

# Power, Structure, and Foresight: Why Insight Forward Uses Realism to Improve Geopolitical Analysis

## INTRODUCTION

Insight Forward approaches geopolitical risk analysis from a clear theoretical position: realism. We do so because realism offers the strongest foundation for understanding how states behave and how geopolitical risks evolve. Most importantly, this long tradition is a disciplined framework for assessing national interest, power competition, regime security, and the structural constraints imposed by an anarchic international system. Where journalism describes events, realism explains underlying strategic logic. Where commentary reacts to headlines, realism interprets long-term trajectories grounded in history and recurring security dilemmas. This theoretically grounded approach allows Insight Forward to provide clients with analysis that is deliberate, structured, and probabilistic. We evaluate how states interpret threats, how they seek advantage, and how those decisions cascade through markets, supply chains, regulation, and corporate strategy. Our work is shaped by a tradition extending from Thucydides and Machiavelli to Morgenthau and Kissinger to Waltz and Mearsheimer to contemporary realist scholars. We believe geopolitical risk analysts must take ideas seriously, and as such, the profession requires the rigor that realism can provide.

## REALISM AS AN ANALYTICAL FOUNDATION

Realism starts from a specific structural claim about the international system that there is no central authority with both the legitimacy and the capability to enforce rules among sovereign states. The absence of a hierarchical enforcer produces anarchy, which is not chaos in the everyday sense, but a condition in which security cannot be guaranteed by any higher power. Under anarchy, states must rely on self-help. They cannot assume that other actors will come to their aid in a crisis, nor can they be certain that today's partner will not become tomorrow's rival. [Or to put it more cynically, "The enemy of my enemy is my future enemy."] This is where uncertainty inside the security dilemma becomes the central problem rather than a background feature. As Robert Jervis [shows](#), even measures adopted for defensive purposes, such as force modernization, alliance commitments, or forward deployments, can be interpreted by others as preparations for coercion or aggression. The result is a systematic tendency toward worst-case thinking, arms racing, and escalation, even when no state consciously intends to initiate conflict. The security dilemma, therefore, is the mechanism through which the basic structure of anarchy translates into recurring patterns of mistrust and competition.

Kenneth Waltz [formalizes this logic](#) into structural realism. In his account, the central explanatory variables are not the personalities of leaders or the ideologies of regimes, but the distribution of capabilities across units and the number of major powers in the system. States face similar constraints because each must survive in an anarchic environment, yet their opportunities and vulnerabilities differ according to relative power. They are therefore driven to hedge against vulnerability, balance against concentrations of power, and avoid excessive dependence on others. This does not mean that states constantly seek expansion. It means that they constantly evaluate their position within a shifting structure of threats and opportunities. For analysis, the critical move is that realism treats power and position as independent variables, and policy rhetoric as a dependent variable that often rationalizes underlying structural imperatives.

In a slight differentiation, classical realists such as Hans Morgenthau add a political-psychological and ethical dimension to this structural core. They emphasize that political leaders operate under conditions of limited information, imperfect judgment, and the temptations of moral or ideological overreach. Morgenthau's insistence on prudence as the supreme political virtue is an argument that decision makers must constantly weigh power, interest, and risk within an environment shaped by the security dilemma. Prudence becomes the operational counterpart of structural constraint. It is the practical discipline that recognizes how quickly miscalculation can convert latent competition into open crisis when all actors are armed, insecure, and wary of relative decline.

Within this broader realist family, offensive, defensive, and neoclassical variants refine the mechanisms of competition without abandoning the core assumptions. John Mearsheimer's offensive realism argues that, under deep uncertainty about others' intentions, great powers are incentivized to maximize their share of power and seek regional preponderance. The safest position in an anarchic system is to be so dominant that no coalition can plausibly threaten you. This logic explains recurrent attempts at hegemony and aggressive balancing behavior in moments of power transition. By contrast, defensive realists such as Stephen Walt argue that excessive accumulation of power can provoke counter-balancing and reduce security. Walt's balance-of-threat theory refines the idea of balancing by showing that states respond not only to raw capabilities but also to geography, offensive posture, and perceived intentions. Neoclassical realists integrate domestic variables such as state extractive capacity, elite perceptions, and bureaucratic politics to explain why some states respond more effectively than others to the same structural pressures. They treat domestic factors as filters rather than substitutes for structural logic.

Across these variations, a consistent conclusion emerges. Power competition is structural, not incidental. Cooperation can and does occur, but it is always embedded in a context where states worry about relative gains, vulnerability to defection, and regime survival. Agreements are evaluated not only by absolute benefits but by their impact on the balance of capabilities and the freedom of action of the state. Institutions, norms, and interdependence can mitigate risks at the margin, but they do not remove the underlying incentives generated by anarchy and the security dilemma. For any actor trying to anticipate state behavior, the realist contribution is to provide a disciplined hierarchy of explanatory factors. Start with structure, power, threat perception, and survival incentives, then analyze how ideology, personality, or domestic politics interact with those constraints. That hierarchy is what makes realism a durable analytical foundation rather than a set of ad hoc observations or quixotic utopianism.

## **HISTORY AS STRUCTURED KNOWLEDGE**

For Insight Forward, history functions as a structured dataset of recurring strategic dilemmas that reveal how states behave when confronted with uncertainty inside the security dilemma. Realism provides the interpretive framework that turns these episodes into analytically usable knowledge. The historian's task is to first catalogue event and then to extract the causal mechanisms and strategic constraints at work. When viewed through this lens, the Peloponnesian War is not only a conflict between Athens and Sparta. It is an early demonstration of how fear, honor, and interest, operating within an anarchic system, can make escalation rational from each actor's perspective even as it is collectively disastrous. The Athenians' expansion and the Spartans' fear of relative decline illustrate the classic dynamic described by Waltz and Jervis centuries later. When power shifts, the security dilemma intensifies, and war becomes more likely even without malign intent.

The Concert of Europe provides another critical data point. Following the Napoleonic Wars, great powers constructed a diplomatic order intended to stabilize the balance of power. Realism interprets this as an instance where relative equilibrium produced restraint because no actor could revise the order at acceptable cost. The system endured when the balance held and deteriorated when it did not (i.e., World War I). This case highlights a central realist insight that order is generated by structural equilibrium and prudential statecraft, and it remains contingent on power alignment. Relatedly, Bismarckian diplomacy marks the high point of realism as practical statecraft. Bismarck recognized that Germany's security rested in carefully managed coalitions, strategic restraint, and calibrated deterrence drawing on the long history of German principalities functioning as pawns in the balance of power of Europe. His approach exemplified the classical realist emphasis on prudence as expanding power invites counterbalancing, but stability requires understanding both one's own limits and others' threat perceptions. Once Germany abandoned Bismarck's restraint, Europe reverted to a more unstable configuration where the security dilemma escalated unchecked (this was the real end of the Concert of Europe). The lesson for analysis is clear that the quality of statecraft matters, but it operates within structural constraints that magnify or punish miscalculation.

The Cold War represents the most comprehensive real-world test of structural realism. In a bipolar system, the United States and the Soviet Union engaged in an extended strategic competition that encompassed military posture, ideology, economics, technology, and proxy warfare. However, despite deep hostility, direct conflict was avoided through deterrence and stable expectations about relative power. Realism explains this outcome through the logic of mutually assured destruction and systemic balance rather than the liberal views on international institutions or market access. Even *détente*, arms control, and crisis management reflected interest-based calculations aimed at reducing inadvertent escalation rather than transcending rivalry. The post-Cold War period further validates realist expectations. Optimists assumed that unipolarity, economic interdependence, and international institutions would dissolve great-power politics. Realists warned that unbalanced power invites resistance, and that powerful historical forces would lead to nationalism, sovereignty, and relative gains thinking would persisting. The subsequent resurgence of Russian revisionism, the rise of China as a strategic competitor to the U.S., the fragmentation of global trade regimes, and the weaponization of interdependence all reflect structural logic. Directly in this sense, the end of history in the post-Cold War world was met by the revenge of geopolitics.

Within this historical-realist tradition, Henry Kissinger represents one of the most systematic attempts to link historical experience to balance-of-power theory and the practice of statecraft. His formative study, *A World Restored*, used the statecraft of Metternich and Castlereagh as an inquiry into why certain international orders endure while others collapse. Kissinger argued that stability requires an alignment among three elements: the distribution of power, the principles that legitimate the system, and the major powers' own self-conceptions. Where power changes faster than the legitimating framework can adjust, insecurity intensifies and familiar dynamics of the security dilemma reassert themselves. The insight that order is sustained only when equilibrium and legitimacy reinforce one another rather than diverge became the durable center of Kissinger's worldview. Kissinger's later diplomacy reflected this logic as his approach to *détente* and the opening to China was a structural correction applied to an unstable bipolar system that he sought to make multipolar. By creating a triangular strategic geometry among Washington, Moscow, and Beijing, Kissinger sought to ensure that no single actor could revise the system at tolerable cost and that each would internalize the risks of escalation. This was an attempt to stabilize the bipolar world and the rivalry between the U.S. and USSR, and in his view, create conditions for predictable behavior that emerges when each great powers understand

that attempts at unilateral advantage (i.e., revisionism) will generate counter-balancing responses.

Kissinger diverged from structural realists such as Waltz in assigning greater weight to the strategic imagination and restraint of leaders operating inside structural constraints. In *Diplomacy*, he repeatedly warned that states that universalize their values risk transforming foreign policy into a moral crusade, thereby encouraging overextension and provoking counter-coalitions that ultimately undermine security. Prudence, in this sense, becomes a strategic requirement for nuclear-armed great powers learning to manage the security dilemma. That lesson, grounded in historical observation gives Kissinger's work enduring relevance. Just as important, Kissinger's writing models how historical analogy functions as method rather than metaphor. He treated past settlements, such as Westphalia, Vienna, and Versailles, as structured case studies revealing how different orders coped with shifts in power, technology, and legitimacy. History, for him, was neither cyclical nor linear. It was a record of recurring strategic predicaments faced by actors with imperfect information, embedded in the security dilemma, and limited by domestic political constraints. The analyst's task is to identify what is structurally comparable across cases and what is contingent. Kissinger's work matters to a realist methodology because it operationalizes that discipline well.

Seen through this lens, Kissinger strengthens the broader argument made in this essay: order does not emerge naturally, nor does it rest on moral aspiration alone. It is constructed, legitimized, and continually adjusted as the distribution of power changes. His corpus demonstrates that historical awareness is the precondition for understanding how states behave when exposed to repeated versions of the same structural dilemmas. For *Insight Forward*, the key takeaway is not that history repeats in detail, but it repeats structurally. Episodes differ in actors, technology, and political rhetoric, but the underlying dilemmas of fear of relative decline, uncertainty about intentions, competition for advantage, and pressure for credibility remain constant. Recognizing these enduring mechanisms allows analysts to assign probabilities more accurately, identify inflection points earlier, and avoid narrative bias driven by ideology or short-term sentiment. Realism converts history from a descriptive chronicle into a cumulative evidence base for understanding how states predictably behave when exposed to similar strategic pressures.

## **CORPORATIONS OPERATE INSIDE THE SECURITY DILEMMA**

In the contemporary international system, corporations increasingly operate inside the functional perimeter of geopolitical competition rather than outside it. Energy systems, technology stacks, logistics networks, financial rails, and data infrastructure no longer exist as politically neutral platforms. They have become instruments of strategic leverage because states recognize that control over these systems generates coercive capacity, resilience advantages, and bargaining power. From a realist perspective, this development is unsurprising. If states are embedded in a security dilemma in which relative advantage and vulnerability determine survival, then the economic and technological domains become extensions of that competition. Corporations therefore occupy a liminal space. They are private actors, but they operate through assets and networks that states increasingly classify as strategic terrain. As a result, firms are not insulated from national security strategy.

Realism explains why this integration has accelerated. Semiconductor supply chains have become geostrategic infrastructure because computing power underpins military

modernization, surveillance, cyber operations, and economic productivity. Critical minerals map onto maritime choke points and politically fragile regions because they determine access to industrial capacity and defense production. Cloud architecture and data localization mandates function as national-security tools because information dominance is a prerequisite for intelligence, governance, and economic control. And sanctions regimes advance power politics rather than moral signaling, because restricting capital and technology flow alters the strategic options available to adversaries. These developments make sense only when analysts begin from relative-gains logic rather than market-efficiency assumptions.

The increasing use of export controls, outbound-investment screening, secondary-sanctions enforcement, industrial subsidies, localization mandates, and strategic stockpiling does not represent a transient political mood. It reflects the institutionalization of what scholars describe as weaponized interdependence, which is the use of network centrality and chokepoint control as tools of statecraft. Realism frames this as a structural adaptation to the security dilemma in an interdependent global economy. When states cannot withdraw from global networks without unacceptable cost, they instead compete to control the points of leverage within them. For corporations, this means that exposure cannot be managed as a traditional cyclical or regulatory risk. It is tied to the coercive capacity of the state and to the evolving balance of power among competing blocs. Legal, financial, operational, and reputational risks cascade from that environment. The appropriate analytical question is therefore not simply “what is the rule today?” but “how is the rule embedded in power-political strategies that may deepen or accelerate?”

Corporate vulnerabilities increasingly mirror the logics of state competition. Market access risk depends on geopolitical alignment as much as consumer demand. Licensing and compliance exposure reflect the national security calculus of host governments. Supply-route fragility emerges from maritime security conditions, chokepoint control, sanctions exposure, and regional deterrence stability. Reputational risk becomes intertwined with national narratives and information operations. Regulatory nationalism links corporate footprint to sovereignty concerns. Sovereign cyber enforcement makes firms subject to the intelligence and legal regimes of multiple states. And social-license legitimacy pressures reflect how publics and governments evaluate the national implications of corporate activity. None of these dynamics can be adequately understood through polling data, transactional news monitoring, or sentiment analysis. They require insight into how states calculate advantage under conditions of relative power, regime security, and threat perception. Strategic foresight becomes possible only when corporate analysts think as geopolitical strategists do by starting with the distribution of power and mapping how security concerns cascade into economic policy.

Insight Forward embeds that realist logic directly into our methodology. Relative-gains analysis informs our assessment of which industries, technologies, or routes are most likely to become strategic battlegrounds. Alliance and alignment dynamics shape our regional exposure mapping. Balance-of-power transitions underpin our scenario planning. And security-dilemma escalation pathways inform our risk forecasts. Our clients benefit from analysis that begins where decisions are actually made, within ministries, party leadership circles, military planning staffs, and regulatory-security ecosystems, rather than at the level of public commentary or market rumor. By grounding corporate geostrategy in realist theory, Insight Forward provides a disciplined framework for understanding how power competition will shape the business environment not only today, but over the strategic horizon.

# CONCLUSION

Insight Forward approaches geopolitical risk as a genuine field of inquiry rather than a branch of commentary. The stakes require it. Geopolitical analysts shape expectations, and expectations in turn influence capital allocation, operational posture, and corporate strategy. If analysis is impressionistic or narrative-driven, decision-making becomes reactive and unstable. We believe the profession should instead operate with the same intellectual seriousness found in strategic studies and international relations. That means grounding analysis in theory, treating history as structured knowledge rather than anecdote, and resisting the temptation to moralize events rather than explain them. We adopt realism not to claim omniscience, but to discipline judgment, clarify assumptions, and reduce analytic error in an environment defined by structural uncertainty.

Realism provides the framework that makes this discipline possible. It explains why the security dilemma persists across time and space, why power transitions destabilize order, and why markets remain embedded within geopolitical competition regardless of the breadth of globalization. It shows that states behave according to incentives rooted in survival, legitimacy, and relative advantage, not simply ideals, norms, or rhetoric. This understanding is essential for any organization exposed to geopolitical risk. Insight Forward applies realism to produce analysis that is structured, historically informed, probabilistic, and strategically grounded. It is the methodological core of our work.