

# POLI 891 - Seminar on Bargaining Models Spring 2010

**Instructor:** Navin Bapat, 305 Hamilton Hall, 919.962.1438, email: bapat@unc.edu.

**Time and Location:** W 1:00-3:30; 351 Hamilton Hall

**Office Hours:** T 9-11 or by appointment.

**Introduction:** Political actors frequently resolve their conflicts through bargaining of some form, and the use of other means of resolving conflicts, such as strikes, war, or economic sanctions, suggests the failure of the bargaining process. The observation that political actors frequently attempt to resolve their conflicts through bargaining indicates that political science may require an understanding of the bargaining process and bargaining behavior. This seminar involves a theoretical analysis of negotiation in political science. We will undertake a critical analysis of numerous bargaining models and the empirical research designed to test their propositions. The goal of the seminar is to survey and evaluate current research on bargaining behavior, as well as to propose future directions for bargaining research.

**Readings:** The vast majority of readings from this course will come from journals in political science or international relations. All of the readings will be available through Blackboard. In doing the readings, you should know that my goal in this course is not necessarily for you to learn all of the nuts and bolts of bargaining models (though if you would like to, I would encourage you to). My goal is instead to get you comfortable with bargaining theory, the current literature in bargaining theory, and to allow you to apply the material to your research in the best possible way. Having said that, for you to maximize the benefit of this class, it is probably wise to develop some familiarity with some aspects of game theory. If you are interested, I would recommend taking a look at the following texts as overviews:

1. Douglas Baird, Robert Gertner, and Randal C. Picker. 1994. *Game Theory and the Law*. Cambridge: Harvard University Press.
2. James Morrow. 1994. *Game Theory for Political Scientists*. Princeton: Princeton University Press.
3. Ken Binmore. 1992. *Fun and Games: A Text on Game Theory*. Ann Arbor: University of Michigan.

**Grading:** Your final grade in the course will be determined as follows:

Participation	30%
Weekly Memos	20%
Final Paper	50%

1. **Participation:** Each member of the seminar is expected to complete all the required reading prior to each class meeting and contribute to class discussions. The material presented will be challenging, particularly if you have no background in game theory. Therefore, we will rely heavily on each other to get the most out of the readings. Your individual contributions, as well as the quality of the group discussion for each week, will be factored into your participation grade.
2. **Weekly Memos:** Each week, you will be required to turn in a brief memo (2-3 pages, preferably 2, double spaced). In the memo, you should evaluate and criticize the literature presented for the week. You should then propose a new research idea that builds upon the current literature, addresses a key weakness, or proposes an alternative framework. This is a key part of the memo, and I expect you to focus on it the most. The goal of the memos is to get you to think critically about where the literature on a particular topic is going and whether this direction is fruitful. The memos should also get you thinking about what is lacking in the current literature and how to address it. This will greatly assist you in coming up with your own research ideas, particularly for the paper in this course. The memos are due at noon the day of each class. The preferred method of delivery is for you to email your memo to me at bapat@unc.edu.

3. **Final Paper:** The major course requirement is a research paper that can address any topic in political science, provided that it relates to bargaining theory and has my approval. It must present original research (not just summaries of old research) and make a new contribution. This contribution can be a formal bargaining model, theoretical framework, or can test propositions from the bargaining literature. The main goal is to get you to build this paper into your research agenda, including beyond this class. That is, this could be the start of a dissertation or turn into a publishable paper. Since I want you to enjoy working on this project, I am very flexible with your topic choice. I would encourage you to talk to me early and often, though this semester, I will probably be most available via email. In addition to writing the papers, all of you will present your research to the class during the final two weeks. I will assign each of you one or two papers from your peers for you to review prior to the presentation. At this point, the paper does not need to be complete, but you should have enough for one of your peers to make comments on your work. This is designed to be constructive and helpful to the presenter prior to turning in your final paper. Non-constructive comments will be greeted with ill-humor. The paper will be due on Dec. 12. Late papers will also be greeted with very ill-humor.

## Course Schedule and Reading List

### January 12. Introduction.

1. Roger Fisher and William Ury. 1983. *Getting to Yes. Negotiating Agreement Without Giving In*. New York: Penguin Books. <http://www.colorado.edu/conflict/peace/example/fish7513.htm>

### January 19. Formal Approaches to Bargaining.

1. Abhinay Muthoo. 2000. A Non-Technical Introduction to Bargaining Theory. *World Economics* 1(2): 145-166.
2. John F. Nash. 1950. The Bargaining Problem. *Econometrica* 18(2): 155-162.
3. Ariel Rubinstein. 1982. Perfect Equilibrium in a Bargaining Model. *Econometrica* 50(1): 97-110.

*Recommended.*

1. R. Harrison Wagner. 1999. Bargaining and Conflict Management. *Manuscript*.
2. Robert Gibbons. 1997. An Introduction to Applicable Game Theory. *Journal of Economic Perspectives* 11(1): 127-149.

### January 26. Outside Options.

1. Thomas C. Schelling. 1956. An Essay on Bargaining. *American Economic Review* 46(3): 281-306.
2. James D. Fearon. 1995. Rationalist Explanations for War. *International Organization* 49(3): 379-414.
3. Erik Gartzke. 1999. War is in the Error Term. *International Organization* 53(3): 567-587.
4. R. Harrison Wagner. 2000. Bargaining and War. *American Journal of Political Science* 44(3): 469-484.
5. Mark Fey & Kristopher K. Ramsay. 2007. Mutual Optimism and War. *American Journal of Political Science* 51(4): 738-754

*Recommended.*

1. Dan Reiter. 2003. Exploring the Bargaining Model of War. *Perspectives on Politics* 1(1): 27-43.

### February 2. Costly Signaling v. Reputation.

1. Robert Powell. 1988. Nuclear Brinkmanship with Two-Sided Incomplete Information. *American Political Science Review* 82(1): 155-178.

2. R. Harrison Wagner. 1994. Peace, War, and the Balance of Power. *American Political Science Review* 88(3): 593-607.
3. James D. Fearon. 1997. Signaling Foreign Policy Interests: Tying Hands versus Sinking Costs. *Journal of Conflict Resolution* 41(1): 68-90.
4. Anne Sartori. 2002. The Might of the Pen: A Reputational Theory of Communication in International Disputes. *International Organization* 56(1): 121-149.
5. Branislav Slantchev. 2005. Military Coercion in Interstate Crises. *The American Political Science Review* 99(4): 533-547.

*Recommended.*

1. James D. Morrow. 2000. Alliances: Why Write Them Down? *Annual Review of Political Science* 3: 63-83.
2. Barbara F. Walter. 2006. Building Reputation: Why Governments Fight Some Separatists for Not Others. *American Journal of Political Science* 50(2): 313-330.
3. Mark Crescenzi. 2007. Reputation and Interstate Conflict. *American Journal of Political Science* 51(2): 382-396.

### **February 9. Audiences.**

1. Robert D. Putnam. 1988. Diplomacy and Domestic Politics: The Logic of Two-Level Games. *International Organization* 42(3): 427-460. (*Skim*)
2. James D. Fearon. 1994. Domestic Political Audiences and the Escalation of International Disputes. *American Political Science Review* 88(3): 577-592.
3. Kenneth A. Schultz. 1998. Domestic Opposition and Signaling in International Crises. *American Political Science Review* 92(4): 829-844.
4. Bahar Levenotoglu & Ahmer Tarar. 2005. Prenegotiation Public Commitment in Domestic and International Bargaining. *American Political Science Review* 99(3): 419-433.
5. Shuhei Kurizaki. 2007. Efficient Secrecy: Public versus Private Threats in Crisis Diplomacy. *American Political Science Review* 101(3): 543-558.

**February 16. No Class.** *International Studies Association Meeting.*

### **February 23. Incentives to Delay.**

1. Darren Filson & Suzanne Werner. 2002. A Bargaining Model of War and Peace: Anticipating the Onset, Duration, and Outcome of War. *American Journal of Political Science* 46(4): 819-838.
2. Branislav Slantchev. 2003. The Power to Hurt: Costly Conflict with Completely Informed States. *American Political Science Review* 97(1): 123-133.
3. Bahar Leventoglu and Ahmer Tarar. 2008. Does Private Information Lead to Delay or War in Crisis Bargaining? *International Studies Quarterly* 52: 533-553.
4. Jeremy Bulow & Kenneth Rogoff. 1989. A Constant Recontracting Model of Sovereign Debt. *Journal of Political Economy* 97(1): 155-178.

*Recommended.*

1. Branislav Slantchev. 2004. How Initiators End Their Wars: The Duration of Warfare and the Terms of Peace. *American Journal of Political Science* 50(2): 313-330.
2. Darren Filson & Suzanne Werner. 2004. Bargaining and Fighting: The Impact of Regime Type on War Onset, Duration, and Outcomes. *American Journal of Political Science* 48(2): 296-313.

## March 2. The Commitment Problem.

1. Robert Powell. 2006. War as a Commitment Problem. *International Organization* 60(1): 169-203.
2. Barbara F. Walter. 1997. The Critical Barrier to Civil War Settlement. *International Organization* 51(3): 335-364.
3. James D. Fearon. 1995. Ethnic War as a Commitment Problem. *Manuscript*.
4. Kenneth A. Schultz. 2005. The Politics of Risking Peace: Do Hawks or Doves Deliver the Olive Branch? *International Organization* 59(1): 1-38.
5. Navin Bapat. 2009. State Support for Terrorism and the Strategy of Weakness. *Manuscript*.

*Recommended.*

1. Andrew Kydd & Barbara F. Walter. 2003. Sabotaging the Peace: The Politics of Extremist Violence. *International Organization* 56(2): 263-296
2. Robert Powell. 2004. The Inefficient Use of Power: Costly Conflict with Complete Information. *American Political Science Review* 98(2): 231-241.

## March 9. No Class. Spring Break!

## March 16. Mediation and Third Party Intervention.

1. Rupen Cetinyan. 2002. Ethnic Bargaining in the Shadow of Third Party Intervention. *International Organization* 56(3): 645-677.
2. Andrew Kydd. 2003. Whose Side are You On? Bias, Credibility, and Mediation. *American Journal of Political Science* 47(4): 597-611.
3. Andrew Kydd. 2006. When Can Mediators Build Trust? *American Political Science Review* 100(3): 449-462.
4. Navin A. Bapat. 2006. State Bargaining with Transnational Terrorist Groups. *International Studies Quarterly* 50(2): 213-229.

*Recommended.*

1. Stephen Gent. Forthcoming. Going in When it Counts: Military Intervention and the Outcome of Civil Conflicts. *International Studies Quarterly*.
2. Alastair Smith & Alan Stam. 2003. Mediation and Peacekeeping in a Random Walk Model of Civil and Interstate War. *International Studies Review* 5(4): 115-35.

## March 23: Designing Contracts.

1. Robert Axelrod & Robert O. Keohane. 1985. Achieving Cooperation Under Anarchy: Strategies and Institutions. *World Politics* 38(1): 226-254 (*Skim*)
2. George W. Downs, David M. Roake, & Peter N. Barsoom. 1996. Is Good News about Compliance Good News about Cooperation? *International Organization* 50(3): 379-406.
3. B. Peter Rosendorff & Helen V. Milner. 2001. The Optimal Design of International Trade Institutions: Uncertainty and Escape. *International Organization* 55(4): 829-858.
4. Michael Gilligan. 2004. Is there a Broader-Deeper Tradeoff in International Multilateral Agreements? *International Organization* 58(3): 459-484.
5. Barbara Koremenos. 2005. The Rational Design of International Institutions. *International Organization* 55(4): 761-799.

6. Milan Svolik. 2006. Lies, Defection, and the Pattern of International Cooperation. *American Journal of Political Science* 50(1): 909-925.

*Recommended.*

1. R. Harrison Wagner. 2003. How to Build A State. *Manuscript*.

### **March 30: Institutions and Enforcement:**

1. James D. Fearon. 1998. Bargaining, Enforcement, and International Cooperation. *International Organization* 52(2): 269-306.
2. Lisa Blaydes. 2004. Rewarding Impatience: A Bargaining and Enforcement Model of OPEC. *International Organization* 58(2): 213-237.
3. Songying Fang. 2008. The Informational Role of International Institutions and Domestic Politics. *American Journal of Political Science* 52(2): 304-321.
4. Jana Von Stein. 2005. Do Treaties Constrain or Screen? Selection Bias and Treaty Compliance. *American Political Science Review* 99(4): 611-622.
5. Catherine C. Langlois & Jean Pierre P. Langlois. 2001. Engineering Cooperation: A Game Theoretic Analysis of Phased International Agreements. *American Journal of Political Science* 45(3): 599-619.

### **April 6. EITM and Bargaining Models.**

1. Bill Reed. 2000. A Unified Statistical Model of Conflict Onset and Escalation. *American Journal of Political Science* 44(1): 84-93.
2. Curt Signorino. 1999. Strategic Interaction and the Statistical Analysis of International Conflict. *American Political Science Review* 93(2):279-297.
3. Ethan Bueno de Mesquita. 2005. Conciliation, Counterterrorism, and Patterns of Terrorist Violence. *International Organization* 59(1): 145-176.
4. Muhummat A. Bas, Curt Signorino, & Robert Walker. Statistical Backwards Induction: A Simple Method for Estimating Recursive Strategic Models. *Political Analysis* 16: 21-40.
5. Navin A. Bapat. 2009. Explaining 'Wars on Terrorism': Militant Groups and International Crises. *Manuscript*.

### **April 13. Challenges to Bargaining Theory.**

1. Stephen Walt. 1999. Rigor or Rigor-Mortis? Rational Choice and Security Studies. *International Security* 23(4): 5-48.
2. James D. Fearon & David Laitin. 2000. Violence and the Social Construction of Ethnic Identity. *International Organization* 54(4): 845-877.
3. Jorn P.W. Scharlemann, Catherine C. Eckel, Alex Kalcenik, & Rick K. Wilson. 2001. The Value of a Smile: Game Theory with a Human Face. *Journal of Economic Psychology* 22: 617-640.
4. Scott de Marchi and Scott Page. 2008. Computational and Agent Based Models in *Oxford Handbook of Political Science Methodology*.

### **April 20-27: Presentations.**