

Causes of War

Bargaining and Commitment

March 10, 2015

Today's Agenda

- 1. Bargaining and commitment.**
- 2. Presentation on "The Critical Barrier to Civil War Settlement."**
- 3. Presentation on "Two Cheers for Bargaining Theory."**

A Note on Presentations

Clarification: If you miss your presentation date, you will receive a zero for the presentation, unless you provide documentation of a family or medical emergency.

Recap: Bargaining in the Shadow of War

- **War is costly**
- **There are settlements both sides prefer to fighting**
- **Why can't we find them?**

Anarchy

- **No world government**
- **States can always use force against each other**
- **Contracts aren't enforceable**

TODAYS SPECIAL



DAC

Bargaining and Anarchy

- **Settlements aren't binding contracts**
- **States now can't commit themselves not to use force later**
- **Expectations may sink negotiations**

Does Anarchy Cause War?

Anarchy is a *constant*.

But war is not.

Commitment Problems as a Cause of War

- 1. I must rather renege than abide by the settlement**
- 2. You must rather fight now than let me get away with it**
 - Cost of reneging can't be "priced into" settlement**

Why Renege?

Reasons to Renege

- **Dissatisfied with settlement**
- **Change in preferences**

United States Senate

WASHINGTON, DC 20510

March 9, 2015

An Open Letter to the Leaders of the Islamic Republic of Iran:

It has come to our attention while observing your nuclear negotiations with our government that you may not fully understand our constitutional system. Thus, we are writing to bring to your attention two features of our Constitution—the power to make binding international agreements and the different character of federal offices—which you should seriously consider as negotiations progress.

What these two constitutional provisions mean is that we will consider any agreement regarding your nuclear-weapons program that is not approved by the Congress as nothing more than an executive agreement between President Obama and Ayatollah Khamenei. The next president could revoke such an executive agreement with the stroke of a pen and future Congresses could modify the terms of the agreement at any time.

We hope this letter enriches your knowledge of our constitutional system and promotes mutual understanding and clarity as nuclear negotiations progress.

Sincerely,

Tom Cotto

David A. Keene

***Why Not* Renege?**

Reasons Not to Renege

- **Preserve reputation**
- **Agreement designed to be self-enforcing**

Self-Enforcing Agreements

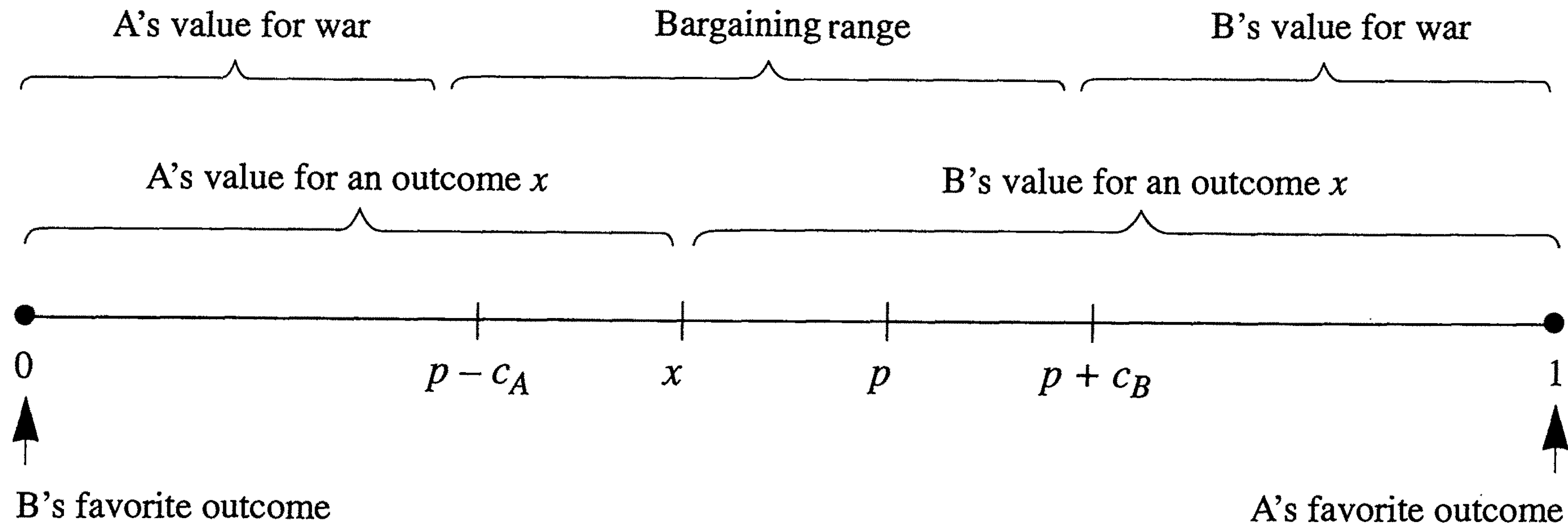


FIGURE 1. *The bargaining range*

Who Reneges?

- **The loser?**
 - **Dissatisfied with bad settlement**
 - **e.g., German remilitarization of the Rhineland in 1936**
- **Or the winner?**
 - **Empowered by favorable settlement**
 - **e.g., Hitler in Czechoslovakia**

Summary

- **Under anarchy, commitments aren't binding**
- **Potential to renege can threaten negotiation success**

For Next Time

- **Reminder: second critical response paper due a week from today**
- **Read Powell, "War as a Commitment Problem" if you haven't already**
- **Presentations on "War Is in the Error Term" and "Terrorism, Democracy, and Credible Commitments"**

Image Sources

- Neville Chamberlain: [Wikimedia Commons](#)
- Used car lot: John Lloyd, via [Flickr](#)