



# POLI 150: The Bargaining Model of War: Issues of Credible Commitment

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## Today's Class

- Review of Bargaining Model & Information Problems
- Issues of Credible Commitments & Indivisibility
- Bargaining Theory & Iraq



# Why Do States Fight Wars?

- Conflicting interests are necessary, but not sufficient to explain war
- International system lacks reliable institutions for settling disputes, so states must bargain over resources
- Once one state uses or threatens to use force, a crisis is initiated



# Crisis Bargaining

- Two things determine which deals are acceptable to belligerents during crisis bargaining: the **costs** and **likely outcome** of war
- Because war is costly, there is almost always a settlement that all sides prefer over war
- The task of analysts is to explain why states choose to fight rather than settle the dispute peacefully



# The Bargaining Model of War





# Information Problems

- Conflict becomes more likely when states have poor information about their opponent's **capabilities** and/or **resolve**
- A state's **private information** about its own capabilities and resolve can lead to complications in bargaining
- Uncertainty over a state's ability and/or willingness to wage war may cause a state to yield too little (Kuwait) or demand too much (Iraq)



## Credibility and Misrepresentation

- States have a hard time making credible threats because they are costly to carry out
- Actors have incentives to hide or misrepresent their capabilities and/or resolve to secure a better deal
- Given these challenges, how can states effectively signal their intentions? By making *costly signals*



## Incomplete Information

- Incomplete information and incentives to misrepresent capabilities and resolve can lead rational leaders to engage in conflict
- States must send costly signals to prove their bargaining position
- Information problems are not the only cause of bargaining breakdown





## Commitment Problems

- Commitment problems supply the second large class of reasons that states fail to reach a settlement
- **Credible commitment:** a believable agreement by one side to not try to alter the status quo after a deal is reached
- A commitment problem occurs when states fail to credibly agree not to use force to revise a negotiated settlement in the future



## Credible Threats & Credible Commitments

- Note the difference between credible threats and credible commitments
- States have difficulties making their threats credible; exacerbates the incomplete information problem
- States also have difficulties making credible commitments not attempt to change the terms of an agreement in the future



# Bargaining Over Future Sources of Power

- States have incentives not to bargain over things that diminish their future military power
- A state will be reluctant to agree to a settlement that makes it vulnerable
- If State A makes concessions to avoid war that weaken it, it cannot be sure that State B will not press new claims in the future
- The state that will be militarily advantaged by striking this bargain cannot credibly commit to exploiting the new distribution of power



## Examples of Future Sources of Power

- **Weapons programs:** North Korea, Iran, Libya
- **Strategically valuable territory:** Senkaku/Diaoyu Islands

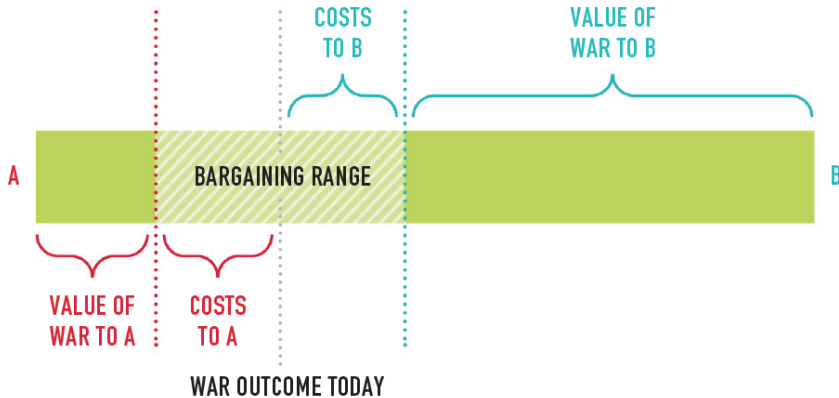


# Preventative War

- When the distribution of power might change rapidly, states have incentives to initiate **preventative war**
- A growing state has an incentive to alter the status quo in the future
- Knowing this, its opponents have incentives to attack it while it is currently weak
- Preventative war is only effective if it stops or significantly delays the power shift

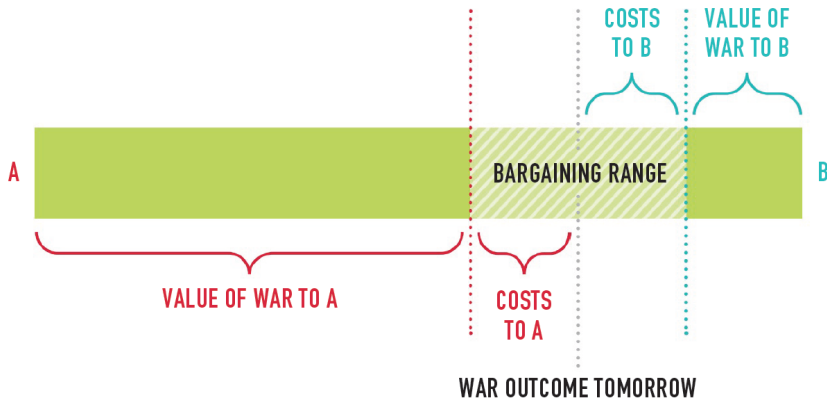


## Today: State B is Relatively Strong



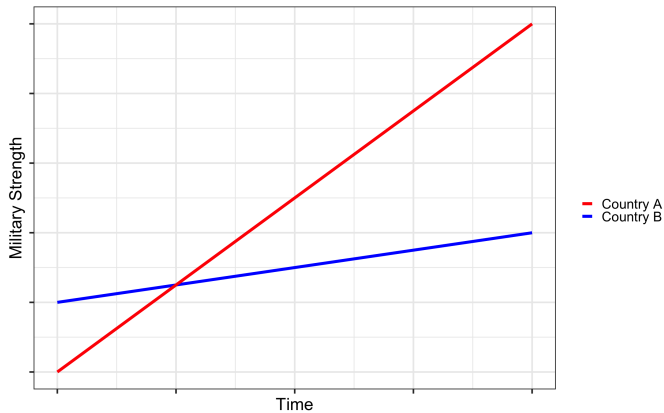


## Tomorrow: State B is Relatively Weak





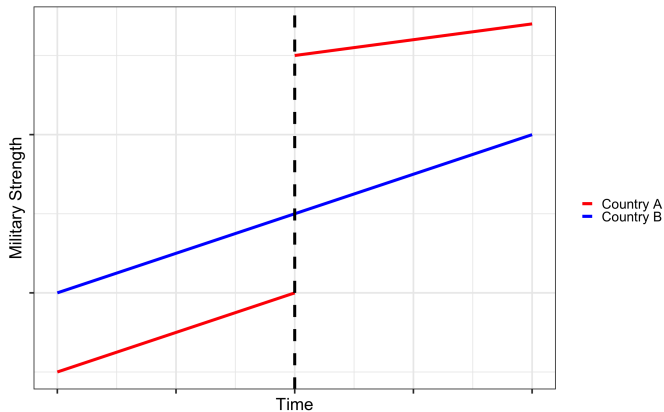
# Rapidly Growing Power







# Discontinuous Shift in Power



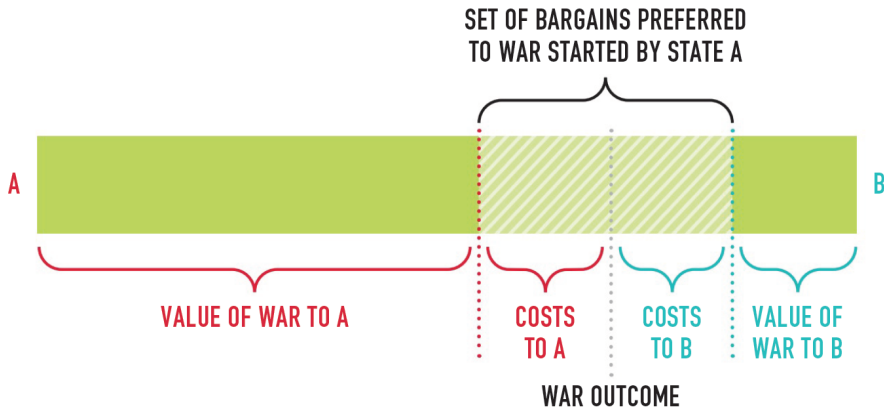


## Preemption: Striking First

- States have a first-strike advantage when there is a significant benefit to being the first to attack
- Example: nuclear first-strike advantage
- If a state fears that the other side will attack first, and there is a first-strike advantage, it has incentives to preempt that attack
- Example: Israel during the Six Day War

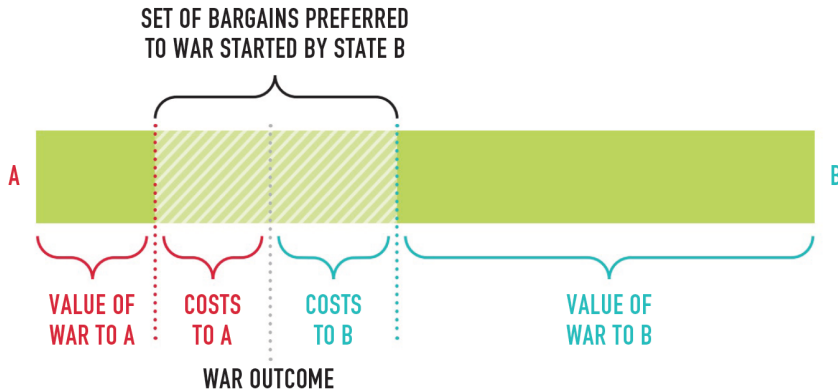


# State A Attacks First





# State B Attacks First





## Credible Commitment Mechanisms

- **Sources of future power:** states are reluctant to settle over goods that affect their future power
- **Preventative War:** states may rather fight a weaker opponent today than risk fighting a stronger opponent tomorrow
- **Preemptive War:** if there is a large first-strike advantage, a state might attack out of a fear that their opponent will attack first



## A Quick Detour: War Duration

- Why are some wars long and others short?
- Theory: the length of a war depends on the type of bargaining breakdown; was it information or commitment problems?
- In wars caused by incomplete information, battles supply the missing information, and states are able to reach a settlement once it is revealed
- Wars fought over commitment issues take much longer because they must address the underlying problem



## Indivisible Goods

- Some goods cannot be divided without substantially diminishing their values
- 100 pennies versus 1 dollar bill
- Elaine, Kramer, and the Bicycle



## Issue Indivisibility

- Bargaining breakdown can occur if states are bargaining over an indivisible good
- Most commonly cited example is Jerusalem
- Weak enforcement mechanisms may cause us to claim indivisibility
- States have incentives to claim indivisibility
- Two possible solutions include shared control and linkage





## Bargaining Theory: Strengths and Weaknesses

- Information problems, issues forming credible commitments, and issue indivisibility help explain many conflicts
- Researchers must explain why states fight rather than reach a settlement
- Do you find this collection of explanations to be a satisfying theory of conflict? What is it missing?



## Two Cheers for Bargaining Theory

- Lake applies the insights of bargaining theory to the Iraq War with mixed results
- Applying the rationalist frame to this war does explain important parts, but the assumptions of the bargaining model are problematic
- Ultimately, he argues that it gives an inadequate explanation of the war



## Iraq War: Information Problems

- Saddam believed that the US was a ‘paper tiger’ and would not pursue military action absent UN support
- The US hugely underestimated the costs of war
- Theory suggests that the US and Iraq should have sought out information to reach a settlement, but they did not



## Iraq War: Credible Commitments

- Iraq could not credibly commit to not develop and use WMD in the future
- The US could not credibly commit to not invade Iraq if it disarmed
- However, the commitment problem existed for years before the war and Saddam did not signal benign intent even when they abandoned WMD during the 1990s
- Other states that Bush identified as part of the 'axis of evil' were not attacked



## Lake's Conclusions

- Bargaining theory helps, but ultimately fails to explain the war
- Areas in which it failed: postwar governance costs, additional audiences, unitary actor assumption, cognitive biases
- Suggests the creation of a behavioral theory of war