹¹³

In tandem with a reduced U.S. presence, the Nixon administration encouraged South Korean burden-sharing. Allied self-reliance was a hallmark of the Nixon Doctrine, with Nixon and other

¹⁰⁹ Memorandum of Conversation, "Talks Between President Nixon and President Pak," August 21, 1969, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 96-102.

¹¹⁰ Seung-Young Kim, "Security, Nationalism and the Pursuit Of Nuclear Weapons and Missiles: The South Korean Case, 1970-82," *Diplomacy & Statecraft* 12, no. 4 (2001): 55.

¹¹¹ See, for example: Telegram From the Department of State to the Embassy in Korea, "MAP and U.S. Force Levels," January 29, 1970, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 121-122; Draft Minutes of a National Security Council Meeting, March 4, 1970, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 142-147; Telegram From the Department of State to the Embassy in Korea, April 23, 1970, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 150-152; Laird to Nixon, "Trip to Republic of Korea," July 19, 1971, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 254-263.

¹¹² Peter Hayes, *Pacific Powderkeg: American Nuclear Dilemmas in Korea* (Lexington, MA: Lexington Books, 1991), 55-56; Victor D. Cha, *Alignment Despite Antagonism: The United States-Korea-Japan Security Triangle* (Stanford, CA: Stanford University Press, 1999), 111.

¹¹³ Nam, *America's Commitment to South Korea*, 83, 101.

officials emphasizing that allies would be responsible for taking care of their own defense.¹¹⁴ In a letter to President Park, Nixon wrote in May 1970 that “it is reasonable to expect [allies] to assume more of the responsibility for their own defense and specifically to provide the bulk of the manpower required for that purpose.”¹¹⁵ Similarly, in a marked and much-criticized semantic change from previous statements, the joint U.S.-ROK communique from the annual Security Consultative Conference (SCC) in July 1970 recommended that “the forces defending the Republic of Korea must remain alert and strong,” whereas previous SCC statements had emphasized that “Republic of Korea and American forces stationed in Korea must remain strong and alert.”¹¹⁶ Nixon stressed that the United States would “place a greater defense burden on the Koreans” as the United States reduced its footprint, and used \$1.5 billion in aid between 1971-77 to assist South Korean military modernization.¹¹⁷

In response to both direct U.S. pressure and concerns about U.S. reliability South Korea took dramatic steps toward military self-reliance. Park built up a reserve force of 2.5 million soldiers, increased the South Korean defense budget from 3.9% of GDP in 1969 to over four percent of GDP during the first half of the 1970s, and pursued a five-year military modernization in 1971-75.¹¹⁸ Moreover, while the Nixon Administration used an injection of military assistance to help South Korea make up for the shortfall that would be left behind by a reduced U.S. presence, from the mid-1970s onward U.S. aid dramatically shrank as a percentage of South Korean military spending, down from to 99% in 1961, to 49.7% in 1971, to effectively zero percent in 1978.¹¹⁹ Instead of

¹¹⁴ Nam, 67, 78, 97.

¹¹⁵ Letter From President Nixon to Korean President Park, May 26, 1970, *FRUS*, 1969-1976, Vol. 19 (Part 1), pp. 152-154.

¹¹⁶ Cha, *Alignment Despite Antagonism: The United States-Korea-Japan Security Triangle*, 66.

¹¹⁷ Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, 99.

¹¹⁸ Nam, *America's Commitment to South Korea*, 101; Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, 100-101; Yong Lee, “The Vietnam War: South Korea’s Search for National Security,” 421.

¹¹⁹ Lee and Heo, *The U.S.-South Korean Alliance, 1961-1988*, 74, 100.

grant military aid, the United States shifted more toward the use of foreign military sales, in which South Korea would receive credit for the purchase of American arms.¹²⁰

6.2 United Kingdom

In the years following World War II, the United Kingdom was among the United States' most powerful allies, with a large overseas military presence in Europe and Asia that the United States relied upon to deter Communist expansion – so much so that the alliance came to be described as a “special relationship.” Yet by the mid-1960s, Britain's position had eroded considerably. While the United States initially responded by trying to prop up the British economy, ballooning British deficits soon made it clear that Britain's ability to maintain its global role, specifically its military presence in the Middle East and East Asia, was rapidly diminishing. The United States tried to use its support for the British sterling pound as a lever to influence the UK's continued presence abroad.¹²¹ These included a loan package of almost \$1 billion from the International Monetary Fund and United States in 1965, as well as a grant from the United States in 1966.¹²²

Ultimately, these efforts were unsuccessful. Despite the protestations of U.S. officials in the Kennedy and Johnson administrations, the United Kingdom's defense budget dropped

¹²⁰ Ronald D. McLaurin, “Problems of U.S.-South Korean Relations: Autonomy vs. Dependence,” in *Alliance Under Tension: The Evolution of South Korean-U.S. Relations* (Boulder, CO: Westview Press, 1988), 177–78.

¹²¹ Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Johnson, “Report from George Ball,” September 10, 1965, *FRUS*, 1964-1968, Vol. 12, pp. 507-509; Memorandum Prepared by the Executive Secretary of the Department of State (Read), “Visit of Prime Minister Wilson,” undated [December 1965], *FRUS*, 1964-1968, Vol. 12, pp. 510-512; Memorandum From the Counselor of the Department of State and Chairman of the Policy Planning Council (Rostow) to President Johnson, “UK East of Suez Proposals,” January 20, 1966, *FRUS*, 1964-1968, Vol. 12, pp. 512-514; Memorandum of Conversation, “British Defense Review,” January 22, 1966, *FRUS*, 1964-1968, Vol. 12, pp. 514-515; Memorandum of Conversation, “UK Defense Review—Principal UK Presentations and U.S. Responses,” January 27, 1966, *FRUS*, 1964-1968, Vol. 12, pp. 516-528; Memorandum From Francis M. Bator of the National Security Council Staff to President Johnson, “Harold Wilson's Message of this Morning on the U.K. Defense Review,” February 16, 1966, *FRUS*, 1964-1968, Vol. 12, p. 529; Telegram From President Johnson to Prime Minister Wilson, February 25, 1966, *FRUS*, 1964-1968, Vol. 12, p. 530.

¹²² Thomas Alan Schwartz, *Lyndon Johnson and Europe: In the Shadow of Vietnam* (Cambridge, MA: Harvard University Press, 2003), 82, 146.

precipitously in the 1960s, shrinking from 6.3% of GDP in 1960 to 4.6% in 1970.¹²³ As Britain prepared its Defence Review under the new Labour government led by Prime Minister Harold Wilson in 1965-66, it was in the midst of a prolonged economic crisis revolving around its balance of payments deficit.¹²⁴ As such, fiscal realities soon produced deep defense cuts and considerable debate within the United Kingdom over the merits of its foreign commitments.¹²⁵

As a result, at the end of 1967 Britain devalued the pound and then in January 1968 announced that it would be accelerating the withdrawal of the 90,000 forces it had stationed “east of Suez” in the Middle East and Asia, essentially leaving the defense of these areas to the United States by March 1971.¹²⁶ This represented an acceleration of its previous timetable to withdraw from east of Suez by the mid-1970s. Despite U.S. urging, the decision was not reversed.

Indeed, U.S. pressure during the early and mid-1960s was strikingly light. The American response to reductions in British burden-sharing was not to threaten abandonment, but rather to bail Britain out, and U.S. officials refrained from making American support conditional upon the British presence in Asia or on British assistance in the Vietnam War.¹²⁷ In spite of pressure from

¹²³ Kohler to Rusk, “U.K.’s Nuclear Role: A Program of Action,” May 24, 1962, *FRUS*, 1961-1963, Vol. 13, pp. 1073-1075. Source for military spending as a percentage of GDP is the Stockholm Institute for Peace Research Institute (SIPRI) Military Expenditures Database, http://www.sipri.org/research/armaments/milex/milex_database (accessed April 19, 2016).

¹²⁴ O’Hara, “The Limits of US Power: Transatlantic Financial Diplomacy under the Johnson and Wilson Administrations, October 1964-November 1968.”

¹²⁵ Andrew Priest, *Kennedy, Johnson, and NATO: Britain, America, and the Dynamics of Alliance, 1962-68* (New York: Routledge, 2006), 123–26; Memorandum of Conversation, “Defense Problems,” December 7, 1964, *FRUS*, 1964-1968, Vol. 12, pp. 475-479; Memorandum of Conversation, “British Defense Review,” May 14, 1965, *FRUS*, 1964-1968, Vol. 12, pp. 488-489; Memorandum of Conversation, “U.K. Defense Review,” June 30, 1965, *FRUS*, 1964-1968, Vol. 12, pp. 493-496; Message From Prime Minister Wilson to President Johnson, July 29, 1965, *FRUS*, 1964-1968, Vol. 12, pp. 499-500.

¹²⁶ Schwartz, *Lyndon Johnson and Europe: In the Shadow of Vietnam*, 191–99; Priest, *Kennedy, Johnson, and NATO: Britain, America, and the Dynamics of Alliance, 1962-68*, 141–42.

¹²⁷ Dumbrell, “The Johnson Administration and the British Labour Government: Vietnam, the Pound and East of Suez,” 219–22; Schwartz, *Lyndon Johnson and Europe: In the Shadow of Vietnam*, 62–63; Priest, *Kennedy, Johnson, and NATO: Britain, America, and the Dynamics of Alliance, 1962-68*, 123–24; R. Gerald Hughes and Thomas Robb, “Kissinger and the Diplomacy of Coercive Linkage in the ‘Special Relationship’ between the United States and Great Britain, 1969–1977,” *Diplomatic History* 37, no. 4 (2013): 871; Telegram From Prime Minister Wilson to President Johnson, July 13, 1967, *FRUS*, 1964-1968, Vol. 12, pp. 575-578; Memorandum of Conversation, “British Defense White Paper,” July 17, 1967, *FRUS*, 1964-1968, Vol. 12, p. 579; Briefing Memorandum From the

some officials – including Secretary of Defense Robert McNamara and National Security Adviser McGeorge Bundy – Johnson hesitated to explicitly make the massive multilateral bailout package Britain received a *quid pro quo* for Britain’s continued presence east of Suez.¹²⁸ Again during 1967, as the British were leaning toward planning withdrawal from east of Suez by the mid-1970s, the Americans only asked Britain to “avoid taking, or in any event making public in any way, basic decisions at this point on withdrawal by the mid-1970’s,” without bringing any hard pressure to bear.¹²⁹ Even when Britain announced its devaluation of the pound in late 1967, followed by the January 1968 announcement that its retrenchment east of Suez would be accelerated, American officials expressed only disappointment with the British decision.¹³⁰ Johnson wrote to Wilson that “Although the decision must, of course, be your own, I can only wonder if you and all of your associates have taken fully into account the direct and indirect consequences....I urge you and your colleagues once more to review the alternatives before you take these irrevocable steps.”¹³¹

U.S. policymakers recognized that there was little the United States could do, aside from further bailouts, to keep Britain from cutting spending and withdrawing from east of Suez. State Department officials acknowledged in 1967 that the British “will do what they will do” and that there was “no real prospect that the process [of retrenchment] can or will be halted.”¹³² Treasury

President’s Deputy Special Assistant for National Security Affairs (Bator) to President Johnson, “Your Meeting This Afternoon at 6:30 on German Offset and U.S. and UK Forces in Germany,” August 23, 1966, FRUS, 1964-1968, Vol. 13, pp. 453-456.

¹²⁸ David Gill, *Britain and the Bomb: Nuclear Diplomacy, 1964-1970* (Stanford, CA: Stanford University Press, 2014), 123–24, 134–36, 156–58.

¹²⁹ Memorandum From Secretary of State Rusk to Foreign Secretary Brown, April 21, 1967, FRUS, 1964-1968, Vol. 12, p. 568.

¹³⁰ Dumbrell, “The Johnson Administration and the British Labour Government: Vietnam, the Pound and East of Suez,” 222–23, 227–30; Telegram From the Embassy in the United Kingdom to the Department of State, “Healey views on UK defense policy,” January 9, 1968, FRUS, 1964-1968, Vol. 12, pp. 599-602; Memorandum of Conversation, “British Budget and Defense Cuts,” January 11, 1968, FRUS, 1964-1968, Vol. 12, pp. 603-608; Diary Entry by the Ambassador to the United Kingdom (Bruce), February 8, 1968, FRUS, 1964-1968, Vol. 12, pp. 615-616.

¹³¹ Message From President Johnson to Prime Minister Wilson, January 11, 1968, FRUS, 1964-1968, Vol. 12, p. 609.

¹³² O’Hara, “The Limits of US Power: Transatlantic Financial Diplomacy under the Johnson and Wilson Administrations, October 1964-November 1968,” 275.

Secretary Henry Fowler came to a similar conclusion in June 1966, pointing out that the United States essentially faced the choice of leaving Britain to its own devices – which would almost certainly mean a devaluation of the pound and further cuts – and additional “bail money.”¹³³

However, these dynamics shifted in the late 1960s and early 1970s as the costs of fighting the war in Vietnam led many in the U.S. Congress and public to increasingly favor a reduced U.S. overseas presence in Europe. This most notably took the form of a series of resolutions and amendments during the years 1966-74 sponsored by Senator Mike Mansfield, proposing massive reductions in U.S. troops stationed in Europe.¹³⁴ In a May 1970 memo to Kissinger, senior NSC staffer Helmut Sonnenfeldt pointed to British concerns about Vietnam, writing that Defence Minister Denis Healey “is deeply disturbed by what he feels has happened to our *elan*; he is quite persuaded...that we will be unable if not unwilling to maintain our force levels in Europe and he sees our commitments as eroding.” Sonnenfeldt added that Healey believed “the longer we stay and the more we bleed [in Vietnam] the stronger the impulse toward isolationism and the danger of domestic upheaval.”¹³⁵

During the final months of the Johnson presidency and throughout the Nixon presidency, American policymakers carefully leveraged the possibility of withdrawal in order to encourage increased defense effort by Britain (and NATO more generally). During a North Atlantic Council meeting in November 1968, Rusk used the threat of domestic “isolationism” as a means of

¹³³ Memorandum From Secretary of the Treasury Fowler to President Johnson, “The Sterling Crisis and the U.S. Bargaining Position vis-a-vis the U.K.,” July 18, 1966, *FRUS*, 1964-1968, Vol. 12, p. 543.

¹³⁴ Williams, *The Senate and U.S. Troops in Europe*, 162, 170; Lawrence Kaplan, *The Long Entanglement: NATO's First Fifty Years* (Westport, CT: Praeger, 1999), 138; Hubert Zimmermann, “The Improbable Permanence of a Commitment: America’s Troop Presence in Europe during the Cold War,” *Journal of Cold War Studies* 11, no. 1 (2009): 16.

¹³⁵ Helmut Sonnenfeldt to Henry Kissinger, “Impressions of European Attitudes, May 1970,” May 22, 1970, Folder “Europe General [1 of 2],” National Security Council Files, Country Files, Box 667, RMNL.

pressuring allies to increase their efforts¹³⁶, while Kissinger similarly argued in a meeting of the Defense Program Review Committee Meeting in August 1971 that the Europeans needed “to believe that the situation is serious,” adding that “A Mansfield resolution will surely pass if they don’t make a bigger effort.”¹³⁷ In his February 1970 Foreign Policy Report to Congress, Nixon argued that Europe needed to make more of an effort for its own defense. Secretary of State Rogers told British Foreign Minister Alec Douglas-Home that because of Congress, “we have a serious problem and we can use all the help we can get in solving it.”¹³⁸ Nixon explicitly attempted to link the staying power of the U.S. commitment to allied burden-sharing efforts.¹³⁹ Speaking with British Cabinet Secretary Burke Trend, Nixon emphasized that “we would not give up our defense of or our commitments to our allies,” but added that “The coming election period would not be good for the Alliance.”¹⁴⁰

The British received the message, and recognized that the Nixon Administration faced constraints limiting its freedom of action due to its balance of payments deficits and the costs of Vietnam.¹⁴¹ In June 1970 Britain’s Under-Secretary at the Foreign and Commonwealth Office argued in favor of increasing European defense efforts in order to “reduc[e] US domestic pressure for withdrawals” and “mitigat[e] the impact of such withdrawals as occur.”¹⁴² Britain’s new Prime

¹³⁶ Memorandum of Conversation, “General Tour d’Horizon (1 of 2),” November 14, 1968, *FRUS*, 1964-1968, Vol. 13, p. 788.

¹³⁷ Minutes of a Defense Program Review Committee Meeting, “NATO Force Improvements,” August 4, 1971, *FRUS*, 1969-1976, Vol. 41, p. 301

¹³⁸ Telegram from U.S. embassy (London) to Secretary Rogers, “Sec Visit: Conversation with Foreign Secretary: NATO, US Troops and A.D. 70,” July 1970, Folder “United Kingdom, Vol. III [2 of 4],” National Security Council Files, Country Files, Box 727, RMNL.

¹³⁹ Luke A. Nichter, *Richard Nixon and Europe: The Reshaping of the Postwar Atlantic World* (New York: Cambridge University Press, 2015), 11–12, 112–13, 138.

¹⁴⁰ Memorandum for the President’s File by the President’s Assistant for National Security Affairs (Kissinger), “The President’s Meeting with Sir Burke Trend, British Ambassador Cromer, and Henry A. Kissinger,” July 28, 1972, *FRUS*, 1969-1976, Vol. 41, p. 1053.

¹⁴¹ Catherine Hynes, *The Year That Never Was: Heath, the Nixon Administration and the Year of Europe* (Dublin: University College Dublin Press, 2009), 31.

¹⁴² Hynes, 14–15.

Minister Edward Heath similarly argued in March 1971 that “we Europeans must do more for our own defence” in order to satiate the United States.¹⁴³ The British realized that they needed to acquiesce to at least some U.S. demands in order to avoid an American withdrawal from Europe forced by Congress.¹⁴⁴

As a result, the downward trend in British defense spending during the late 1960s reversed in 1970-72.¹⁴⁵ Nevertheless, they focused their efforts on improving their own forces rather than making contributions to NATO infrastructure, much to the chagrin of the other NATO members including the FRG) that sought to pool their resources.¹⁴⁶ More generally, European defense budgets increased during the early 1970s.¹⁴⁷

7 Conclusion

This article presented a theory of coercive burden-sharing in asymmetric alliances. I argued that allies are more likely to increase their defense spending when their patron can more credibly threaten to abandon them. Specifically, allies are likely to contribute to the alliance when their

¹⁴³ Hynes, 27.

¹⁴⁴ Andrew Scott, *Allies Apart: Heath, Nixon, and the Anglo-American Relationship* (New York: Palgrave Macmillan, 2011), 147, 153; Telegram From the Mission to the North Atlantic Treaty Organization to the Department of State, “Alliance Defense for the 70’s,” December 3, 1970, FRUS, 1969-1976, Vol. 41, pp. 236-240; Memorandum From Secretary of State Rogers to President Nixon, “NATO Ministerial Meeting,” December 5, 1970, FRUS, 1969-1976, Vol. 41, pp. 240-241; Telegram From the Department of State to All North Atlantic Treaty Organization Capitals, “NATO Ministerial Meeting: An Overview,” December 11, 1971, FRUS, 1969-1976, Vol. 41, pp. 334-337.

¹⁴⁵ Odeen to Kissinger, “UK Defense Expenditures,” December 18, 1971, Folder “United Kingdom, Vol. VII [2 of 4],” NSC Files, Country Files, Box 729, RMNL.

¹⁴⁶ Telegram from U.S. mission to NATO to Secretary Rogers, “Eurogroup Defense Ministers Meeting,” November 1970, Folder “United Kingdom, Vol. IV [1 of 3],” National Security Council Files, Country Files, Box 727, RMNL; Telegram from U.S. embassy (London) to Secretary Rogers, “UK and NATO Burden Sharing,” November 1970, Folder “United Kingdom, Vol. IV [1 of 3],” National Security Council Files, Country Files, Box 727, RMNL; Telegram from U.S. embassy (Bonn) to Secretary Rogers, “Euro Group Defense Ministers Meeting/FRG Proposal,” November 1970, Folder “United Kingdom, Vol. IV [1 of 3],” National Security Council Files, Country Files, Box 727, RMNL; Kissinger to Laird and Rogers, “My Talk with Lord Carrington, November 23, 1970,” November 23, 1970, Folder “United Kingdom, Vol. IV [1 of 3],” National Security Council Files, Country Files, Box 727, RMNL.

¹⁴⁷ State Department Briefing Paper, “President Nixon’s Visit to Brussels,” June 1974, Folder “NAC Summit - Brussels The President,” NSC Files, HAK Office Files, Country Files, Box 54, RMNL.

patron faces constraints on its resources that make it difficult to sustain its foreign commitments, while allies are less likely to burden-share when they are more strategically valuable to their patron, as this reduces its ability to threaten abandonment. Moreover, the patron's threats of abandonment are more salient to the extent that allies have a high perception of threat, which renders them in greater need of protection. I tested these claims using data on the military expenditures of U.S. allies between 1950 and 2012. My findings show that U.S. allies vulnerable to attack spend more on defense, while strategically valuable allies near key maritime chokepoints spend less. Additionally, allies are more likely to increase their defense spending when the United States faces resource constraints and pressure to retrench in the wake of costly foreign wars.

My findings suggest numerous avenues for future research. For one, although this study focuses primarily on the effectiveness of negative inducements – and in particular threats of abandonment – as means of exerting burden-sharing pressure, further research could investigate the effectiveness of other forms of persuasion. These include but are not limited to economic coercion, promises of rewards and positive inducements, and efforts to “name and shame” states that under-contribute to their alliances. Additionally, more research could be done on the conditions under which burden-sharing is a salient political issue to domestic actors, as well as how much burden-sharing is “enough” to deter major calls for putting pressure on allies. Work on political psychology, for example, could provide micro-foundations to help understand demands for “fairness.”¹⁴⁸

Finally, my findings have implications for U.S. foreign policy. The Trump administration has made burden-sharing a major priority, and to this end U.S. officials – not least of all Trump himself – have pressed allies to contribute more to the common defense, using implicit and often explicit threats of abandonment. Indeed, there is some evidence that this has been effective, with NATO

¹⁴⁸ Joshua D. Kertzer and Brian C. Rathbun, “Fair Is Fair: Social Preferences and Reciprocity in International Politics,” *World Politics* 64, no. 4 (2015): 613–55. I thank Josh Kertzer for making this suggestion.

allies agreeing to increase their defense spending by an average of 4.3% in 2017.¹⁴⁹ Nevertheless, the findings presented here suggest that the effectiveness of U.S. pressure is likely to be shaped by both allies' perception of threat and by the extent to which the United States faces resource constraints.

Relatedly, this article suggests that expanding an alliance's geographic frontiers can undermine burden-sharing if it insulates larger allies – whose contributions are likely to be the most decisive in shaping the alliance's overall capabilities – by creating buffers between them and the alliance's rivals. In this way, the argument presented here suggests that expanding NATO after the Cold War may have reduced the incentives of larger allies such as Germany, which during the Cold War had directly bordered the Warsaw Pact, to invest in its military capabilities.

¹⁴⁹ Michael Birnbaum and Thomas Gibbons-Neff, "NATO Allies Boost Defense Spending in the Wake of Trump Criticism," *Washington Post*, June 28, 2017.