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The Search for Credibility in Crisis Bargaining and Nuclear Blackmail

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The Search for Credibility in Crisis Bargaining and Nuclear Blackmail

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B.A., Emory University, 2013

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Abstract

The Search for Credibility in Crisis Bargaining and Nuclear Blackmail

By Se Hwan Youn

Do nuclear weapons always provide a coercive advantage to the blackmailer? Previous works on nuclear compellence have argued that nuclear weapons either do or do not have compellent effects. I argue that the question of nuclear weapons having compellent effect defies a clear-cut yes or no answer. I argue that a better understanding of nuclear compellence requires a careful examination of the constraints the blackmailer faces when issuing a threat. Using the International Crisis Behavior dyad data set that includes 480 international crises from 1917 to 2007, I test and find support for the nuclear audience cost theory, which posits that the nuclear challenger is much more likely to prevail than the nonnuclear challenger only if there are strong domestic audiences who can punish their leader and only if such a state fully escalates in a crisis and thus generates high audience costs. I also find that the challenger, both nuclear and nonnuclear, that generates high audience costs is, on average, more likely to prevail and that states with strong domestic political audiences are more likely to prevail in general and less likely to initiate a militarized dispute. Finally, I find that possession of nuclear weapons increases a nuclear state's conflict propensity only if leaders face strong domestic audiences.

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CHAPTER I
INTRODUCTION

Whether or not atomic weapons are ever again used in warfare, the very fact of their existence, the possibility that they could be used, will affect all future wars. In this sense, Korea was atomic war even though no atomic weapons were used. In this sense even the cold war is an atomic cold war. The situation is analogous to a game of chess. The atomic queens may never be brought into play; they may never actually take out one of the opponent's pieces. But the position of the atomic queens may still have a decisive bearing on which side can safely advance a limited-war bishop or even a cold-war pawn. The advance of a cold-war pawn may even disclose a check of the opponent's king by a well-positioned atomic queen.

Paul H. Nitze, "Atoms, Strategy, and Policy"
Foreign Affairs (January 1956)

The language of threat and ultimatum increasingly became the language of peacetime diplomacy. When there are international disputes, leaders often make threats clear enough so that the threat would have a coercive effect on the opponent but also ambiguous enough so that they are not compelled to carry out the threat if the opponent fails to comply with the demand. Since the atom was first split almost seventy years ago, leaders with nuclear weapons have sought to refine the art of nuclear blackmail in various ways. As Historian Lawrence Freedman (2003, 71-72, 72) explains in his book "The Evolution of Nuclear Strategy," the Truman administration recognized that the U.S. nuclear superiority "was destined to be lost" and sought to rely on conventional weapons to cope with "the diminishing credibility of a nuclear strategy"; the Eisenhower administration, on the other hand, adopted the doctrine of "massive retaliation," which was designed to "to respond to any communist inspired aggression, however marginal the confrontation, by means of a massive nuclear strike against the centers of the Soviet Union and China"; the Kennedy administration initially toyed the idea of a counterforce 'no cities' strategy but never seriously departed from the previous administration's strategy; calling the

American nuclear strategy of massive retaliation illogical, Robert Jervis (1984) claimed that Mutually Assured Destruction (MAD) is a fact, not a policy; also criticizing the incredibility of the policy of massive retaliation, Thomas Schelling (1966) broached the idea of brinkmanship that would deliberately "manipulate the shared risk of war" and claimed that the nuclear standoff resembles, not so much guaranteed suicide, but Russian roulette.

Most of these American nuclear strategies, however, had been identified as 'deterrent' strategies in the West that sought to prevent the Soviet aggression in the Western hemisphere. The definition of 'deterrence,' however, is not as straightforward as one might presume; as Richard Betts (1987, 4) explains in his book "Nuclear Blackmail and Nuclear Balance," whether a coercive threat poses a deterrent threat or a compellent threat often "depends on whether one is making it or facing it … [but] the most significant thing about a threat is how it is seen by its target." For this reason, the threatening power would call its threat a deterrent threat, but the one exposed to this 'deterrent' threat would call it blackmail. Betts shows that such was precisely the case between the U.S.-Soviet relations throughout the Cold War. For instance, quoting Geoffrey Jukes, Betts writes that the Soviets would "use the word ustrasheniye" ('intimidation') to describe Western deterrent strategies but use the word sderzhivaniye" ('restraining') to call their deterrence strategies of the West (5). In short, depending on how the target perceived the threat, deterrent nuclear threats could work as compellent ones.

The diplomacy based on threats, deterrent or compellent, has long historical origins, but America's use of atomic bombs in 1945, its subsequent development of the thermonuclear weapons in 1954 and its proliferation have spurred a long unresolved debate about how to understand the role of nuclear weapons in

international politics. What would have happened if the U.S. did not use nuclear weapons against Japan in 1945 but retained its nuclear superiority? One could surmise that we would be living in a world with twenty or so nuclear-weapons states, as U.S. President Kennedy once envisioned, because the world never had a 'chance' to fully appreciate the bomb's enormous capacity for destruction and did not develop the norm against the bomb to halt its proliferation. Or one could also argue that the U.S. would be the only nuclear power today because other states would not want to invest substantial amounts of resources to produce weapons that have yet demonstrated that they are qualitatively different from other bombs.

Because counterfactuals are useful only to the extent that allows us to draw better inferences about the evidence at hand and given only a limited number of nuclear crises, I ask a different question to examine the relationship between nuclear weapons and international crises outcomes: do nuclear weapons 'always' matter in international politics? More specifically, do nuclear weapons 'always' play an important role in international crises? If they do, who benefits from these weapons? If nuclear threats are not in play, then who wins an international crisis? The mere existence of the doomsday device affects all crisis actors' decision calculus about their future payoffs, as Nitze aptly describes in the beginning in the context of a chess game; however, the single most important insight to draw from this chess analogy is that it is the position of atomic queens that determines whether the player can deter a check from the opponent and take out the opponent's pawns and knights. For instance, if player one hides his atomic queen behind the pawns because he fears that using his queen to take out player two's bishop would invite a retaliatory blow from player two's atomic queen, his atomic queen does not influence much how player two would think of his future moves.

If the deft use of the nuclear card is believed to exert such great coercive pressure on the opponent, should not all states seek to obtain this ultimate weapon? Developing nuclear weapons is an extremely costly policy measure for any state; for instance, the U.S.-led Manhattan project was "extraordinarily expensive and … relied on assembling the most amazing collection of scientific talent the world had ever seen (Gavin 2012, 18). In addition to these material costs, the Nuclear Nonproliferation Treaty that entered into force in 1970 changed the norm on nuclear weapons by converting "an act of national pride (the acquisition of nuclear weapons) into an act considered contrary to the practices of the civilized world" (Graham 2004, 11).

Despite these high material and normative costs, many states had sought to develop nuclear capabilities following the Second World War in order to assuage external threats from the nuclear powers; just to name a few, Australia, Canada, Sweden, and Switzerland considered nuclear weapons in the 1950s and 1960s; South Korea and Taiwan attempted to develop nuclear weapons in the 1970s but halted their effort after U.S. diplomatic intervention. Iran and North Korea continue to develop their nuclear weapons program despite several UN economic sanctions.

Nuclear weapons may be a useful tool for deterring an existential threat; however, their utility in making compellent threats is still under debate. Some nuclear strategy scholars have argued that the U.S. nuclear coercion against other states has been employed to a certain level of success; for example, an architect of U.S. nuclear deterrence strategy, Bernard Brodie once claimed that the Eisenhower administration's threats to launch a nuclear war against China made the communists eager to sign the armistice agreement to put a stop on the Korean war (Brodie 1973, 105).

On the other hand, a recent work by the U.S. foreign policy historian Francis Gavin (2012, 9) shows that Eisenhower, Kennedy, and Johnson actually became increasingly skeptical of the political benefit of nuclear weapons to the U.S. Even in the Korean case where the U.S. nuclear coercion against China was successful, the threat was implicit; Gavin (9-10) notes that Eisenhower "dropped the word discreetly" of the U.S. intention to use the bombs but did not make the threat public. Kennedy's Secretary of State Dean Rusk claimed that nuclear weapons were politically insignificant during the Cuban missile crisis. Echoing this sentiment, Kennedy's Secretary of Defense Robert McNamara discounted the utility of the bombs by asserting that, "nuclear weapons serve no military purpose whatsoever. They are totally useless—except to deter one's opponent from using them" (Gavin 9-10).

How valid are these claims that nuclear weapons are only good for deterrent threats and that the U.S. never enjoyed political benefits from possessing them? Betts (1987) contends that it was actually the U.S. not the Soviet Union that frequently made both explicit and implicit threats to use nuclear weapons. For instance, Betts (1987, 5) quotes the former Soviet Minister of Foreign Affairs Anatolii Gromyko who accused the Kennedy administration for making "the utmost use of techniques of political blackmail whose purpose was to convince the opposing party that should some 'undesirable' situation arise, Washington was prepared to employ both conventional and nuclear weapons without delay." This imbalance of perceptions of the bomb's utility then begs the following questions: "Why did the Soviets accuse the U.S. of sending nuclear blackmail if the U.S. decision makers never thought such a strategy as an effective one?" and "Why did the Soviets 'think' the U.S. played the nuclear card so well?"

Is it because leaders of the nuclear-weapon states successfully generate what Fearon (1994) once called "domestic political audience costs"—the electoral costs leaders have to pay for bluffing in an international crisis and getting caught—that would serve as a credible threat in a nuclear crisis? Identifying the appropriate source of threat credibility became especially important, as the nature of international conflict has changed since the dawn of the nuclear age; what we have experienced since the explosion of atomic bombs is the substitution of crises for major wars.

The principle of nuclear deterrence, as Betts (1987, 3) explains, is to give the adversary "a window into the future, a view of what he would, or at least might, suffer if he were to provoke war" in order to prevent him from tempting fate. We live in the world of mutually assured destruction, where the defender with second-strike capabilities can inflict unacceptable damage on the attacker after absorbing a first strike. Powell (1990, 15) explains that, even though the threat of a preemptive nuclear strike can never be credible in the strictest interpretation of mutually assured destruction, threat credibility flows from a set of limited options that would deliberately "raise the risk of the crisis going out of the control" if exercised.

It seems then, the outcome of crises is primarily determined by the credibility of a threat demonstrated by the crisis actors. Then a natural question to ask is, "How do you calculate the credibility of a threat?" When discussing how leaders calculate the credibility of threats, Press (2005) argues that leaders do not give much weight to the adversary's reputation for fulfilling threats; rather, he argues that leaders only look at the balance of power and the interests at stake. On the other hand, Schelling (1960, 1966) argues that the credibility of a threat is achieved by demonstrating a high level of resolve. Contending that leaders pay audience costs when they get caught bluffing, Fearon (1994) argues that it is the costliness of the signal that a leader makes that

determines the threat credibility. Simply put, there are mixed views in the international relations literature on what makes a threat credible and whether nuclear weapons matter in crisis bargaining.

I aim to address these apparent theoretical irregularities and iron out the wrinkles within each literature by integrating different theories of the audience cost mechanism and nuclear weapons into a single conceptual and theoretical edifice that explains what makes nuclear and conventional compellent threats credible and who wins nuclear and conventional crises. Statistical analysis of international crises strongly supports the hypothesis that possession of nuclear weapons makes the challenger more likely to prevail in crises only if it generates high audience costs by fully escalating. I also find nonnuclear-weapon states with strong domestic political audiences less conflict-prone than those with weak domestic political audiences. Finally, I find that possession of nuclear weapons increases states' likelihood of initiating militarized disputes only when states have strong domestic political audiences.

CHAPTER II
The Literature Review

The Causes of War

Before discussing the literature on audience cost theory and nuclear weapons, it is important to first discuss why states go to war and why states get involved in crises but do not always go to war. The ex post inefficiency of war opens up an ex ante bargaining range where states would prefer to strike a bargain without fighting (Fearon 1995). Yet, the theoretical puzzle is that states still wage war against each other even when they prefer to strike a bargain. The traditional explanation of this phenomenon posits that incomplete information about the other side's capabilities and resolve leads to war (Blainey 1973). Fearon (1995) argues that incomplete information alone does not adequately explain the causes of war; if the asymmetric distribution of information about each side's capability and resolve was the sole cause of conflict, why don't states just exchange information about their willingness and capabilities and let these two factors dictate the bargaining outcome? Private methods of communication are ineffective because states have incentives to misrepresent their capabilities and willingness.

Rationalist explanations explicated by Fearon (1995) hold that wars occur due to the combination of private information about states' resolve and capability and their incentives to misrepresent them. Conflict would never occur if each side had complete information about the other's resolve and capabilities, or if each side had no incentive to misrepresent its resolve and capabilities; settlement is always more efficient ex post under these conditions. Because neither condition is hardly met, establishing credibility of a threat is the central goal of the crisis actors who try to either deter the opponent from taking a certain course of action or compel the opponent to make concessions. Even when there is complete information, however, commitment

problems—the fear of defection during implementation of agreement—can lead to war even when both states correctly anticipate each other's capabilities and resolves.

A prewar bargaining failure leads to war, but a non-war—such as a crisis ending in some forms of settlement between the two states—does not mean that both of the crisis actors correctly evaluated each other's willingness and capabilities for conflict. Rather, it means that they were able to reach a mutually acceptable bargaining space after taking a set of measures throughout the intracrisis period, such as inviting a third-party mediator, mobilizing troops in order to demonstrate resolve, and issuing threats or offering concessions at the negotiation table. Whatever crisis management strategies states pursue, an important point here is that each actor has incentives to make the other side believe that its own bargaining space is real and that the other side would pay costs if it refuses to settle. Therefore, as soon as states enter into a crisis, each state rushes into its search for credibility to execute two tasks; first, each actor tries to evaluate the other's true preferences for war by looking at different indicators of resolve; second, each actor actively tries to signal its willingness to wage war to the opponent by issuing a threat. The goal is to avoid war and make the other side concede to your demand. The credibility of a threat, then, is the key factor that determines who wins an international crisis.

The Credibility of a Threat in International Crises

How do decision makers know if the threat they are confronting is real? More specifically, how do they react to "nuclear blackmail"? Understanding the sources of threat credibility has been one of the most serious challenges to decision makers who often paid attention to the techniques of signaling intentions to calculate the credibility of the adversary's threat. In order for a threat to bring its intended result, however, it has to carry some weight; simply put, decision makers must believe that the threat will be fulfilled and that it will inflict heavy punishment on their homeland. Even though the conventional wisdom in the extant international relations literature holds that yesterday's actions determine today's reputation and today's actions determine tomorrow's reputation, Betts (1987, 7) contends that the lack of consensus "even about what actions should be considered threat" among scholars and policymakers has been a vexing dilemma.

When assessing the likelihood of a threat's fulfillment, decision makers rely on two crude proxies that signal believability of the threat: reputation and resolve. In this context, reputation and resolve are the two factors that determine how decision makers actually evaluate a "supposedly credible but unclear" threat. The adversary's reputation—its past behavior of carrying out the threat or backing down from its commitment—tells the state the likelihood of the enemy executing the threat. On the other hand, the enemy's resolve refers to decision maker's perceived level of the enemy's commitment to its threat.

The idea that "reputation matters" has been widely popular especially among U.S. policymakers: the U.S. commitment in the Vietnam War is a classic example where the Johnson administration invested a large number of U.S. troops to preserve U.S. credibility elsewhere. A critic of this traditional view holds that the countries'

past actions do not play a significant role when calculating their threat credibility. In fact, Press (2005) argues that the leaders only look at the balance of power and the interests at stake. Even if decision makers give much weight to the opponent's history of threat fulfillment, reputation is still a poor proxy for assessing a nuclear threat because leaders rarely, if ever, make an explicit threat to use nuclear weapons. Even during high-risk crises where the possibility of a preemptive nuclear strike was discussed, the target never tested whether the threat it was confronting was real or bluff.

Any threat issued by nuclear powers can be considered a nuclear threat because there is always at least some probability that nuclear punishment would be imposed if the target refuses to yield. How high does this probability have to be for a nuclear threat to be regarded as credible? The conventional wisdom is that it is extremely difficult to make a nuclear compellent threat credible because it is very costly to carry out the threat even if the target did not comply with the demand. For this reason, leaders have extensively used a variety of signaling tactics to overcome the credibility gap and thereby linked the force or threat of force and their political objectives. In Schelling's (1966, 36) words, "persuad[ing] enemies or allies that one would fight abroad, under circumstances of great cost and risk, requires more than military capability ... It requires having those intentions, even deliberately acquiring them, and communicating them persuasively to make other countries behave." To communicate these intentions, the enemy must send a signal to the opposing side that he is determined to carry out the threat. By examining the costliness of this signal, decision makers assess the likelihood of threat fulfillment, critical information that is directly related to the threat credibility. Then, how do states locate the source of their threat credibility in international crises?

The First Source of Threat Credibility: Domestic Political Audience Cost

International crisis occurs when one state perceives a threat to its basic values, such as sovereignty and territory, as a result of the other state seeking to revise the existing status quo. Just like war, international crisis is costly ex post. Leaders pay sunk costs by mobilizing troops to signal their willingness to use force; therefore, states have strong incentives to learn whether there are agreements both would prefer to the use of force. According to Fearon (1994), relative capabilities and relative interests are already taken into account when the two states enter into a crisis. Therefore, he argues that they seize to govern the dynamics of a crisis once it is initiated. Because states have private information about their preferences for war and try to misrepresent them, normal forms of diplomatic communications may be useless. Therefore, a state that can better solve this misrepresentation dilemma, or the credibility problem, is likely to win an international crisis.

Fearon (1994) finds the source of threat credibility from state's domestic political structure. He contends that the public nature of international crises makes them public events in which both international and domestic audiences constantly evaluate the skill and performance of the leadership. In democracies, domestic audiences' assessment of the leadership performance in a crisis is especially important for leaders because they are the agents representing the principals who can exercise sufficient oversight over their tenure. In other words, leaders in a democracy fear that the public would remove them from power in the next election if they undermine the country's security interest by making concessions or by getting caught bluffing. Autocratic leaders, on the other hand, do not share this concern to the same degree because they are relatively isolated from being punished for their performance in a crisis. Regardless of the regime type, leaders make a public threat or mobilize troops

during crisis in order to demonstrate their resolve to fight that would then persuade the opponent to back down from its commitment to the previous position.

Escalating in a crisis is a costly signal that reveals the state's true preferences for war because leaders incur, what Fearon (1994) calls, "domestic political audience costs" (audience costs hereafter), the costs leaders have to pay for staking the country's reputation by making a public threat to attack and later backing down. He contends that a horizon, or a "lock-in point" exists in crises, past which disputants would prefer to attack than continue to escalate or make concessions. A "lock-in" occurs when audience costs accumulate to a point where these costs are greater than the costs of going to war. According to Fearon (1994), the existence of such a horizon affects the states' crisis bargaining behavior. Democratic leaders generate higher audience costs when they escalate in a crisis relative to autocratic counterparts; this enables democratic leaders to reach the lock-in point faster and therefore more likely to prevail. For this reason, he argues that democratic leaders have a greater structural incentive to escalate when they face autocratic leaders than when they face democratic leaders.

In short, Fearon's audience cost hypothesis states that domestic audience costs are a factor that enables states to evaluate the credibility of a threat and that state's ability to generate these costs are exogenously determined before crisis by its domestic political structure. Even though the early work on audience costs was mostly theoretical (e.g., Fearon 1994, 1997), other scholars have provided an empirical evidence for audience cost theory or further theorized the mechanism by which a state leader can generate audience costs (Eyerman and Hart 1996; Partell and Palmer 1999; Gelpi and Griesdorf 2001; Schultz 2001;Prince 2003; Slantchev 2006). Eyerman and Hart (1996) empirically test Fearon's argument (1994-, 587) that "high audience costs

states require less military escalation in disputes to signal their preferences, and are better able to commit to a course of action in a dispute"; these scholars find that democratic dyads, on average, involve a fewer number of intracrisis activities than other types of dyads. Partell and Palmer (1999, 391) derive four testable hypotheses from Fearon's formal model on audience cost theory: first, states that are able to generate high audience costs are less likely to back down in crisis than states less able to generate audience costs; second, "high-audience-cost states will be significantly less likely to initiate limited probes in foreign policy"; third, the observable balance of power should be unrelated to which side ultimately backs down; fourth, high-audience-cost leaders would take more escalatory, hands-tying strategies of crisis management when they confront low-audience-cost leaders than when they face other high-audience-cost leaders. Even though they find empirical support for most of Fearon's argument, they find that the power ratio between the crisis actors strongly affects which side backs down in the early stage of crisis given that the threat has not been reciprocated.

Fearon's audience cost theory is further elaborated in other studies. Gelpi and Griesdorf (2001) argue that because democratic political structures enable democratic leaders to generate high domestic audience costs, democratic leaders selectively choose conflicts they are likely to win. They argue that the threat made by nondemocratic leaders does not carry much credibility for two reasons. First, because the domestic political audiences cannot inflict punishment on nondemocratic leaders by having repeated and competitive elections, nondemocratic leaders are insensitive to the domestic response to their behavior, and as a result, demonstrate resolve to fight without thinking that backing down later on comes with domestic political costs. Such a threat is discounted as being incredible, as it is not costly. Second, even when

authoritarian leaders face significant domestic constraints, other states fail to recognize this internal vulnerability, and thus, consider a costly signal as an incredible threat. On the other hand, Slantchev (2006) specifies the condition under which a democratic leader can generate audience costs by arguing that audience costs can be generated only when press freedom is guaranteed in a democracy.

Schultz (1998, 2001) provides another strand of argument for the democratic credibility hypothesis by highlighting the informational role of democratic competition in revealing the state's underlying preferences for war. According to Schultz, even though democratic leaders may have incentives to misrepresent their preferences for going to war, they are constrained by the regime's public nature of competition of decision-making and election; in a democracy, a governing party and an opposition party share information on the government's preferences for going into war. When following through on a threat or resisting an incoming threat is against the state's interest, office-seeking motivations within the opposition party induce the opposition party leaders to capitalize on the governing party's "cheap talk" towards their adversary. Therefore, he argues that the governing party becomes more selective in issuing its threats and make only threats that it intends to execute. On the other hand, when the issues at stake are important and the balance of power favors the state, the opposition party has political incentives to support the government position, thereby confirming the governing party's resolve. Prins (2003) finds that democracy has little effect on threat reciprocation by the opposing state but finds support for Schultz' "opposition party" hypothesis. Tomz (2007) provides the first direct evidence of audience costs and argues that audience costs are generated because citizens care about the international reputation of their country and their leader.

Criticisms of Audience Cost Theory

Despite the concept's prima facie plausibility, it is possible that audience costs actually do not exist at all or play a minimal role in crises. Indeed, Fearon's formal model carries many untested assumptions that invited a good amount of criticisms from other scholars (Weeks 2008; Snyder and Borghard 2011; Levendusky and Horowitz 2012; Traeger and Vavreck 2011; Downs and Sechser 2012; Trachtenberg 2012). Critics of audience cost theory question not only the empirical evidence for the audience costs hypothesis but also the causal mechanisms by which leaders generate audience costs.

Weeks (2008) criticizes the dichotomous view of a democracy-nondemocracy in understanding the impact of audience costs and argues that even authoritarian leaders can generate audience costs if they are held accountable by regime insiders. More critical of Fearon's audience cost hypothesis, Snyder and Borghard (2011, 437) contend that "domestic audience costs mechanisms rarely play a significant role" in crises for four reasons. First, leaders rarely make their threat explicit to an extent where audience costs can be generated. Second, domestic audiences care more about substantive policy outcomes than about consistency of leader's words and actions. Third, domestic audience's perception of their country's reputation for resolve is not related to whether a leader was caught bluffing. Fourth, authoritarian leaders do not actually perceive the threat from a democracy in a way that audience costs theorists explain. Trachtenberg (2012) analyzes twelve historical cases on international crises and argues that the audience costs mechanism does not play a major role in any of those crises.

On the other hand, other scholars have argued that voters are poorly informed to recognize when a leader backs down, and that even when this is visible, leaders can

talk their way out of being punished by offering new information (Slantchev 2006; Levendusky and Horowitz 2012). Downes and Sechser (2012) argue that previous works (Schultz 2001; Gelpi and Griesdorf 2002) on what they call "the democratic credibility hypothesis" contain few cases of successful coercive threats and that democratic threats are not more successful than threats form other states when using a new data set. In reaction to these criticisms, Schultz (2012) argues that it is important to determine whether we do not find evidence of audience costs because leaders cannot generate these costs or because they could but choose not to for strategic reasons.

The Second Source of Threat Credibility: Nuclear Weapons

Another source of threat credibility in crisis bargaining comes from a state's possession of nuclear weapons. Nuclear weapons have drastically changed the nature of warfare in a way that forces states to recalculate their expected costs of conflict. As Jervis notes, "the level of destruction would far surpass that accompanying previous wars ... such that [states] might be restrained by the unimaginable loss of worldwide life and civilization" (Jervis 1989, 5). According to his view, nuclear weapons have raised "the cost of conflict to unacceptably high levels" such that nuclear weapon states no longer deter by showing the ability to repel an attack from their adversaries but by demonstrating the specter of devastation (9). To Jervis, the destructive nature of nuclear weapons and the spread of this device gave rise to mutual vulnerability where states have mutual second-strike capabilities that would ensure annihilation should all-out nuclear war occur between the major nuclear powers. Military victory is impossible because defense became impossible even for the global hegemon.

In the world of Mutual Assured Destruction (MAD), the defender with second-strike capabilities can inflict unacceptable damage on the attacker after absorbing a first strike. As Powell (1990) explains, under this condition, it is difficult to make a credible threat of nuclear attack because the immense loss from nuclear attack obviates any potential gains after the conflict. In other words, a nuclear deterrent threat is inherently credible, but a nuclear compellent threat is extremely difficult if the opponent possesses a second-strike capability. Indeed, Moregenthau (1964) identifies such difficulty in his seminal work on "The Four Paradoxes of Nuclear Weapons"; first, the nuclear states' commitment to use the bomb as the final arbiter of interstate disputes is constrained by the fear of having to use it; second, states search for a coercive nuclear strategy that would avoid inadvertent nuclear war.

It is easier to deter than to compel, as Schelling (1966, 70) argues, because "the threat that compels rather than deters often requires that the punishment be administered until the other acts, rather than if he acts"; however, he argues that coercive diplomacy that involves the possible use of nuclear weapons can be still successful if one can manipulate the shared risk of war, a tactic he calls "brinkmanship." Brinkmanship is an effective tactic to exhibit your intention to the opponent because nuclear crises are no longer contests of military strength but of resolve; the balance of power ceases to govern the crisis dynamics. Therefore, to make their threats credible, states rely on brinkmanship, where the expected cost of taking a risk-generating step would be less than the expected cost of deliberately imposing the punishment. This strategy creates what Schelling (1960, 187) calls "a threat that leaves something to chance." Powell (1987) formalizes this insight in his game theoretic model by adding "critical risks" as a factor that gives the crisis actors disincentives to escalate unless they are strongly inclined to accept the risk of an accidental nuclear war.

Even though these studies enhanced our understanding of nuclear crises, whether any leader ever relied on nuclear brinkmanship to make a compellent threat is questionable. Also, as Tannenwald (1999) notes, the non-use of nuclear weapons when there was no fear of nuclear retaliation casts some doubts on the political utility of the bomb. Fearon (1994) contends that the risk of accidental war rarely provides the main cost of escalating a crisis and that it does not play a major role in revealing a state's resolve. This seeming lack of credibility of what Betts (1987) calls "nuclear blackmails" should then undermine the political and military utility of nuclear weapons in coercive diplomacy; however, leaders of the nuclear weapons states have

extensively used a variety of signaling tactics to overcoming the credibility gap and thereby linked the force or threat of force and their political objectives (Betts 1987).

More recently, a growing number of scholars have studied the consequences of nuclear weapons on conflict behavior through quantitative analysis (Geller 1990; Asal and Beardsley 2007; Beardsley and Asal 2009; Gartzke and Jo 2009; Horowitz 2009; Sechser and Fuhrmann 2013; Kroneig 2012). These studies test whether having nuclear weapons makes the opposing side more likely to back down; the result yields different findings. For instance, Geller (1990) argues that possession of nuclear weapons does not automatically result in a bargaining edge in confrontations and finds that nuclear-weapon states are not successful in deterring aggression from nonnuclear actors. Sechser and Fuhrmann (2013) contend that nuclear weapons, while powerful and useful for deterrence, do not offer additional coercive threats in crisis bargaining because a challenger cannot credibly threaten to seize the target's possessions and using nuclear weapons for reasons other than self-defense entails extremely high costs.

Finding that nuclear weapons provide leverage in coercive diplomacy, Beardsley and Asal (2009, 297) note that, in asymmetric nuclear crises, "the immense damage from the possibility of [full] escalation is enough to make an opponent eager to offer concessions." In a similar finding, Gartzke and Jo (2009, 226) report "a significant shift associated with nuclear weapons" in "the realm of diplomatic wrangling and bargained settlements" and argue that the nuclear-weapon state garners more attention from other states than a nonnuclear power. As Beardsley and Asal (2009) note, if nuclear weapons are useful tools that confer tangible benefits to the possessor, the initial proliferator will lose its bargaining leverage once the opposing side develops nuclear weapons. While Asal and Beardsley (2007) argue that nuclear

weapons induce restraints from nonnuclear actors and bring de-escalation, they do not find that nuclear acquisition can prevent war. Kroenig (2012) argues that nuclear superior states are more likely to prevail in nuclear crises because they are more willing to run a higher level of risk than their nuclear inferior opponents. In sum, a divide in the nuclear weapons literature over whether nuclear weapons 'matter' in crisis bargaining makes it difficult to understand how to understand how states use nuclear weapons to exert coercive pressure and whether it is ever successful.

CHAPTER III
Nuclear Audience Costs Theory: A Theoretical Framework

As the review of the literature on audience cost theory and the consequences of nuclear weapons illustrates, there is a divide within each field over whether the audience cost mechanism actually operates and whether nuclear weapons provide a bargaining advantage to the blackmailer whose central problem is establishing the credibility of his threat. I argue that these different views are not necessarily at odds with each other. What needs to be done is to specify conditions under which both audience costs and nuclear weapons are most likely to be important in determining winners and losers and states' propensity for conflict. When do we see audience costs having compellent effects in international crises and when do nuclear weapons dictate the dynamics of these crises?

Integrating different theories from both fields, I propose what I call "the nuclear audience cost hypothesis," which states that possession of nuclear weapons by the challenger does not automatically offer any bargaining advantage to the challenger or alter its crisis initiation behavior. I argue that nuclear weapons do not increase the crisis actor's likelihood of victory or make the crisis actor more conflict prone if domestic audiences do not hold the crisis actor accountable and/or if the crisis actor opts to strategically avoid generating audience costs. However, I argue that nuclear weapons enhance the crisis actor's chance for victory only if the crisis actor is held highly accountable by domestic audiences and chooses to generate audience costs.

The Challenger's Audience Costs and Audience Cost Capacity

When assessing the effect of audience costs, it is first important to clearly conceptualize what this "effect" is. Previous works on audience costs looked at whether the defender reciprocated the threat with a militarized dispute. For instance, Schultz (2001) and Weeks (2008) both use the *recip* variable from the Militarized

Interstate Dispute data to explain that some regimes are better able to coerce the opponent to back down when the target state does not reciprocate. The failure to reciprocate an incoming threat with another escalatory step does not necessarily mean that the target state backed down. The target state's inaction does not mean that the target state believed the challenger's threat to be real and thus decided not to escalate. The target inaction can mean anything. It can be that the target did not believe that the threat was serious enough and did not feel the need to show its own resolve to prevail. Or the target may have believed that the challenger's threat was real at that moment, but expected the effect to diminish over time and thus chose not to reciprocate for strategic reasons. In short, looking only at whether the target state reciprocated the threat does not tell us whether the threat was successful. It is thus important to approximate the substantive effect of the challenger's threat by looking at how crises ended.

In fact, Gelpi and Griesdorf (2001) test the audience costs hypothesis by looking at crisis outcomes using the International Crisis Behavior data set and find a strong support for the argument that democracies enjoy a bargaining advantage from their higher relative audience costs and thus more likely to prevail. However, as Weeks (2008) argues, the dichotomous conceptualization of a democracy-nondemocracy assumes that autocratic leaders are not held accountable and cannot generate any audience costs. In other words, democracies are assumed to be capable of generating higher audience costs than other regimes. This is shown in their operationalization of the *relative audience cost* variable. They measure relative audience costs between the challenger and the defender by subtracting the defender's democracy score from the challenger's and square the resulting difference. This operationalization shows how much more democratic the challenger is in a given

crisis dyad compared to its defender. Yet, there are two issues with this operationalization: a conceptual problem and a theoretical problem.

First, the assumption of a democratic advantage in establishing the credibility during crises needs to be relaxed. The authors' approach of subtracting the defender's democracy score from the challenger's to calculate the challenger's bargaining advantage assumes that nondemocratic leaders are not capable of generating more audience costs than their democratic counterparts. Even though Fearon (1994) acknowledges that some autocrats might be able to generate audience costs, scholars have assumed a democratic advantage (Eyerman and Hart 1996; Partell and Palmer 1999; Prins 2003). However, as Weeks (2008, 37) points out, "elections and democratic institutions are only one way in which domestic groups can coordinate to hold leaders accountable." According to her argument, leaders of single-party regimes and military regimes can generate audience costs because the opponents can clearly observe that domestic audiences not only find bluffing costly but also have the power to punish their leaders for behaving recklessly.

If autocrats have the capability to generate audience costs, as her argument convincingly illustrates, this indicates that these autocrats can actually coerce the more democratic opponents to back down even when they generate relatively less audience costs. Fearon's audience cost theory provides a unique horizon past which the crisis actors would prefer waging war to making concessions. In Fearon's model, the height of the horizon is the same for both disputants who could accumulate audience costs and eventually reach the horizon. In this scenario, even if autocrats can generate audience costs, as long as the magnitude of audience costs generated for each escalatory action is lower than it is for high-audience-cost leaders, namely democratic leaders, high-audience-cost leaders are more likely to prevail if they

choose to escalate. It is questionable, however, whether both actors would share the same horizon and believe that the other has the same horizon as his.

What happens if the expected costs for war are lower for one side than the other? Can there be two different horizons? Do autocrats find war less costly than democratic leaders? War is not always inefficient ex post for autocratic rulers because victory in a crisis or war improves their prospects of tenure while democratic leaders do not enjoy the same benefits (Chiozza and Goemans 2004). If autocrats find war and crises less costly than democratic leaders, the height of their own horizon should be lower than that of democratic leaders. Because of this difference, autocrats can still get past the horizon first when they generate audience costs as long as democratic do not escalate even higher to reach the "lock-in" point.

Second, even if we grant the assumption of a democratic advantage, the logic behind their subtraction of two democracy scores is puzzling. Relative audience costs, as the authors describe, measure the situations where one disputant has a "bargaining advantage because of its ability to generate audience costs" (Gelpi and Griesdorf 2001, 638). But it is puzzling why a relative advantage in state's audience cost capacity should make the opponent's threat more real or less real. Just because the opponent is a low-audience-cost state does not mean that the challenger's threat credibility would be more pronounced to the opponent. The state's true preferences for war should be independent of the opponent's threat credibility.

Another shortcoming with the existing audience cost literature is that it does not fully explain the audience cost mechanism for every crisis actor. As Uzonyi et al (2012, 765) argue, previous works on audience costs theory "only contain part of the [audience cost] story." The democracy-nondemocracy view treats democracy as shorthand for accountability (Schultz 1998, 1999, 2001; Gelpi and Griesdorf 2001).

Weeks' (2008) regime type argument does not specify precise institutions or allow for variation in [audience cost capacity] within regimes that can generate audience costs" (Uzonoyi et al 2012, 765). The executive constraints argument deals with leaders' ex ante restraints, but audience costs are costs arise from ex post punishment (Partell and Palmer 1999).

In response to these works, Uzonyi et al (2012) introduce a new measure called "audience cost capacity" (ACC) that approximates the amount of audience costs each state is capable of generating in a crisis. Audience cost capacity measures the degree of punishment a domestic audience can inflict on the leader for poorly representing the audience's interests. More specifically, a state's ACC is "a function of institutions affecting the contestability for the head of state position" (Uzonyi et al 2012, 768). According to the authors, as contestability increases, the prospect of the leader's tenure become increasingly uncertain, such that high audience costs are incurred when this leader escalates in a crisis. They argue that this contestability flows from two different types of costs: the availability of alternative ruler and the cost of mobilizing against the incumbent. First, the availability of alternative rulers indicates the extent to which all political audiences have the opportunity to become the top decision maker through a regularized process; as the number of potential challengers increases, leaders would be more sensitive to the domestic audience's preferences in order to deter future challenges to their position. Second, the authors conceptualize the cost of mobilizing against the incumbent as the degree to which the government controls political participation. States where constraints on executive recruitment are low and the government does not control political participation are considered as states with high audience cost capacity, or high-ACC states. Therefore, leaders of high-ACC states are held more accountable by domestic audiences than

their counterparts in low-ACC states.

Using the state's audience cost capacity alone to explicate the audience cost mechanism can be problematic, however, because it is possible to draw two different explanations for the same crisis outcome. For instance, one could argue that, as a challenger, high-ACC states are more likely to prevail in crises because it generates higher audience costs relative to the defender. But what happens when high-ACC states do not escalate in crises and do not generate any audience costs? Are high-ACC states more likely to win because they generate high audience costs or because they can generate high audience costs? I predict that even when high-ACC states do not generate any audience costs in crises, they are still more likely to win, for reasons other than the audience cost mechanism.

Most high-ACC states—states with a score of 3 or 4 in ACC in a four point scale—are democracies that have large selectorates—a subset of the polity that participates in the selection of leaders—and large winning coalitions—a subset of the selectorate whose support is required for the leader to remain in office (Bueno de Mesquita et al 1999). The selectorate theory posits that the survival of democratic leaders hinges on implementing successful public policy, such as prevailing in international crises that end short of war. Also, even nondemocratic leaders who are constrained by powerful political elites also have strong incentives to avoid policy failures, such as getting caught bluffing or making concessions to the adversary (Weeks 2008). Therefore, even when medium or high-ACC state leaders strategically avoid incurring audience costs, they still have a structural incentive to struggle harder to realize their crisis goals than low-ACC state leaders because of their inability to control ex-post punishments by domestic audiences. How can such institutional impediments, then, induce leaders to behave in a way that would satisfactorily resolve

crises without incurring violence?

If leaders find escalating extremely costly, they would make ambiguous threats without taking violent measures but at the same time also rely heavily on bilateral or multilateral negotiations with the opponent to reach a mutually agreeable settlement. For instance, in response to the early 2003 IAEA report that Iran had failed to comply with the Safeguards Agreement, the United Kingdom, France, and Germany relied primarily on negotiations to reach a settlement that persuaded Iran to halt its nuclear enrichment in return for providing civilian nuclear technology. While a compromise, is technically not a "win" in the narrowest sense of the term, a satisfying agreement, however, should be considered as a "win" for leaders because leaders would pay higher electoral costs had they tried to mobilize economic and military resources but ultimately backed down or failed to secure satisfying concessions from the adversary.

Such high costs are especially salient in a democracy where the institutionalized electoral constraints and the large winning coalition compel leaders to seek the consent of the broad spectrum of interests before mobilizing any resource (Bueno de Mesquita and Lalman 1986). One could arguably also make the case that some autocrats in single-party regimes and military regimes also incur similar costs, perhaps to a lesser degree, such that even autocrats might try to achieve their crisis objectives through diplomatic channels (Weeks 2012). Therefore, even though the constraint argument and audience cost theory both make a similar prediction on crisis outcomes, the underlying mechanisms that lead to crisis victory are different.

H1a. As a challenger, states with high audience cost capacity are more likely to prevail even when they do not generate audience costs

Reiter and Stam (2002) further elaborate the structural constraint argument by

contending that institutions that create electoral costs make risk-averse leaders to choose only winnable wars. Their selection-effects explanation posits that democratic leaders would be more selective in initiating a militarized dispute against the other and therefore less likely to be conflict-prone than other types of regimes. I test this insight on states' dispute initiation behavior using states' ACC score. Even in the absence of democratic elections, as long as there exists a regularized process by which domestic audiences can coordinate to reward or punish their leaders, political leaders would be deterred from behaving recklessly and thus have lower propensity for external conflicts.

H1b. States with high audience cost capacity are less likely to initiate crises than states with low audience cost capacity

A state's audience cost capacity should not be equated with the amount of audience costs leaders generate in a crisis, however, because audience costs are a function of the state's audience cost capacity and the costliness of crisis management technique. In international crises, the challenger can employ a variety of crisis management techniques—such as negotiation, mediation, economic sanctions, verbal threats, and troop mobilizations—and each tactic entails different amount of audience costs. Leaders who primarily rely on negotiation or mediation to cope with crises do not generate any audience costs because they are not staking the country's reputation for resolve or using the state's resources to demonstrate their resolve. On the other hand, leaders who make an explicit verbal threat or mobilize troops incur high audience costs because they are investing the country's resources in order to establish the credibility of their threat. Therefore, a state's audience cost capacity is only effective for generating audience costs if leaders choose costly policy actions as their main crisis management technique.

If leaders decide to escalate, then audience cost capacity indicates the magnitude of audience costs that would be attached to every one-unit increase in the costliness of crisis management technique. Therefore, a low-ACC state that mobilizes its troops would generate higher audience costs than a high-ACC state that resorts to mediation. Yet, if both low-ACC state and high-ACC choose to escalate by relying on the crisis management technique, high-ACC would have generated relatively higher audience costs. If high-ACC states enjoy a bargaining advantage from escalating as audience cost theory articulates, and if this leverage enables these states to realize their crisis goals, we should see high audience costs leading to a higher probability for victory. This prediction should hold even for low-ACC states that generate high audience costs.

H1c: As the challenger's audience costs increase, the challenger is more likely to achieve victory

The Art of Nuclear Blackmail

I now add nuclear weapons to the audience cost framework. To advance my argument and lay out predictions, I first discuss the difference between conventional compellence and nuclear compellence in terms of the coercer's ability to establish the credibility of a threat. I then discuss a recent work by Sechser and Fuhrmann (2013) on nuclear coercion and examine the authors' conceptualization of nuclear compellence and the data used to test their nuclear coercion hypothesis. Following this examination, I also visit a work on nuclear superiority by Kroenig (2012) and examine his argument. Finally, I explicate my theory of "nuclear audience cost" which posits that nuclear blackmailers gain coercive advantage of the bomb only when they incur high audience costs.

It is first necessary to define compellence and then discuss how conventional compellence differs from nuclear compellence. Compellence, in Schelling's (1966, 72) words, "usually involves initiating an action (or an irrevocable commitment to action) that can cease or become harmless, only if the opponent responds." The goal of making compellent threats is to get the opponent to do something that the threatener wanted but the opponent did not by threatening to punish if the opponent fails to comply. As the costs of executing a compellent threat increases, it becomes more difficult for the threatener to credibly signal its willingness to administer the threat when the opponent resists making concessions. Therefore, just like deterrence, the most difficult part in compellence is to communicate the coercer's intentions to execute the threat if the target fails to comply.

Conventional compellence only differs from nuclear compellence in that the blackmailer does not possess nuclear weapons. The goal is the same in both cases: to make the target concede to the blackmailer's demands. Yet, the difference lies in the way the blackmailer establishes the credibility of his threat. In conventional compellence, if the target fails to comply to the demands, the blackmailer is usually better off to execute the threat, by seizing the threatened territory or goods or imposing regime change. A failure to implement the threat would undermine the blackmailer's future credibility. Therefore, the credibility flows from the blackmailer's ability to actually carry out the threat at a reasonable price.

When the blackmailer possesses nuclear weapons, however, the credibility problem becomes more salient because it becomes more uncertain whether the blackmailer would punish the target with the use of nuclear weapons even when the target resists the threat. Yet, the blackmailer's threatened punishment need only be sufficiently likely to be effective. Even though the preeminent use of nuclear weapons

in politics is to support threats, one could reasonably argue that using nuclear weapons for any reasons other than for deterrent purposes can invite a retaliatory nuclear attack from the defender and/or cause an international backlash. In short, because executing a nuclear compellent threat is likely to be much more costly than carrying out a conventional compellent threat, establishing the credibility of a threat in nuclear compellence is much more difficult than it is in conventional compellence.

Recent works on nuclear compellence do not seem to capture such a role of nuclear weapons in supporting compellent threats. For instance, Sechser and Fuhrmann (2013, 174) argue that the utility of nuclear weapons as instruments of compellence is limited because "nuclear weapons are not very useful for taking and holding territory or other disputed objects" and because "a state that used nuclear weapons to punish a recalcitrant target would risk an international backlash." However, nuclear weapons enhance the credibility of threats not because the challenger would actually use the bomb to seize the good or territory in disputes. As Ellsberg (1968, 345) argues, "the ability to effectively threaten is by no means equivalent to the (related) ability to actually compel physically or to punish." In his book "Bombing to Win," Robert Pape (1996) makes a similar claim when he emphasizes that nuclear weapons have a compellent effect not by actually denying the opponent's military aims but by threatening to punish civilian populations. Therefore, it is not the actual ability to attack and capture enemy territory that makes a nuclear threat credible or incredible, but the possibility that, if a threat is administered, there will be a disaster that induces the opponent's restraints. For this reason, a nuclear threat would become especially credible when the challenger would feel pressured to administer nuclear punishment because, after a certain point, the costs of not following through on the threat become higher than the costs of launching a nuclear

strike against the defender. Therefore, previous scholars' arguments that the mere possession of nuclear weapons "casts a coercive shadow over crisis bargaining when a nuclear state issues a threat" is as questionable in explaining the bomb's coercive effect as the authors' contention that the utility of nuclear weapons is limited because the actual use would be costly (Sechser and Furhmann 2013, 174). In a similar vein, it is doubtful how the challenger's nuclear superiority automatically translates into his superiority of bargaining power when he opts to avoid making explicit compellent threats (Kroenig 2012). Even if the challenger's nuclear superiority makes the challenger able to run a greater risk than the defender, what good is such imbalance of resolve or risk-acceptance if the challenger does not take any escalatory step?

The challenger's possession of nuclear weapons dramatically increases the costs of war for the defender. Yet, because these costs are too high, the possibility of a nuclear strike against even a nonnuclear power is not easily perceived and will not be realized without some major efforts by the nuclear blackmailer. The goal of the challenger is to establish the credibility of a compellent threat through a series of escalatory steps to sketch the specter of destruction more real as the two actors rush towards the nuclear precipice. An explicit threat of the use of nuclear weapons is not necessary during this race, however. As audience cost theory argues, the key is to convince the opponent that, at some point, the challenger has already staked too much resources such that it would prefer to go to war even knowing war would be inefficient ex post.

Brinkmanship theorists like Schelling (1960, 1966) and Powell (1987) would counter that Fearon's (1994) audience costs argument is a poor model for explaining nuclear crisis bargaining because no forms of domestic audience costs would ever accumulate high enough to outweigh the costs of a nuclear war. These proponents of

the brinkmanship model would argue that a leader would rather pay audience costs by losing office than trigger a nuclear war. For instance, when explaining the incredibility of the U.S. doctrine of massive retaliation under the condition of mutually assured destruction, Powell (1987, 718) argues that if the Soviets could retaliate with nuclear weapons, "the cost to the United States of carrying out its [nuclear] threat seemed to be greater than the costs of letting the Soviets have their way." In short, these theorists posit that it would be rational for any leader to suffer the humiliation of giving in to the enemy's demands than to accept a guaranteed nuclear holocaust that would result in the total annihilation of human civilization.

How robust is this criticism? Is it better to think of nuclear crisis bargaining using the brinkmanship approach? I maintain that using the audience cost approach to explain nuclear crisis bargaining is not only useful but also better than the brinkmanship approach. The charge that the enormous costs of a global nuclear war always outweigh the domestic audience costs is unjustified because the assumption that all nuclear wars must be global is unwarranted. Yet, the absence of any empirical support for either of the theoretical assumption—that nuclear war can be limited or cannot be limited—tells us that we cannot completely reject either view as untrue. Rather, I argue that the assumption of all-out nuclear war is overly emphatic and that, if the audience cost approach can be applied to explain nuclear crisis outcomes, the result would favor my claim that the deliberate use of nuclear weapons is not as 'unthinkable' as brinkmanship theorists would like to argue and that the target backs down because it perceives that a high-audience-cost leader to launch a nuclear attack after generating enormous amounts of audience costs.

The assumption that the use of nuclear weapons would automatically trigger an unlimited nuclear exchange relies on the dichotomous view of the consequences of

the use of nuclear weapons that a leader would have to either knowingly commit suicide by causing all-out nuclear war or surrender. What follows from this assumption is the argument that, because using nuclear weapons assures the destruction of both sides, no sane leader—especially an elected leader in a democracy who would only lose office as punishment for backing down rather than face death or exile—would deliberately initiate a nuclear war; therefore, no audience costs would ever be high enough to outweigh the costs of a global nuclear war. This 'death or surrender' view, however, is problematic because limited use of nuclear weapons is still possible and this possibility affects a leader's decision calculus on whether to execute the nuclear threat, which in turn affects the target's decision to concede. For instance, in his book, "Nuclear Weapons and Foreign Policy," former U.S. Secretary of State Henry Kissinger (1957) argued that the U.S. should not completely rule out using nuclear weapons to serve foreign policy goals because it was the only way to conform to the realities of the nuclear age and to escape from nuclear stalemate with the Soviet Union.

As Freedman (2003, 101) notes, Kissinger was openly critical of what he considered as the American propensity to think of war and peace in terms of two absolute categories that they are different and separate. According to Freedman, Kissinger argued that the disputants' war aims, as long as they stay limited, would produce less violent wars even when nuclear weapons are involved. The intuition behind this limited nuclear war proposition is that if the nuclear engagement could be kept within the battlefield, the possibility that civilian lives could be spared from a global nuclear war would induce the militarily inferior state to submit. Therefore, the costs of a limited nuclear war—while still much higher than the costs of conventional war—would be much lower than the costs of a general nuclear war. For this reason, it

could be still rational for a leader to use the nuclear card as a last-resort option after incurring substantial amounts of audience costs.

Openly critical of the notion of limited nuclear war, Jervis (1984) and Schelling (1966) both argue that it would be wishful thinking to conclude that a nuclear war could be carefully controlled. For instance, Schelling (1966, 194) posits that limited nuclear war would only work if "the enemy had a good idea of what was happening and what was not happening, maintained control over his own forces, could perceive the pattern in our action and its implications for his behavior, and even were in direct communications with us sooner or later." Then he highlights what he considers as the self-contradictory nature of limited nuclear war: "A decisive capability to disarm the enemy and still have weapons left over, in a campaign that both sides wage simultaneously, is not something that both sides can exploit. Both may aspire to it; both may think they have it; but it is not possible to come out ahead in this contest" (195).

However, this criticism is based on the assumption that any use of nuclear weapons by the challenger would automatically trigger a nuclear response from the defender, or vice versa. If the challenger deliberately uses tactical nuclear weapons against military targets that are located far from the urban populations, would the defender retaliate in kind? Would the rockets fly automatically, as Khrushchev once said? If it is extremely difficult to limit nuclear war in a surgical manner as Schelling and Jervis vigorously argue and the defender truly believes that launching a nuclear missile in kind would now 'definitely' result in a mutual suicide, why would the defender choose to escalate rather than back down when presented with a fait accompli nuclear attack on non-civilian bases? That high-audience-cost leaders might be willing to seriously consider such scenario suggests that the 'expected' costs of

using nuclear weapons may not be as unthinkable as often presumed. If the defender recognizes that the high-audience-cost challenger would have to 'do something' after staking the challenger's reputation and also perceives that the challenger believes in the possibility of limited nuclear war contrary to its own beliefs about the impossibility of such control, it would be rational for the defender to make concessions before the challenger's nuclear attack than to use the bomb to test how the challenger responds. Having limited objectives would be only a necessary, but not a sufficient, condition for limited nuclear war, as Freedman writes, and it would be even more difficult to see through the murky fog of limited nuclear war; however, because of the lack of empirical evidence, it is impossible to completely reject either the validity of limited nuclear war or general nuclear war arguments on purely theoretical grounds. Therefore, when trying to understand nuclear crisis outcomes, it may be better to argue that it is not the actual consequences of the use of nuclear weapons but what people expect would happen that affects their decision and it is possible to infer these expectations by examining nuclear crisis outcomes.

I argue that the coercive effect of nuclear weapons is purely psychological in crisis bargaining and that this effect on crisis outcomes is generated only if leaders are held accountable by strong domestic audiences and also choose to escalate. In other words, nuclear-weapons states generate higher audience costs than nonnuclear-weapon states for each escalatory step they take in a crisis because the domestic public would be more willing to punish the leader who escalated in a form of nuclear brinkmanship but then backed down than the leader without nuclear weapons who also escalated in a similar manner. Unfulfilled nuclear threats would lead to an immediate and immense loss of the blackmailer's future credibility to international audiences when political stakes are high and when the blackmailer risked a nuclear

war only to swerve at the last moment. The blackmailer's domestic audiences would find such reckless foreign policy less forgivable even when they would have initially preferred the nonuse of nuclear weapons. Because the domestic public would be especially more likely to punish the nuclear blackmailer for making costly but empty threats, the nuclear blackmailer who escalates receives a coercive advantage than the nonnuclear blackmailer who also escalates.

This nuclear advantage for each level of escalation, however, would be present but less for states with low audience cost capacity because the domestic audience cannot effectively punish the leader. On the other hand, when there are no nuclear audience costs—the nuclear blackmailer decides not to escalate and generates no audience costs—it should not be more likely to prevail than the nonnuclear challenger with the same audience cost capacity because the nuclear status does not confer any coercive advantage. In short, nuclear weapons can serve as a useful tool for blackmail only if the blackmailer chooses to escalate high enough and especially if the blackmailer is also held strongly accountable by the domestic audiences.

Critics of the audience cost mechanism might refute that sometimes a domestic public would rather see a leader back down than suffer the costs of a global nuclear war. This criticism does not severely undermine the audience costs argument because rational leaders would not fully escalate and incur very high audience costs if they know in advance that they will not eventually use nuclear weapons. High-audience-costs leaders generally pay close attention to the policy preferences of domestic political audiences and therefore understand their attitudes towards war. For obvious reasons, even the strongest hawks would oppose a general nuclear war; however, as discussed in the previous paragraph, this assumption of automatic global nuclear war needs to be toned down. Furthermore, if leaders know that a domestic

audience would rather have them back down, it is questionable why they would defy their audience's want by escalating in the first place. In such a situation, leaders would rely on less violent diplomatic measures to solve the dispute.

H2a. If the nuclear challenger's audience costs are low, it is no more likely to prevail than the nonnuclear challenger

H2b. If the nuclear challenger's audience costs are high, it is more likely to prevail than the nonnuclear challenger

Table 1 summarizes the predictions for the relationship between audience costs and the nuclcear/nonnuclear challenger. In short, I predict that nuclear weapons would play a role only in high-audience-costs crisis.

TABLE 1. Predictions

	Nonnuclear Challenger	Nuclear Challenger
Low Audience Costs	Less likely to win if Low ACC Somewhat likely to win if High ACC	Less likely to win if Low ACC Somewhat likely to win if High ACC
High Audience Costs	Likely to Win	Most likely to win

The final question is to ask how nuclear weapons affect a state's propensity for conflict. As explicated in the previous paragraph, the blackmailer enjoys a bargaining advantage only when he generates high audience costs. Also, I argued that the state's level of audience cost capacity conditions the magnitude of this bargaining advantage. Therefore, low-ACC nuclear-weapon states can generate nuclear audience costs and be more likely to prevail than their nonnuclear counterparts; however, the amount of nuclear audience costs these states are capable of generating are much less than what high-ACC nuclear-weapon states could produce. Therefore, it is doubtful how possession of nuclear weapons would affect low-ACC states' probability of

challenging the other state when it is already predicted to be higher than that of high-ACC states. On the other hand, even though I argue that high-ACC nuclear-weapon states have the capability to generate higher audience costs than the nonnuclear challenger and that the coercive effect of the bomb is more salient because of strong domestic audiences, it is not clear if their nuclear status incentivizes them to initiate a crisis because fully escalating with the potential threat of the nuclear use is still costly even when such tactic makes the threat more credible and effective.

H2c. Nuclear-weapon states are not more likely to initiate a crisis than nonnuclear-weapon states

CHAPTER IV
Research Design

Data and Measurement

      To examine the outcomes of conventional crises and nuclear crises, I use the challenger-defender dyad data that was compiled by Gelpi and Grieco (2008) and updated by the latter based on the International Crisis Behavior (ICB) project. The unit of analysis is the dyad year and the data set contains 480 crisis dyad years. Each dyad year contains information on crisis actors, such as crisis outcome, the level of satisfaction with crisis outcome, the principal crisis management technique, material capability, audience costs capacity, and the nuclear weapons status. According to the ICB codebook description of a crisis, a crisis is a situation in which decision makers in at least one state perceived a threat to basic values such that there exists time pressure for response and heightened probability of involvement in military hostilities (ICB 2010). I define a nuclear crisis as a crisis in which a challenging state possesses nuclear weapons. Even though there had been rarely instances where a nuclear-armed state made a clear indication to use the bomb, an immeasurable cost that the use of nuclear weapons are capable of inflicting on the adversary indicates that there is always a possibility for the explosion. For this reason, a nuclear crisis can occur whether or not nuclear weapons are used or threatened. Kroenig (2012) excludes crises in which only one actor possesses nuclear weapons because it focuses on conflicts between nuclear-armed states. This study, however, concerns whether possession of nuclear weapons by the challenger makes it more victorious when it generates audience costs and thus includes all crises.

      There are missing values for some of the variables for the challengers and for the defenders in crisis dyads. A crisis dyad in which there are only assigned values for the variables for the defender indicates that the challenger was not generally

threatened and did not perceive the situation as a crisis. Therefore, in such cases, the challenger's crisis management technique, relative interests, the outcome score are coded as zero. Conversely, a crisis dyad in which there are only variable scores for the challenger indicates that the defender did not perceive threats to its values. As I explain in the following sections, for the missing values of the outcome and relative interests variables for the defenders, rater than coding them as zero, I code the score from the challengers' perspective.

Dependent Variable

I include two dependent variables: crisis outcomes and crisis initiation. I first created all politically relevant, directed dyad data set using Bennett and Stam's (2000) EUGene program and then brought in the ICB data to code the crisis initiation variable. The crisis initiation variable is a dichotomous indicator of whether the challenge was made by one state in a politically relevant dyad in each year from 1919 to 2007. Another dependent variable in this study is crisis outcome, a dichotomous indicator of whether a crisis actor prevails. To construct this variable, I draw on the existing ICB variable on the content of crisis outcomes which are categorized into four categories: victory, compromise, stalemate, and defeat. According to the ICB codebook, an actor is victorious if it achieves its basic goals, such as compelling a threatening adversary to make material, territorial, or diplomatic concessions. A compromise occurs when an actor partially achieves its goals by making a deal with an opponent. If an actor fails to realize any of its crisis goals, it faces either stalemate or defeat. According to this categorization, an actor prevails in a crisis only when it is coded as victorious.

As Beardsley and Asal (2009) argue, however, in a crisis that involves at least one nuclear state, a crisis actor's goals and its evaluation of crisis outcomes maybe

endogenous; because a crisis actor facing a nuclear state may find the expected costs of escalating much higher than in conventional crisis, the nuclear state may increase its demands such that it becomes more difficult for the nuclear state to realize all of its new expectations. For instance, a state that strikes a bargain with an adversary has not achieved all of its crisis goals and may be unsatisfied with the compromise outcome. A compromise itself, however, does not preclude the state from perceiving the crisis outcome as successful. If a state is satisfied with the outcome of a crisis even though it only realized some of its goals, such a state would consider itself to be victorious. For this reason, I follow Beardsley and Asal's (2009) approach and adopt another measure of crisis success. This second variable from the ICB data captures the crisis actors' satisfaction with outcome. According to this variable's categorization, the crisis actors can both be satisfied or dissatisfied, or only the challenger is satisfied, or only the defender is satisfied. Therefore, the challenger is coded as winning (outcome=1) if it prevails or if it compromises but is satisfied with the outcome.

For the crisis dyads that have information on both challengers and defenders or only on challengers, I code the outcome variable from the challenger's perspective. After this process, I code the outcome variable for the crisis dyads that have information only on the defender. Because these cases contain no information on the challenger's perspective of the crisis, I rely on the defender's perspective to code whether the challenger prevailed or not. I code the challenger as not prevailing when the defender prevails or when the defender faces stalemate. The challenger is coded as prevailing only when the defender is coded as losing or with a dissatisfying compromise.

Independent Variables

I construct several independent variables to test the hypotheses described in the previous section. The main independent variable is what I call 'nuclear audience costs,' which is the amount of audience costs the challenger with nuclear weapons generates in a crisis. I define nuclear audience costs as a function of the challenger's audience cost capacity, the level of escalation, and the nuclear status. I construct three separate variables to capture the underlying components of nuclear audience costs.

Audience Cost Capacity (ACC)

First, audience cost capacity is the amount of audience costs that the crisis actors are capable of generating in a crisis. As audience cost theory posits, states that are held strongly accountable by domestic audiences are capable of generating high audience costs. A state must meet two necessary conditions in order to be considered as accountable—that is, capable of generating audience costs. Uzonyi et al (2012) specifies the domestic institutions necessary to generate audience costs and I use their coding rule to construct a composite measure of audience cost capacity of an actor based on the Polity IV data. According to Uzonyi et al (2012), high-accountability states are the states where all politically active audiences have an opportunity to punish the leader through a regularized process and where the cost of criticizing and mobilizing against the incumbent is very low. Conversely, low-accountability states are the states where it is extremely costly, or almost impossible, for domestic audiences to punish the leader because the succession of power is hereditary, or there is no competitive election, or mobilization against the incumbent is costly. Therefore, according to Uzonyi et al (2012: 765), audience cost capacity is "a function of the availability of alternative rulers and the cost of mobilizing against the incumbent."

If recruitment of the chief executive is closed, the state is coded as having low audience cost capacity (ACC=1) regardless of the level of political freedom in the polity. A state is coded as having medium-low audience cost capacity (ACC=2) if recruitment of chief executives is determined by "elite designation, competitive election, or transitional arrangements between designation and election" but political competition is systematically repressed the state (Marshall et al 2011). I then code a state as having medium-high audience cost capacity (ACC=3) if recruitment of chief executives is open and political competition is moderately limited. A state is coded as having high audience cost capacity (ACC=4) if chief executive recruitment is open and political competition is free. My assignment of audience cost capacity score slightly departs from the one used in Uzonyi et al (2012) in that I assign a low audience cost score (ACC=1) to the states that are coded as having no audience cost capacity (ACC=0) according to Uzonyi et al (2012). I use "low" as opposed to "no" audience cost capacity because even personalist leaders who are relatively safe from facing electoral punishment would still generate some level of domestic audience costs when they escalate a crisis. In this sense, the comparison of audience cost capacity across different states is done in relative terms, rather than in absolute terms.

<u>Crisis Management Tactic</u>

Having the capacity to generate audience costs is conceptually different from actually generating audience costs in a crisis. A state with large audience cost capacity generates high audience costs in a crisis only if its decision maker takes violent measures that would increase the level of escalation. If a decision maker resorts to more peaceful means to cope with a crisis—such as using adjudication, mediation, or non-military pressure—the state's reputation is not coupled with the crisis management technique such that no audience costs are generated regardless the

crisis actor's ACC score. In other words, audience costs generated by a crisis actor is a function of the actor's ACC and the level of escalation pursued by the crisis actor.

I use an ICB variable of a crisis actor's primary crisis management technique to construct an ordinal variable that approximates the level of escalation. Gelpi and Griesdorf used a similar method to operationalize the challenger's level of resolve, but I depart from their approach because I give a strategy of negotiation, arbitration, adjudication, or mediation a value of 0 rather than 1. Therefore, when a crisis actor used negotiation, adjudication, arbitration, mediation, or non-military pressure, it does not generate any audience costs (CRISMG=0). It incurs a low level of audience costs if it uses non-violent military measures—such as verbal threats to use violence, or repositioning of troops (CRISMG=1). A crisis actor is coded as incurring a medium level of audience costs if it employs force as well as other techniques (CRISMG=2). Finally, a crisis actor generates a high level of audience costs when it employs forces to attack an adversary's forces (CRISMG=3).

<u>Nuclear Status</u>

Finally, I created a dichotomous variable for the nuclear status of a crisis actor and code it 1 if a crisis actor possesses nuclear weapons and 0 otherwise. To determine when a state became a nuclear-weapon state, I consult data compiled by Jo and Gartzke (2007).

Control Variables – Crisis Outcomes

I include a number of control variables to account for other factors that could influence the likelihood of the challenger's victory and the state's propensity for dispute initiation.

CINC Power Ratio

First, I control for the crisis actor's relative power balance. I rely on the COW Composite Index of National Capability (CINC) to measure a crisis actor's power. In order to compare the power between the challenger and the defender, I calculate a power ratio for each crisis dyad by dividing the challenger's CINC score by the sum of the challenger's and defender's CINC score.

Relative Interests

I also control for the level of interest the crisis actors have in a crisis. A crisis actor that faces a threat to its national sovereignty like occupation or genocide is more likely to react aggressively and, therefore, more likely to prevail than an actor that has to cope with an economic threat such as sanctions. Because it is necessary to take into account both actors' levels of interest, I compare each actor's score in the ICB variable and code it 2 if the challenger has a greater stake, 1 if both sides have an equal stake, and 0 if the defender has a greater stake.

Second Strike Capability

A second strike capability possessed by the defender could influence the crisis outcome by making it more difficult for the challenger to realize its crisis goals. I rely on Kroenig (2012) to create this variable. If the defender possesses a second strike capability, I code it 1 and 0 otherwise.

Control Variables – Crisis Initiation

Alliances and Geopolitical Interests

States that are allied with each other or share similar foreign policy preferences would be less prone to use military force against each other to resolve a dispute (Garzke 1998). For this reason, I include three measures of the two state's alliance portfolios as a proxy for geopolitical interests between the two states. First, I

control for the alliance type that is categorized into four types: a defense pact, a neutrality pact, entente, and no agreement. For the next two control variables, I use the "S" score, a measure of foreign policy similarity made by Signornino and Ritter (1999). The s-score ranges from -1 (most different) to 1 (perfect agreement). Here, I first include a measure of the two states' alliance portfolios (weighted global s-score, s_wt_reg).

<u>Side B Major Power Status</u>

Initiating a crisis against a major power is costly. Therefore, I control for the major power status.

<u>Contiguity</u>

States that are near one another are more likely to get involved in a military dispute because they are more likely have disagreements and it is also easier to deploy troops. Thus, I control for the level of contiguity between the two states in the dyad. I use the direct contiguity level dataset generated by the EUGene program that relies on the Correlates of War dataset. According to Bennett and Stam's (2007) EUGene codebook, the contiguity variable has five different levels of direct contiguity (contiguous on land, or separated by 1-12, 13-24, 25-150, 151-400 miles of water).

<u>Trade Dependence</u>

Trade dependence may also reduce the state's likelihood of military conflict initiation against a trading partner. I use the version 3.0 of the Correlates of War Project trade data set to create the trade dependency variable. I define a potential challenger's trade dependency on the defender in a dyad as a proportion of the state's amount of imports from its trading partner (measured in U.S. millions of dollars) in the state's total amount of trade in a given year.

Regime Instability

Regime instability is likely to promote the outbreak of war. Conceptualized as the lack of consolidation of the existing regime type, regime instability is correlated with the state's propensity for dispute institution because transitional governments lack institutions that are strong enough to effectively regulate domestic competition for power (Mansfield and Snyder 2002). According to this view, competition begets nationalism that can be used to ensure elite survival at the cost of heightening the risk of external conflict. Regime instability is operationalized as a dummy variable which codes a state 1 if it has a Polity IV durable score of less than 3, and 0 otherwise.

CHAPTER V
Data Analysis

Testing Crisis Outcomes

Since the dependent variable is dichotomous, I use logistic regression analysis (logit) to estimate the effect of the independent variables on the probability of the challenger's victory. First consider Table 1. In both models, none of the variables are statistically significant and they all have relatively large standard errors. Also, the coefficients on the interaction terms—audience costs, nuclear audience costs— and their components cannot be interpreted independently.

TABLE 2. Nuclear Audience Costs and Crisis Outcomes

Variable	Model 1 Coefficient (Standard Error)	Model 2 Coefficient (Standard Error)
ACC	-	0.24 (0.17)
Crisis Management	-	0.10 (0.19)
Nuclear Status	0.05 (0.37)	0.53 (0.77)
Audience Costs	0.03 (0.05)	-0.05 (0.11)
Nuclear Audience Costs	0.14 (0.09)	0.28 (0.20)
Nuclear Status * ACC	-	0.002 (0.32)
Nuclear Status * Crisis Management	-	-0.46 (0.46)
CINC Score Comparison	0.29 (0.33)	0.29 (0.34)
Interest	0.16 (0.12)	0.18 (0.13)
Defender's Second Strike Capability	-0.59 (0.35)	-0.52 (0.35)
N	461	461

Notes: ACC = Challenger's Audience Cost Capacity, Audience Costs = ACC * Crisis Management, Nuclear Audience Costs = Nuclear Status * Audience Costs

Therefore, rather than trying to tease out individual effects of each coefficient,

I graphically represent the challenger's probabilities of victory at different levels of

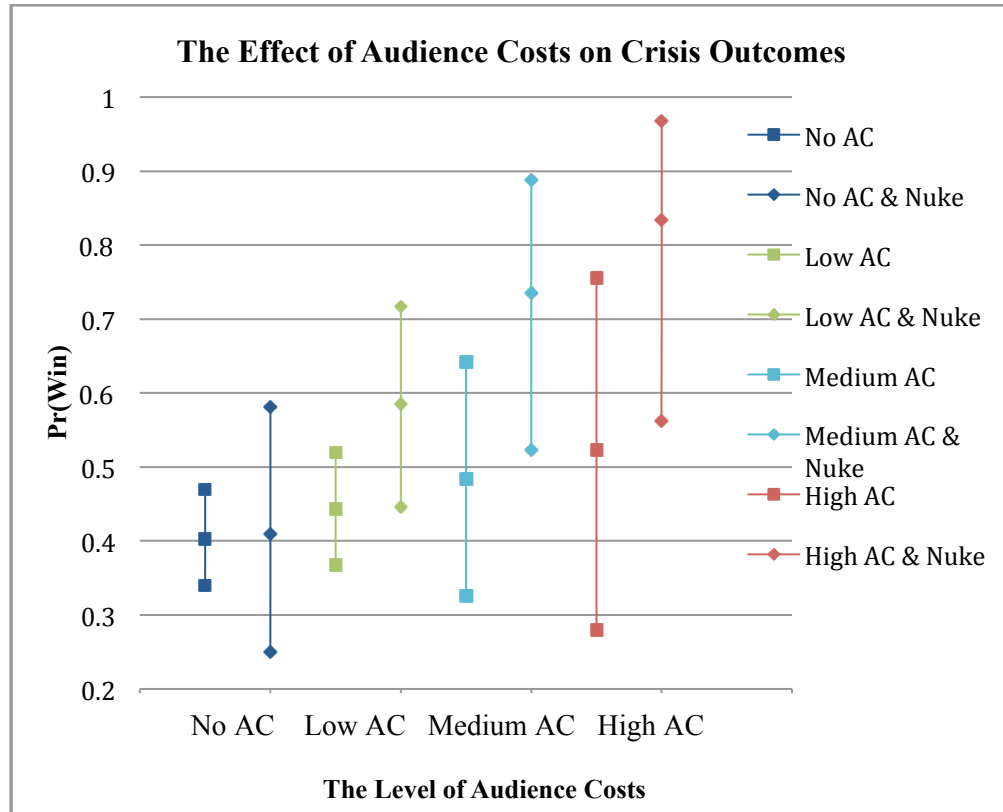audience costs as well as the corresponding 95% confidence intervals.

FIGURE 1. The Effect of Audience Costs on Crisis Outcomes

Figure 1 illustrates Model 1, which estimates the relationship between

audience costs and the challenger's crisis outcome. At four different levels of

audience costs that increase from no audience costs to high audience costs, I plot the

challenger's probability of winning and its corresponding 95% confidence intervals.

At each level of audience costs, I then plot two different probabilities of winning; the

first one being the nonnuclear challenger and the second one being the nuclear

challenger. When the challenger generates no audience costs, the nuclear challenger

and the nonnuclear challenger are equally likely to prevail with the probability of 0.32

and 0.35, respectively. Even though the difference is very small and there is a large

overlap of confidence intervals between these two probabilities, this result shows that

the nuclear challenger is not more likely to prevail in a crisis than the nonnuclear

challenger. This is in tune with H2a, which predicts that if audience costs are low, the

nuclear challenger is no more likely to prevail than the nonnuclear challenger. Also,

the result provides support for H1c, which predicts that as the challenger's total

amount of audience costs increase, the challenger is more likely to achieve victory

TABLE 3. Changes in the Challenger's Probability of Winning

	No AC to Low AC	Low AC to Med AC	Med AC to High AC
Nonnuclear	+ 0.04	+ 0.04	+ 0.04
Nuclear	+ 0.17	+ 0.15	+ 0.10

At the low level of audience costs, however, one can notice a visible jump in

the probability of winning for the nuclear challenger from 0.32 to 0.53 compared to

the nonnuclear challenger's small change from 0.35 to 0.40. This increase in the

probabilities of winning for both the nuclear and nonnuclear challenger continues

when audience costs are at their medium and high values. When the nuclear

challenger generates medium audience costs, it prevails with probability of 0.71

compared to the nonnuclear counterpart's 0.45. Again, the increase in the probability

of winning is more noticeable for the nuclear challenger as it increases by 0.18 while

the nonnuclear challenger's probability of victory only increases by 0.05. When the

challenger generates high audience costs, the nuclear challenger prevails with

probability of 0.84 and the nonnuclear challenger with 0.50 probability. The 95%

confidence intervals of two probabilities of winning when audience costs are high

partially overlap each other, but this overlap is much smaller compared to the ones in

no audience costs or low audience costs cases. Also, it is interesting to note that,

while the increase in the probability of winning is generally constant for the

nonnuclear challenger, there is a decrease in the positive effect of nuclear weapons on

the probability of winning for the nuclear challenger as audience costs increase.

We can infer three findings from this analysis. First, the challenger that generates high audience costs is more likely to prevail in general, a finding consistent with H1c. Second, when high audience costs are at stake, possession of nuclear weapons makes the nuclear challenger much more likely to prevail than the nonnuclear challenger, a finding that confirms H2b. Third, the nuclear boost on the probability of victory, while remaining positive, decreases as audience costs increase.
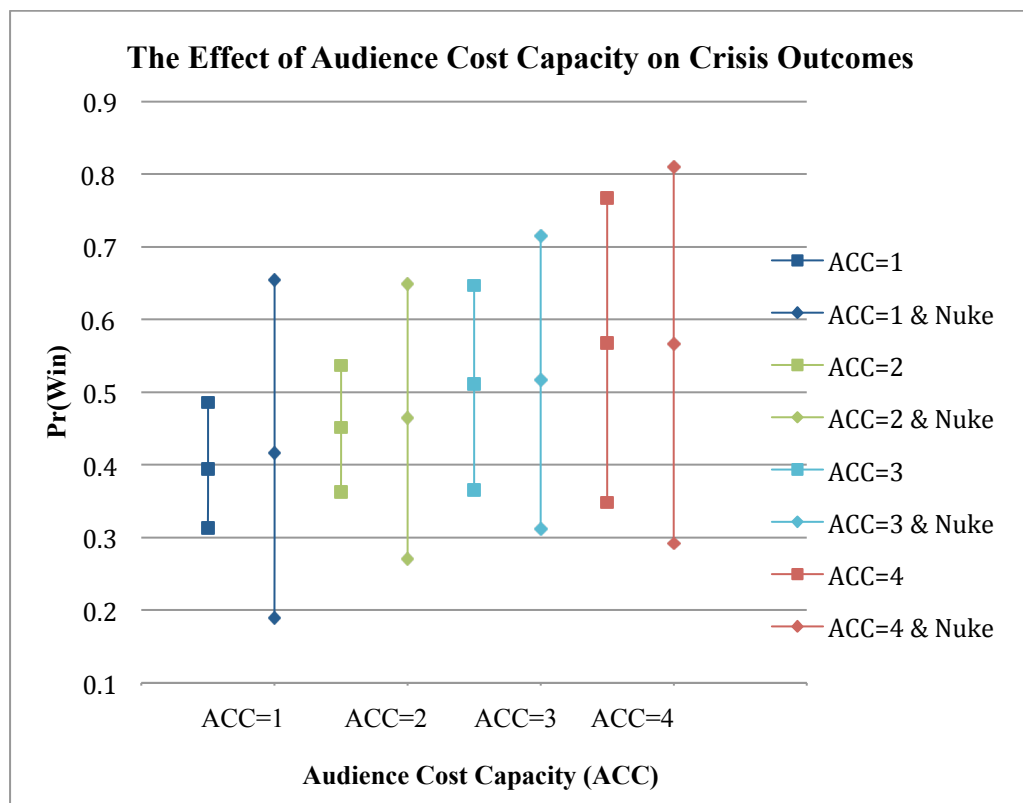

FIGURE 2. The Effect of ACC on Crisis Outcomes

I also test H1a and see whether states with high ACC are more likely to prevail even when it does not generate audience costs (CRISMG=0). Following the similar method I used to produce Figure 1, I graphically represent Model 2 by plotting the probability of the challenger winning at different levels of ACC. At each ACC score, I also compare the probability of victory between the nuclear and nonnuclear challenger. Figure 2 shows the effect of ACC on the challenger's crisis outcome when there are no audience costs. As expected, an increase in ACC score is positively

correlated with the probability of victory for the challenger. When the challenger's ACC score is 4, it has a 0.46 probability of winning if it is a nonnuclear state and a 0.49 probability if it possesses nuclear weapons. While the nuclear challenger enjoys a slight advantage, the difference is minimal. On the contrary, it is also noteworthy that, at the lower level of ACC, the nuclear challenger actually fares worse than the nonnuclear challenger. More generally, it is important to note that the effect of nuclear weapons on crisis outcomes is minimal when only looking at different levels of the challenger's ACC. In other words, without taking into account whether the challenger escalated during a crisis to generate audience costs, having nuclear weapons reveals little information about the challenger's prospect of victory.
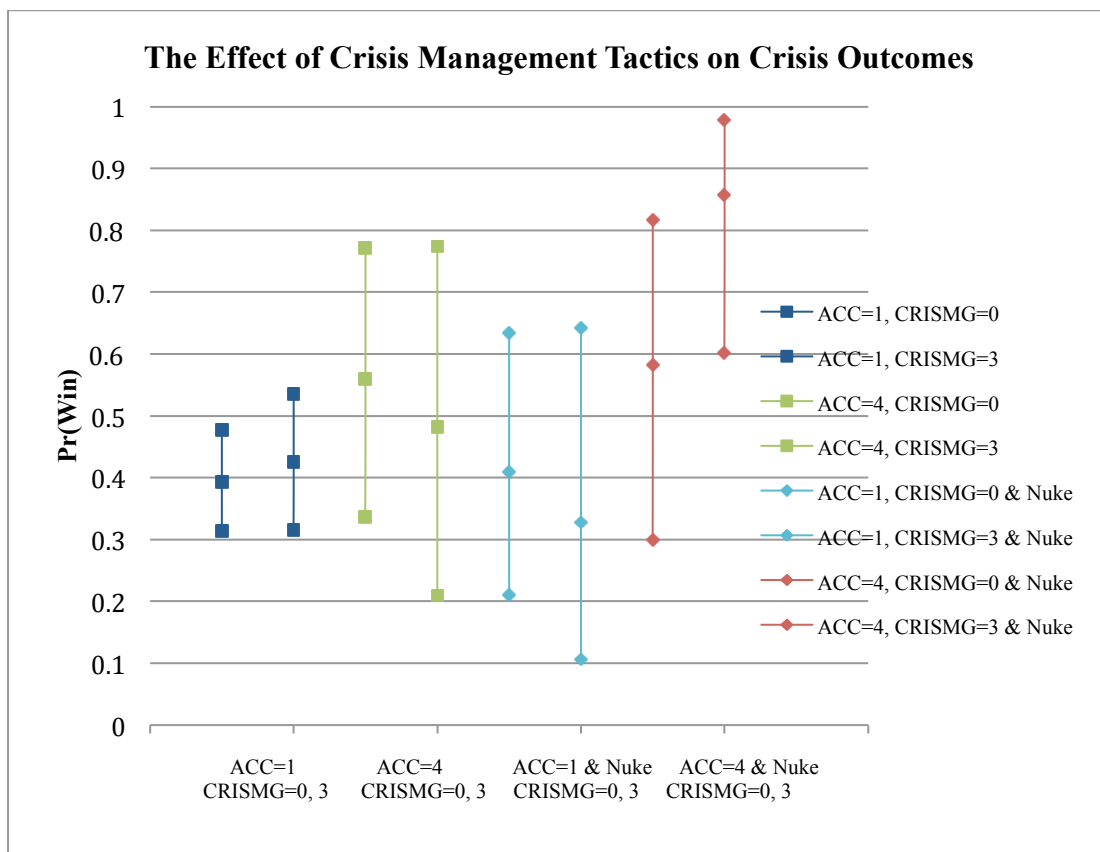

FIGURE 3. The Effect of Crisis Management on Crisis Outcomes

How much does the challenger's crisis management technique matter? Figure 3 indicates that when the challenger does not possess nuclear weapons, increasing the level of escalation does not have much impact on crisis outcomes. For instance, the

nonnuclear challenger with an ACC score of 1 witnessed only a 0.03 increase in its probability of victory when it changed its crisis management technique from no escalation to full escalation. On the other hand, the nonnuclear challenger with an ACC score of 4 actually witnessed a small decrease (0.22) in its victory likelihood when it reached the same level of escalation. Even though confidence intervals are large for both estimates, this finding is somewhat counterintuitive in the sense that states with high ACC are expected to benefit more from escalating in a crisis because they can credibly signal their intention to use force. Despite this new result, the result is still consistent with the thrust of audience cost theory because states with high ACC still do better than low ACC states in prevailing in crises, given that the level of escalation is the same. When the challenger possesses nuclear weapons, however, the challenger with high ACC is much more likely to realize victory by increasing the level of escalation. When the nuclear challenger with an ACC score of 4 fully ups the level of escalation, the increase in the probability of victory from 0.58 to 0.86 is significant. On the contrary, when the nuclear challenger with low ACC fully escalates, it does not experience the same benefit; in fact, full escalation results in a small decrease in the probability of winning; the statistical significance of this change, however, seems minimal as the two 95 percent confidence intervals almost overlap each other. In sum, we can make the following inference from this finding.

First, in conventional crises, the challenger with high ACC that also fully escalates is more likely to prevail than the challenger with low ACC that also fully escalates. Second, even though the nonnuclear challenger with high ACC does comparatively better than the one with low ACC, its probability of victory is still low even when it fully escalates. When the nonnuclear challenger with high ACC fully escalates, its probability of prevailing is only 0.48. However, when high-ACC

challenger with nuclear weapons escalates at the same level, its probability of victory increases to 0.86, resulting in an almost 85 percent increase. The result shows that nuclear weapons exert compellent effects on crisis outcomes only when the challenger has high ACC and chooses violent crisis management techniques.

Testing Crisis Initiation Behavior

TABLE 4. Audience Cost Capacity and Crisis Initiation

Variable	Model III *Coefficient* *(Standard Error)*
ACC	-0.62 (0.09)
Nuclear Status	-0.88 (0.48)
ACC * Nuclear Status	0.48 (0.16)
Major Power Dyad	-0.46 (0.31)
Power Ratio	0.11 (0.27)
S Score Weighted	-0.65 (0.17)
Alliance	-0.05 (0.06)
Contiguity	-0.40 (0.05)
Trade Dependence	0.04 (0.74)
State A Regime Durability	0.13 (0.16)
N	93297

Notes: ACC = Audience Cost Capacity, Major Power Dyad=Whether Side A (a non-major power) faces a major power, S Score Weighted=S score between the challenger and the defender

I use logistic regression to test the probability that State A initiates a crisis against State B. The main independent variables—ACC, Nuclear Status, and CC*Nuclear Status—are all statistically significant and the negative coefficient of the ACC variable is in the hypothesized direction. The coefficient for the nuclear status is negative, indicating that possession of nuclear weapons is negatively correlated with the state's likelihood of beginning a conflict. It is not clear, however, whether this effect is constant at all levels of ACC. The positive coefficient of the power ratio indicates that state A would be more likely to initiate a crisis, as it is superior in the balance of power; this effect is not statistically significant. The coefficient for major

power dyad is negative but not significant. This means that a potential challenger would be less likely to provoke a crisis against a major power, but such effect is not very strong. Of the three measures of alliance portfolios, only the weighted s score between the two states in a politically relevant dyad and the system lead s score are statically significant. Contrary to the expectation, the effect of both control variables is positive, indicating that as state A is more likely to challenge the other state if as foreign policy preferences become more similar with those of state B and/or if B's alliance portfolios are more closely aligned with those of a major power in the region. The coefficient for contiguity is negative and significant; because a higher score in contiguity means that states are geographically further apart, state A is less likely to challenge the other state that is far from its boundaries. The level of trade dependence is negative, but standard errors are large such that it is questionable how much state A's trade dependence on state B affects state A's level of belligerence against state B. State A's regime durability is positive as predicted, but not statistically significant; this suggests that unstable regimes are more likely to challenge other states, but instability alone is an insufficient indicator that explains a state's conflict propensity.

To better visualize the result, I graphically represent State A's probabilities of crisis initiation at different levels of audience costs as well as the corresponding 95 percent confidence intervals.
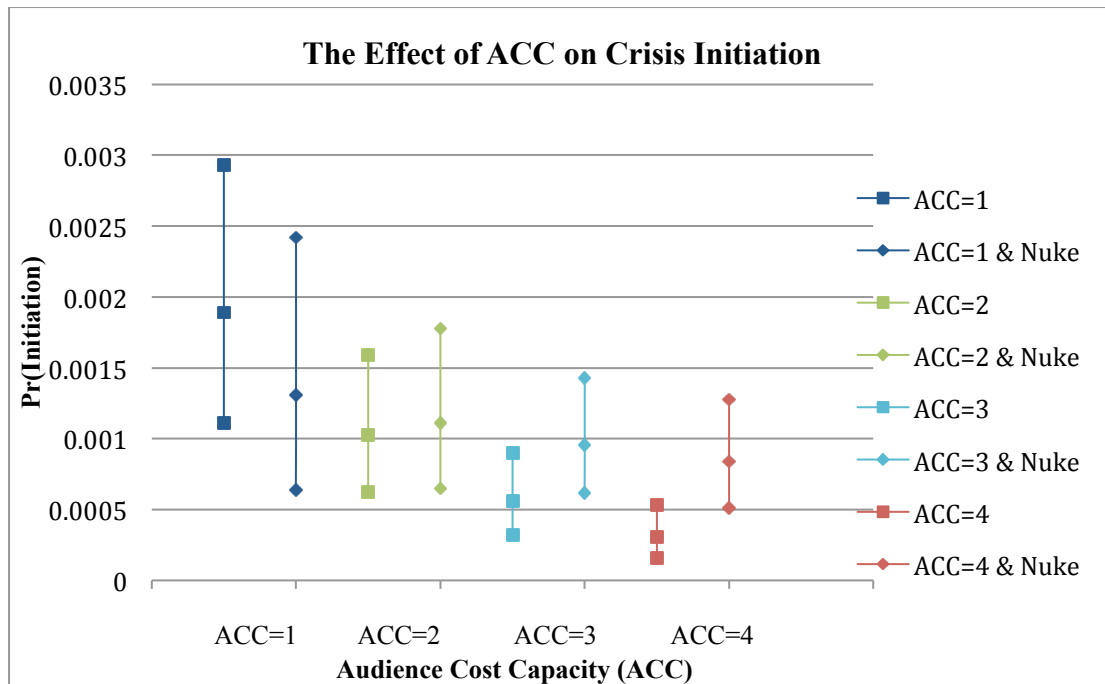
FIGURE 4. The Effect of Audience Cost Capacity on Crisis Initiation

Figure 4 shows the relationship between state A's ACC and its probability of crisis initiation at different levels of ACC scores. For each ACC score, I plot two different probabilities of crisis initiation, the first being a nonnuclear-weapon state and the second being a nuclear-weapon state. The graph shows that the probability of state A's crisis initiation decreases, in both nonnuclear and nuclear cases, as the ACC score increases from 1 to 4. This finding is consistent with H1a, which predicts that states with high audience cost capacity are less likely to initiate a crisis.

Interpreting the effect of nuclear weapons on propensity for crisis initiation is not as straightforward. When state A has an ACC score of 1, a nonnuclear power and a nuclear power would initiate a crisis with the probability of 0.0018 and 0.0013, respectively. Even though the possession of nuclear weapons makes it less likely for State A to initiate a crisis, a large overlap of 95% confidence intervals between these two probabilities indicate that the difference is not substantial. In other words, both nuclear and nonnuclear states have a similar probability of initiating a conflict when they have low audience cost capacity (ACC=1). When state A had a slightly higher

ACC (ACC=2), a nuclear-weapon state is only slightly more likely to initiate a crisis than its nonnuclear counterpart; a large gap of the 95% confidence intervals between two probabilities suggests that the difference is not significant. These findings are consistent with H2c, which predicts that nuclear-weapon states are not more likely to initiate a crisis than nonnuclear-weapon states.

However, the initial finding of no difference begins to disappear when state A has a higher ACC score. For instance, State A that has an ACC score of 3 is more likely to challenge the other state when it possesses nuclear weapons. This difference is especially pronounced when State A possesses the highest level of ACC (ACC=4). In this case, the predicted probability of challenge by State A is 0.0008 compared to a nonnuclear state's 0.0002. As shown in the graph, the 95% confidence intervals barely overlap with each other, indicating that the difference is significant. This different effect of nuclear weapons when ACC is high suggests that nuclear-weapon states that are held highly accountable by domestic political audiences tend to be more conflict-prone than their nonnuclear counterparts. Why do we observe these different effects? In one situation, possession of nuclear weapons did not alter the state's tendency for crisis initiation and in other situation nuclear-weapon states are much more likely to challenge the other state.

TABLE 5. Percent Changes in State A's Probability of Crisis Initiation

	ACC 1 to ACC2	ACC 2 to ACC 3	ACC 3 to ACC 4
Nonnuclear	-46.44%	-45.26%	-46.15%
Nuclear	-14.51%	-12.63%	-10.64%

How do nuclear weapons affect state's propensity for crisis initiation? As shown in Table 5, as state A increases in its ACC score, the probability of crisis initiation drops in both nuclear and nonnuclear cases as discussed above, but the rate of decrease is substantially different between the two cases. When state A does not

possess nuclear weapons, a one-point increase in ACC score results in almost half drop (-46.55%) in its propensity for initiating a crisis. The percent changes are consistent at all levels of the intervals. When state A is a nuclear-weapon state, the percent decrease in the probability of crisis initiation is much less (-14.51%) for nuclear-weapon states. Also, this percent change decreases from -14.51% to -10.64% as the ACC score increases from 1 to 4, indicating that the effect of nuclear weapons on State A's propensity for crisis initiation is conditioned by State A's ACC.

The findings from this analysis provide support the constraints arguments on state's dispute initiation behavior advanced by Bueno de Mesquita (1999) and Reiter and Stam (2002). Therefore, states that are held accountable by domestic audiences are less likely to initiate a crisis relative to states with low audience cost capacity. Nuclear weapons alter states' propensity for militarized dispute initiation depending on their level of ACC; nuclear weapons have no apparent impact on low-ACC states' likelihood of conflict initiation, while they make high-ACC states more conflict prone.

Why do the effects of nuclear weapons vary depending on the level of a state's accountability? The answer to this apparent puzzle merits a further discussion. The first part of the analysis has shown that nuclear-states are more likely to prevail in a crisis only if it has high ACC and generates substantial amount of audience costs by taking increasingly escalatory steps. Does this mean that nuclear states with high ACC, such as a democracy with nuclear weapons, select themselves into a crisis because possession of nuclear weapons confers a bargaining advantage to these disputants? Yet, as I have shown, the bomb itself loses its coercive effect on crisis outcomes when no audience costs are generated and it is also questionable whether nuclear states challenge the other state with the expectation of having to make credible the threat of nuclear punishment. What appears to be happening is that, when

leaders of high-ACC states deliberate over whether to challenge the other state, they can look down the path of the intracrisis dynamics and be more confident in their chance of winning because, if all other peaceful noncoercive tactics fail, they can still rely on nuclear brinkmanship to coerce the opponent to submit.

ROBUSTNESS CHECKS

Finally, I check the robustness of the findings. Because crises are nonrandom events, the basic selection problem may arise if the crisis actors differ in significant unmeasured ways from the actors who were not involved in crises. There may be important factors not included in the equation for testing crisis outcomes that drive states into crises and try harder to win. Therefore, to account for the nonrandom selection into crises, I use a Heckman selection model and test the equation for crisis outcomes using the independent variables used in the equation for crisis initiation. A linear combination used to examine the predicted probabilities of the challenger's victory at different levels of audience costs provides support for the hypothesis that nuclear weapons have a coercive effect on crisis outcomes only when the challenger has high ACC and incurs high audience costs.

CHAPTER VI
Case Study: The Cuban Missile Crisis

The statistical portion of this study has shown that nuclear weapons do matter, but not always, in determining crisis outcomes. Even though the findings in the previous section yield strong support for nuclear audience cost theory, this argument needs to be further assessed in light of historical evidence. Therefore, I use a case study of the Cuban missile crisis of October-November 1962 to demonstrate how the coercive effects of nuclear weapons and audience costs were combined to make a compellent threat successful. The outcome of this case—a successful U.S. compellent demand—is consistent with the prediction made by the nuclear audience cost logic that high-ACC states with nuclear weapons, such as the U.S., are likely to make a successful compellent threat if leaders of these states generate high audience costs during crises. Some may argue that the U.S. was making a deterrent threat against the Soviet aggression; however, as historical evidence shows, the Kremlin's plan to deliver offensive nuclear weapons to Cuba was well under way when the White House recognized the existence of these weapons in Cuba. Therefore, it was President John F. Kennedy who made a compellent demand to Chairman Nikita Khrushchev that the Soviet Union remove its offensive missiles from the island of Cuba. To illustrate my argument in the context of the Cuban missile crisis, I begin my case study by first introducing the crisis background. I then analyze Kennedy's domestic political audience costs and look for evidence on Khrushchev's evaluation of these costs.

Beginning of the Crisis

The Cuban missile crisis of October 1962 was the ultimate showdown in nuclear standoff between the democratic U.S. and the communist Soviet Union, where both superpowers had competed for the credibility of potential first use of

nuclear weapons as well as retaliatory nuclear deterrence. Historian Arthur

Schlesinger once dubbed this crisis as "not only the most dangerous moment of the

Cold War" but also "the most dangerous moment in human history." The crisis had

begun on the morning of Tuesday, October 16 1962, when Kennedy discovered the

construction of a Soviet Medium Range Ballistic Missile site in Cuba. Thankfully for

the Kennedy administration, the missile site was at least a week away from being

operational; for fear of leaks, the President and his brother, U.S. Attorney General

Robert Kennedy secretly convened the first meeting of a group titled the Executive

Committee of the United States National Security Council, later known as ExComm.

In the beginning of this meeting, Defense Secretary Robert McNamara presented

three options: the first option political, calling for negotiations with the Soviet

Chairman Nikita Khrushchev and the Cuban leader Castro; the second option mixed

between military and political action, that involved "an indefinite naval blockade

against offensive weapons entering Cuba" and "a declaration of open surveillance of

Cuban air space"; and the third option which is a military invasion that involved

"extensive air strikes on the missile bases, the [Surface to Air] sites, airfields, fighters,

and bombers" (Fursenko and Naftali 1997, 204; Stern 2003, 78-79).

Kennedy's Domestic Audience Costs

Kennedy and the ExComm's concern with U.S. reputation for resolve and

potential punishment from domestic audiences pervade the ExComm discussions in

the first meeting. Finding all available options unattractive, Kennedy first lamented

that his Cold War rhetoric had forced him into a corner where he had to be seen to act:

"Last month, I said we weren't going to [accept offensive Soviet missiles in Cuba]

and last month I should have said we're… well, that we don't care. But when we said

we're not going to, and then they go ahead and do it, and then we do nothing … then I

would think that our … risks increase" (Stern 2003, 82). As Snyder and Borghard (2012) correctly note, Kennedy, in this example, was referring to America's allies in Western Europe. However, when Kennedy deliberated whether to make a public announcement about the discovery of the Soviet weapons 24 hours before an invasion, Assistant Secretary of State Edward Martin mentioned audiences in a domestic context by urging the President to "move immediately, or the… you're going to have a ton of instability in *this* country" to which Kennedy responded, "Oh, I understand *that*" (Stern 2003, 82). During the same meeting, McNamara pondered whether it was possible to avoid domestic audience costs: "This is a domestic political problem. In our announcement, we didn't say we'd go in and not that we'd kill them. We said we'd *act*" (91). After hearing from National Security Advisor McGeorge Bundy that an ultimatum to Khrushchev would not be a very acceptable choice, McNamara repeated himself: "I don't believe it's primarily a military problem. It's primarily a domestic political problem" (91).

In their case study analysis of the Cuban missile crisis, Snyder and Borghard (2012, 454) use the above examples to make a case against audience cost theory and argue that domestic audience costs from empty threats were "a concern only because a sizeable, powerful domestic constituency was already worried about international reputational costs before the threat was issued." In other words, they argue that because of the public's already hawkish preferences towards Cuba, it is difficult to distinguish the costs of getting caught bluffing from the costs of defying what the public wants. The authors conclude that, because there already exists substantial amounts of audience costs for not implementing what domestic audiences want, Kennedy "hardly needed to manufacture any additional audience costs to convey the possibility that he might be punished for taking too weak a line on offensive missiles

on Cuba" (454).

Is this assessment accurate? First, how hawkish was the domestic public in the U.S.? The authors argue that 70 percent of Americans wanted tougher actions—not war, but measures to "starve out"—against Cuba. Also, the authors note that Kennedy's warning on September 4 came only after the Republican Senator Keating's charge that Kennedy was suppressing evidence of the Soviet nuclear weapons buildup in Cuba. However, in their analysis of U.S. public opinion during the Cuban missile crisis, Kern and Levering (1983) show that domestic political challenges that shaped the public discourse on Cuba in the papers had declined both in frequency and importance. Beginning in early October, the percentage of the front-page coverage of the Republican charges dropped to 21 percent from 36 percent in September (Kern et al 1983, 120). Also, Republicans' series of allegations not only lacked "the freshness and the newsworthiness" they enjoyed in September but also lost credibility among journalists like Reston who criticized Keating for not "check[ing] their private reports of secret military information with officials of their own government, but publish them on their own and 'confirm' them on their responsibility" (121).

Second, even if we assume that the public was indeed hawkish, it is puzzling why the authors fail to see Kennedy manufacturing additional audience costs when he made threats. If "starving out" Castro's Cuba was the most important policy goal the U.S. public wanted, why did Kennedy not immediately initiate a naval blockade around Cuba after his approval rate plummeted since the Bay of Pigs invasion? Why did Kennedy not confront his adversaries, both Soviet and Republicans, with such a fait accompli measure? In other words, if Kennedy's only concern were to avoid paying domestic audience costs for defying the public's hawkish attitude, why would he make a public threat on September 4 and make himself even more politically

vulnerable to domestic criticisms? In fact, as Historian Stern (2003, 27) notes, Kennedy wanted to publicly demonstrate Khrushchev and the domestic public his determination to "defend American interests in the Caribbean." The threat was intentionally vague because Kennedy had never anticipated that Khrushchev would dare to deliver offensive weapons to arm Cuba; the threat was made in public because Kennedy also wanted Khrushchev to recognize that he would have to do something, or be punished by domestic audiences if Khrushchev ignored the demand (Scott 2007).

Throughout the crisis, Kennedy had expressed his increasing understanding of the significance of threats in crisis bargaining. When he realized that the initial threat in September had failed, Kennedy at one point regretted making not enough threats but, at other point, also regretted making threats at all. Even with the benefit of hindsight, Kennedy kept reflecting on his previous decision and still could not understand what should have been done in September. As Stern (2003, 89) describes, Kennedy's irritation burst in front of everyone: "Well, it's a *goddamn* mystery to me. I don't know enough about the Soviet Union, but if anybody can tell me any other time since the Berlin blockade where the Russians have given us so clear a provocation, I don't know what it's been … Now maybe our mistake was in not saying sometime before this summer that if they do this we must act." If Kennedy only worried about having to "starve out" Castro's Cuba, why was Kennedy so furious that his initial threat had failed and, as a result, allowed Khrushchev to exert nuclear pressure on the White House? Kennedy had learned that an ambiguous threat—worded in a way that would avoid domestic audience costs for backing down—could backfire and that it is perhaps strategically more prudent to avoid audience costs altogether or make a threat explicit enough to make it appear even more credible.

On October 22, after a week of deliberation, Kennedy publicly denounced the Soviet Union and Khrushchev for deploying medium range ballistic missiles in Cuba. Once again, one may ask, "Why did Kennedy make a more explicit compellent threat in public?" The Kennedy administration could have immediately launched a naval blockade, or "quarantine", of Cuba without the President making a nationwide television and radio address in prime time. Kennedy's address not only made the Cuban missile crisis a public event but also allowed Kennedy's domestic audiences to learn of their leader's compellent demand. After realizing that a failed deterrent threat in September had incurred domestic audience costs he may have to pay in the 1964 reelection campaign, Kennedy initially looked for the alternatives that would resolve the crisis without committing him to an option that would generate audience costs; however, Kennedy and the ExComm had gradually developed the consensus by the October 19 meeting that they must commit to a specified and well-publicized action, while allowing for future escalation: a publicly announced "quarantine" of Cuba (Dodge 2012, 264-265).

Even after the decision for a blockade had been reached, Kennedy found himself irritated by the prospect of committing himself to an action that did not fully guarantee a satisfying response from the Soviet Union. On October 20, Kennedy recognized that he must carry out whatever threat he would be making in public and expressed his frustration to his special counsel, Ted Sorensen, that he was unsure whether to give the blockade speech or the surgical strike speech (Dodge 2012, 265). As these examples indicate, even though he did not consider a public compellent threat as the "last clearing chance" for avoiding nuclear war with the Soviet Union, Kennedy was fully aware that he would be locked into whatever bargaining position he makes in public and cannot walk back. Just two hours before the speech, he

consulted Republican congressional leaders for their support in order to demonstrate Khrushchev that the country is acting in one voice. This is consistent with Schultz' (2001) argument that a threat from a democratic leader is especially credible if the opposition party supports the threat; it is clear that Kennedy recognized and exploited this intuition.

Kennedy's acute realization of the possibility of domestic punishment for a failed compellent threat pervades in his private conversation with Robert Kennedy that took place on the day after his speech. Stern (2003, 204) describes this tête-à-tête in detail: Losing self-assurance, the President said, "Well, it looks like it's gonna be real *mean*, doesn't it? But on the other hand, there's really *no choice*. If they get this mean on this one—Jesus Christ! What are they gonna fuck up next?" The Attorney General hastily repeated himself: "No choice … No, there wasn't any choice. I mean you woulda had a… you would been impeached." The President responded, "Well, that's what I think. I woulda been impeached." Snyder and Borghard (2012, 453) contend that the President worried about the reputational costs of appearing weak and about the possibility of domestic punishment, "whether or not [he] made explicit statements of commitment." This assessment is inaccurate because the President and the Attorney General were specifically referring to the President's public address on October 22. The Attorney General, eager to reassure the President, told him, "You couldn't a done any less … You *had* to do it … It was 'the luckiest thing in the world' that secrecy had been maintained until October 22" (Stern 2003, 204-205). Therefore, the President and Attorney General both understood that, if they renege on their public commitment, they would be punished after the mid-term elections for failing to live up to the public pledge to remove the Soviet weapons from Cuba.

The View from the Kremlin

How did the Kremlin assess Kennedy's demand to remove all of its offensive nuclear weapons from Cuba? Did Kennedy's threat make any real impression on Khrushchev? A close examination of historical evidence, including Khrushchev's memoir and the remarks Khrushchev made during the meetings, reveals that Khrushchev sought to understand Kennedy's domestic constraints and that U.S. efforts to communicate its bargaining position through back-channels ultimately led Khrushchev to ultimately choose concessions over further escalation.

The audience cost story holds that leaders search for various ways of generating audience costs to make a credible threat in crisis bargaining because being the first to be locked into the path towards war significantly increases the probability of the opponent's concessions. In order for this mechanism to work, however, the target must understand that an unfulfilled threat would entail significant costs, not only the reputational costs to international audiences but also domestic punishment for the threatener. Did Khrushchev understand these costs? His reflection of the crisis published in his memoir indicates that he had been not only thinking the perils of unfulfilled threats in general but also had been vigorously engaging in vicarious thinking about the domestic constraints Kennedy faces.

First, Khrushchev's concern with his international audience costs and recognition of the credibility issue preoccupied his mind even before the crisis. Khrushchev (2004, 322) wrote that the Soviet Union had to adopt costly policy actions—secretly deploying offensive weapons in Cuba—to defend Castro's Cuba from what he considered an imminent U.S. invasion, which, if successful, would "undermine the will for revolution among the peoples of other countries." Also, from Khrushchev's (321) view, fending off the American invasion by issuing a diplomatic

warning would be insufficient because there is no cost; he concluded that the credibility is absent when the U.S. "saw no real force behind the warning and no possibility of real action." Therefore, even though he did not specifically mention domestic audience costs of empty threats before the crisis erupted, this line suggests his understanding of the credibility issue that a threat must be costly to appear as credible. Also, as will be shown in the following paragraphs, once the crisis erupted, Khrushchev immediately learned of Kennedy's domestic audience costs; following this realization, he privately confessed to his son that he would eventually have to back down but initially acted as if he discounted the significance of Kennedy's threat.

Second, the threat's efficacy stems not only from the costs the blackmailer incurs in forms of international and domestic audience costs but also from leadership personality of the blackmailer. For this reason, Khrushchev sought to understand Kennedy as an individual as well as a politician facing domestic constraint. Historian Vladislav Zubok describes how Khrushchev shared his impression of Kennedy with the Warsaw pact leaders at the secret meeting in Moscow: after a summit in Vienna, Khrushchev was unimpressed by Kennedy's resolve for general nuclear war and lamented that Kennedy, unlike his predecessor General Eisenhower, is not a reliable partner in nuclear brinkmanship because he "will be called a coward" by domestic audiences if he pulls himself back from the brink (Zubok 2009, 140). Even though Khrushchev did not fully understand the effects of U.S. domestic politics on Kennedy's Cuban policy, Khrushchev made efforts to understand whether domestic political considerations were forcing Kennedy to become a warmonger. Summoning Secretary of the Interior Stewart Udall, who happened to be traveling in the Soviet Union, Khrushchev sought information on whether the Democratic Party would be relying on the Cold War rhetoric to garner votes in mid-term elections (Fursenko and

Naftali 1997, 208). Udall, unaware of Khrushchev's intentions behind his questions, answered that the Democratic Party will "have greater concern for the working people," leaving Khrushchev unsure of the U.S domestic preferences for war (208).

The crisis went public when the White House communicated its resolve to the leadership in the Kremlin with the president's public declaration of a naval blockade of Cuba and a demand to the Kremlin that it remove its missiles from Cuba. Announcing that the U.S. "would regard any nuclear missile launched from Cuba against any nation in the Western Hemisphere as an attack by the Soviet Union on the United States, requiring a full retaliatory response upon the Soviet Union," Kennedy concluded his speech by unequivocally asserting that the U.S. "shall never choose… the path of surrender or submission" (John F. Kennedy Presidential Library and Museum 1962). By staking his presidency on this Cuban policy, Kennedy had generated high audience costs for backing down and sought to convey his resolve to his opponent, Chairman Khrushchev.

On learning of imminent actions by the U.S., Khrushchev reacted belligerently by pressing on with the planned completion of the missile sites and reciprocating the threat, in which he warned the White House that Soviet ships might violate the quarantine line (Fursenko and Naftali 1997, 247-248). However, the day after Kennedy's public condemnation, Khrushchev had acknowledged at the Presidium that the situation will eventually reach "the boiling point" and that the Soviet Union must eventually withdraw strategic missiles from Cuba (Zubok 2009, 147). Despite this realization of a future "lock-in" point, Khrushchev choose to escalate because he felt that the time had not been yet ripe for concessions (147). Unlike Kennedy, however, Khrushchev did not make a costly signal—such as making a public commitment to defend Cuba—and therefore had more flexibility in his options throughout the crisis.

Kennedy's tying hand strategy of an ultimatum backed by a naval blockade did not immediately coerce Khrushchev to back down because the rigidity of track-one diplomacy between Washington and Moscow had exacerbated uncertainty about each other's actions and intentions. As a result of President Kennedy's effort to better communicate the U.S. bargaining position, his brother Robert Kennedy was tasked with secretly delivering the president's letter and message to the Soviet ambassador Dobrynin that gave Khrushchev secret assurance on the withdrawal of the Jupiter missiles from Turkey and a public pledge of negative security guarantee of Cuba in return for removing the Soviet offensive weapons system. During his conversation with Dobrynin, the Attorney General repeatedly emphasized Kennedy's political vulnerability at home and pleaded that the Kremlin must understand "the particular features of [the U.S.] governmental system. It's hard for the president. Even if he doesn't want a war and doesn't with for war, against his will something irreversible might happen" (Khrushchev 2004, 339).

So when did Khrushchev blink and why did he eventually make concessions? Many scholars argue that this secret meeting was crucial in resolving the crisis. But the record by the Chairman's son indicates that Khrushchev actually decided to accept Kennedy's demand soon after the television address but choose to wait. On the morning of October 24, the day when the quarantine would be implemented, Khrushchev had become increasingly wary about his earlier decision to ignore the blockade. Sergei Khrushchev (2000, 572), Nikita Khrushchev's son and confidant, reflected that his father's decision to ignore the threat "was made in the heat of the moment, dictated by the heart, not the head." Writing that his father had deemed the risk of war with the U.S. "absolutely unjustified," the young Khrushchev (572) emphasized his father's wavering attitude towards the Cuban policy, which had

subsequently led the Chairman to order the ships carrying weapons to discontinue their move towards Cuba. Associating retreat with humiliation, the young Khrushchev (581) described his feeling that he was shocked and could not restrain his anger when he first heard that the Soviet Union would "probably have to remove the missiles"; when he demanded an answer from his father, the old Khrushchev responded:

> "[P]ressure was being exerted on [Kennedy] from all directions: the military, the press, Congress. [Because] all were demanding military action. Kennedy might not be able to resist such pressure. And then what would happen? They would attack Soviet troops in Cuba and we would attack them in Berlin? It would be stupid and nothing would be gained. Once you begin shooting you can't stop" (Khrushchev 2000, 582).

As the above quote indicates, the old Khrushchev thought that Kennedy was being pressured to invade Cuba after the White House made the crisis public and, as a result, believed that the U.S. would eventually attack the Soviet troops in Cuba if the Kremlin stood firm. Describing that his father felt trapped, the young Khrushchev (582) writes that the Chairman had never "contemplated a nuclear strike on the United States" as a retaliatory response but also believed that any other response from the Soviet Union would also lead to "a great war," which the Chairman wanted to avoid. In short, the moment he realized that his gamble had failed, Khrushchev blinked.

Soon after, Khrushchev began to search for a way to end the crisis, not by brute force, but by diplomatic means. This abrupt shift in Khrushchev's Cuban policy led him to write Kennedy a letter to express his willingness to remove the offensive weapons from Cuba in return for Kennedy's public guarantee to not invade Cuba. The Kremlin sent a second letter, however, to the White House, now also asking for a

removal of the U.S. missiles in Turkey. Kennedy chose to ignore the second letter and sent his brother to meet the Soviet ambassador to convey a response to the first letter.

On the morning of October 27—the day known as "Black Saturday" because of a number of accidents that could have led to an inadvertent buildup of violence— Khrushchev finally realized that "all roads led to the abyss" and told the Supreme Soviet the necessity of an immediate compromise to resolve the crisis: "we received information that the invasion would be carried out in the next two or three days. Immediate action was needed to prevent an invasion of Cuba and to preserve peace" (Schlesinger 1965, 825). On October 28, learning that Kennedy was making another televised speech at 5:00 that afternoon, Khrushchev feared that an invasion of Cuba was underway and rushed to broadcast his acceptance of Kennedy's demands (Dodge 2012,274)

Why did Khrushchev back down?

Khrushchev's clear perception of the role of threat in a crisis would lead one to think that he would gain more leverage by committing to a threat from which he cannot retreat. If so, why did he not exploit this opportunity before and during the crisis? First, before Americans learned of the nuclear buildup in Cuba, Khrushchev did not have to deliberately tie his hands because the plan to deliver the offensive weapons was to be executed in secrecy. Second, even after Kennedy's television address, Khrushchev did not push himself into an irrevocable bargaining position because Kennedy made the first move and he thought that reciprocating Kennedy's action with a similar commitment would eventually lead Kenney to invade Cuba. Therefore, even though Khrushchev escalated by making a counter-threat, he had not generated much audience costs, and as a result, could not credibly communicate his resolve to Kennedy. If publicly committing himself to keep the missiles would not

have led to a direct military confrontation between the U.S. and the Soviet Union, why was Khrushchev unwilling to even embrace the 'risk' of nuclear war as brinkmanship theorists would opine? What happened to his jovial attitude over Berlin that the Soviet missiles would fly automatically in response to U.S. aggression?

Khrushchev's own memoir reveals that he foresaw a military denouement with the U.S. and had decided early on that choosing to go to war was an unacceptable way to resolve the situation. Kennedy was equally fearful of accidental nuclear war and had refused to accept even a small chance that the Soviet would launch a nuclear attack in retaliation from unidentified missile bases. Both leaders were equally frightened by the prospect of nuclear exchange that would wipe both the U.S. and the Soviet Union off the face of the earth and hoped any measures short of war would end the crisis. Yet, it seems that Khrushchev blinked first because he considered himself as the moving force behind the Soviet crisis management technique. At the same time he recognized that Kennedy's political vulnerability would force Kennedy to invade Cuba if Khrushchev refused to back down. Even though Khrushchev was required to get consent of all Presidium members on major decisions, no one disputed Khrushchev's decision throughout the crisis and Khrushchev (2004, 347) reflected that he "personally assumed the responsibility" for the Soviet concessions. Therefore, he was able to proceed with his own assessment about the situation because he was relatively free from domestic punishment at the time and had unanimous support from the Presidium members. Kennedy, on the other hand, also desperately hoped to avoid war, but could never actually rule out the possibility of an invasion because of domestic concerns.

Evaluating the Outcome of the Cuban Missile Crisis

More than seventy years have passed since the two great powers peeked over the nuclear brink but restrained themselves from marching towards potential nuclear Armageddon. The factual description of the crisis is that Khrushchev got caught secretly delivering offensive weapons to Cuba, and then a crisis arose with Kennedy's television address, and the two sides exchanges demands, and as a consequence Khrushchev made concessions by withdrawing the missiles. However, to conclude that Kennedy had achieved unilateral victory over Khrushchev would be as much inaccurate as to assert that Khrushchev had suffered a total defeat. From the American public's view, Kennedy coerced Khrushchev into submission and the public rewarded Kennedy with higher job approval ratings following the resolution of the crisis (Saad 2002). This victory, however, came with private concessions that allowed Khrushchev to win a private victory. If not unilateral, the outcome of the crisis was a limited, yet satisfying one for Kennedy whose main goal was to remove what he considered as a threat from the U.S. sphere of influence.

The thirteen days of October 1962 will continue to be examined through changing lens as future scholars bring new theories of crisis bargaining to their analysis and draw different interpretations of the event. What this case study has sought to do is look at how events unfolded in terms of nuclear audience cost story. Even though Kennedy did not deliberately tie his hand in order to generate high audience costs, he immediately appreciated the significance of these costs and found himself locked into the path towards war. Khrushchev saw Kennedy desperately asking to get Kennedy off the hook and agreed to concede to the detriment of his reputation to international audiences. One could make a case that Kennedy would not have administered the threat, an invasion of Cuba, even if Khrushchev stood firm. Or

one could also refute that it was pure luck that prevented the thermonuclear war between Washington and Moscow. Indeed, Kennedy lamented that it was the young Americans who never had a chance to fully enjoy their lives that prevented him from reaching for a prompt solution. The two leaders participated in competition in risk-taking and one can argue that Kennedy prevailed because he had a greater resolve. What ultimately solved the October crisis was the two leaders' ability to carefully examine the other's bargaining position through vicarious thinking.

CHAPTER VII
Conclusion

This study has shown, both quantitatively and qualitatively, when and why nuclear weapons provide a coercive advantage to the challenger, what makes a threat credible in general, and how domestic politics constrain some leaders from initiating a militarized conflict but also help them better signal their resolve to the opponent. Even though this study provides empirical support for the nuclear audience cost story, a wrong lesson to draw from this study would be that democratic leaders, or leaders who have strong domestic political audiences, should always escalate in nuclear crises thinking the opponent would automatically back down if there are high audience costs. Quite contrary to Fearon's (1994, 1995) argument, leaders do not always have structural incentives to escalate to coerce the less democratic opponent into submission or always try to misrepresent their willingness to fight. Kennedy did not make his demand thinking Khrushchev would have to back down just because of Kennedy's high audience costs. Rather, the learning took place after the speech when he realized that he could not back down from his demand. Also, both Khrushchev and Kennedy feared that miscommunication between the Kremlin and the White House might accidentally lead to general nuclear war and, thus, streamlined the communication route by relying on designated personnel to bypass bureaucratic red tapes.

Contrary to Powell's (1987) brinkmanship model's description of typical nuclear confrontation, Kennedy did not win because he was willing to take a greater risk. Throughout the crisis, Kennedy tried everything to ensure that Khrushchev was not being forced by the U.S. to make an immediate response; even after he officially permitted the naval blockade, Kennedy made sure that American ships do not fire upon the Soviet ships without his direct order; also, when an American U-2 plane was

shot down in Cuba, Kennedy tried to minimize the chance that violence will spiral out of control; in short, Kennedy did not 'choose to' stand firm thinking less-resolved Khrushchev would give in if he takes more risks. Even though general nuclear war would have been unacceptable for both Kennedy and Khrushchev, Khrushchev thought that Kennedy's deliberate nuclear attack against Cuba was likely even if an invasion would have meant, from Kennedy's perspective, a nuclear strike against major cities in the U.S.

The review of the Cuban missile crisis and the quantitative analysis of the nuclear audience cost theory suggest that the Clausewitzian notion—that "war is the contiuation of politics by other means"—may be valid even in the era of the nuclear revolution. Whether any leader would actually resort to a nuclear war to further his or her political objectives is highly doubtful but not unthinkable; the conditional effect of nuclear weapons in high-audience-cost nuclear crises demonstrates that, despite the idea's wide popularity among many academics, the Mutually Assured Destruction (MAD) theory may be an empirical assumption and not a fact that everyone acknowledges. By no means does this suggest that the actual use of nuclear weapons is likely. Rather, I suggest that even if this doctrine were true, decision makers are likely to conclude that some opponents do not closely adhere to this doctrine when there are important political stakes; as a result, this uneven distribution of adherence to the idea of MAD can have a significant effect on the role nuclear weapons play in international crises.

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