

## James Fearon: Rationalist Explanations for war

In brief, JF's argument is that on the assumption that war imposes a non-zero cost on all participants, war is always *ex post* inefficient. In other words there are bargains which could be struck between states without war which would leave both states better off than going to war. Given that war is costly, states can only rationally choose war if there are incentives to misrepresent private information, commitment problems prevent preferable bargains, or issue indivisibility.

### ARGUMENT

War is costly and risky, so why do states engage in war? States should have incentives to locate negotiated settlements which all states would prefer to a fight. All wars are inefficient *ex post* – so incentive *ex ante* to reach agreement to avoid costs

Non-answers to the question why states rationally may use war:

1. Anarchy. Eg. Waltz “War exists because there is nothing to prevent it”. This does not address the issue of war being costly regardless of outcome.
2. Preventive war is rational. But why is a bargain (perhaps across time) without war not preferred?
3. The expected costs of war can exceed expected benefits. Fearon shows that with strictly greater than zero costs and a single public probability of one side winning a war, risk averse/ neutral parties, there is always a range of bargains which are preferred to war. The basic intuition is that if \$100 is to be divided, either voluntarily or by force, that each of two parties will pay \$20 cost if war is used and have a 50% chance of winning the \$100, then there is a range of bargains \$30-70 which both prefer to war. Even if states disagree about probability of winning, they know there is in fact only one true probability, and therefore know that there is a set of agreements which all will prefer to a war.

Explanations such as 1. states rationally overestimate chances of victory and 2. underestimate adversary's willingness to fight are incomplete. For overestimate to be rational it cannot be eg. moods (irrational) or just too complicated so that views can differ. Rational actors have same view about same information. Can only be because of the existence of private information. Not only private information but incentives to misrepresent it. Without the latter, both states could gain by sharing information to obtain a consensus military estimate. Similarly with underestimating willingness to fight: why not ask?

Why not reveal information: because makes more vulnerable, or avoids appearing aggressor. For signals to work, need to be costly (otherwise incentives to misrepresent) but these signals (eg. mobilization) may themselves increase costs of war.

Also war as consequence of commitment problems (which Fearon equates with a version of anarchy). Eg. if the attacker has advantage over defender it may not be possible to create self enforcing bargains. But this does not mean that no bargains are in fact preferable, just not credible. Similarly in multi-period, may be impossible to commit a state to future behaviour such that an attack now by another state is not rational. This can occur particularly where transfer of territory cannot be agreed without commitment not to use the new territory to increase bargaining power.

In conclusion: JF says strict requirements for rational war, may reveal that bounded rationality (rather than rationality) may have large role to play in decisions for war.