Circumstances and Reputational Incentives in International Crisis Bargaining

Alexandre Debs and Jessica Weiss, Yale University

Abstract:

This paper presents a new theory of domestic politics and international conflict. A democracy is involved in an international crisis, with the foreign country being uncertain about its resolve. Resolve is a function of external circumstances and intrinsic qualities of the government, both of which are unknown by the domestic electorate and the foreign country. We analyze the effect of domestic political debate in revealing the circumstances. When circumstances are revealed to be favorable, the country can extract more favorable terms than if circumstances were revealed to be unfavorable. The revelation of circumstances, however, exacerbates reputational incentives. Governments may no longer hide behind circumstances, and voters learn more easily about the government's type from its foreign policy. As such, information revelation creates greater incentives to appear tough, and may endanger peace.