Two Cheers for Bargaining Theory

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Assessing Rationalist Explanations of the Iraq War

The Iraq War has been one of the most significant events in world politics since the end of the Cold War. One of the first preventive wars in history, it cost trillions of dollars, resulted in more than 4,500 U.S. and coalition casualties (to date), caused enormous suffering in Iraq, and may have spurred greater anti-Americanism in the Middle East even while reducing potential threats to the United States and its allies. Yet, despite its profound importance, the causes of the war have received little sustained analysis from scholars of international relations.[1] Although there have been many descriptions of the lead-up to the war, the fighting, and the occupation, these largely journalistic accounts explain how but not why the war occurred.[2]

In this article, I assess a leading academic theory of conflict—the rationalist approach to war or, simply, bargaining theory—as one possible explanation of the Iraq War.[3] Bargaining theory is currently the dominant approach in conflict

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1. Positive theories of the Iraq War are few. See Daniel Byman, "An Autopsy of the Iraq Debacle: Policy Failure or Bridge Too Far?" *Security Studies,* Vol. 17, No. 4 (October 2008), pp. 599–643; Andrew Flibbert, "The Road to Baghdad: Ideas and Intellectuals in Explanations of the Iraq War," *Security Studies,* Vol. 15, No. 2 (April–June 2006), pp. 310–352; Jacek Kugler, Ronald L. Tammen, and Brian Efird, "Integrating Theory and Policy: Global Implications of the War in Iraq," *International Studies Review,* Vol. 6, No. 4 (December 2004), pp. 163–179; and David Mitchell and Tansa George Massoud, "Anatomy of Failure: Bush's Decision-Making Process and the Iraq War," *Foreign Policy Analysis,* Vol. 5, No. 3 (July 2009), pp. 265–286.
2. Among other largely journalistic accounts, see Ivo H. Daalder and James M. Lindsay, *America Unbound: The Bush Revolution in Foreign Policy* (Washington, D.C.: Brookings Institution Press, 2003); Michael Isikoff and David Corn, *Hubris: The Inside Story of Spin, Scandal, and the Selling of the Iraq War* (New York: Three Rivers, 2007); James Mann, *Rise of the Vulcans: The History of Bush's War Cabinet* (New York: Penguin, 2004); George Packer, *The Assassins' Gate: America in Iraq* (New York: Farrar, Straus and Giroux, 2005); and Thomas E. Ricks, *Fiasco: The American Military Adventure in Iraq* (New York: Penguin, 2006).
3. James D. Fearon, "Rationalist Explanations for War," *International Organization,* Vol. 49, No. 3 (Summer 1995), pp. 379–414; Robert Powell, *In the Shadow of Power: States and Strategies in International Politics* (Princeton, N.J.: Princeton University Press, 1999); Dan Reiter, "Exploring the Bargaining Model of War," *Perspectives on Politics,* Vol. 1, No. 1 (March 2003), pp. 27–43; and

studies, providing the workhorse model for many theories of crisis, escalation, and civil and interstate war.[4] Bargaining theory correctly directs attention to the inherently strategic nature of all wars. Given the inevitable costs of fighting, the theory forces analysts to explain why states use the inefficient mechanism of war to settle disagreements. Most important, it highlights problems of credible commitment and asymmetric information that lead conflicts of interest, ubiquitous in international relations, to turn violent. As I discuss below, these strategic interactions were central to the outbreak of war in 2003.

Despite its prominence, however, bargaining theory is an inadequate explanation of the Iraq War. The bargaining failures central to the conflict were not those expected by the theory. As presently developed, bargaining theory makes four central assumptions that either ignore or critically distort key factors that led to war between the United States and Iraq in 2003. Listed here in order of increasing importance, each assumption must be modified with substantial consequences for the theory if scholars are to explain the Iraq War, and possibly other conflicts as well.

First, bargaining theory assumes that states are unitary actors. As the Iraq case demonstrates, domestic political actors played an important role in driving the United States and Iraq to war. Indeed, popular discourse often implied that oil companies or the military-industrial complex in the United States was a major cause of the turn to violence. An extension of bargaining theory and an examination of the case suggest that particularistic interests such as these can—and likely did—increase the belligerency of the United States. Yet, only under unlikely conditions that did not obtain in this case can such groups be sufficient to bring about war in the absence of other sources of bargaining failure. The war was not fought for Exxon or Halliburton, as protestors often charged, but these special interests did make a peaceful resolution of the dispute with Iraq more difficult to achieve.

Second, bargaining theory is now modeled in two-player games. In the Iraq

R. Harrison Wagner, "Bargaining and War," *American Journal of Political Science,* Vol. 44, No. 3 (July 2000), pp. 469–484. One of earliest statements of bargaining theory comes from a history of selected wars. See Geoffrey Blainey, *The Causes of War,* 3d ed. (New York: Free Press, 1988), especially pp. 292–294. The first formal model was Donald Wittman, "How a War Ends: A Rational Model Approach," *Journal of Conflict Resolution,* Vol. 23, No. 4 (December 1979), pp. 743–763.
4. See Bruce Bueno de Mesquita, James D. Morrow, Randolph M. Siverson, and Alastair Smith, "An Institutional Explanation of the Democratic Peace," *American Political Science Review,* Vol. 93, No. 4 (December 1999), pp. 791–807; Kenneth A. Schultz, *Democracy and Coercive Diplomacy* (New York: Cambridge University Press, 2001); Dan Reiter and Allan C. Stam, *Democracies at War* (Princeton, N.J.: Princeton University Press, 2002); and David A. Lake, "International Relations Theory and Internal Conflict: Insights from the Interstices," *International Studies Review,* Vol. 5, No. 4 (December 2003), pp. 81–89.

War, this analytic simplification masks important dynamics. Although a formal *n*-actor model is not analyzed here, multiple actors appear to magnify problems of asymmetric information and costly signaling. Multiple audiences hear the same signal with possibly different effects. Knowing this, leaders may be reluctant to signal in ways that might reduce the risk of war with one audience for fear of increasing the risk of conflict with others. In the lead-up to the Iraq War, Saddam Hussein was unwilling to signal clearly that he had dismantled his weapons of mass destruction (WMD) programs and thus ran a higher risk of conflict with the United States in order to deter challenges from his Shiite and Kurdish minorities and regional rivals, especially Iran. Future research on war must examine the problem of signaling in the presence of multiple audiences.

Third, bargaining theory assumes that a war is over once a settlement is reached. The Iraq War makes clear that the conflict process extends long past the declaration of "mission accomplished" and continues into the postwar "peace." The decision to go to war, in turn, rests crucially on assumptions about the costs of enforcing the settlement that are now untheorized. Had the costs of governing Iraq after the declaration of victory been properly assessed, even the George W. Bush administration might have been deterred from launching a preventive war. The Iraq War demonstrates what happens when this phase is ignored. The postwar peace is an important additional stage of conflict that needs to be integrated into the bargaining framework.

Finally, bargaining theory assumes that states act rationally, as made explicit in the title of James Fearon's classic statement of the approach.[5] The United States and Iraq were clearly intentionalist, in that they developed strategies to attain their goals cognizant of the possible strategies of the other; they were, in this sense, minimally rational. In the Iraq War, however, the key information failures were rooted in cognitive biases in decisionmaking, not intentional misrepresentations by the opponent. Indeed, both the United States and Iraq engaged in self-delusions, biased decisionmaking, and failures to update prior beliefs that are inconsistent with the assumption that actors will seek out and use all available information. These deviations from rationality suggest possible gains from integrating bargaining theory with the sorts of cognitive biases identified by scholars in an earlier literature on misperception.[6] Emphasizing

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5. Fearon, "Rationalist Explanations for War."
6. The classic studies are Robert Jervis, *Perception and Misperception in International Politics* (Princeton, N.J.: Princeton University Press, 1976); Irving I. Janis and Leon Mann, *Decision Making: A Psychological Analysis of Conflict, Choice, and Commitment* (New York: Free Press, 1977); and John D.

the cognitive limitations of individuals and organizations, the literature on misperception tended to ignore the strategic implications of decisionmaking;[7] conversely, bargaining theory focuses on strategic interaction but presumes that actors are rational and information is relatively costless. These approaches are complements, not substitutes. In ways parallel to the behavioral revolution in economics, scholars should aim for a behavioral theory of war.

After every war, the military engages in a thorough review of the lessons learned so that past mistakes are not repeated—an imperfect process at best. By probing the intersection between theory and case, I seek to identify analytical lessons learned from the Iraq War that can lead to a better understanding of how war might be avoided in the future. The article proceeds in eight steps. After summarizing bargaining theory, I examine the costs of fighting to the United States and Iraq and demonstrate that a bargain must have existed that both sides preferred to war. I then examine the problem of credible commitment and the information asymmetries that led to war. Extending the bargaining model, I show how the failure to consider postwar governance costs influenced the decision to go to war. I then discuss the role of domestic politics, especially the effects of special interests on decisionmaking. Pulling together the analysis, I summarize the analytical lessons learned and outline possible directions for future research. The final section offers several lessons for policy from the Iraq War, focusing on the errors of the Bush administration that heightened the probability of war.

The Bargaining Theory of War

The core idea of bargaining theory is that, because war is costly, there must exist a negotiated outcome that will leave both sides better off than if they actually fight. In this way, war is a failure of bargaining, an inefficient outcome that all parties would avoid in the absence of bargaining imperfections.

The now standard setup of the theory, owed to Fearon and Robert Powell, is depicted as two actors—denoted A and B and presumed to be states—in dispute over an issue of fixed value (e.g., territory or the gains from trade).[8] In figure 1, the issue is depicted on a (0,1) interval with A's ideal point (the issue is resolved entirely in its favor) on the extreme right and B's ideal point on the

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Steinbruner, *The Cybernetic Theory of Decision: New Dimensions of Political Analysis* (Princeton, N.J.: Princeton University Press, 1974).

7. See Arthur A. Stein, "When Misperception Matters," *World Politics,* Vol. 34, No. 4 (July 1982), pp. 505–526.

8. Fearon, "Rationalist Explanations for War"; and Powell, *In the Shadow of Power.*

Figure 1. The Standard Bargaining Model of War
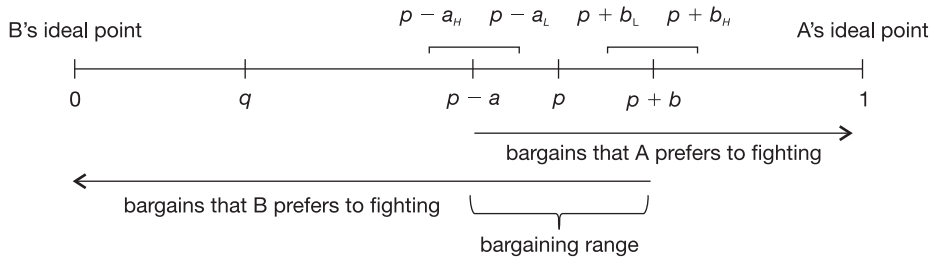
extreme left, and the status quo (the current division of the issue) at q. Assuming that the outcome of any fight is an increasing function of the victor's capabilities, and that the victor implements an outcome at its ideal point, p represents the expected division of the issue through war. When the distribution of capabilities does not equal the current distribution of benefits, A may have an incentive to challenge B ($p - q > 0$) or vice versa ($p - q < 0$).

If the actors fight, each incurs some cost (a or b, respectively), calibrated relative to the value of the good under dispute.[9] As long as the costs of fighting are positive ($a + b > 0$), the theory implies that a bargaining range must exist around p, defined as that set of divisions of the issue that both sides prefer to fighting. That is, if states fight, the expected utility of war for A is $p - a$, but for B, it is $p + b$. Each state would prefer any division of the issue within the bargaining range without fighting to the expected utility of war. Although each state might prefer a solution at its ideal point, on average it can do no better than to accept any point within the bargaining range rather than fight. Even if states claim that they will settle for nothing less than their maximal demands or that they are better off fighting rather than striking a bargain, if fighting is costly for at least one state, there must exist a bargaining range that will leave both sides better off than war.

Although both sides are always better off negotiating rather than fighting, the theory posits that bargains are more likely to fail or result in war under two conditions.[10] First, war is more likely when bargains are not credible or in the interests of the parties to honor. That is, any agreement reached today to avoid

9. That is, the greater the value of the issue in dispute, the smaller the costs of war, all else constant, and vice versa.
10. A third condition arises when the issue in dispute is indivisible or cannot be the object of an intermediate settlement. No apparent indivisibilities existed in the Iraq case, so I do not discuss this problem further here. On indivisibilities and conflict, see Stacie E. Goddard, "Uncommon Ground: Indivisible Territory and the Politics of Legitimacy," *International Organization*, Vol. 60, No. 1 (Janu-

war may not be in the interests of an actor to carry out tomorrow. This is most clear when the distribution of capabilities between the parties is shifting. The state that is growing stronger will have an incentive to demand a more favorable division of the issue in the future. Knowing this, the state that is growing weaker may have an incentive to fight today in hopes of obtaining its ideal outcome rather than tomorrow when it will be weaker. This is the principle logic behind preventive war.[11] Problems of credible commitment can also arise when there is uncertainty about the preferences of the other player, or its "type." Even if it would be in the interests of some actors to honor an agreement, if it is not in the interests of others and the first actor is uncertain about which type it faces, it may choose not to enter an agreement for fear of future defection. In the case of Iraq, the core problem of credible commitment arose from both a possible shift in future power and uncertainty over Saddam's future intentions.

Second, war is more likely when states have private information about their costs of fighting (affecting a or b) and incentives to misrepresent this information. In the standard setup, illustrated in figure 1, it is assumed that each side knows its own costs of fighting but may be unsure of its opponent's costs (i.e., each side possesses private information). This uncertainty is represented as a distribution of costs that includes the true costs of fighting ($p - a_H$ to $p - a_L$ and $p + b_L$ to $p + b_H$).[12] Because negotiating is always better than fighting, actors typically have incentives to reveal their private information—signal their type—to their opponent. In some circumstances, however, revealing private information may undermine a state's ability to prevail if war occurs, creating an incentive not to reveal or even to misrepresent that information. States may also have an incentive to bluff by signaling lower costs of fighting than they really have so as to get a better deal. This, too, can lead to failed bargains. Private information with incentives to misrepresent also played a role in bringing about the Iraq War.

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ary 2006), pp. 35–68; and Ron E. Hassner, *War on Sacred Grounds* (Ithaca, N.Y.: Cornell University Press, 2009).

11. See James D. Fearon, "Commitment Problems and the Spread of Ethnic Conflict," in David A. Lake and Donald Rothchild, eds., *The International Spread of Ethnic Conflict: Fear, Diffusion, and Escalation* (Princeton, N.J.: Princeton University Press, 1998), pp. 107–126; and Robert Powell, "War as a Commitment Problem," *International Organization,* Vol. 60, No. 1 (Winter 2006), pp. 169–203.

12. Actors can always avoid war by making the offer that would leave the opponent with the lowest possible costs of fighting ($p - a_L$ or $p + b_L$) indifferent between the offer and its expected utility of war. Given that this would require making greater concessions than necessary to some possible opponents (all states with costs of fighting to the left of $p - a_L$ or the right of $p + b_L$), utility maximizing actors face an inevitable "risk-return" trade-off. Because of this trade-off, there is always some stochastic risk of war. See Powell, *In the Shadow of Power.*

Figure 2. War as a Bargaining Process
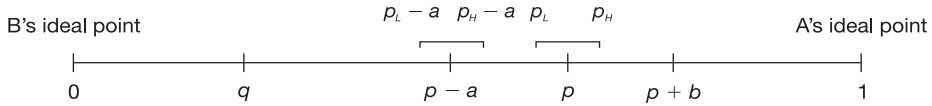
A second class of models treats war as a bargaining process.[13] The standard setup depicts war as a game-ending costly lottery: if bargaining fails, the states fight and, with some exogenous probability, one side wins and imposes its ideal point. One implication of this setup is that once fighting begins, the parties have revealed their beliefs about the true costs of fighting, the true bargaining range is thereby revealed, and war should result in a settlement as soon as it starts. In this second class of models, one state (in this case, B) is typically assumed to be uncertain over the probability of victory, which may range from p_L, where A is less likely to win, to p_H, where A is more likely to win (see figure 2).[14] The uncertain state may offer a bargain that satisfies the possible opponent with the lowest probability of victory (B offers A something near $p_L - a$), but such an offer will necessarily fail to satisfy the possible opponent with the highest probability of victory. Thus, the presence of uncertainty implies that some portion of the time the two states fail to reach an accord and fight. In turn, fighting battles under the fog of war reveals information stochastically about the true probability of victory, and the uncertain party updates its beliefs and its offer accordingly. The other party can also attempt to extract a better deal by rejecting offers it might otherwise accept and continuing to fight, thereby sending a costly signal about its beliefs about the probability of victory. Fighting continues until the uncertain party makes a minimally acceptable offer, or one or the other party exhausts itself and the other wins absolutely. In this way, fighting is a mechanism for revealing information about the probability of victory. Given the overwhelming superiority of the United

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13. See Wagner, "Bargaining and War"; Darren Filson and Suzanne Werner, "A Bargaining Model of War and Peace: Anticipating the Onset, Duration, and Outcome of War," *American Journal of Political Science,* Vol. 46, No. 4 (October 2002), pp. 819–837; Branislav L. Slantchev, "The Principle of Convergence in Wartime Negotiations," *American Political Science Review,* Vol. 97, No. 4 (November 2003), pp. 621–632; and Robert Powell, "Bargaining and Learning while Fighting," *American Journal of Political Science,* Vol. 48, No. 2 (April 2004), pp. 344–361.
14. The rendering in figure 2 is based on Slantchev, "The Principle of Convergence in Wartime Negotiations"; and Powell, "Bargaining and Learning while Fighting." Note that both models assume one-sided incomplete information. Powell also examines the case where one party is uncertain about the other's costs of fighting, rather than the probability of victory, but learns about those costs from the process of fighting. In figure 2, this is equivalent to uncertainty over the interval $p_L - a$ to $p_H - a$.

States in the Iraq War, the problem of uncertainty over the probability of victory most likely did not arise, although Iraq's uncertainty over the resolve of the United States loomed large.

More recent models of war as a bargaining process, however, are relevant to the Iraq War. Scholars have extended the theory to include a prewar bargaining phase in which states signal their beliefs about the probability of victory through actions, such as mobilization, that affect the future costs of fighting and the range of acceptable bargains.[15] These actions can lead states to alter their demands over the course of the conflict, with states that sink costs early in the conflict becoming more belligerent—or rejecting settlements that they would have accepted prior to sinking those costs. More important, the Iraq War suggests the need to extend the bargaining process further by including a postwar phase. Higher costs at this phase will always make states less belligerent.

In summary, bargaining theory implies that war is always a failure, an inefficient way to settle disputes. War occurs, in turn, when (1) commitments are not credible, (2) states possess private information about their costs of fighting and incentives to misrepresent that information, and (3) states are uncertain over their probability of victory. Bargaining theory is often difficult to test in a rigorous way.[16] The question here, however, is what, if anything, can bargaining theory say about why the Iraq War occurred?

Bargaining and the Costs of the Iraq War

The issue in dispute between the United States and Iraq is not obvious to scholars, and perhaps not even to political leaders on either side. Although Iraq's supposed WMD programs were the casus belli, they were the precipitant and not the underlying issue, and are better thought of as one source of bargaining failure. Through the 1980s, the United States and Iraq enjoyed relatively good relations, with Washington supporting Baghdad as a counterweight to the revolutionary regime in Iran. Indeed, the United States continued to provide dual-use technologies and failed to sanction Saddam's regime even after it used poison gas against Iranian forces in 1984–87 and Iraqi Kurds

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15. Branislav Slantchev, "Military Coercion in Interstate Crises," *American Political Science Review,* Vol. 99, No. 4 (November 2005), pp. 533–547.
16. This is especially true of models that focus on asymmetric information. See Erik Gartzke, "War Is in the Error Term," *International Organization,* Vol. 53, No. 3 (July 1999), pp. 567–587.

in 1988.[17] By the end of the Cold War, however, Saddam had shifted direction and was trying to seize the vanguard position in the anti–United States movement building in the Middle East. By invading Kuwait in 1990, he disrupted the status quo and threatened America's relations with its regional clients. Through the eve of the 2003 war, the underlying issue between the United States and Iraq was most likely which country—and its policies—would dominate the Persian Gulf region.[18] More proximately, whether Iraq would comply with the United Nations resolutions passed after the 1990–91 Persian Gulf War was an indicator of its willingness to abide by international rules and norms or whether it would seek to oppose the United States and its more moderate allies. Even more proximately, in 2003 the Bush administration cast the issue as one of regime change in Iraq, but this was a derived preference that followed from Saddam's inability to credibly commit not to develop WMD. Although this judgment is subject to continuing debate, the most plausible interpretation of the issue under dispute is that the United States and Iraq were engaged in an ongoing geopolitical struggle founded on two very different visions for the future of the region.

Bargaining theory points scholars to the key question of why the U.S.-Iraq dispute—whatever it may have been—could not be solved short of war. The most fundamental insight of bargaining theory is that, because war is costly, there must exist a negotiated outcome that will leave both sides better off than actually fighting. The first step in assessing the theory, therefore, is to determine whether the war was indeed costly and expected to be so, whether a bargain was possible, and whether there were viable alternatives to war.

THE COSTS OF WAR

To date, the best available estimate is that the Iraq War will cost the United States more than $3 trillion.[19] Prior to the war, Office of Management and

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17. Bruce W. Jentleson, *With Friends Like These: Reagan, Bush, and Saddam, 1982–1990* (New York: W.W. Norton, 1994), pp. 68–93.

18. Neither side could openly declare its ambitions, for obvious reasons, and thus direct evidence of the issue in dispute is hard to find. On the regional ambitions of the United States, see Andrew J. Bacevich, *The Limits of Power: The End of American Exceptionalism* (New York: Metropolitan, 2008), pp. 51–56, 141–143; Peter W. Galbraith, *The End of Iraq: How American Incompetence Created a War without End* (New York: Simon and Schuster, 2006), pp. 9–10; and Michael Ignatieff, *Empire Lite: Nation-Building in Bosnia, Kosovo, Afghanistan* (London: Vintage, 2003), pp. 5–6.

19. Joseph E. Stiglitz and Linda J. Bilmes, *The Three Trillion Dollar War: The True Cost of the Iraq Conflict* (New York: W.W. Norton, 2008). This is, of course, the ex post cost of the war. Nonetheless, it is not substantially different than widely circulated estimates of the costs before the war. See William D. Nordhaus, "The Economic Consequences of a War with Iraq," in Carl Kaysen, Steven E.

Budget Director Mitch Daniels suggested that it could be fought for $20 billion, later revised to $50–$60 billion.[20] In turn, Deputy Defense Secretary Paul Wolfowitz suggested that postwar reconstruction could pay for itself through increased oil revenues, while Director of the U.S. Agency for International Development Andrew Natsios thought that reconstruction costs might rise to $1.7 billion.[21] Although the Bush administration's public estimates proved to be wildly incorrect, all recognized early on that the United States would bear substantial costs for the war.

In addition, the United States has suffered enormous costs to its international reputation by launching a preventive war without the support of the international community, by the botched occupation, and by the subsequent failure to discover any Iraqi WMDs. The war may have also stimulated additional anti-Americanism in the region, and it certainly lent credence to Islamic fundamentalists who were already portraying the expanded U.S. role in the Persian Gulf as a Western crusade. These noneconomic costs must also be included in any accounting of the conflict and weighed against the alternatives to fighting.

The costs to Iraq from the death and destruction of the war are estimated to be of a similar magnitude as those eventually borne by the United States.[22] Although there has not been a similar accounting of the direct costs to Iraq, estimates of casualties range from 100,000 to 600,000 deaths,[23] with many more displaced by sectarian violence. Oil production has still not returned to prewar levels.[24] The immediate and continuing costs of the war appear substantial.

Miller, Martin B. Malin, Nordhaus, and John D. Steinbrunner, *War with Iraq: Costs, Consequences, and Alternatives* (Cambridge, Mass.: American Academy of Arts and Sciences, 2002), chap. 3, which gives an outside estimate of $1.9 trillion but does not include costs of veterans' care, which loom large in Stiglitz and Bilmes's calculations.

20. Daniels's original figure is from Isikoff and Corn, *Hubris,* p. 194. The revised figure from Daniels and Secretary of Defense Donald Rumsfeld is from Stiglitz and Bilmes, *The Three Trillion Dollar War,* p. 7. Larry Lindsey, head of President Bush's National Economic Council, originally estimated that the total costs of the war might reach $200 billion, but Rumsfeld dismissed this as "baloney." Lindsey was pushed out of the administration in December 2002.

21. Stiglitz and Bilmes, *The Three Trillion Dollar War,* p. 7.

22. Stiglitz and Bilmes hesitate to place a dollar value on Iraqi lives, but there is little doubt that overall losses in life and economic welfare have been greater than for the United States. I have not been able to identify any estimates of likely costs to fighting for Iraq released prior to the war. Ibid., pp. 134–144.

23. The lowest estimates are from Iraq Body Count, http://www.iraqbodycount.org/. The highest estimates are from Gilbert Burnham, Riyadh Lafta, Shannon Doocy, and Les Roberts, "Mortality after the 2003 Invasion of Iraq: A Cross-section Cluster Sample Survey," *Lancet,* October 21, 2006, pp. 1421–1428.

24. Oil production remains about 14 percent below 2000 levels. See U.S. Energy Information Administration, U.S. Department of Energy, "Iraq: Oil," Current Analysis Briefs, June 2009, http://www.eia.doe.gov/cabs/iraq/oil.html.

WAS A BARGAIN POSSIBLE?

A range of negotiated outcomes existed that would have left both the United States and Iraq better off than "burning" lives and assets worth in the neighborhood of $6 trillion, even excluding the nonpecuniary costs. The United States and Iraq could have compromised over the nature of the order imposed on the region, reaching an accommodation that reflected their relative strengths, or they could have divided leadership by issue area, with the United States taking responsibility for, say, international waterways and Iraq exercising greater influence over oil production and prices. At the more proximate level of regime change, Saddam could have fled Iraq and sought exile in some safe haven, perhaps extorting a substantial payment from the United States for doing so—but likely far less than $50 billion, the Bush administration's own estimate of the costs of fighting. Alternatively, Saddam could have been assassinated by one of his generals either to forestall the suffering for his country that war necessarily entailed or to collect the bounty that was on the dictator's head. All of these outcomes would have left Iraq and the United States—and possibly even Saddam—better off than actually fighting. That such a bargain was not reached is the central puzzle of this or any war.

One possible explanation of the conflict is that the Bush administration "wanted" a war with Iraq to demonstrate that the United States could and would use military force to achieve its objectives. This desire to make an example of Iraq might imply that there was no feasible bargain, and thus that war was inevitable or explained purely by the Bush administration's preferences. Although the administration undoubtedly wanted to demonstrate the usability of force,[25] a full understanding of bargaining theory indicates that the war remains a puzzle.

The notion that the Bush administration desired a war because of its hawkish preferences rests on two incorrect suppositions. First, for this explanation to be true, the Bush administration would have had to have been insensitive to or insulated from the costs of war to the United States as a whole. During the war, of course, much was made of the observation that few administration officials had children serving in the military. More generally, it was argued, while the administration would get political credit for a military victory, the public bore all the costs in terms of lives lost and taxes paid. Yet, especially in a democratic system, leaders bear direct electoral responsibility for their decisions. Although as individuals administration officials may not have borne the costs of war, their reputations and the "permanent" Republican majority that

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25. On the philosophy of a more robust military, see Mann, *Rise of the Vulcans.*
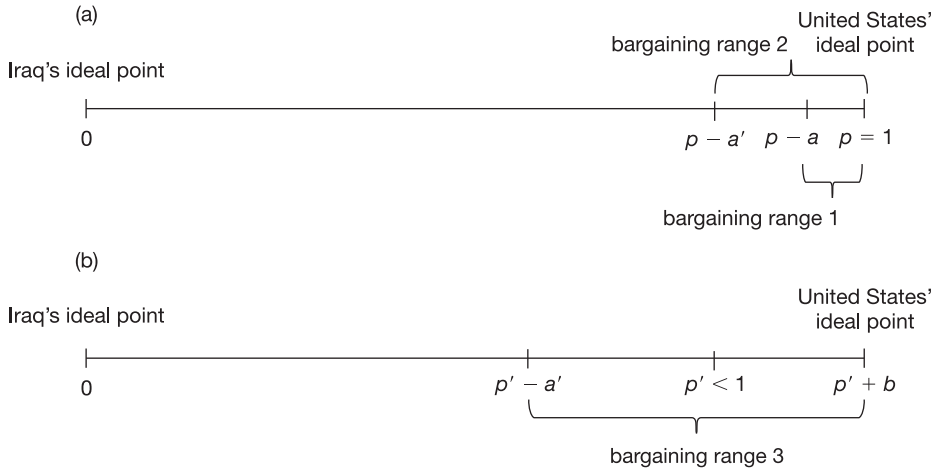
loomed before 2003 were destroyed as the overall price of the war mounted. Although the nature of the costs differed, the administration still paid substantial penalties for leading the nation into Iraq. Even if officials did not lose sons and daughters or pay exorbitant taxes, they paid dearly in the end.

Second, for the explanation to hold, the expected benefits from demonstrating the usability of force would have had to exceed the actual costs of the fighting. The administration did expect geopolitical gains for the United States from using force. Defeating Iraq would demonstrate to other states that opposing the U.S. vision for world order was fruitless. Yet, even though the Bush administration's valuation of the act of fighting may have been larger than those of other recent administrations (or a counterfactual Albert Gore administration if the 2000 election had turned out only slightly differently), it was unlikely to value the act of fighting itself more than the $50 billion it anticipated or the $3 trillion cost eventually incurred. There was no doubt about the global predominance of the U.S. military after the Cold War and the Persian Gulf War of 1990–91, or about its technological superiority. The Bush administration had already demonstrated its ability and, more important, willingness to use force by the rapid assault against and defeat of the Taliban in Afghanistan in 2001. Even if from the administration's viewpoint the expected geopolitical benefits of a demonstrative use of force were large, it is difficult to imagine that the expected benefits from yet another war per se would be great enough to offset completely the actual costs of fighting in Iraq.[26] This implies that the administration's value for fighting may have reduced the size of the bargaining range but most likely did not eliminate it. If one assumes for exposition that the United States was virtually certain to win the war ($p \approx 1$), the geopolitical gains from defeating Iraq would have reduced the costs of war from, say, a' to a (see figure 3a). This would have made the administration more belligerent or unwilling to settle for deals with Iraq that other administrations might have accepted (bargaining range 2 is larger than range 1). This is plausible, but it is unlikely that no feasible bargain remained.

A second possible explanation for the conflict is that the Bush administration, again, wanted war in order to construct a viable democracy in Iraq, demonstrate that such a regime could thrive in the Middle East, and undercut support for Islamic fundamentalism. This aspiration no doubt motivated

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26. Combining conditions one and two, if the direct costs of war to administration officials were low, the direct benefits of demonstrating the usability of force were low as well. Although the country might gain from demonstrating that the public supported the use of force, it is not clear how this would redound to the advantage of individual officials.

Figures 3a and 3b. Bargaining and the Iraq War

(a)

Iraq's ideal point

United States'
bargaining range 2   ideal point

0 $p - a'$ $p - a$ $p = 1$

bargaining range 1

(b)

Iraq's ideal point

United States'
ideal point

0                                   $p' - a'$ $p' < 1$ $p' + b$

bargaining range 3

some in the administration, especially the neoconservatives in the Defense Department.[27] Nonetheless, it is not clear why war itself was necessary to bring about a democratic regime. Forcing the internal collapse of Saddam's regime, stimulating a coup, or perhaps even supporting a domestic insurrection might have been more effective at lower cost. Indeed, given the sectarian violence that broke out immediately after the war and the hardening of religious and ethnic groups that followed, a successful democratic transition might have been more feasible in the absence of direct U.S. intervention. Moreover, something less than $3 trillion—even less than the $50–$60 billion originally estimated for the war—devoted to building capable democratic institutions in Iraq would likely have produced a better and more stable outcome than the corrupt and still deeply divided Iraqi government that has emerged.

Even if one or the other of these motivations for the United States were true, however, Saddam's best response to his near-certain defeat in war would have been to capitulate to the Bush administration's demands. Saddam was also no doubt less sensitive to the costs of fighting than the average Iraqi. Like those of the Bush administration, his effective costs of fighting were less than those for the country as a whole. But given his likely defeat and high probability of punishment for himself, his family, his clan, and his political support base in the

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27. Packer, *The Assassins' Gate,* pp. 50–60; Daalder and Lindsay, *America Unbound,* pp. 46–47; and Mann, *Rise of the Vulcans,* pp. 351–353.

Sunni population, Saddam could do no better than to concede everything to the Americans. If the United States was going to fight, win, and impose its preferred outcome on Iraq no matter what, all Saddam could do was accept the Bush administration's demands with (or without) the additional costs of fighting a war he would inevitably lose. In turn, conceding would have deprived the Bush administration of a casus belli; had it then continued to demand a fight, Iraq's capitulation would have put the United States in the position of being the aggressor, something even the administration would likely have avoided.[28] As the Bush administration repeatedly proclaimed, Saddam could have prevented the war simply by meeting Washington's demands (giving the United States its ideal point at the right of figures 3a and 3b). In this way, even if the Bush administration wanted war, it was not inevitable. Some bargain, even if it was complete capitulation by Baghdad, would have left both the United States and Iraq better off than actually fighting. As bargaining theory suggests, possible deals between the two sides had to exist. Rather, they were prevented from reaching those bargains by a variety of impediments.

ALTERNATIVES TO WAR

For war to be a failure of bargaining, in turn, there must be alternatives to fighting that can force concessions from the other side. In practice, the United States pursued three strategies toward Iraq in the decade before 2003, suggesting that all were—at the margin—feasible options that might have formed the basis for effective bargains.[29] First, the United States sought to contain and deter Baghdad through a combination of continued sanctions designed to coerce Iraq's compliance with UN resolutions and explicit threats that any Iraqi use of WMD would provoke devastating retaliation.[30] After the Persian Gulf War, the United Nations, at the urging of the United States, enacted a comprehensive sanctions program against Iraq. It also carried out a significant inspections effort that identified and eliminated Iraq's WMD programs. As is now clear, the sanctions and inspections regimes did degrade Iraq's military capability and

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28. Indeed, one of Bush's persistent fears in 2002 and early 2003 was that Saddam would concede. Below I suggest that this fear had more to do with the problem of credible commitment that would exist as long as Saddam remained in power.

29. In principle, a broader array of options existed. I focus on the three actually discussed or pursued during the 1990s to discipline the counterfactual analysis. On the Bush administration's review of its options, see Mann, *Rise of the Vulcans,* pp. 332–334.

30. For contemporary defenses of this alternative, see Steven E. Miller, "Gambling on War: Force, Order, and the Implications of Attacking Iraq," in Kaysen et al., *War with Iraq,* chap. 2; and John J. Mearsheimer and Stephen M. Walt, "An Unnecessary War," *Foreign Policy,* No. 134 (January–February 2003), pp. 50–59.

deter Saddam from further aggression. Yet, as it became evident that sanctions were harming mostly ordinary Iraqis and not the political elite, international support for them gradually eroded. By the end of the 1990s, pressure was building to drop the sanctions even though Saddam had not complied fully with the various UN resolutions.[31] After the United States launched Operation Desert Fox in December 1998, a four-day attack on Iraq's WMD sites, UN weapons inspectors left "permanently" and returned only in the fall of 2002 on the brink of war.[32] Although deterrence could still work against an Iraqi weapons capability, critics of this strategy doubted whether the United States and its allies had the fortitude for another "cold war." The Bush administration concluded that sanctions were not working.[33] Wolfowitz later claimed that "containment was a very costly strategy."[34] Nonetheless, as critics of the administration's strategy maintained, containment remained a viable alternative to war, especially if the costs of actually fighting are factored into the equation.

Second, the United States pursued a policy of forcible inspections. With "smart sanctions" limited to dual-use technologies and on-demand weapons inspections backed by multilateral forces, this strategy promised to be an expanded version of the sanctions and inspections regime imposed after 1991. A robust version of containment, it aimed to disarm Iraq with sufficient international support that Saddam would have no choice but to comply. Secretary of State Colin Powell originally pursued this approach at the United Nations, where it was met with some support from France.[35] The Bush administration, however, demanded that any failure by Iraq to comply with inspections would automatically trigger the use of force. Fearful that this was simply a backdoor strategy to gain UN authorization for the war, the other permanent members of the Security Council demurred, undercutting leverage against Iraq.[36] Yet, this strategy of "containment plus" was also a reasonable alternative to war.

Third, the United States aimed to stimulate regime change from within Iraq. Immediately after the Persian Gulf War, Shiites in the south were encouraged by Washington to rise up against the Baathist regime. In the absence of exter-

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31. Nancy Soderberg, *The Superpower Myth: The Use and Misuse of American Might* (Hoboken, N.J.: John Wiley and Sons, 2005), pp. 205–206. See also Douglas J. Feith, *War and Decision: Inside the Pentagon at the Dawn of the War on Terrorism* (New York: Harper, 2008), pp. 194–199.
32. Soderberg, *The Superpower Myth,* p. 210.
33. The ineffectiveness of containment crystallized for neoconservatives all that was wrong with the 1990s, including the failure to exploit the unprecedented international power of the United States. See Packer, *The Assassins' Gate,* p. 36.
34. Quoted in Ricks, *Fiasco,* pp. 17–18.
35. Isikoff and Corn, *Hubris,* p. 176; and Mann, *Rise of the Vulcans,* pp. 301, 347. For an insider's critique, see Feith, *War and Decision,* pp. 205, 300–301.
36. Daalder and Lindsay, *America Unbound,* pp. 140–141.

nal support, however, they were brutally crushed by Saddam's remaining military forces. The Central Intelligence Agency sponsored a failed coup attempt in 1995, later blamed on the unreliability of the exile leader Ahmad Chalabi.[37] Along with newly appropriated funds for opposition groups through the Iraq Liberation Act, Operation Desert Fox was also intended to encourage internal elements to rebel and topple Saddam's regime.[38] Although ridiculed in the press as a diversion from President Bill Clinton's impeachment trial, this operation actually succeeded in inducing panic within the dictator's inner circle. Remembering their abandonment in 1991 and with no follow-up by the United States, however, internal opponents dared not rise up but were, again, severely repressed by Saddam's security forces.[39] As late as February 2003, the Bush administration was still expecting regime change through the actions of agents inside Iraq.[40]

Although none of these alternatives was easy, all promised to produce a negotiated solution at far less cost than war. Nonetheless, the Bush administration concluded that war was the best option from very early in its tenure—not because war did not entail substantial costs of fighting, but because of difficult bargaining failures, some anticipated by current theory, others not.[41] During the election campaign, candidate George W. Bush promised to "take him out" if Saddam continued to develop WMD.[42] The administration's first National Security Council meeting in January 2001 focused on the overthrow of Saddam.[43] Immediately after the terrorist attacks of September 11, 2001, key members of the administration suspected Iraq and renewed calls for regime change in Baghdad.[44] As early as February but certainly by May 2002, the administration was set on war to remove Saddam from power.[45] Bar-

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37. Isikoff and Corn, *Hubris*, p. 7. This was one of the reasons the CIA distrusted Chalabi in 2003 even while he was supported by the Pentagon.
38. Ali A. Allawi, *The Occupation of Iraq: Winning the War, Losing the Peace* (New Haven, Conn.: Yale University Press, 2007), p. 71.
39. Ricks, *Fiasco*, p. 19.
40. Allawi, *The Occupation of Iraq*, p. 88. For a skeptical view of the consequences of a coup, see Feith, *War and Decision*, p. 202.
41. On the reluctance of the administration to even talk to Saddam, see ibid., p. 211.
42. Quoted in Seymour M. Hersh, *Chain of Command: The Road from 9/11 to Abu Ghraib* (New York: HarperCollins, 2004), p. 167.
43. Packer, *The Assassins' Gate*, p. 39; and Ron Suskind, *The One Percent Doctrine: Deep inside America's Pursuit of Its Enemies since 9/11* (New York: Simon and Schuster, 2007), p. 26.
44. Isikoff and Corn, *Hubris*, p. 80; and Suskind, *The One Percent Doctrine*, pp. 22–23. For an account of the National Security Council meeting on September 13, 2001, see Feith, *War and Decision*, pp. 13–17. At the Camp David meeting on September 15–16, National Security Adviser Condoleezza Rice set out three options in response to the terrorist attacks, of which the third was not only to attack al-Qaida and the Taliban in Afghanistan but "to eliminate the Iraq threat." See ibid., pp. 47–50, at p. 48.
45. See Hersh, *Chain of Command*, p. 182; and Isikoff and Corn, *Hubris*, pp. 3, 6, 82.

gaining theory forces scholarly attention on the question of why war appeared inevitable—despite its substantial costs. This is, perhaps, the theory's greatest strength. It requires an answer to the question: Why were options short of war deemed insufficient? In addition, it directs attention to problems of strategic interaction that cause bargains to fail, but it is here that the theory also becomes more problematic.

The Problem of Credible Commitment

Bargaining theory suggests that a fundamental cause of the war, and a key bargaining failure, was Iraq's inability to commit credibly not to develop WMD or share the resulting technologies with others, including terrorists. The issue of WMD was distorted in the lead-up to the war and especially afterward when no such weapons were found. Most accounts focus on whether the Bush administration "fixed" the intelligence to the policy.[46] Although it offers some insight into the administration's strategy for selling the war to the public, the question of intelligence on WMD misses the real point and the real cause of the war. It was not the facts of Iraq's WMD program that mattered, but its future capabilities and Saddam's intentions, which were more difficult to assess and, therefore, more heavily influenced by the subjective beliefs held by administration officials.[47]

INCREDIBLE SADDAM

As with any commitment problem, it is not what a country does today that matters but rather what it might do in the future. As bargaining theory implies, a promise is credible only if it is in a party's interest to carry out the action at some later date. In Iraq it was not present WMD programs that truly

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46. The claim that the Bush administration was "fixing" the intelligence around the policy originates in a report from Sir Richard Dearlove, Britain's head of intelligence, to Prime Minister Tony Blair in July 2002. See Packer, *The Assassins' Gate,* p. 61; and Ricks, *Fiasco,* p. 39.

47. A second credibility problem might have existed, namely, that the United States could not credibly commit not to invade Iraq if the latter fully disarmed. In this case, Iraq would become weaker, p would increase ($p > p'$), and a would shrink ($a < a'$), making it necessary for Iraq to offer a better deal to the United States than it would if it did not disarm (see figure 3a). For this credibility problem to lead to war, however, two conditions must be true: (1) the United States was deterred in 2003 by residual uncertainty about Iraq's WMD capacity; and (2) it would not have been deterred if that uncertainty was resolved by full disclosure of the latter's (nonexistent) WMD programs. That the United States was not deterred in 2003 by this uncertainty suggests that the credibility of its promise not to invade a weaker Iraq at some future date was unimportant, or at least not sufficiently important to affect Iraq's calculations. Moreover, and somewhat at odds with the prior conditions, Saddam believed that the United States was a paper tiger, unlikely to mount a significant invasion under any circumstances. This further implies that this particular credibility problem was not important in causing the war.

mattered, but future capabilities and intentions that created the problem of credible commitment. Wolfowitz publicly argued that U.S. policy should be guided by the Baath regime's intentions rather than by the standards required to prove or disprove its possession of WMD.[48] President Bush, when later confronted with his statements about Iraq actually possessing WMD and not just the intent to acquire such weapons, responded, "So what's the difference?"[49] Throughout, it was the future, not the present, that drove the administration to war.

WMD mattered to the larger bargaining game between the United States and Iraq. Without WMD, Iraq was vulnerable to U.S. coercion and ultimately invasion, a lesson now motivating other states (including Iran) to step up their nuclear programs. With such weapons, held directly or deployed indirectly through terrorists, Iraq might deter a U.S. attack or at least substantially raise the costs of fighting. The United States would still be very likely to prevail in any contest, but the outcome of a war might be slightly less certain, and the costs would be undoubtedly higher. As Vice President Dick Cheney argued before the war on NBC's *Meet the Press*, "There's no question about who is going to prevail if there is military action. And there's no question but what it is going to be cheaper and less costly to do now than it will be to wait a year or two years or three years until he's developed even more deadly weapons, perhaps nuclear weapons."[50] This calculus is illustrated in figures 3a and 3b. Without an Iraqi WMD capability, the United States was almost certain to win any military contest (in figure 3a, $p \approx 1$). It could also fight and win at relatively low cost (a), a more contested estimate. With an Iraqi WMD capability, the United States would still be highly likely but not certain to win (in figure 3b, $p' < 1$), and the costs of fighting would be higher ($a' > a$, even if the only costs were those of operating in a battlefield in which WMD might be used). This shift in capabilities would, rationally, be reflected in any bargain the two countries might reach in the future. Including Iraq's costs of fighting, the post-WMD bargaining range would likely include all of the pre-WMD bargaining range (compare bargaining range 1 in figure 3a to bargaining range 3 in figure 3b).[51] Nonetheless, the United States would be in a less fortunate bargaining position

48. Allawi, *The Occupation of Iraq*, p. 83. See also Feith, *War and Decision*, pp. 224–225.
49. Quoted in Isikoff and Corn, *Hubris*, p. 342; see also p. 364.
50. Quoted in Daalder and Lindsay, *America Unbound*, p. 14. On Iraq's estimate of the probability of victory, see Allawi, *The Occupation of Iraq*, p. 2.
51. The greater was Iraq's WMD capability, the further p' would shift to the left, the larger a' would be, and likely the higher b would be as well. Even short of parity in capabilities, however, the post-WMD bargaining range might not overlap with the pre-WMD range.

than before because there would be a greater range of settlements that it would prefer to war. Baghdad could always make an offer at $p' - a'$ that would leave the United States indifferent between fighting and accepting a bargain. Once Iraq developed a WMD capacity, the United States could not make the same demands on Iraq, and Iraq would not need to concede as much ($p' - a' < p - a$). Thus, even if Iraq settled today on a bargain without WMD, if it developed WMD in the future, it would likely seek to renegotiate that bargain to the detriment of the United States. The core issue, as a result, was not Iraq's present WMD capacity, but how WMD, if produced, would affect the likely bargains between the two countries at some future date. The desire to avoid future concessions drove the United States to fight in 2003 when the odds were in its favor rather than accept a potentially less advantageous bargain at some later date that would then persist into the indefinite future. As former Undersecretary for Defense Douglas Feith writes in his memoirs, "Saddam could be expected to get stronger over time, more assertive in his region, and more capable with weapons of mass destruction. If he should someday force a confrontation (by attacking Kuwait, for example), did it make sense for the United States to postpone that fight?"[52]

THE PROBLEMS OF PRIOR BELIEFS AND MULTIPLE AUDIENCES

Bargaining theory captures the central commitment problem in the strategic interaction between the United States and Iraq. In this way, it provides important insights into the causes of the Iraq War. In addition, it explains why regime change was deemed necessary, discussed above as a derived not a fundamental goal of U.S. strategy. If Saddam could not be trusted in the future, no compromise short of removing him from power was likely to solve the problem.[53] Bargaining theory thus helps explain why this derived preference took on such great importance in the Bush administration's deliberations and public pronouncements. The theory, however, especially in its most rational versions, provides an insufficient explanation of the war for two reasons.

First, the commitment problem was a constant under the Clinton and Bush administrations, and similar threats arose from other rogue regimes. Why Saddam's intransigence prodded President Bush but not President Clinton to

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52. Feith, *War and Decision*, p. 355; see also pp. 203, 215, 308.
53. The commitment problem also explains why exile for Saddam was insufficient, as he could not be trusted to refrain from reclaiming power at some later date. Indeed, the larger the payment to Saddam to induce him to accept exile (imagine if the United States gave him $25 billion to leave—a bargain for both sides), the easier it would be for him to continue to influence Iraqi politics or return to power.

war and why Iraq became the focus of the Bush administration's war on terror rather than the other members of the so-called axis of evil is unexplained. Here, assessments of Saddam's intentions are paramount. Uncertainty over the intentions of other states can also produce a commitment problem. If Saddam were a "moderate" type, unlikely to challenge U.S. interests, he would have less incentive to produce WMD. If he were a "hostile" type, however, he would be more likely to break out of any box in which the United States attempted to contain him. In this way, it was not just Iraq's raw weapons capabilities that mattered—the United States, after all, faces many other states with far greater WMD capabilities—but uncertainty over Saddam's future intentions that both exacerbated the potential shift in bargaining power and led two administrations to interpret the threat from Iraq differently. The two administrations assessed Saddam's type in very different ways, and this difference cannot be explained in strictly rationalist terms.[54]

The terrorist attacks on September 11, 2001, were a decisive pivot for the Bush administration. Politically, it could never survive another attack on the homeland. It might have gotten a free pass on September 11, despite its inattention to gathering evidence of the terrorist plot, but it would bear full responsibility for any subsequent attack.[55] This led directly to the "one percent" doctrine, articulated by Vice President Cheney, which cast a pall over all potential negotiations with Iraq.[56] Given the possibly severe consequences of WMD proliferation, the administration concluded that a successful WMD attack on the United States, though a low-probability event, would still have unacceptably high expected costs. Thus, even if there was only a "one percent" chance that Iraq would develop a nuclear weapon and share it with a terrorist group willing to smuggle it into the United States, any such attack would be sufficiently catastrophic that the probability had to be treated as a certainty.[57] Exacerbating this doctrine was a fear that U.S. intelligence capabilities were weak, especially in Iraq where most human assets were lost during the 1990s. If the intelligence community had failed to anticipate the terrorist attacks on

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54. Prior beliefs about Saddam's type (an attribute possessed by the United States and its officials) are the inverse of his reputation (an attribute possessed by Iraq and Saddam himself). On reputation and international relations, see Jonathan Mercer, *Reputation and International Politics* (Ithaca, N.Y.: Cornell University Press, 1996); and Andrew H. Kydd, *Trust and Mistrust in International Relations* (Princeton, N.J.: Princeton University Press, 2005).
55. On the gathering evidence, see Soderberg, *The Superpower Myth,* pp. 175–185. On the responsibility of the administration for subsequent attacks and how this conditioned officials' thinking, see Feith, *War and Decision,* pp. 217, 515.
56. See Suskind, *The One Percent Doctrine,* especially p. 62.
57. Ibid., p. 213.

September 11, officials worried about what else it might not catch until too late.[58] The Bush administration did not act because of new evidence on Iraq's WMD capabilities, according to Secretary of Defense Donald Rumsfeld, but because it "saw the existing evidence in a new light" after September 2001.[59]

Bush and his top officials were also more deeply skeptical about Saddam than were Clinton and his advisers, further biasing their interpretations of the consequences of an Iraqi WMD capability. For Clinton, Saddam was an aggressive opportunist who would exploit any weakness in U.S. policy or the international community but who could also be contained or deterred by firm countervailing measures. As he concluded, Saddam never compromised "except when forced to do so," but he would respond to international pressure.[60] The Clinton team was willing to use force, as witnessed in Operation Desert Fox, and on balance thought Saddam "had to go," but it did not think that the threat warranted an invasion.[61] From the earliest days of the Bush administration, on the other hand, the president and his inner circle possessed a stronger set of prior beliefs that the Iraqi dictator was "evil," or at least could not be trusted. Bush's comment, mildly ridiculed in the press, that Saddam "tried to kill my dad" takes on great import in this context.[62] Faced with ambiguity, an administration that already believed Saddam was highly untrustworthy disregarded any evidence to the contrary.[63] Although this pattern of updating, of which there was little, is consistent with Bayes's rule and rationality, the contrast between the Clinton and Bush administrations emphasizes the importance of varying prior beliefs in bargaining—prior beliefs that are exogenous to bargaining theory.

As for why Iraq became the focus of attention rather than other possible

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58. Ricks, *Fiasco*, p. 32.
59. Quoted in Daalder and Lindsay, *America Unbound*, p. 164.
60. Bill Clinton, *My Life* (New York: Vintage, 2005), p. 778.
61. Soderberg, *The Superpower Myth*, p. 210.
62. Quoted in Isikoff and Corn, *Hubris*, p. 115.
63. There is no doubt that the Bush administration disregarded evidence suggesting that Iraq's WMD programs were either dismantled or significantly inhibited over the 1990s and used intelligence not to guide policy but to market it. Ibid., p. 175; and Suskind, *The One Percent Doctrine*, p. 214. President Bush and National Security Adviser Rice may not have even read the National Intelligence Estimate on Iraqi WMD. Isikoff and Corn, *Hubris*, p. 296; and Ricks, *Fiasco*, p. 61. The president and his aides cherry-picked intelligence that supported their view that Saddam was untrustworthy, selectively fed this information to the press, and then used press accounts as an "echo chamber" that confirmed the information. See Isikoff and Corn, *Hubris*, p. 54. They also relied heavily on evidence extracted under torture or from sources known to be unreliable. Ibid., pp. 122, 167–168, 424. The intelligence community was also inhibited from challenging prevailing beliefs in the administration. Ricks, *Fiasco*, p. 67. Although fixing the intelligence around the policy is deplorable, the practice is not inconsistent with the strong prior beliefs that Saddam was "evil" and could not be trusted.

rogue regimes, the Bush administration saw Saddam not only as evil but as uniquely evil, even compared with other autocrats. As Feith recounts the case, "No other contemporary leader—and few in history—had a record of aggression to match Saddam's." He had initiated wars of conquest against Iran (1980–88) and Kuwait (1990–91). A ruthless dictator, "he had brutalized his citizens and killed them in enormous numbers."[64] First placed on the list of state sponsors of terrorism in 1979, Iraq had given aid and support to Middle East terrorist groups in the past.[65] And, in violation of both the Nuclear Nonproliferation Treaty and the Biological and Toxin Weapons Convention, Saddam "had not only pursued mass-destruction weapons, but used them, on his foreign enemies and on his own citizens."[66] Moreover, he had a demonstrated record of defying attempts at coercion, despite the suffering of his people under sanctions, and engaged in almost daily attacks on coalition aircraft patrolling the "no-fly" zones in the southern and northern regions of his country, which created a near-constant threat that events might escalate out of control.[67] Finally, unlike in North Korea, Iraq's weapons programs had not matured sufficiently to tip the balance of regional power against the United States. In Iraq the Bush administration could still act to forestall the loss of U.S. power that would inevitably follow from a successful WMD program. These facts combined within the administration to make Iraq the focal target in its global war on terror.

Although bargaining theory highlights the critical commitment problem behind the war, it cannot explain why Iraq was seen as more threatening in 2003 than in 1998 and more threatening than other rogue regimes. The Iraq War calls attention to where prior beliefs come from, how they vary, and perhaps how they may be affected by groupthink within more or less closed circles of decisionmakers. Although beliefs may simply be the product of different lived experiences,[68] they may also be a function of cognitive attributes that are less easily reconciled with assumptions of rationality and Bayesian updating that underlie current bargaining theories. Overall, given the difference in beliefs between the Clinton and Bush administrations and the different policies pursued toward Iraq, the prior beliefs of the president and his advisers were a cru-

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64. Feith, *War and Decision*, p. 181.
65. Iraq was removed from the list in 1982 to make it eligible for military aid while it was fighting Iran, but it was readded in 1990 following its invasion of Kuwait.
66. Feith, *War and Decision*, p. 181.
67. Ibid., pp. 14, 52.
68. Strict rationality expects that given identical information two individuals or sets of officials would arrive at the same prior beliefs. Information is rarely identical, however. Moreover, how it is interpreted is affected by different experiences and cognitive traits.

cial determinant of the war. This should direct future scholarly attention to understanding the origins of prior beliefs that, in turn, magnify or mitigate problems of credible commitment. Understanding where prior believes come from and why they differ is one of the primary aspirations of a behavioral theory of war.

The second reason why bargaining theory is insufficient to explain the Iraq War is that, even if the Bush administration was more skeptical toward Iraq, Saddam did not send a costly signal of benign intent when theory suggests he should have done so clearly and forcefully. Given the high costs of war, Iraq should have done everything possible to reassure the United States that it would not develop WMDs.[69] The puzzle is deepened once one understands that Iraq had already dismantled its WMD programs during the 1990s.[70] The real question is what prevented Iraq from credibly signaling the United States that it did not have the capacity to develop or transfer WMD?

Proving a null condition after a positive finding is, of course, always difficult. After 1991, UN weapons inspectors discovered that Iraq was further along in its nuclear program than anyone expected.[71] Having gone some way down this road, it was difficult for Iraq to demonstrate that it had forgotten the route or lacked the desire to travel it again. More important, however, Saddam could not provide unambiguous evidence to the international community of his compliance with the UN disarmament resolutions without also revealing his military weakness to internal opponents, Iran, and possibly other regional powers—including Israel. Saddam was, in essence, engaged in an *n*-player strategic game with the United States, on one side, and his internal opponents and other states, on the other. Of these players, Saddam was actually more concerned with his domestic competitors and Iran than with the United States.[72] As journalist Michael Gordon and retired Gen. Bernard Trainor write,

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69. Saddam may have been attempting to send a costly signal when he permitted the UN weapons inspectors back into Iraq in December 2002. At this point, however, the Bush administration was already hardened against any sign of acquiescence, and interpreted Saddam's move as one of continued obfuscation.
70. The Iraq Survey Group was sent in after the war to assess Saddam's WMD capabilities, find the expected stockpiles, and destroy them. For its findings on the absence of WMD programs, see among others Isikoff and Corn, *Hubris,* pp. 305–309. On Bush's response, see Packer, *The Assassins' Gate,* pp. 375–377. For a brief analysis, see Hersh, *Chain of Command,* chap. 5.
71. Isikoff and Corn, *Hubris,* p. 38. For a history of the Iraqi nuclear program, see Etel Solingen, *Nuclear Logics: Contrasting Paths in East Asia and the Middle East* (Princeton, N.J.: Princeton University Press, 2007), chap. 7.
72. This is the overriding theme of Kevin M. Woods, with Michael R. Pease, Mark E. Stout, Williamson Murray, and James G. Lacey, *Iraqi Perspectives Project: A View of Operation Iraqi Freedom from Saddam's Senior Leadership* (Norfolk, Va.: Joint Center for Operational Analysis, U.S. Joint Forces Command, 2006), based on interviews with former Iraqi officials (including Saddam) and cap-

"The Iraqi leader's top priority was protecting his government against potential coups and internal threats, such as a Shiite rebellion. Iran, an adversary with whom he had fought a bloody eight-year war, was next on the list of dangers."[73] In these struggles, WMD were likely to be of limited battlefield effectiveness. Nonetheless, in addition to gassing Kurdish rebels in 1988, Saddam ordered sarin nerve gas be used against Shiite rebels in Karbala and Najaf during the uprising that followed his defeat in the Persian Gulf War.[74] The regime appears to have believed that chemical weapons would have some effect on internal rebels, if only as a deterrent. As for Iran, Gordon and Trainor conclude that Saddam's "political strategy was to keep Tehran in check by maintaining some measure of ambiguity over Iraq's WMD." Despite their dubious value in warfare, "Saddam saw value in not letting the world know that his officials had disposed of his chemical and biological arsenal."[75] Reflecting the value he placed on deterring internal opponents and Iran, Saddam was willing to run a significant risk of war with the United States not to reveal the truth about his WMD capabilities.

Given that Saddam should have had strong incentives to send a costly signal to the United States, that he failed to do so—and, indeed, continued to obfuscate in the documents supplied to the United Nations in December 2002—merely reaffirmed for the Bush administration that Iraq must have WMD stocks. The United States never seriously considered that Saddam's unwillingness to open his country to inspection might be directed at his domestic and regional opponents rather than at Washington.[76] Although his views were premised on perhaps extreme prior beliefs about Saddam, Bush concluded that the only guaranteed way of disarming Iraq and countering potential proliferation was regime change. As long as Saddam was in power, he could always change his mind about these weapons.[77]

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tured documents. For a condensed version, see Kevin Woods, James Lacey, and Williamson Murray, "Saddam's Delusions: The View from the Inside," *Foreign Affairs,* Vol. 85, No. 3 (May–June 2006), pp. 2–26.

73. Michael R. Gordon and Bernard E. Trainor, *Cobra II: The Inside Story of the Invasion and Occupation of Iraq* (New York: Pantheon, 2006), pp. 55, 122; and Solingen, *Nuclear Logics,* pp. 161–163.

74. On the attacks on the Kurds, see Jentleson, *With Friends Like These,* chap. 2; and Galbraith, *The End of Iraq,* pp. 27–35. On the sarin attacks, see Gordon and Trainor, *Cobra II,* pp. 55–56.

75. Gordon and Trainor, *Cobra II,* p. 65. Charles Duelfer, head of the Iraq Survey Group tasked with finding Iraq's WMD after the war, "personally concluded that Saddam had been engaged in an impossible double game: trying to persuade the West that he had no WMDs while maintaining enough ambiguity that his historical foe, Iran, couldn't be certain that was true." Isikoff and Corn, *Hubris,* p. 375. Feith, *War and Decision,* pp. 330–331, explains Saddam's obfuscation over WMD in the same way, raising the question that if this is obvious ex post why were officials not more aware at the time of the dual game Saddam was playing.

76. That this was a "surprise," at least to the U.S. military, is apparent in Woods et al., *Iraqi Perspectives Project.*

77. Isikoff and Corn, *Hubris,* pp. 126, 146; and Mann, *Rise of the Vulcans,* p. 348.

Overall, it was the inability of Iraq to commit to a limited bargain that helped drive the United States to war. Theory is useful in revealing the underlying logic of the bargaining failure in this case, but the difficulty in sending a sufficiently large signal to the United States rested on the multiactor environment in which Saddam was playing and the possible insensitivity of the United States to the constraints he faced. This suggests that analysis needs to move outside the two-actor model usually employed in bargaining theory. Especially important to understand is the problem of signaling simultaneously to two or more different audiences, a task that Saddam managed poorly, with tragic consequences.

Information Asymmetries in the United States and Iraq

Bargaining theory also expects that problems of private information with incentives to misrepresent would be important in driving Iraq and the United States to war. Yet, contrary to expectations, there was relatively little private information in this case. The U.S. war plan was widely discussed in news reports, and there was no doubt about the likely outcome. With victory all but certain, the United States was unwilling to settle for anything short of Iraq's complete capitulation, most likely entailing the exile of Saddam and his extended family and his replacement by a new regime of the Bush administration's choosing. Nonetheless, private information mattered in two distinct ways, neither of which is anticipated by present bargaining theory, once again showing the limitations of the approach.

On the Iraq side, Saddam incorrectly believed that the United States was a paper tiger or lacked resolve (i.e., analytically equivalent to having higher costs of fighting, a' rather than a in figures 3a and 3b).[78] Based on the United States' withdrawals from Lebanon in 1984 and Somalia in 1993, and its early termination of the Persian Gulf War in 1991, Saddam believed that the Bush administration was bluffing in 2002–03 or, at worst, that it would launch a limited strike into southern Iraq and then compromise once the fighting got tough. He maintained this belief despite the mobilization of U.S. forces in the Gulf and the international perception—widely shared elsewhere—that the Bush administration was fixed on war. As the chief of staff of the Iraqi armed forces, Ibrahim Ahmad abd al-Sattar Muhammad al-Tikriti, later told interrogators, "No Iraqi leaders had believed coalition forces would ever reach Baghdad."[79] Saddam also thought that the United States had lost at the United

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78. Woods et al., *Iraqi Perspectives Project*, p. 15.
79. Quoted in Gordon and Trainor, *Cobra II*, p. 121.

Nations and would not pursue the war absent multilateral support.[80] Until the last minute, he counted on Russia and France to block U.S. action.[81] Importantly, Saddam did not question whether the United States would win if it decided to fight a total war. Rather, he questioned Washington's resolve against what he expected to be significant battlefield casualties inflicted by his military and especially the Fedayeen, his local militias trained to defend each town, "bloody the invaders," and create sufficient havoc on the march to Baghdad that the United States would sue for peace long before reaching the capital.[82] By underestimating U.S. resolve, Saddam contributed to the bargaining failure. Rather than agreeing to capitulate to U.S. demands, he expected a compromise closer to his ideal point ($p - a'$, rather than $p - a$ in figure 3a). This belief also explains why he was willing to run high risks of war with the United States rather than reveal his nonexistent WMD capability.

This informational asymmetry, however, was not a product of any incentive by the United States to misrepresent its military strategy. Indeed, the United States signaled its plans clearly.[83] Most Americans and many foreign governments believed that the Bush administration was set on a war with Iraq. With resolutions from Congress and the United Nations in hand and troops deployed to the region, it is hard to imagine what more the United States could have done to signal its resolve more directly. In turn, a less resolute state that was trying to bluff Iraq would likely not have deployed troops to the region because of the reputational costs of subsequently backing down.[84] By taking such a belligerent position, the United States distinguished itself as a "hawk" from the perhaps larger pool of "doves" willing to challenge Iraq but not fight should their demands go unmet. The threat by the United States to go to war should have been credible. In turn, recognizing the near certainty of defeat if war actually occurred, Saddam should have backed down and capitulated to U.S. demands.

Although less information is available about decisionmaking in Baghdad than Washington, it appears that Saddam was insulated in a cocoon in which

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80. Ibid., p. 135.
81. Woods et al., *Iraqi Perspectives Project*, p. 28.
82. Gordon and Trainor, *Cobra II*, p. 62. See also Woods et al., *Iraqi Perspectives Project*, pp. 48, 55; Allawi, *The Occupation of Iraq*, pp. 173–175; and Ricks, *Fiasco*, p. 190.
83. On the intent of many in Congress to signal their resolve to Iraq rather than support the United States going to war, see Isikoff and Corn, *Hubris*, p. 149.
84. On audience costs as a form of costly signaling, see James D. Fearon, "Domestic Political Audiences and the Escalation of International Disputes," *American Political Science Review*, Vol. 88, No. 3 (September 1994), pp. 577–592, and Michael Tomz, "Domestic Audience Costs in International Relations: An Experimental Approach," *International Organization*, Vol. 61, No. 4 (Fall 2007), pp. 821–840.

little adverse information got through to him and few subordinates dared challenge his preconceived beliefs. Captured documents and interrogations of former regime members suggest that no one risked telling Saddam what he did not want to hear.[85] Given the transparency of U.S. actions in this case, of which he was aware, Saddam was deluding himself about the risks he was running.[86] But believing that the United States was bluffing, he was unwilling to settle for any bargain offered by Washington.

On the U.S. side, in turn, the Bush administration likely underestimated its own costs of war.[87] Whether this was strategic or sincere remains difficult to disentangle. Administration officials may have misrepresented the costs of fighting in a failed effort to extract concessions from Saddam; this is the kind of private information with incentives to lie that bargaining theory expects to result in war. Alternatively, in a strictly domestic move outside current bargaining theory, the administration may have misrepresented the costs to maintain public support for a preventive war. It is also likely that the administration sincerely believed that the costs of war would be low, a belief fostered by its failure to consider postwar governance costs. In any case, the administration consistently presented estimates of the war's costs far below those of other observers and sought to suppress and intimidate critics. Notably, the outrage of the administration at Army Chief of Staff Gen. Eric Shinseki's realistic estimate of the number of troops eventually necessary for the occupation discouraged other knowledgeable individuals from coming forward with facts that challenged the administration's estimates.[88] Although many analysts questioned the lowball numbers, the media, political elites, and the public more generally did not dispute the administration's figures, appearing to forget that "there is no free lunch—and there are no free wars."[89] Regardless of the administration's motives, the American public appears to have accepted the administration's position that the costs of war would be low. This illusion reinforced the administration's and the public's unwillingness to accept any bargain short of Iraq's complete capitulation.

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85. Woods et al., *Iraqi Perspectives Project,* pp. ix, 8; and Ricks, *Fiasco,* p. 134. See also Feith, *War and Decision,* pp. 346–347.

86. Woods et al., *Iraqi Perspectives Project,* p. 113, documents that Saddam was aware of U.S. actions, but claimed he did not understand them. On the difficulty of inferring intentions in tyrannies, see Feith, *War and Decision,* p. 283. That a key administration official recognizes this ex post, of course, raises the question again of why intelligence assessments of Saddam's intentions did not take this difficulty into account ex ante.

87. Stiglitz and Bilmes, *The Three Trillion Dollar War,* p. 233.

88. See Ricks, *Fiasco,* pp. 76, 99; and Packer, *The Assassins' Gate,* p. 246.

89. Stiglitz and Bilmes, *The Three Trillion Dollar War,* p. 124.

Together, Saddam's belief that the United States was bluffing and the Bush administration's position that the costs of war would be low prevented an effective bargain from being realized. As bargaining theory implies, the asymmetry in perceived costs mattered. Yet, present theory assumes that each opponent has strong incentives to acquire information about the other party, and that any intentional obfuscation lies in the actions of the opponent, which has incentives to misrepresent its private information. In this case, however, both Iraq and the United States engaged in at least a measure of self-delusion, planning for only best-case scenarios and pretending that the war could unfold only as they hoped. Self-deluding policies are not rational, but both Iraq—or at least Saddam—and the Bush administration consistently fooled themselves.[90] Unexpected in current theory, the information failures observed in both Baghdad and Washington were of their own making. These failures echo earlier literatures on cognitive biases in decisionmaking and suggest the need for a behavioral theory of war.

Postwar Governance Costs

As discussed above, a class of bargaining models explains extended wars as a process of revealing information. These models, however, add little directly to scholars' understanding of conflict dynamics in Iraq. Given its quick and decisive nature, the "war" phase of the conflict did not reveal much new information. Iraq fell quickly, as expected, and did not lead the Bush administration to update its beliefs about the probability of success in any significant way.[91] In

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90. Imperfect information is not inconsistent with rationality if it is costly relative to its value to obtain. That is, rationality does not imply full information by any actor, only that the actor equate the marginal costs of acquiring information against its marginal benefits. In both Iraq and the United States, the costs of acquiring information on the other were relatively low. Saddam only needed to read a Western newspaper to gauge U.S. intentions. For the United States, various estimates of the cost of the war were made by outside organizations; these were readily available to the administration, and in fact officials exerted considerable effort in trying to debunk these alternative studies. In turn, given the high costs of fighting to both sides, the marginal value of additional information was high. The failure to acquire additional information does not appear to follow from any rational cost-benefit calculation.
91. The Iraq War does illustrate clearly, however, how prewar mobilization costs matter in important ways in setting the prospects for a negotiated solution. Prewar mobilization, intended as a costly signal to compel the other side to concede without fighting, can also increase the risk of war by making the country more belligerent, or more difficult to satisfy. Once the costs of mobilization have been incurred, they are sunk and no longer matter to the bargaining. See Slantchev, "Military Coercion in Interstate Crises"; and Branislav L. Slantchev, *Military Threats: The Costs of Coercion and the Price of Peace* (New York: Cambridge University Press, 2010). Some set of bargains with Iraq that the United States might have settled for before mobilization were thus excluded, as these sunk costs dropped out of the equation. This helps account for the hardening of the Bush administration's position as the crisis escalated and its increasing resistance to anything less than a total victory.

turn, once faced with an actual invasion, Iraq did not immediately capitulate apparently because of a complete breakdown in command and control within the military.[92] Understanding war as a process appears largely irrelevant to the central dynamics of the conflict. Nonetheless, the Iraq War suggests an important and novel extension of the bargaining model to incorporate a "postwar" period, an extension that proves crucial to a full understanding of both the causes and consequences of the war.

As the German military strategist Carl von Clausewitz famously argued, the purpose of war is to defeat an enemy's military so as to impose one's will upon him.[93] Even in total defeat, however, the opponent's population will not automatically comply with the victor's wishes. The victor must still pay costs to impose its preferred policies on the defeated society, especially in the face of preferences that diverge widely between winner and loser. These postwar governance costs are now ignored in the literature on war.[94] The bargaining model of war is one of total war, but it is typically applied in limited war settings in which scholars assume that the opponent's government remains intact and bears the costs of imposing the negotiated settlement on its people despite their possible resistance.[95] These postwar governance costs are critical, however, to all facets of war, including the initial decision to go to war.

The single largest failure of the United States in bargaining with Iraq was its assumption that the postwar governance costs would be small to nil. Overall, the Bush administration was extremely hostile to the notion of nation-building. During the campaign, candidate Bush bluntly declared, "I don't think our troops ought to be used for what's called nation-building."[96] Accordingly, the administration consistently set itself the goal of liberating Iraqis to rebuild their own state, not occupying them. This macroassumption that a

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92. This suggests that the decapitation strategy pursued by the United States may have facilitated the dissolution of the Iraqi military, whose integrity the Bush administration was counting on for the occupation, and paradoxically prolonged the actual fighting as isolated units continued to resist.

93. Carl von Clausewitz, *On War,* trans. Michael Howard and Peter Paret (Princeton, N.J.: Princeton University Press, 1976), p. 75.

94. I owe this argument to Laura Wimberley, "Pyrrhic Peace: Governance Costs and the Expected Utility of War," Ph.D. dissertation, University of California, San Diego, 2007. Theorists could, of course, simply include postwar governance costs in the "total" costs of war within the standard setup described above. Crucially, though, the challenger may not know what these governance costs will be, with the implication that it is uncertain over its own costs of fighting. The literature on postwar occupations and extraction is relevant. See Peter Liberman, *Does Conquest Pay? The Exploitation of Occupied Industrial Societies* (Princeton, N.J.: Princeton University Press, 1996).

95. On total and limited war and bargaining, see Wagner, "Bargaining and War"; and R. Harrison Wagner, *War and the State: The Theory of International Politics* (Ann Arbor: University of Michigan Press, 2007).

96. Quoted in Wayne Washington, "Once against Nation-building, Bush Now Involved," *Boston Globe,* May 2, 2004.

quick and cheap liberation was possible without a long and costly occupation rested on four erroneous beliefs.

First, the Bush administration assumed that inside the heart of every Iraqi was a "small d" democrat yearning to be free.[97] As Cheney stated, "I really do believe that we will be greeted as liberators."[98] In explaining why few occupation troops would be needed, Chair of the Defense Advisory Board Richard Perle similarly observed that there will "be no one fighting for Saddam Hussein once he is gone."[99] Described by Carl Strock, a two-star general from the Army Corps of Engineers, the dramatic ouster of Saddam was expected to create a "*Wizard of Oz* moment" in which "after the wicked dictator was deposed, throngs of cheering Iraqis would hail their liberators and go back to work under the tutelage" of Jay Garner's minimalist but appropriately named Office for Reconstruction and Humanitarian Assistance (ORHA), which was intended to be the primary U.S. presence in Iraq.[100] Former UN Ambassador John Bolton subsequently said that the administration's only mistake in the war was not turning the country over to the Iraqis sooner, giving "them a copy of the *Federalist Papers*," and saying "good luck."[101]

Second, the Bush administration failed to anticipate the decrepit state of Iraq's infrastructure, thus rendering moot its early estimates that oil revenues would quickly begin to flow and pay for the occupation. According to Ali Allawi, Iraq's first postwar minister of defense and minister of finance, the country "was in an advanced state of decay." Under international sanctions and threatened by domestic unrest, the regime withdrew from detailed management of the economy in the 1990s, focusing on its immediate survival. Large areas of southern Iraq were deliberately starved of basic services, with Sunni areas north of Baghdad faring only marginally better. Overall, "the standard of living had precipitously crashed" after 1991.[102] Much of the country's economic infrastructure, including its oil pipelines, was allowed to deteriorate

97. Daalder and Lindsay, *America Unbound*, p. 125.
98. Quoted in Packer, *The Assassins' Gate*, p. 97.
99. Quoted in Ricks, *Fiasco*, p. 65. See also Feith, *War and Decision*, p. 415.
100. Strock's recollections are quoted in Gordon and Trainor, *Cobra II*, p. 463. See also Wolfowitz's similar views, quoted in Ricks, *Fiasco*, p. 96.
101. Interview with Jeremy Paxman on the BBC show *Newsnight*, "Iraq 4 Years On," Wednesday, March 21, 2007. For a transcript of the interview and link to the televised interview, see Bob Fertik, "John Bolton's Astonishing Neo-Neo-Con Rewrite of History," April 17, 2007, http://www.democrats.com/bolton-rewrites-history. Alternatively, even today the prospects for democracy in Iraq remain bleak. See Bruce E. Moon, "Long Time Coming: Prospects for Democracy in Iraq," *International Security*, Vol. 33, No. 4 (Spring 2009), pp. 115–148.
102. Allawi, *The Occupation of Iraq*, p. 114.

radically. None of this was recognized in Washington, where officials optimistically predicted that Iraq could easily pay for its own reconstruction.

Third, the Bush administration failed to plan for the tensions that were released between religious groups once the Sunni-dominated government was defeated. In a joint news conference with British Prime Minister Tony Blair before the war, Bush remarked that it was "unlikely there would be internecine warfare between the different religious and ethnic groups" in Iraq, and Blair agreed.[103] Likewise, Wolfowitz testified before Congress that postwar force requirements might be low because "there's been none of the record in Iraq of ethnic militias fighting one another."[104] In an interview with the *Detroit News*, Wolfowitz dismissed the idea that a U.S. intervention might unleash sectarian violence: "I think the ethnic differences in Iraq are there," he said, "but they're exaggerated."[105] Nonetheless, other observers foresaw severe problems. As Allawi argues, "There were enough pointers in Iraq's recent past to show the likely response of Iraqis to the massive jolt of a physical occupation by foreign powers, and the effects that a violent upending of apparently stable relationships would have on the varied components of its society."[106] Indeed, as early as 1999, Central Command chief Gen. Anthony Zinni, concerned about the stability of a post-Saddam Iraq, conducted a classified war game that "brought out all the problems that have surfaced" since the invasion. Although "it shocked the hell" out of him, he was unable to interest other parts of the government in preparatory work.[107] As Allawi concludes, "None of this should have come as a surprise."[108]

Finally, the administration incorrectly expected that Iraqi military and police forces would remain intact to provide political stability after the war. Encouraged by the mass desertions during Desert Storm in 1991, the CIA predicted that Iraqi forces would simply switch sides en masse with their equipment. The plan was that these army units would then control the country's borders and take on other tasks that overstretched U.S. troops could not. Instead, as U.S. forces moved closer to Baghdad, the Iraqi military dissolved before their eyes. As Gordon and Trainor observe, "Rarely has a military plan depended on such a bold assumption."[109]

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103. Quoted in Isikoff and Corn, *Hubris,* p. 180. On Bush's limited knowledge of Iraq's religious groups, however, see Galbraith, *The End of Iraq,* p. 83.
104. Quoted in Isikoff and Corn, *Hubris,* p. 194.
105. Quoted in Ricks, *Fiasco,* p. 96.
106. Allawi, *The Occupation of Iraq,* p. 12.
107. Quoted in Ricks, *Fiasco,* p. 20.
108. Allawi, *The Occupation of Iraq,* p. 12.
109. Gordon and Trainor, *Cobra II,* p. 105. See also Allawi, *The Occupation of Iraq,* p. 89.

These specific assumptions by the administration culminated in the lack of any serious planning on how to win the peace. Even if the toppling of Saddam's regime in Baghdad is regarded as a military success, the postinvasion period is generally understood as a political and military disaster.[110] Each of the major players has attempted to fix the blame on others for the failure. In brief, it appears now that (1) there was a significant planning effort before the war, led by the State Department, that was ignored by the civilian leadership,[111] (2) a parallel planning effort in the Pentagon under the control of Rumsfeld and conducted largely by Feith was not well developed and reflected all of the unrealistic assumptions discussed above,[112] (3) whatever planning had been done was quickly rendered obsolete by events in Iraq that overwhelmed Garner's small, poorly staffed, and underfinanced ORHA,[113] and (4) as head of the new Coalition Provisional Authority that replaced ORHA, Ambassador L. Paul Bremer led the occupation in a completely new direction, overturning plans for the creation of a provisional Iraqi government, disbanding the Iraqi army, purging Baath Party officials, reforming the economy, and in general taking up the previously denigrated task of nation-building.[114]

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110. Although blame ultimately lies with the civilian leadership, the U.S. military bears some responsibility for this failure to plan for postwar disorder, sectarian violence, and a possible insurgency. Following Vietnam, the army intentionally forgot nearly everything it had learned about counterinsurgency warfare. Ricks, *Fiasco,* pp. 226, 267; and Packer, *The Assassins' Gate,* p. 201. The Persian Gulf War of 1990–91, in turn, reinforced the military's desire to fight tank battles rather than lightly armed insurgents in urban settings. Ricks, *Fiasco,* p. 132. Although the Bush administration may have had political or ideological reasons for wanting to ignore postwar nation-building, the military should have recognized the impending problems and at least developed contingency plans for dealing with them. Yet, as journalist Thomas Ricks concludes, "In the Spring of 2003 the U.S. military fought the battle it wanted to fight, mistakenly believing it would be the only battle it faced." Ibid., p. 115.

111. Isikoff and Corn, *Hubris,* pp. 191–200. On the other hand, the "Future of Iraq Study" carried out by the State Department was criticized by David Kay, a CIA weapons inspector later tasked to Garner's ORHA who resigned after one day on the job, as "unimplementable," more "a series of essays to describe what the future could be" rather than a plan that would have made a difference. Quoted in Gordon and Trainor, *Cobra II,* p. 159.

112. Ricks, *Fiasco,* pp. 78, 80; and Rajiv Chandrasekaran, *Imperial Life in the Emerald City: Inside Iraq's Green Zone* (New York: Vintage, 2006), p. 33. Feith, *War and Decision,* defends his role in the lack of planning on two fronts. First, the goal, in his view, was liberating Iraqis to rule themselves rather than occupying the country. Second, he developed a plan for an Iraqi interim authority that was approved by Bush but then ignored by both military and civilian administrators in Iraq. He places the blame for the failed planning squarely on the State Department and the CIA, which opposed allowing Iraqi exiles, primarily Chalabi, to play a leading role in any indigenous governing authority.

113. Foremost here was the evaporation of the Iraqi army. Gordon and Trainor, *Cobra II,* pp. 162, 467. Tellingly, Garner arrived with just $25,000 in cash to resurrect the devastated Iraqi government ministries. Packer, *The Assassins' Gate,* p. 143.

114. Bremer's decisions on disbanding the army and de-Baathification are the most controversial

Opinions about the Bush administration's postwar planning vary from the charitable conclusion that it was "not well thought out,"[115] to the more critical assessment that it was "mired in ineptitude, poor organization and indifference,"[116] to the cynical view that it was thwarted so as to leave no alternative than to turn everything over to Chalabi and the other exiles supported by the neoconservatives.[117] Most important, however, were the administration's assumptions made about the nature of postwar Iraq: "Plan A was that the Iraqi government would be quickly decapitated, security would be turned over to the remnants of the Iraqi police and army, international troops would soon arrive, and most American forces would leave within a few months. There was no Plan B."[118] By April 15, Bush was already meeting with his top aides to plan the withdrawal of U.S. forces from Iraq, a task expected to begin within sixty days.[119] As journalist George Packer summarizes, "If there was never a coherent postwar plan, it was because the people in Washington who mattered never intended to stay in Iraq," at least as an occupying or nation-building force.[120]

Former Ambassador to Saudi Arabia Charles Freeman concludes, "We invaded not Iraq but the Iraq of our dreams, a country that didn't exist, that we didn't understand."[121] Ironically, had these postwar governance costs been anticipated, the actual costs incurred might have been far lower. Not providing security for Iraqis after the collapse of the regime was an egregious mistake that led directly to the insurgency.[122] The success of the 2007 surge

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of all these planning failures. These two actions disrupted Iraq immediately, but the decision to abandon the promised provisional government had a larger long-run effect by undercutting indigenous forces supporting democratization. Isikoff and Corn, *Hubris,* p. 225; Allawi, *The Occupation of Iraq,* pp. 105–110; and Galbraith, *The End of Iraq,* pp. 118–124. Bremer regarded economic reform as his biggest accomplishment in Iraq (see Chandrasekaran, *Imperial Life in the Emerald City,* pp. 70, 134, 328), but it created a "fearsome" backlash from the Iraqi business community (see Allawi, *The Occupation of Iraq,* p. 198). All of these problems were exacerbated by the incompetence of many Coalition Provisional Authority officials, at least some of whom were picked not for their experience but for their party credentials and past work on Bush's election campaign. Ricks, *Fiasco,* p. 203; Chandrasekaran, *Imperial Life in the Emerald City,* pp. 103–104; and Packer, *The Assassins' Gate,* p. 184.

115. An anonymous general involved in postwar planning at the Pentagon, quoted in Ricks, *Fiasco,* p. 179.

116. Allawi, *The Occupation of Iraq,* p. 83.

117. Packer, *The Assassins' Gate,* pp. 114, 116–117; and Chandrasekaran, *Imperial Life in the Emerald City,* pp. 35, 59.

118. Packer, *The Assassins' Gate,* p. 118. See also Galbraith, *The End of Iraq,* p. 8.

119. Gordon and Trainor, *Cobra II,* pp. 457–460.

120. Packer, *The Assassins' Gate,* p. 147. See also Linda Robinson, *Tell Me How This Ends: General David Petraeus and the Search for a Way Out of Iraq* (New York: PublicAffairs, 2008), p. 20.

121. Quoted in Galbraith, *The End of Iraq,* p. 101.

122. Allawi, *The Occupation of Iraq,* p. 189; Gordon and Trainor, *Cobra II,* p. 155; and Soderberg, *The*

suggests that sufficient military forces coupled with a competent plan for re-building Iraq might have preserved a measure of order and greatly reduced the violence experienced since Bush's "mission accomplished" declaration on May 1, 2003.[123] Alternatively, had the administration understood that securing the peace would be far more expensive than winning the war, it might not have launched the invasion, or it would have been willing to accept a compromise short of removing Saddam from power. This is the great tragedy of the Iraq War. Analytically, the insurgency in Iraq suggests strongly that the costs of postwar peace—and uncertainty over those costs—need to be integrated into any theory of war. The process of war must be extended not only into the prewar crisis bargaining stage, as is currently being done, but to the postwar period as well.

Domestic Politics and War

The bargaining theory of war models conflict as an interaction between two unitary national actors. The Iraq War reveals the importance of domestic politics and, in particular, special interests in the decision to go to war.[124] Opponents pointed vigorously to the role of a petro-military-industrial complex in fomenting the conflict. One of the rallying cries of antiwar protestors across the United States was "No blood for oil!" Others accused defense contractors, such as Vice President Cheney's former firm Halliburton, of war profiteering. Still others found in the war evidence for the influence of the Israel lobby and

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Superpower Myth, p. 229. The early looting in Baghdad now appears to have been coordinated, at least in part, to destroy data on internal security and to disrupt the occupation (Allawi, *The Occupation of Iraq,* pp. 115–117), but it sent a message to the average Iraqi either that the United States did not care or that it was powerless to act effectively (Ricks, *Fiasco,* p. 136). In the absence of security, sectarian groups grew up to provide protection and social services to their members (Packer, *The Assassins' Gate,* p. 168), creating parallel power structures that later bedeviled U.S. forces (Allawi, *The Occupation of Iraq,* p. 91).

123. On the surge and new counterinsurgency strategy, see Robinson, *Tell Me How This Ends;* and Thomas E. Ricks, *The Gamble: General David Petraeus and the American Military Adventure in Iraq, 2006–2008* (New York: Penguin, 2009).

124. This is hardly a new insight. On first- and second-image theories of war, see Kenneth N. Waltz, *Man, the State, and War: A Theoretical Analysis* (New York: Columbia University Press, 1959). Special interests were blamed for World War I. Most famously, see Helmuth C. Engelbrecht and Frank C. Hanighen, *Merchants of Death: A Study of the International Armament Industry* (New York: Dodd, Mead, 1934). On social forces and war, see, among others, Jack Snyder, *Myths of Empire: Domestic Politics and International Ambition* (Ithaca, N.Y.: Cornell University Press, 1991). As Waltz correctly pointed out, however, domestic theories of war tend to ignore the strategic interactions between states. Although applied to institutions and the democratic peace (see especially Kenneth A. Schultz, *Democracy and Coercive Diplomacy* [New York: Cambridge University Press, 2001]), the bargaining theory of war has not to date incorporated the role of social groups.

its allies on the Christian right.[125] War clearly has domestic distributional consequences, but they most likely vary by conflict.[126] Defense contractors may gain from fighting itself, but most groups and industries have contingent interests that vary by the issue under dispute. In Iraq, for instance, the oil industry was seen as a major beneficiary of war, although it might not have been implicated in another conflict in another region. Similarly, the Israel lobby, such as it is, was largely silent in the war against Afghanistan. Short of post hoc explanations that see outcomes that are in the purported interests of a group as evidence of its influence, how can scholars think about the role of domestic politics, in general, and special interests, in particular, in international conflict? This section outlines one possible way of integrating domestic politics into bargaining theory.[127] It is highly unlikely that domestic interests were determinative in the war. Nonetheless, special interests may have made the United States more belligerent or less willing to accept agreements that it otherwise would have found acceptable.

The effect of domestic politics on war can be understood in two ways. First, as the label implies, "special interests" may have a policy that they wish to impose on the defeated state different from that of the median voter in their home country. In Iraq, for instance, the oil companies might benefit from a more pro-U.S. or more compliant regime than the average American. Individuals with a greater connection to Israel or an enhanced concern with its security might want Iraq "defanged" more thoroughly than the median voter in the United States. Given that bargaining theory is silent on exactly what a country's preferred policy might be, differential policy preferences require no significant modifications. One can think of the national ideal point simply as the sum of different individual ideal points as aggregated through some set of domestic political institutions. So long as all individuals do not place a positive value on the act of fighting itself, or as long as influential groups do not have sufficiently high values for fighting, the central logic of bargaining theory that a mutually preferred negotiated solution must exist still holds.

Second, some domestic interests may not bear proportionate costs of the fighting. This is likely to vary by regime type, with democracies distributing

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125. On the role of Israel, see John J. Mearsheimer and Stephen M. Walt, *The Israel Lobby and U.S. Foreign Policy* (New York: Farrar, Straus and Giroux, 2008).
126. Samuel Seljan, "Economic Interests in the Domestic Politics of War: Evidence from U.S. Decisions to Go to War with Iraq in 1991 and 2003," Ph.D. dissertation, University of California, San Diego, 2010.
127. I am indebted to Kenneth Schultz for his original development of these ideas. For a full treatment, see Jeffry A. Frieden, David A. Lake, and Kenneth A. Schultz, *World Politics: Interests, Interactions, and Institutions* (New York: W.W. Norton, 2009), pp. 143–153.

costs and benefits more widely and autocracies concentrating the benefits on key supporters while projecting the costs onto others. Oil and defense industries may pay taxes for the war, for instance, but they do not—as corporations—sacrifice their sons and daughters the way some families do. The same holds for wealthy individuals or, as above, political leaders. Even within democracies, the costs of fighting are not equally distributed. As with policy preferences, however, one can simply treat the costs of war as the sum of individual costs as aggregated through a set of political institutions, and as long as these politically weighted costs are not zero, the central logic of bargaining theory carries through.

These effects can be incorporated into the bargaining model in a relatively straightforward way. As explained above in the discussion of the standard setup, the interval over which states are understood to bargain is normalized relative to the costs of fighting. Thus, domestic interests that value the issue more highly or do not themselves bear the costs of fighting reduce the effective costs of war. This is represented as a reduction in the costs of fighting for the United States from a' to a in figure 3a. By reducing the effective costs of war, the country requires a better deal from the other side to be satisfied by a negotiated outcome ($p - a' < p - a$, with the bargaining range reduced from 2 to 1). This increases the probability of a bargaining failure if the opponent does not understand that domestic interests can skew the effective costs of fighting.

Special interests do not appear sufficient to have caused the Iraq War, however. The supposed beneficiaries of the war, including the oil companies, have still borne some costs from the fighting, which they would not have paid if Iraq had capitulated to U.S. demands. In addition, although the United States might have made greater demands on Iraq, Saddam was likely aware of the influential role of the oil industry, defense contractors, and the Israel lobby in the Bush administration. If domestic interests were driving the United States to war, the expected outcome was that Iraq would have offered Washington a better deal. Although the Iraqi leader appears not to have wanted to know accurately the resolve of the United States, it is likely that at least some of these special interests would have fed into his preconceptions and therefore received a more sympathetic hearing.

For domestic interests to be determinative in precipitating war, the effective costs of fighting must be (1) zero for both sides or (2) sufficiently negative for at least one side such that the bargaining range disappears completely ($a + b < 0$). That is, special interests that value the issue in dispute highly relative to the costs of fighting must dominate in at least one and probably both

countries. Given the high costs of the Iraq War, this seems unlikely. However much oil companies or defense contractors benefited from the war, and however much influence they might have had in the Bush administration, they did not gain sufficiently to offset the costs to the nation as a whole.[128] Even in Iraq, the leadership ended up paying a high price—including court-imposed death sentences. Although one cannot rule out the possibility that war is "desired" once special interests are introduced into the theory, it seems implausible, in general, and in the Iraq War, in particular, that the bargaining range would shrink sufficiently that no possible negotiated agreement was preferred to war for both sides. Nonetheless, the role of domestic interests should be incorporated into bargaining theory as social forces that increase the belligerency of governments in their negotiations with one another and make war more likely.

Analytic Lessons Learned: Toward a Behavioral Theory of War

The Iraq War suggests important analytic lessons for scholars. Although bargaining theory is helpful in highlighting the strategic interactions that lead to war, the conflict reveals four factors now outside its ken. Incorporating these factors into the theory may shed new light on conflict processes and help devise ways of avoiding the bargaining failures that lead to war. The first three factors, I believe, can be integrated into bargaining theory by extending its logic in new directions. Although each will undoubtedly take years of hard effort to accomplish, these factors call largely for amendments to present theory. The fourth factor poses a more severe challenge.

  First, as the Iraq War makes blindingly obvious, the postwar governance costs of imposing one's will on the defeated enemy must be incorporated into the victor's cost of fighting and, thereby, into the larger conflict process. If enforcing compliance with a peace settlement is "easy," postwar governance costs may have only a marginal effect on conflict behavior. In total war, however, where the victor inherits control of a previously sovereign state, as in Iraq, postwar governance costs may be huge and, by backwards induction, will feed back up the strategic interaction to the decision to go to war in the

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128. The most careful analysis of the effects of the war on industry is Justin Wolfers and Eric Zitzewitz, "Using Markets to Inform Policy: The Case of the Iraq War," *Economica*, Vol. 76, No. 302 (April 2009), pp. 225–250. Analyzing financial market data, they estimate that ex ante a 10 percent increase in the probability of war produced a $1 increase in the spot market price of oil, but this effect was expected to dissipate quickly (largely by the end of 2003). Counterbalancing this special interest effect, the same increase in the probability of war is estimated to produce ex ante a 1.5 percent decline in the value of the S&P 500.

first place. This has important implications for conflict patterns. Postwar governance costs might also unify now disparate literatures on the declining efficacy of war in the industrial age, the death of empire after the rise of national self-determination, and the shift from total to limited wars in the current era.[129] In all, it may not be too costly to fight wars, but it may be too costly to govern the peace that follows. Equally, the literature on peacekeeping is now treated as separate from the literature on war, as something that comes "after."[130] Focusing on postwar governance costs connects these literatures as well and implies at least one counterintuitive proposition: by deflecting the costs of enforcing agreements from the warring parties to the international community, the current practice of multilateral peacekeeping may actually increase the probability of war. Rather than treating war as a process that culminates in victory, extending the length of the conflict process to include the postwar period suggests potentially profitable insights into the causes of war and the conditions for peace.

Second, bargaining theory has been developed as a two-player game, mainly for reasons of technical tractability. Theorists are aware that most conflicts involve more than two parties, but they make a methodological bet that simplifying the world into State A and State B more than offsets the explanatory loss in realism. The problem for Iraq in sending a costly signal to the United States on its dismantled WMD programs while sending a different signal to its internal opponents and foreign enemies implies, however, that two-player games may sacrifice too much. Although they will be far more complicated, *n*-player games will be, I expect, the research frontier in conflict studies. This should also direct attention to how different signals may communicate more or less clearly with different audiences, or how states can try to separate their multiple audiences by sending different signals.

Third, although the subject of the most public furor and ire before the war, special interests are in some ways the simplest amendment to bargaining theory suggested here. If the national ideal point is considered the sum of individual preferences over outcomes weighted by each individual's political clout, and if the costs of fighting are understood as the sum of the individual costs again weighted by political influence, all of the insights of bargaining theory appear to carry through. Except under implausible (but nonetheless theoreti-

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129. On the obsolescence of war, see Richard N. Rosecrance, *The Rise of the Trading State: Commerce and Conquest in the Modern World* (New York: Basic Books, 1987); and John E. Mueller, *Retreat from Doomsday: The Obsolescence of Major War* (New York: Basic Books, 1989).
130. See Virginia Page Fortna, *Peace Time: Cease-Fire Agreements and the Durability of Peace* (Princeton, N.J.: Princeton University Press, 2004).

cally possible) conditions, some bargaining range is likely to exist. Nonetheless, recognizing the importance of special interests in the lead-up to the Iraq War calls new attention to how different societies and sets of political institutions aggregate preferences and distribute the costs of fighting. Scholars have long recognized that countries can be more or less belligerent depending on their internal characteristics; we can now identify those dimensions of domestic politics that affect the propensity for war with some precision.

Finally, the most severe challenge to bargaining theory arises from the cognitive and decisionmaking biases that were so evident in the Bush administration and Saddam and his regime. On each side of the conflict, war did not result mainly from private information about the enemy's costs of war that were intentionally misrepresented by that opponent. Rather, the informational imperfections appear to have been about, for the United States, its own costs of fighting and, for Iraq, easily knowable elements of the Bush administration's resolve and military strategy. Misrepresentation by the other side was far less of a problem than self-delusion. Neither side wanted to know about itself or the other information that would have challenged its prior beliefs or slowed the march to war. These motivated biases are inconsistent with rationality and suggest the need for a behavioral theory of war.

Behavioral economics has recently emerged as a major approach in economics. It aims to move away from the "as if" assumption of perfect rationality to psychologically plausible assumptions about human decisionmaking.[131] It also sheds the "efficient markets hypothesis" that all information is immediately and effectively incorporated into expectations. Rather, behavioral economics permits—indeed, expects—manias and panics where buyers and sellers respond not to fundamentals but to "animal spirits."[132] A similar approach might be useful in conflict studies. Like neoclassical economics, the bargaining theory of war assumes that all information is costlessly incorporated into bargains between states, and therefore that wars occur when information is both private and misrepresented. One implication of this assumption is that actual

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131. Colin F. Camerer, "Behavioral Economics," in Richard Blundell, Whitney K. Newey, and Torsten Persson, eds., *Advances in Economics and Econometrics: Theory and Applications, Ninth World Congress,* Vol. 2 (New York: Cambridge University Press, 2006), pp. 181–182. Behavioral economists do not question the "intentionalist stance," by which we assume humans are making means-ends calculations. See Daniel C. Dennett, *The Intentional Stance* (Cambridge, Mass.: MIT Press, 1989).

132. On the efficient market hypothesis, see Justin Fox, *The Myth of the Rational Market: A History of Risk, Reward, and Delusion on Wall Street* (New York: HarperCollins, 2009). On mass behavior, see George A. Akerlof and Robert J. Shiller, *Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism* (Princeton, N.J.: Princeton University Press, 2009).

wars are unpredictable, similar to the "random walk" of individual stocks and bonds.[133] Yet, like markets, relations between states may respond to greed and envy, hubris and honor, fear and confidence.

The core idea of the new behavioralism is that intuitive decisionmaking is typically cheaper and faster (in terms of cognitive effort) and, thereby, preferred in humans over more cognitively complex forms of reasoning, including rationality.[134] Unlike evoked sets or other transitory psychological properties that depend on knowledge of what is presently activated in the mind of a particular individual,[135] behavioral economics attempts to isolate common attributes of environments that are more accessible to all human decisionmakers. Central dimensions of accessibility appear to be change, producing "reference dependence" or a tendency to judge outcomes relative to a current baseline rather than the absolute value of some final state, and framing about gains and losses, through which individuals choose differently when confronted with logically equivalent alternatives (e.g., individuals will disfavor choices that kill 200 out of 1,000 people and favor choices that save 800 out of 1,000 people). Together, these two dimensions of accessibility produce what is known as prospect theory, which predicts that decisionmakers are risk averse in the domain of gains and risk acceptant in the domain of loses.[136] In addition, prospect theory posits that decisionmakers use "prototype heuristics," a form of stereotyping, in which salient examples from a larger class are assumed to be overrepresented in the category.[137] This can lead to "attribute substitution" in which favored outcomes are judged to have lower costs and higher benefits than they actually possess.[138] Importantly, behavioral economics does not overthrow neoclassical economics but supplements extant theory with a model of how individuals actually make choices.

War would, on its face, appear to be the kind of high-stakes decision that would likely provoke reasoning rather than intuition. Behavioral economics allows that in unusual, high-stakes choices without significant time pressures,

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133. Gartzke, "War Is in the Error Term."
134. Daniel Kahneman, "Maps of Bounded Rationality: Psychology for Behavioral Economics," *American Economic Review,* Vol. 93, No. 5 (December 2003), p. 1450.
135. Jervis, *Perception and Misperception in International Politics,* chap. 5.
136. Kahneman, "Maps of Bounded Rationality," pp. 1454–1458. On prospect theory in international relations, see Jack S. Levy, "Prospect Theory, Rational Choice, and International Relations," *International Studies Quarterly,* Vol. 41, No. 1 (March 1997), pp. 87–112; and Rose McDermott, *Risk-Taking in International Politics: Prospect Theory in American Foreign Policy* (Ann Arbor: University of Michigan Press, 1998).
137. Kahneman, "Maps of Bounded Rationality," pp. 1463–1467.
138. Ibid., p. 1463.

individuals can self-correct some of their decisionmaking biases.[139] It also allows that organizations can be designed to counter individual biases that tend to produce suboptimal results.[140] If reasoning is ever to apply, the Iraq War should have been a likely candidate. As a preventive war, it enjoyed significant lead time. The many internally complex organizations with conflicting mandates within the U.S. government should also have ensured a full airing of all alternatives, their likely results, and their respective costs and benefits. Yet, throughout the conflict, one sees decisionmaking biases at work within the Bush administration that contributed to the war. Most generally, there was little formal reasoning or debate about alternative strategies. Richard Haass, then director of policy planning in the Department of State, reflects that "a decision (to go to war) was not made—a decision happened, and you can't say when or how."[141] President Bush's well-known aversion to intellectual debate and reliance on, variously, his "gut" or faith may have led directly to a highly intuitive decisionmaking process.[142] Although the first MBA president might be an outlier in his reliance on intuition over reasoning, this is a variable worth examining in other wars.

Framing also mattered. As noted, the United States confronted a loss of future influence in the Persian Gulf. As prospect theory would predict, the administration was willing to run high risks in an effort to disarm Iraq once and for all.[143] There were also clear prototype heuristics at work with administration officials stereotyping Saddam as an evil tyrant who could not be trusted and average Iraqis as favoring freedom above all else. The prior beliefs of the administration about Saddam may well rest in this kind of bias, as did the failure of administration officials and intelligence analysts to update their beliefs with new information.[144] Attribute substitution was evident in the ad-

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139. Ibid., p. 1468.
140. Camerer, "Behavioral Economics," p. 193.
141. Quoted in Packer, *The Assassins' Gate,* p. 45.
142. Ibid., pp. 390–391; and Suskind, *The One Percent Doctrine,* p. 308.
143. Framing effects are often ambiguous, however. Some officials believed that the United States could fundamentally alter politics in the Middle East by building a liberal democracy in Iraq, thereby undercutting Islamic fundamentalism and diffusing Arab antagonism toward Israel. This significant improvement over the status quo should have engendered a degree of caution or risk aversion. Although it is not hard to understand how a narrative of future loss might win out and lead to a high-risk foreign policy decision, the advocates of transformation within the administration—Wolfowitz, Feith, and the other neoconservatives—were among the most willing to toss the die and take a chance on war.
144. More speculatively, the same may be true for Saddam's mistaken prior belief that the United States was likely to back down in the face of resistance. On bias in updating beliefs, see Charles G. Lord, Lee Ross, and Mark R. Lepper, "Biased Assimilation and Attitude Polarization: The Effects

ministration's reliance on worst-case scenarios of the threat from Iraq and best-case scenarios of the likely costs of the war, as well as the transformation of a probability into a certainty in the one percent doctrine. Finally, some combination of fear and personal animosity by Bush and others in the administration may also have led to excessive optimism about the likely costs of the war and a greater willingness to take risks.[145] In turn, the institutions of government did not correct these biases but appear to have served as an echo chamber that stifled dissent and magnified their effects. Although I cannot say conclusively that behavioral biases truly had an important effect on decisionmaking in the Bush administration, it is hard not to delve into this case without becoming acutely aware of the less than fully rational nature of decisionmaking.

There is no necessary conflict between bargaining and behavioral theory. Bargaining theory does not require that actors be perfectly rational, only that they be intentional or act in ways to bring about results they prefer. The theory then identifies the conditions under which bargaining fails and wars become more likely: critical are estimates of the probability of victory, the costs of fighting, and the range of possible bargains both sides prefer to war, as well as problems of credible commitment and asymmetrical information. Behavioral theory promises to explain how estimates of these factors are distorted in ways that increase (or decrease) the probability of war. Biases unrelated to subjective estimates of the probability of victory or the costs of fighting, for instance, will be less important than ones that are related. Likewise, psychological states or traits that make commitments appear less credible deserve greater study than those that do not. By highlighting strategic interactions important to bargaining failures, bargaining theory gives scholars a baseline model of war through which substantively important biases can be identified and understood and their effects appreciated.

A behavioral theory of war also promises to be a significant improvement on the earlier literature on psychology and international politics. Earlier psychological theories were typically applied in a decision-theoretic manner in which the aims, resolve, or actions of an opponent were assumed to be fixed or static.[146] A behavioral theory of war should retain the core insight of bargain-

of Prior Theories on Subsequently Considered Evidence," *Journal of Personality and Social Psychology,* Vol. 37, No. 11 (1979), pp. 2098–2109. On bias and intelligence failures, see Uri Bar-Joseph and Rose McDermott, "Change the Analyst and Not the System: A Different Approach to Intelligence Reform," *Foreign Policy Analysis,* Vol. 4, No. 2 (April 2008), pp. 127–145.
145. Rose McDermott, "The Feeling of Rationality: The Meaning of Neuroscientific Advances for Political Science," *Perspectives on Politics,* Vol. 2, No. 4 (December 2004), pp. 691–706.
146. See Jervis, *Perception and Misperception in International Politics.* For an alternative more sensi-

ing theory that war is fundamentally strategic, with conflict dependent on the interaction of the choices of two or more actors, and a failure of bargaining. A marriage of behavioral and bargaining theory promises to be more powerful than either alone because of this attention to the interactive nature of conflict. Importantly, if behavioral biases are systematic, as theory suggests they are, they ought to be factored into the bargains that states demand and offer one another. As one example, because bargaining is zero-sum, one state's gain, over which it may be risk acceptant, is another state's loss, over which it may be risk averse. Bargaining theory would suggest that these biases offset each other, at least to some extent. Whether cognitive biases actually lead to war would, then, not be a function of one state's bias but the net effect of these off-setting decisionmaking traits. Unlike the one-sided distortions of earlier psychological theories of international relations, only when biases simultaneously distort both states' estimates of the bargaining range, information, or the ability to commit credibly should conflicts of interest escalate into war.

What or Who Failed? Policy Lessons from the Iraq War

Bargaining theory implies that war is always a failure, no less so in the case of the Iraq War. Both the United States and Iraq would have been better off settling their differences without fighting, even if that meant the complete capitulation of the Iraqi regime. That there were features of the strategic situation that contributed to the war, however, does not excuse the Bush administration for the bargaining failure.[147] From a policy perspective, first, the administration failed to pursue alternatives that might have revealed information about Iraq's weapons capabilities. As we now know, Iraq's WMD programs had been terminated during the 1990s. Although this does not resolve the issue of future intentions, the window for diplomacy was significantly larger than the administration led Americans and others to believe. Time existed for strategies of forcible inspections or internal insurrection to work. The prior beliefs of the Bush administration about the inherently evil nature of Saddam's rule clearly differed from those of the preceding Clinton administration. It is difficult to know now which set of beliefs were somehow closer to the "truth." Certainly,

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tive to strategic interactions, see Robert Jervis, *The Logic of Images in International Relations* (Princeton, N.J.: Princeton University Press, 1970).
147. On the administration's internal decisionmaking pathologies, see Mitchell and Massoud, "Anatomy of Failure." On how Rumsfeld's individual worldview and bureaucratic style affected decisionmaking, see Stephen Benedict Dyson, "'Stuff Happens': Donald Rumsfeld and the Iraq War," *Foreign Policy Analysis,* Vol. 5, No. 4 (October 2009), pp. 327–347.

however, more could have been done before deciding on war to discover the true nature and abilities of the regime.

Second, the administration grossly underestimated the costs to the United States of fighting the war. Most egregiously, it utterly failed to consider the costs to the United States of governing Iraq after deposing its leadership, defeating its military, and dismantling its political institutions. Not wanting to calculate the full costs of a discretionary war, and dead set against nation-building, the administration refused to plan adequately for the peace. Not wanting to do peacekeeping or fight an insurgency, military leaders found it convenient not to challenge their civilian superiors. Burned by their failure to anticipate the September 11 attacks, the intelligence community also capitulated to administration hawks.[148] At the most general level, Congress and the American people, frightened by those attacks, failed in their responsibility to challenge the assumptions made by the executive and to ultimately check and balance its authority.[149] In estimating the likely costs of the war, there was a systemic breakdown of the political process within the United States.

Finally, concluding that the probability of victory was high and the costs of war were low, the administration demanded too much of Iraq, including the creation of a new state premised on a liberal ideology of democracy and free markets that conflicted with traditional political institutions and cultures in the region. It is here that the hubris of the Bush administration mattered most. A more modest assessment of the efficacy of military force would have led to a fuller recognition that the United States cannot remake the world to suit its preferences, that it must learn to live with some ambiguity and risk in the world, and that it cannot so easily demand that others conform to its desires.

The bargaining failures and, importantly, the decisionmaking biases that led to the Iraq War have not stimulated any large-scale reforms of national security policymaking. Americans have "rebooted" the foreign policy process or, perhaps, installed a new version of the operating system without checking to see if the hardware and software problems that caused the "crash" have been corrected. To the extent that decisionmakers failed to seek out and use all available information and suffered from cognitive biases, policy could be improved by ensuring that all points of view are adequately aired before crucial decisions are made. Rather than centralizing U.S. intelligence agencies under

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148. Ricks, *Fiasco*, p. 67.
149. On threat inflation and the public, see Chaim D. Kaufmann, "Threat Inflation and the Failure of the Marketplace of Ideas: The Selling of the Iraq War," *International Security*, Vol. 29, No. 1 (Summer 2004), pp. 5–48.

the director of national intelligence, for instance, creating competition between agencies and ensuring that more rather than fewer voices reach the president's ears might lead to less biased and more fully informed decisions. Likewise, postwar governance and state-building agencies should have a seat at the table when decisions to go to war are made. Institutional design is unlikely to correct all sources of bargaining failure. It will be impossible to create institutions that are always more "rational" than the individuals who occupy them. But as scholars' understanding of the causes of war improves, we should look for creative ways to correct the likely causes of bargaining failure not only between states, as implied by current theory, but also within states through the policy-making process.

Conclusion

Large and especially traumatic events have always had an important effect on the study of international relations. As social scientists, we may eschew normative concerns in the logic of our theories and tests of our hypotheses. But the questions we ask, the topics we choose, and even the variables we highlight in our theories inevitably reflect the evolving world in which we live and our desire to learn from past mistakes to improve future policy. It is still too early to know how the Iraq War will affect the study of world politics, but one likely result will be to turn new attention to the importance of individual and cognitive factors in foreign policy decisionmaking.

War is always a failure. The Iraq War is no different. Regardless of the eventual outcome—whether Iraq ever becomes a functioning democracy, whether U.S. forces ever fully withdraw from the country—there were negotiated bargains short of war that would have left both the United States and Iraq better off than actually fighting this costly war. The many journalistic accounts provide numerous insights into how the Iraq War occurred. The bargaining theory of war highlights several important strategic processes that help us understand why it occurred. Because Saddam could not credibly commit to a skeptical Bush administration that he would refrain from developing WMD in the future, the United States eventually chose a preventive war to foreclose the possibility that Iraq would compete with it for influence in the Persian Gulf at some later date. This problem of credible commitment was exacerbated by informational asymmetries that led the United States to underestimate the costs Iraq could impose on it and Baghdad to overestimate the costs it could impose on Washington. In ways not expected by bargaining theory, however, the prior beliefs and information failures that led to war resulted not from incentives to

misrepresent one's own capabilities to the other, but from self-delusions. It is here that the war transmogrifies from failure to tragedy.

These self-delusions, including the overestimating of the threat from Iraq, the underestimating of the costs of the war and postwar peace, and the failure to anticipate how events could go wrong, defy current assumptions about rational decisionmaking. Bargaining theory predicts a deliberate process of gathering information and considering alternatives. Decisionmaking in the Bush administration and Saddam's regime, as far as we can now tell, did not fit this model. It would be inappropriate to reject bargaining theory on the basis of a single possibly extreme case. Nonetheless, the Iraq War brings the effects of cognitive biases and human fallibility into sharp relief. In addition to extending theory to include a postwar bargaining phase, moving to *n*-player models of signaling, and incorporating the role of special interests, the Iraq War suggests the need for a behavioral theory of war that integrates human decisionmaking biases into the strategic interactions that, through bargaining failures, produce war. The first behavioral revolution in international relations led away from a focus on what states should do to a new emphasis on what they actually do.[150] It is, perhaps, time for a second behavioral revolution in international relations where scholars focus on how individuals and, as collectives, states actually think.

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150. See Klaus Knorr and James N. Rosenau, eds., *Contending Approaches to International Politics* (Princeton, N.J.: Princeton University Press, 1969).