ADMIN STUFF

• NEWLY REGISTERED? WRITE YOUR FIRST AND LAST NAME ON A NOTE CARD.

• GREEK CIVIL WAR.
AGENDA

1. EXPERIMENT #1
2. COURTROOM ANALOGY
3. UNITARY ACTOR ASSUMPTION
4. WAR’S INEFFICIENCY PUZZLE
5. ROBUSTNESS
6. EMPIRICAL IMPLICATIONS
AGENDA

1. EXPERIMENT #1
2. COURTROOM ANALOGY
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6. EMPIRICAL IMPLICATIONS
WHY DO CIVIL WARS OCCUR?
ANSWERS

• ANSWERS

• ANSWERS
NO MORE TALKING
THE GAME

• YOU ARE A GOVERNMENT.
• I AM A REBEL GROUP THINKING OF REVOLTING.
• I AM DEMANDING CONCESSIONS FROM YOU, OTHERWISE I’M STARTING A WAR.
THE RULES

• THERE IS $10 IN THE FRONT OF THE ROOM.
• YOUR TASK: PROPOSE A DIVISION OF THAT MONEY TO ME.
• IF I LIKE IT, WE WILL IMPLEMENT THAT DIVISION. IF NOT, I AM GOING TO FIGHT YOU.
THE RULES

• MY REBEL GROUP IS VERY POPULAR. IF WE FIGHT, I WILL WIN 65% OF THE TIME. THE WINNER TAKES ALL OF THE MONEY.

• WAR IS COSTLY. WE WILL HAVE TO RAISE ARMIES, PEOPLE WILL DIE, BUILDINGS WILL GET DESTROYED, OUR ECONOMY BURN IN FLAMES.
THE RULES

• WE WILL EACH “PAY” $1 TO REPRESENT THIS.

• IN MAKING MY DECISION WHETHER TO ACCEPT OR REJECT, I ONLY CARE ABOUT HOW MUCH MONEY I AM RECEIVING.
THE RULES

• GET OUT A SHEET OF PAPER. WRITE YOUR NAME AT THE TOP.
THE RULES

• **GET OUT A SHEET OF PAPER. WRITE YOUR NAME AT THE TOP.**

• **YOU HAVE ONE MINUTE TO PROPOSE SOME AMOUNT OF MONEY TO ME. IT MUST BE BETWEEN $0 AND $10 AND IN $.10 INCREMENTS.**
PLEASE PASS THEM UP
QUESTION

• SPEND THE NEXT COUPLE OF MINUTES DISCUSSING HOW YOU ARRIVED AT YOUR PROPOSAL.
QUESTION

• SPEND THE NEXT COUPLE OF MINUTES DISCUSSING HOW YOU ARRIVED AT YOUR PROPOSAL.

• WHAT DO YOU GUYS THINK?
WHO WINS?
SOLUTION

• If we go to war, I earn $(10)(.65) - $1 = $5.50
  — Thus, I accept any offer that is at least $5.50.
SOLUTION

• IF WE GO TO WAR, I EARN ($10)(.65) – $1 = $5.50
  — THUS, I ACCEPT ANY OFFER THAT IS AT LEAST $5.50.

• YOU EARN ($10)(.35) – $1 = $2.50
  — THUS, OFFERING ME THE MINIMALLY ACCEPTABLE AMOUNT IS BETTER THAN GETTING INTO A WAR.
 WAS THERE WAR?

• IF YES, A LUCKY PERSON WILL RECEIVE THE "COSTS" OF WAR.

• IF NOT, WE'LL BE PLAYING TWO MORE GAMES NEXT WEEK.
AGENDA

1. EXPERIMENT #1
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6. EMPIRICAL IMPLICATIONS
ANALOGY

• A MAN FALLS IN YOUR STORE AND SUES YOU FOR NEGLIGENCE.

• YOUR LAWYER AND HIS LAWYER AGREE THAT:
  1. THERE IS A 60% CHANCE THE LAWSUIT WILL BE SUCCESSFUL.
  2. IF HE WINS, YOU WILL HAVE TO PAY HIM $40,000.
  3. COURT COSTS EACH OF YOU $10,000 IN LAWYER FEES.
POSSIBLE RESOLUTIONS

1. YOU LET THE COURT DECIDE THE MATTER.
2. ONE OF YOU CONCEDES IMMEDIATELY.
3. YOU REACH AN OUT-OF-COURT SETTLEMENT.
POSSIBLE RESOLUTIONS

1. YOU LET THE COURT DECIDE THE MATTER.
2. ONE OF YOU CONCEDES IMMEDIATELY.
3. YOU REACH AN OUT-OF-COURT SETTLEMENT.
   — WHICH OUTCOME SHOULD WE EXPECT?
1. LET THE COURT DECIDE THE MATTER

- 60% CHANCE HE WINS, $10,000 COST.
  \[(0.6)(-$40,000) + (0.4)(0) - 10,000 = -$14,000\]

- 40% CHANCE YOU WIN, $10,000 COST.
  \[(0.6)(-$40,000) + (0.4)(0) - 10,000 = -$34,000\]
2. ONE OF YOU CONCEDES IMMEDIATELY

• IF HE CONCEDES, HE RECEIVES $0.
• WORSE THAN GOING TO COURT AND TAKING $14,000.
• IF YOU CONCEDE, YOU PAY $40,000.
• WORSE THAN GOING TO COURT AND LOSING $34,000.
2. ONE OF YOU CONCEDES IMMEDIATELY

- If he concedes, he receives $0.
- Worse than going to court and taking $14,000.
- If you concede, you pay $40,000.
- Worse than going to court and losing $34,000.
- Neither one of you will concede.
3. OUT OF COURT SETTLEMENT

- Let $X$ be the settlement offer.
- He is better off accepting if $X > $14,000.
- You are better off accepting if $X < $34,000.
- $X$ is mutually preferable if $14,000 < X < 34,000$. 
CONCLUSION

• It would be weird if the issue went to court.
• Both of you would be better off agreeing to some amount between $14,000 and $34,000.
• Reality: ~95% of cases settled.
WAR APPLICATION

• TRIALS AND WAR ARE VERY SIMILAR.
  — BOTH ARE COSTLY.
  — BOTH HAVE SOME CHANCE OF BEING WON OR LOST.
  — BOTH ARE NEGOTIATED OVER.

• SHOULD WARS BE SETTLED AS WELL?
AGENDA

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6. EMPIRICAL IMPLICATIONS
THE UNITARY ACTOR

• FOR NOW, ASSUME THAT STATE GROUPS ARE UNITARY ACTORS.
  – THERE ARE NO CLEAVAGES BETWEEN LEADERS AND THEIR CONSTITUENCIES.
  – LEADERS ACT TO MAXIMIZE GROUP WELFARE.
WHY?

• IT IS THE “HARD CASE”
  – WAR IS EASY TO EXPLAIN IF LEADERS ARE JUST POWER-HUNGRY JERKS.
  – IF WARS OCCUR DESPITE PERFECT LEADERS, THE PROSPECTS OF PEACE ARE NOT GOOD.
WHY?

- IT TESTS A LEADER’S HONESTY.
  - LEADERS NEVER SAY “I LIKE RANDOMLY STARTING WARS TO DISTRACT YOU FROM THE POOR ECONOMY.”
  - THEY DO SAY “THIS WAR IS IN OUR BEST INTEREST.”
WHY?

• WE MAKE SIMPLIFYING ASSUMPTIONS ABOUT EVERYTHING IN OUR LIVES.
  
  – MAKES PROBLEMS MORE TRACTABLE.
  
  – ALWAYS BETTER TO START WITH SIMPLE PROBLEMS AND THEN INCREASE COMPLEXITY FROM THERE.
WHEN ARE ASSUMPTIONS BAD?

• “THIS MODEL DOESN'T ACCOUNT FOR X AND IS THEREFORE BAD.”
  - NEVER, EVER SAY THIS.
  - MODEL STILL TELLS US WHAT IS TRUE IN A WORLD WITHOUT X.
  - DOES X EVEN MATTER FOR THE RESULT? IF NOT, THEN WHY INCLUDE X AT ALL?
PROBLEM SET #1

- THE MODEL WE ARE WORKING WITH IN THIS UNIT IS VERY SIMPLE.
- PROBLEM SET #1 ASKS YOU TO RELAX SOME OF ITS ASSUMPTIONS.
  - GOAL: SHOW ITS CENTRAL CONCLUSIONS REMAIN TRUE.
1. EXPERIMENT #1
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5. ROBUSTNESS
6. EMPIRICAL IMPLICATIONS
THE BASIC MODEL (FEARON 1995)

- TWO ACTORS: R(EBELS) AND G(OVERNMENT).
- ACTORS MUST CONSIDER A DIVISION OF THE STAKES (TAX REVENUE, POLITICAL RIGHTS, AUTONOMY).
- ACTORS COULD ACCEPT OR FIGHT WAR.
THE BASIC MODEL (FEARON 1995)

• IF WAR, THEN:
  • R WINS WITH PROBABILITY $P_R$.
  • G WINS WITH PROBABILITY $P_G$.
  • ASSUME NO DRAWS, SO $P_R + P_G = 1$.
  • PROBLEM SET WILL RELAX THIS ASSUMPTION.
THE BASIC MODEL (FEARON 1995)

• IF WAR, THEN:
  • ACTORS PAY COSTS $C_R > 0, C_G > 0$.
  • COSTS REFLECT HOW MUCH YOU CARE ABOUT THE ISSUE (RESOLVE) AND PHYSICAL COSTS OF FIGHTING.
  • MORE RESOLVE $\Rightarrow$ COSTS ARE SMALLER.
  • MORE DESTRUCTION $\Rightarrow$ COSTS ARE HIGHER.
THE BASIC MODEL (FEARON 1995)

• IF WAR, THEN:
  • WINNER TAKES EVERYTHING, LOSER GOES HOME WITH NOTHING.
  • TOTAL VALUE OF THE GOOD IS WORTH 1 (100%).
• IF PEACE, THEN ACTORS SPLIT THE GOOD AS OFFERED.
CALCULATING PAYOFFS

• IF R FIGHTS, IT EARKNS
  • $P_R(1) + (1 - P_R)(0) - C_R$
  • $P_R - C_R$
CALCULATING PAYOFFS

• **IF G FIGHTS, IT EARN**s
  • \( P_G(1) + (1 - P_G)(0) - C_G \)
  • \( P_G - C_G \)
CALCULATING PAYOFFS

- RECALL \( P_R + P_G = 1 \)
- \( P_G = 1 - P_R \)
- SO G’S WAR PAYOFF CAN BE WRITTEN AS
  - \( P_G - C_G \)
  - \( 1 - P_R - C_G \)
DECIDING TO FIGHT

• \( X \) is R's peaceful share of the stakes.
• To be satisfied, R must receive at least its war payoff.
• \( X \geq P_R - C_R \)
DECIDING TO FIGHT

- G receives the remainder of the peaceful deal.
- So G receives $1 - X$.
- To be satisfied, G must receive at least its war payoff.
  - $1 - X \geq 1 - P_R - C_G$
  - $X \leq P_R + C_G$
PEACE CONSTRAINTS

• FOR PEACE TO WORK, THE FOLLOWING MUST HOLD:
  • \( X \geq P_R - C_R \)
  • \( X \leq P_R + C_G \)
  • SO \( P_R - C_R \leq X \leq P_R + C_G \) MUST HOLD.
IS PEACE POSSIBLE?

- X IS SOME DIVISION, SO 0 ≤ X ≤ 1
- THIS IS THE SAME AS SAYING 0% ≤ X ≤ 100%
IS PEACE POSSIBLE?

- So if $P_R - C_R \leq x \leq P_R + C_G$ to be possible, it must be that $P_R - C_R \leq P_R + C_G$
IS PEACE POSSIBLE?

- SO IF $P_R - C_R \leq X \leq P_R + C_G$ TO BE POSSIBLE, IT MUST BE THAT $P_R - C_R \leq P_R + C_G$
- $C_R + C_G \geq 0$
IS PEACE POSSIBLE?

- SO IF \( P_R - C_R \leq X \leq P_R + C_G \) TO BE POSSIBLE, IT MUST BE THAT \( P_R - C_R \leq P_R + C_G \)
- \( C_R + C_G \geq 0 \)
- RECALL THAT \( C_R > 0 \) AND \( C_G > 0 \)
- SO THIS MUST HOLD. SETTLEMENTS ARE ALWAYS POSSIBLE.
VISUAL VERSION

• TWO ACTORS: R AND G.
  – IMAGINE THEY ARE BARGAINING OVER HOW LARGE THE REBEL GROUP’S AUTONOMOUS REGION SHOULD BE.
VISUAL VERSION

- TWO ACTORS: R AND G.
- VALUE OF THE BARGAINING GOOD IS WORTH 1.
VISUAL VERSION

- **TWO ACTORS:** R AND G.
- **VALUE OF THE BARGAINING GOOD IS WORTH 1.**
- $P_R = \text{PROBABILITY R WINS} = \text{R'S EXPECTED SHARE FROM FIGHTING}.$
- $1 - P_R = \text{G'S EXPECTED SHARE FROM FIGHTING}.$
• War costs $C_R > 0$ and $C_G > 0$. 
R’S EXPECTED SHARE

PR – CR

R’S WAR COST
$R$'s Net Payoff

$P_R - C_R$

$P_R$

$R$'s War Cost
WHAT HAPPENS IF X IS HERE?

R’S NET PAYOFF

R’S WAR COST

0 X \( P_R - C_R \) \( P_R \) 1
R's Net Payoff

What happens if X is here?

R's War Cost

0

\( P_R - C_R \)

\( P_R \)

X

1
WHAT HAPPENS IF X IS HERE?

R'S NET PAYOFF

$P_R - C_R$

R'S WAR COST

0  $P_R - C_R$  $X$  $P_R$  1
R’s net payoff

0

$P_R - C_R$

$P_R$

Settlements R prefers

1

R’s war cost
G’s expected share

\[ P_R \]

G’s war cost

\[ P_R + C_G \]
G's net payoff

G's war cost

\[ \text{G's net payoff} = P_R + C_G \]
WHAT HAPPENS IF X IS HERE?

0

$P_R$

$P_R + C_G$

X

1

G'S NET PAYOFF

G'S WAR COST
WHAT HAPPENS IF X IS HERE?

G'S NET PAYOFF

G'S WAR COST

PR

PR + CG

0

X

1
WHAT HAPPENS IF $X$ IS HERE?

$G$'S NET PAYOFF

$G$'S WAR COST

$0 \quad P_R \quad X \quad P_R + C_G \quad 1$
SETTLEMENTS G PREFERENCES

$P_R$

$P_R + C_G$

G'S WAR COST

G’S NET PAYOFF

0

1
SETTLEMENTS $G$ PREFERENCES

$0 \leq P_R - C_R \leq P_R \\ P_R \\ P_R + C_G \leq 1$

SETTLEMENTS $R$ PREFERENCES
R's Net Payoff

G's Net Payoff

0

P_R - C_R

P_R

P_R + C_G

R's War Cost

G's War Cost

1
R's Net Payoff: \( P_R - C_R \)

Bargaining Range: \( P_R \)

G's Net Payoff: \( P_R + C_G \)

R's War Cost: \( P_R - C_R \)

G's War Cost: \( P_R + C_G \)
BARGAINING RANGE

- THE BARGAINING RANGE IS THE SET OF SETTLEMENTS MUTUALLY PREFERABLE TO WAR.
- THE COSTS OF WAR ENSURE THE EXISTENCE OF A BARGAINING RANGE.
- SIZE IS EQUAL TO THE SUM OF THE WAR COSTS.
WAR'S INEFFICIENCY PUZZLE

• A RESEARCH QUESTION THAT ASKS WHY ACTORS CHOOSE TO FIGHT WARS WHEN THERE ARE MORE EFFICIENT SOLUTIONS (I.E., BARGAINING).

• NEXT FEW LECTURES WILL PROVIDE SOME ANSWERS.
INTERPRETATION

• DOES THIS MEAN WAR IS IRRATIONAL?
YOU KNOW WHAT REALLY GRINDS MY GEARS?

WHEN PEOPLE SAY FEARON 1995 PROVES WAR IS IRRATIONAL.
NEVER SAY FEARON 1995 PROVED WAR IS IRRATIONAL
PEOPLE IN-THE-KNOW WILL IMMEDIATELY LOSE ALL RESPECT FOR YOU
INTERPRETATION

• DOES THIS MEAN WAR IS IRRATIONAL?
  – NOT EVEN REMOTELY.
  – IT JUST SAYS THAT WAR IS A PUZZLE.
AGENDA

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TOO SIMPLE?

• IS THE MODEL TOO SIMPLE TO TELL US ANYTHING ABOUT WAR?

• NO. THE RESULTS ARE VERY ROBUST TO MAKING MORE REALISTIC ASSUMPTIONS ABOUT WAR.
THERE ARE TIMES WHEN THE STRUGGLE TO ACHIEVE JUSTICE IS SIMPLIFIED INTO A SERIES OF FIGHTS BETWEEN THE GOOD AND THE EVIL. IN THIS CASE, YOUR TASK IS TO SHOW THAT BARGAINED SETTLEMENTS STILL EXIST UNDER THESE CONDITIONS.
EXAMPLE/PRACTICE

• BEFORE: COSTS WERE CONSTANT REGARDLESS OF VICTORY OR DEFEAT.

• MORE REALISTIC: WAR COSTS VARY IF YOU WIN OR LOSE.

— LEADERS MAY LOSE THEIR HEADS IF THEY LOSE THE WAR.
NEW MODEL

- R wins with probability $P_R$
- G wins with probability $1 - P_R$
- Winner takes everything.
THE TWIST

• **R** pays $C_R$ if it wins and $C_R'$ if it loses
  • $C_R' > C_R > 0$

• **G** pays $C_G$ if it wins and $C_G'$ if it loses
  • $C_G' > C_G > 0$

• **Costs are cheaper if you win.**
QUESTION

• WILL THIS CHANGE THE RESULT?
  – THAT IS, WILL THIS NEW INTERACTION STILL HAVE SETTLEMENTS THAT ARE MUTUALLY PREFERABLE TO WAR?
STEP 1: R’S EXPECTED PAYOFF

- \( P_R(1 - C_R) + (1 - P_R)(0 - C'_R) \)
- \( P_R - P_R C_R - (1 - P_R)C'_R \)
STEP 2: G’S EXPECTED PAYOFF

- $P_R(0 - C_G') + (1 - P_R)(1 - C_G)$
- $-P_R C_G' + 1 - C_G - P_R + P_R C_G$
- $1 - P_R - P_R C_G' - (1 - P_G)C_G$
STEP 3: R’S PEACE CONSTRAINT

• R RECEIVES $X$ FROM A SETTLEMENT.

• $X \geq P_R - P_R C_R - (1 - P_R)C_R'$
STEP 4: G’S PEACE CONSTRAINT

- G receives 1 - X from a settlement.
- \(1 - X \geq 1 - P_R - P_R C_G' - (1 - P_G)C_G\)
- \(X \leq P_R + P_R C_G' + (1 - P_R)C_G\)
STEP 5: MUTUALLY ACCEPTABLE OFFERS

- **R:** \[ X \geq P_R - P_R C_R - (1 - P_R) C_R' \]
- **G:** \[ X \leq P_R + P_R C_G' + (1 - P_R) C_G \]
- \[ P_R - P_R C_R - (1 - P_R) C_R' \leq X \leq P_R + P_R C_G' + (1 - P_R) C_G \]
Step 5: Mutually Acceptable Offers

\[ p_r - p_r c_r - (1 - p_r)c_r' \leq p_r + p_r c_g' + (1 - p_r)c_g \]
STEP 5: MUTUALLY ACCEPTABLE OFFERS

- $P_R - P_RC_R - (1 - P_R)C_R' \leq P_R + P_RC_G' + (1 - P_R)C_G$
- $-P_RC_R - (1 - P_R)C_R' \leq P_RC_G' + (1 - P_R)C_G$
STEP 5: MUTUALLY ACCEPTABLE OFFERS

- \( p_R - p_RC_R - (1 - p_R)c_R' \leq p_R + p_RC_G' + (1 - p_R)c_G \)
- \(- p_RC_R - (1 - p_R)c_R' \leq p_RC_G' + (1 - p_R)c_G \)
- \( p_RC_G' + (1 - p_R)c_G + p_RC_R + (1 - p_R)c_R' \geq 0 \)
STEP 5: MUTUALLY ACCEPTABLE OFFERS

- $P_R - P_RC_R - (1 - P_R)C_R' \leq P_R + P_RC_G' + (1 - P_R)C_G$
- $-P_RC_R - (1 - P_R)C_R' \leq P_RC_G' + (1 - P_R)C_G$
- $P_RC_G' + (1 - P_R)C_G + P_RC_R + (1 - P_R)C_R' \geq 0$
- EVERYTHING ON THE LEFT IS GREATER THAN 0, SO THIS HOLDS. SETTLEMENTS EXIST.
AGENDA

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FREQUENCY OF WAR

• SHOULD WAR BE COMMON OR UNCOMMON?
FREQUENCY OF WAR

• SHOULD WAR BE COMMON OR UNCOMMON?
  – UNCOMMON. COSTS ENCOURAGE ACTORS TO BARGAIN.
  – MOST POSSIBLE COMBATANTS AREN’T FIGHTING MOST OTHER COMBATANTS MOST OF THE TIME.
  – WAR IS THE EXCEPTION, NOT THE RULE.
POLICY DIFFERENCES

• COMMON EXPLANATION FOR WAR: ACTOR X AND ACTOR Y DISAGREE OVER POLICY Z.
POLICY DIFFERENCES

• DOESN'T EXPLAIN WHY THE ACTORS COULDN'T HAVE BARGAINED INSTEAD.

• ECONOMIC DISPARITY THE PROBLEM? WHY NOT JUST TRANSFER WEALTH FROM ONE PARTY TO ANOTHER?
POLICY DIFFERENCES

- Policy differences are a very common explanation for war.
  - Be careful not to fall for the trap.
STABLE AGREEMENTS

• WHAT MAKES A DISTRIBUTION OF BENEFITS STABLE?
  — HINT: THE ANSWER SHOULD INCORPORATE THE PROBABILITY OF VICTORY.
STABLE AGREEMENTS

- AGREEMENTS ARE STABLE WHEN THEY (ROUGHLY) MATCH THE DISTRIBUTION OF POWER.
  - COSTS OF WAR GIVE SOME WIGGLE ROOM.
STABLE AGREEMENTS

• FAIRNESS? JUSTICE? DEMOCRACY?
  — THOSE ARE NICE, BUT CONCEPTS OF “FAIRNESS” QUICKLY DISAPPEAR WHEN A GUN IS POINTED AT YOU.
  — IF YOU WANT THESE THINGS, YOU NEED TO BE SMART ABOUT THE INSTITUTIONS YOU CREATE.
SYRIAN CIVIL WAR (2011-)

- WHAT CAUSED THE SYRIAN CIVIL WAR?
COMMON ANSWERS

• ETHNIC FRACTIONALIZATION
Sunni 60%
Alawite 12%
Kurd 9%
Greek Orthodox Christian 9%
Armenian Christian 4%
Duze 3%
Ismaeli 2%
Others 1%
White 63%

African American 13%

White Hispanic/Latino 15%

Asian American 4%

Native American 1%

Mixed/Others 4%
White 63%
African American 13%
White Hispanic/Latino 15%
Asian American 4%
Native American 1%
Mixed/Others 4%
Native American 1%
Asian American 4%
COMMON ANSWERS

• ETHNIC FRACTIONALIZATION
• ECONOMIC INEQUALITY
GINI COEFFICIENT

• MEASUREMENT OF INCOME INEQUALITY.
  – 0 PERFECT PARITY
  – 1 COMPLETE INEQUALITY
GINI COEFFICIENT

• MEASUREMENT OF INCOME INEQUALITY.
  – 0 PERFECT PARITY
  – 1 COMPLETE INEQUALITY

• UNITED STATES (2007, WORLD BANK): 45
GINI COEFFICIENT

• MEASUREMENT OF INCOME INEQUALITY.
  – 0 PERFECT PARITY
  – 1 COMPLETE INEQUALITY

• UNITED STATES (2007, WORLD BANK): 45
• SYRIA (2004, WORLD BANK): 35.8
COMMON ANSWERS

• ETHNIC FRACTIONALIZATION
• ECONOMIC INEQUALITY
• ARAB SPRING
THESE AREN'T SATISFYING

• FRACTIONALIZATION? WHY NOT JUST INCREASE SOCIAL/ECONOMIC FREEDOMS AND AVOID WAR?
THESE AREN’T SATISFYING

• FRACTIONALIZATION? WHY NOT JUST INCREASE SOCIAL/ECONOMIC FREEDOMS AND AVOID WAR?

• INEQUALITY? WHY NOT GIVE PEOPLE MONEY?
THESE AREN'T SATISFYING

• FRACTIONALIZATION? WHY NOT JUST INCREASE SOCIAL/ECONOMIC FREEDOMS AND AVOID WAR?
• INEQUALITY? WHY NOT GIVE PEOPLE MONEY?
• ARAB SPRING? WHY NOT BUY OFF THE MOST DISSATISFIED?
QATAR’S SOLUTION

• INCREASE PAY!
  – CIVILIANS: 60% INCREASE
  – UNRANKED MILITARY: 50% INCREASE
  – MILITARY STAFF/OFFICERS: 120% INCREASE
  – PENSIONS TO MATCH!
• Standard explanations for Syrian civil war are unsatisfying.

• The place is a giant mess. Why didn’t Assad strike a bargain with the rebels?
CASE STUDY: IRAQ

• SADDAM ERA: MINORITY RULE
  – 63% SHI’A MUSLIM
  – 34% SUNNI MUSLIM
  – 3% OTHER
CASE STUDY: IRAQ

- Saddam Hussein was Sunni.
  - Sunnis lived the good life, filling most of the government positions.
  - Shi’a, others repressed.
CASE STUDY: IRAQ

- Horribly unfair, but made sense.
  - Saddam's regime held virtually all of the power.
  - Shi'a brutally repressed.
BA’ATH PARTY

• Saddam institutionalized the distribution of benefits with the BA’ATH PARTY.
• Created a one-party system within the country, centralizing power in Saddam’s hands.
BA’ATH PARTY

• IF YOU WANTED TO BE SOMEONE OF CONSEQUENCE, YOU HAD TO BE A MEMBER.
  — ALL CIVIL SERVANTS, GOVERNMENT POSITIONS, MILITARY, EDUCATORS, DOCTORS/NURSES, NATIONAL OLYMPIC COMMITTEE.
  — COLLEGE STUDENTS OFTEN INCLUDED, TOO.
BA’ATH PARTY

• IF WE WERE IN 2000 IRAQ, I WOULD HAVE TO HAVE BEEN A BA’ATH PARTY MEMBER.
  — I MIGHT HAVE JOINED JUST BECAUSE I AM GOOD AT THIS, NOT BECAUSE I WANTED TO BE BROS WITH SADDAM.
IRAQ WAR

• MARCH 2003: UNITED STATES INVADES, KICKS BUTT, TOPPLES SADDAM’S REGIME.
  — MANY SOLDIERS IGNORE ORDERS AND GO HOME.
• WHY NOT CELEBRATE ON AN AIRCRAFT CARRIER?
• WITH ONLY A LITTLE HYPERBOLE...
  — EVERYONE WHO WAS SMART
  — EVERYONE WHO KNEW HOW TO RUN THE GOVERNMENT
  — EVERYONE WITH A GUN
• ...WAS A MEMBER OF THE BA’ATH PARTY.
GUESS WHAT HAPPENED NEXT...
DE-BA’ATHIFICATION

• All members of the Bailey party were fired and banned from being rehired.

• Washington planned to replace them with exiled Iraqis and dissidents internally.
WHY THE [HECK]

WOULD YOU FIRE EVERYONE WITH A GUN?
ROLE PLAYING

• IMAGINE YOU WERE A PROFESSOR WITH A UNIVERSITY OWNED COMPUTER.

• YOU LEARN YOU ARE FIRED AND WILL NEVER, EVER BE ABLE TO GET YOUR JOB BACK.

• WHAT ARE YOU GOING TO DO?
ROLE PLAYING

• IMAGINE YOU WERE A CENTRAL BANKER WITH ACCESS TO CASH RESERVES.

• YOU LEARN YOU ARE FIRED AND WILL NEVER, EVER BE ABLE TO GET YOUR JOB BACK.

• WHAT ARE YOU GOING TO DO?
ROLE PLAYING

• IMAGINE YOU WERE A SOLDIER WITH GUNS AND TACTICAL KNOWLEDGE.
• YOU LEARN YOU ARE FIRED AND WILL NEVER, EVER BE ABLE TO GET YOUR JOB BACK.
• WHAT ARE YOU GOING TO DO?
MAKING MATTERS WORSE

• WHOM DOES DEMOCRACY FAVOR?
• WHOM DOES IT NOT FAVOR?
MAKING MATTERS WORSE

• DEMOCRACIES FAVOR MAJORITIES.
  – IRAQ: 63% SHI’A MUSLIM/34% SUNNI MUSLIM.
MAKING MATTERS WORSE

- DEMOCRACIES FAVOR MAJORITIES.
  - IRAQ: 63% SHI’A MUSLIM/34% SUNNI MUSLIM.
  - SHI’A: HAD A LOT OF POLITICAL POWER.
  - SUNNIS: HAD A LOT OF GUNS.
MAKING MATTERS WORSE

• IRAQ WAS IN THE MIDDLE OF REBUILDING.
• THE MOST COMPETENT PEOPLE AROUND TO DO THAT WERE UNEMPLOYED.
• INEFFECTIVENESS ABOUND.
RESULT

- INSURGENCY BREAKS OUT.
- DEBA’ATHIFICATION POLICY EVENTUALLY REVISED, BUT A LITTLE LATE IN THE GAME.
TL;DR

- Deba’athification ran contrary to everything we know about bargaining theory.
- United States paid the price for it for the next 10+ years.