James D. Fearon, "Bargaining, Enforcement, and International Cooperation," *International Organization* **52, no. 2 (Spring 1998), pp. 269-306.**

Fearon's article contains two main arguments:
1. Problems of international co-operation have a common strategic structure. i.e. one game fits all. It is always a two stage process, a bargaining game followed by an enforcement game.
2. Instead of a 'long shadow of the future' (anticipated long term interaction) making co-operation more sustainable and likely, it makes enforcement easier, but makes bargaining and hence initial agreement much harder.

Fearon argues that co-ordination theory has been unsuccessful because 2 x 2 games are unsuitable for understanding bargaining. They, especially the Prisoner' Dilemma, are better able to explain the enforcement phase.
Fearon models bargaining as two sides holding out against making an agreement, and incurring costs, until one side folds, giving the other a preferable deal. As the 'shadow of the future' grows the stakes rise, making negotiations longer and longer.
In cases where co-operation is expected to be finite, states will hold out less long, so as to enjoy the benefits of co-operation sooner. Also, states with lower costs of non-co-operation will tend to hold out longer.

Fearon makes two predictions.
1. Where the "shadow" is short, agreements will tend not to be enforceable.
2. Where the 'shadow' is long, expect costly non-co-operation where we would expect co-operation.
For example, the Cold War arms race was a costly stand-off where terms could not be agreed due to a long 'shadow'
If negotiations are multilateral, agreement is more likely, since states will want to compromise where there is a risk of being excluded.

Fearon concludes by noting the importance of regimes as forums for bargaining through 3 mechanisms
1. They set up focal points and establish precedents
2. They structure the bargaining process
3. They raise the cost of failure, since failure hurts the regime as well as the states involved