

POLS G8821: “Topics in International Relations and Rational Choice”

Spring 2008

Professor: Massimo Morelli

Contacts: 720 IAB, 854 5941, mm3331.

Class: Wednesday 4:10-6:00 711 IAB

- **Course Description:**

The first part of the course will be on the rationalist explanations of bargaining breakdown and bilateral conflict, including the analysis of leaders' selection, strategic militarization, and other variables at the boundary between domestic and international choices. The second part of the course will focus on alliance formation and multilateral conflict. Then we will bring the insights from bilateral and multilateral conflict together and will study the open problems in conflict resolution mechanism design. The final part will be on cooperation, as opposed to conflict. We will present models and useful frameworks to study the functioning of international organizations and their development in an anarchic system.

- **Prerequisites:** Game theory knowledge is required. This means having the basic knowledge of key concepts like Nash Equilibrium, Subgame Perfect Equilibrium, Perfect Bayesian Equilibrium.

- **Requirements:**

1. The students are expected to do the readings in advance, and email a two page report on them the day before the class in which they are discussed. The report should contain a summary (short) and a number of comments on the main strengths and weaknesses of the article plus questions for the class discussion.
2. The main requirement is a well worked out proposal of a paper, by the end of the semester. The paper proposal will be graded on the basis of its *potential*.
3. Two take-home problem sets.

Early discussions about the research paper are strongly encouraged, even on a weekly basis.

- **Note:** All requirements should be submitted via email as .tex attachments (use pctex, latex, scientific workplace, or similar softwares that create .tex files).
- **Weekly plan:** to be done.

References

- [1] Adamuz and Ponsati (2007): "Arbitration Systems and Negotiation"
- [2] Allison, G.T., A. Carnesale, and J.S. Nye Jr (1985): "Hawks, Doves and Owls: A New Perspective on Avoiding Nuclear War," *International Affairs* (Royal Institute of International Affairs), Vol. 61, No. 4, 581-89.

- [3] Baliga, Sandeep and Tomas Sjöström (2004): “Arms Races and Negotiations,” *Review of Economic Studies*, 71(2), 351-69.
- [4] Baliga, S., D. Lucca and T. Sjöström (2007): “Domestic Political Survival and International Conflict: Is Democracy Good for Peace?” <http://www.kellogg.northwestern.edu/faculty/baliga/htm/research.htm>
- [5] Barbera, S., and M.O. Jackson (200?): “Choosing how to choose”, *Quarterly Journal of Economics*
- [6] Blainey, Geoffrey. (1973): *The Causes of War*, New York: the Free Press.
- [7] Bloch (et al?) (2006): When Does Universal Peace Prevail? Secession and Group Formation in Conflict. <http://www.springerlink.com/content/y438677324326445/fulltext.pdf>
- [8] Bueno de Mesquita, B., J.D. Morrow, R.M. Siverson and A. Smith (2003): *Logic of Political survival*, MIT Press.
- [9] Cai, H. (2003) “War or Peace.” in *Contributions to Economic Analysis and Policy*, BE Press, Vol 2, No 1, Article 2.
- [10] Caruso, Raul (2007): A Model of Conflict, Appropriation and Production in a two-sector Economy (mimeo);
- [11] Clausewitz, Carl von (1832)[1976]: *On War*, edited and translated by Michael Howard and Peter Paret, Princeton University Press.
- [12] Fearon, J.D. (1995) “Rationalist explanations for war,” *International Organization*, **49**:3, 379-414.
- [13] Fearon, J.D. (1997): “Signaling Foreign Policy Interests: Tying Hands versus Sinking Costs,” *Journal of Conflict Resolution*, **41**(1), 68-90.
- [14] Garfinkel, M.R. and S. Skaperdas (1996) *The Political Economy of Conflict and Appropriation*, editors, Cambridge University Press.
- [15] Harstad papers
- [16] Hirshleifer, Jack (1989): “Conflict and rent-seeking success functions: Ratio vs. difference models of relative success, ” *Public Choice*, Public Choice 63: 101-112.
- [17] Hirshleifer, J. (1995) “Anarchy and its Breakdown,” *The Journal of Political Economy*, Vol. 103, No. 1, 26-52.

- [18] Jackson, M.O. and M. Morelli (2007) "Political Bias and War," *American Economic Review*, 97:4, 1353-1373.
- [19] Jackson, M.O., and M. Morelli (2007): "Strategic Militarization, Deterrence and Wars," on my website;
- [20] Jones, D.M., S.A. Bremer, and J.D. Singer (1996) "Militarized Interstate Disputes, 1816-1992: Rationale, Coding Rules, and Empirical Patterns," *Conflict Management and Peace Science*, VOL. 15, NO. 2, 163-215.
- [21] Kydd, A. (2000) "Arms races and arms control: Modeling the hawk perspective," *American Journal of Political Science*, **44** (2), 228244.
- [22] Kydd Andrew (2006): "Which Side are you on: Bias, Credibility, and Mediation";
- [23] Kydd, Andrew (2007): "When can Mediators Build Trust?"
- [24] Maggi, G., and M. Morelli (2006): "Self-Enforcing Voting in International Organizations" *American Economic Review*, Vol. **96-4**, 1137-58;
- [25] Manzini and Mariotti (2007): "Alliances and negotiations: An incomplete information example."
- [26] Maskin, E. (2005): "Bargaining, Coalitions and Externalities"
- [27] Meirowitz, A.H. and A.E. Sartori (2007) "Secrecy and War: The Origins of Private Information", mimeo, Princeton University.
- [28] Powell, R. (1993) "Guns, Butter and Anarchy," *American Political Science Review*, **87**, 115-132;
- [29] Powell, R. (2006) "War as a Commitment Problem," *International Organization*, 60, 169203.
- [30] Schelling, Thomas C. (1963): *The Strategy of Conflict*, London and New York, Oxford University Press.
- [31] Schelling, Thomas C. (1966): *Arms and Influence*, New Haven and London, Yale University Press.
- [32] Schultz, K. (1998) "Domestic opposition and signaling in international crises," *American Political Science Review* 92 (4), 829844.
- [33] Slantchev, B. (2003) "The power to hurt: Costly conflict with completely informed states," *American Political Science Review* **97** (1), 123133.

- [34] Slantchev, B. (2005) "Military coercion in interstate crises," *American Political Science Review*, **99** (4), 533-547.
- [35] Skaperdas S. (1992) "Cooperation, Conflict, and Power in the Absence of Property Rights," *The American Economic Review*, Vol. 82, No. 4, 720-739.
- [36] Verdier, Daniel (2007): Sanctions as Revelation Mechanisms
- [37] Wagner, R.H. (1986): "The Theory of Games and the Balance of Power," *World Politics*, 38(4), 546-576.
- [38] Wagner, R. H. (2000) "Bargaining and War," *American Journal of Political Science*, 44(3), 469-84.
- [39] Waltz, K. (1959): *Man, the State, and War*, Columbia University Press: N.Y.
- [40] Acemoglu et al, Coalition Formation in Political Games
- [41] Sweeney & Fritz, Jumping on the Bandwagon: An Interest-Based Explanation for Great Power Alliances
- [42] Horowitz, The Balance of Power: Formal Perfection and Practical Flaws
- [43] Moul: Power Parity, Preponderance and War between Great Powers 1816-1989
- [44] Skaperdas, On the Formation of Alliances in Conflict and Contests
- [45] Niou and Ordeshook, Alliances in Anarchic International Systems.