On "Offers that Can’t Be Refused"

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As the Gulf War ground to its conclusion, countless observers agonized over a simple question: Why on earth didn’t Iraq agree to get out of Kuwait with its forces relatively intact before the Allied coalition predictably but bloodily ejected it anyway? Why needlessly suffer military defeat, hundreds of thousands of casualties, and a ruined economy?

An American diplomatic correspondent wrote, "Back in August, Bush didn’t want a war and didn’t think there would be one, according to most foreign diplomats and insiders. He seemed to feel, they say, that Saddam Hussein would yield in the face of sanctions with teeth and the threat of war with America. But Hussein showed no signs of yielding... Doubling the [troop] deployment would presumably be a message that would get through, and oblige him to back down" (Newhouse, 1991: 72). Of the U.N. Security Council’s November vote to authorize “all necessary measures,” Secretary of State James Baker was quoted as saying, “The words authorize the use of force, but the purpose, I believe, and again as many have already said, is to bring about a peaceful resolution of the problem” (Woodward, 1991: 72). Later, in urging Congressional endorsement of the U.N. resolution, Baker said, “let us use the threat of force to solve this peacefully... You’ve got to give us the threat as a diplomatic tool!” (ibid.: 338). And President Bush urged Congress: “Don’t underestimate the strength of the signal it would send if Congress would endorse the U.N. resolution. It would be the most powerful guarantee of getting his [Saddam’s] attention...” (ibid.).

Even after these and other credibility-enhancing actions, the coalition’s ultimate inability to negotiate even a minimal agreement — for Iraq to leave, rather...
than to be routed — deserves scrutiny, for its explanation bears on some passionately held beliefs about force, power, and negotiation. Since these beliefs play out in an extraordinary range of bargaining situations, with results ranging from vindication to disaster, a deeper understanding is surely worthwhile.

The Simple and Powerful Logic of Alternatives to Negotiated Agreement

Ancient Chinese strategist Sun Tzu trenchantly observed that to subdue the enemy without fighting is the acme of skill. Rather, Sun Tzu counseled generations of warriors, by persuading the other side that resistance is futile and entails consequences far worse than accommodation, the best general achieves his aims without battle. The Roman saying held that “if you want peace, prepare for war.” In line with this view, the conventional and nuclear policy of the Western alliance since World War II has been grounded in the theory of deterrence — persuading potential adversaries to refrain from aggression, since attack would entail realization costs in excess of any possible gains. Versions of this brute logic inform countless views of power and influence. Some international relations scholars relegate negotiation merely to an incidental, surface process of adjustment to “underlying power realities.” One hears, for example, that “in the last resort, influence depends upon the will to use force” (Condliffe, 1944: 308); “that the ultima ratio of power in international relations is war” (Carr, 1946: 109); that “in the final analysis, force is the ultimate form of power” (Gilpin, 1975: 24); and that “a study of power, in the last analysis, is a study of the capacity to wage war” (Cline, 1975: 8).

In this vein, a long line of negotiation analysts has espoused a related theory of influence that is cast as a comparison between proposed agreement and the no-agreement consequences — variously dubbed the “competing alternatives,” the “disagreement point,” the “threat point,” or one’s “BATNA,” the Best Alternative To Negotiated Agreement. In its stark form, this reasoning holds that, if the other side faces an iron choice between a possible agreement, even a distasteful one, and a no-agreement alternative that is sufficiently horrible and credible, then the other side may swallow hard, but can be counted on to choose the proposed agreement as the lesser of the two evils. Nonacademic versions of this theory include the blunt British sea captain’s “Obey or be keelhauled” and the rasping Godfather’s “offer you can’t refuse.” Whether crudely or artfully expressed, one often encounters hard-nosed and confident assertions that “the other side will never do X” or “they must agree to Y” because the alternative for them is a much worse Z: a strike, a price war, a lawsuit, a lockout, a fine, a demonstration, an embargo, an attack, a jail term, an ugly rumor, or something unpleasantly similar. Whatever the specifics, the logic — and the passionately held theory of bargaining that often goes with it — is simple, powerful, familiar, persuasive... and, in its common forms, often dead wrong. Its consequences can often be measured in frustrated aims, wasted resources, suffering, and even life itself.

The conditions under which this logic fails — and succeeds, for it often does — have been insightfully explored by various observers, such as Thomas Schelling in Arms and Influence (1966); Roger Fisher in International Conflict for Beginners (1969); and Robert Jervis, Ned Lebow, and Janice Stein in Psychology and Deterrence (1985). This short article is no place to recapitulate...
their conclusions. But, for those who sometimes forget these measured and nuanced analyses, and who see a “BATNA-worsening” strategy in the making, the case of Iraq should serve as a compelling reminder: while the logic may be crystal clear and simple, the world is often not.

In light of the logic, why didn’t Iraq get out of Kuwait before being bloodily ejected and suffering grievous harms? The Allied coalition had long demanded an unconditional withdrawal — and threatened Iraq with an increasingly horrible and credible alternative to agreement. George Bush was unambiguous in boosting the credibility and horror of that alternative: He staked his presidency, built and sustained an unprecedented multinational coalition, won powerful Security Council resolutions, sent a vast military force, doubled it to 400,000 troops in November, and finally, sought Congressional approval for the use of force. While the Congress was deliberating, many members were convinced that the very act of giving authorization for forceful action would, perhaps paradoxically, reduce the need for it since formal sanction would further increase the credibility of the threat. Many Americans felt that, when the first bombs of the air war began to fall, the reality of Iraq’s BATNA would finally penetrate and withdrawal from Kuwait would commence. All these coalition actions would seem to be following textbook logic. What went wrong?

One answer to this question is to repudiate the logic itself in this case. Maybe Saddam Hussein was somewhere on a spectrum from crazy to deeply irrational. Maybe he was frequently capable of massive and inexplicable miscalculation. Maybe the dynamic of escalation and lunatic commitment to untenable positions became irresistible. Maybe the rapid elevation of the contest to the level of personal rivalry and clashing absolute principles ruled out consideration of any outcome short of war. Some observers offer a bigoted shrug of their shoulders and simply say, “this is the Middle East,” as an “explanation” for the utterly perplexing. To a greater or lesser degree, each of these and similar possibilities denies that the logic of alternatives even was operable here. At a minimum, the existence of such phenomena, which can be all too real, should diminish the confidence of those who brandish the simple logic in tough negotiating situations — especially if failure of the strategy means that the credible and horrible alternative must be invoked. (As Shevardnadze reportedly said to Baker as the U.N. resolution was being contemplated, “Mr. Secretary, you know you can’t back off once you start down the road. You will have to implement the resolution” if January 15 passes without an Iraqi withdrawal,” to which Baker replied, “I’m afraid you’re right.” [Woodward, 1991: 335].)

But one need not reject the logic at all in the Iraq case; it does, however, need a less blinkered interpretation than the official versions cited above. In fact, it is easy to account for the failure of the simple logic of no-agreement alternatives by many factors that are entirely consistent with the premise that the players were acting quite rationally.

The Less Simple — But Still Powerful — Logic of Alternatives to Negotiated Agreement

There are at least three broad ways that an apparently credible and horrible no-agreement alternative may be rationally chosen over a proposed agreement — which in this case involved Iraq’s complete and unconditional withdrawal from Kuwait. It is logically quite possible that Saddam Hussein simply
dismissed the chances of a coalition military victory, that he accepted a victory as likely but disagreed about how horrible it would be on his scale of values, or that he believed his no-agreement alternative to be both credible and horrible — but still better than any possible negotiated agreement. Consider each of these possibilities, which need not be mutually exclusive, but which could leave the proposed agreement (unconditional withdrawal from Kuwait) looking worse than the supposed no-agreement alternative (a bloody rout).

Logical possibility #1: Disagreement about the probabilities of a horrible alternative. Saddam Hussein may simply have thought the odds were good that he could prevail militarily. Beyond bald projections of an Iraqi victory, he repeatedly stated his belief that if his army could inflict significant casualties early on, the stream of body bags going back from the front would cause the American-led coalition to cut and run, much as was the case in Lebanon after the truck-bombing attack on the Marine barracks. A great deal of press commentary dwelled on the unreliability of the high-tech gadgets that was needed by the Americans to function in the heat and the sand. Images of the American defeat in Vietnam, Carter’s failed hostage rescue mission, military ineptitude in Grenada and Panama, Three Mile Island, and the exploding Challenger could have been salient. Saddam may have felt that a massive anti-Western uprising in the rest of the Arab world, along with a wave of terrorist attacks, would stop the coalition.

And it may well be that in closed, terror-driven Iraqi society, no sane aide would dare tell Saddam the real truth about the relative military balance out of sheer personal fear of contradicting their leader’s repeated public statements to the contrary. Further, with Iraqi intelligence blinded early in the air war, the reality of the coalition’s ultimate capabilities may have been impossible to convey. (More generally, maybe what was perceived by Americans to be a clear choice presented to Iraq was hopelessly distorted by rhetorical static and thick cultural filters.) By the time the information had become unambiguous, of course, force had lost its potentially preventive role in the negotiations. So Saddam may have thought he could prevail until the end. (This state of affairs would be very much in line with a well-known bias toward over-optimism of bargainers vis-à-vis their best no-agreement alternative.)

Logical possibility #2: Disagreement about the horror of the alternative. In contrast to the first possibility, Saddam Hussein may have thought the odds of a coalition victory against him to be quite high, but felt that he and the core of his Baathist regime would still survive military ejection from Kuwait. Moreover, on his scale of values, with respect to his intended pan-Arab audiences, he may well have equated (mere) survival against the greatest Western (“imperialist”) assemblage in recent history with glorious victory. After all, similar political alchemy had transformed an Egyptian military defeat in the 1973 war into a political victory against Israel.

This belief in the likelihood of personal and regime survival was hardly unreasonable at the time (and certainly, in retrospect, has proved to be accurate). Iraq might lose Kuwait, but the regime might well stay in power since the U.N. resolution could be read as limiting the coalition’s direct action to Kuwait. Further, U.S. and, especially, European, coalition members were very anxious not to be seen in the Arab world as the next installment of a long line of Western colonial imperialists; the chances of a Baghdad invasion should be small. Finally,
the Saudis were apparently terrified at the prospect of an anarchic Iraq offering an irresistible opening to a Shi'ite (maybe Iranian) fundamentalist takeover. Thus the Saudis might be counted on to check any American desire to depose the Baathist regime forcibly. If any of these perceptions were accurate, then Saddam's survival prospects were greatly enhanced — and, if survival equaled victory, why agree to pull out of Kuwait?

Logical possibility #3: While the no-agreement alternative was credible and horrible, the available agreements were worse. Even if forcible ejection from Kuwait was both highly likely and awful for Iraq, an unconditional Iraqi withdrawal might not have been any better. To the contrary, it may well have been seen as even more awful.

It is important to be clear on what “better” means in this context. If Saddam Hussein's control were absolute, it was his scale of consequences that was relevant rather than some “objective” view of the broader effects on Iraq of a defeat in Kuwait. Conceivably, defeat might have been “better” for (merely) rhetorical reasons (Newhouse, 1991: 72). To a leader in a culture where preserving one's honor is vital, yielding to publicly hurled phrases like “kicking ass” and forcing Saddam to retreat “with his tail between his legs” — especially since their translations into Arabic are apparently even more insulting — may be a far worse consequence than enduring an actual military defeat. (This assessment may be true far more broadly than for Saddam Hussein personally, but it need not be; either way, harsh public language could have tipped the value balance between agreement and the alternative.)

Continue with the supposition that Saddam Hussein was in absolute control, but alternatively assume, as did many American analysts, that the humiliating political defeat associated with a “voluntary” Iraqi pullout meant that Hussein would certainly be deposed and executed. From the purely personal viewpoint, a gamble that the coalition invasion would fail could certainly be preferable to preemptive withdrawal and certain death.

Consider, however, a more general line of argument that need not rest on a divergence of interest between the “Iraqi people” and Saddam Hussein. Suppose that Saddam Hussein and his ministers were absolutely convinced that the Americans had decided to crush Iraq in any event, and that Iraqi withdrawal or not, President Bush planned sustained military action against important Iraqi targets.” Suppose, as was widely suspected, that the decision to attack Iraq had already been made and there was no real American intention to negotiate any kind of settlement (Newhouse, 1991: 73). This view could be more plausible the more militarily encompassing the coalition’s (or at least the Americans’) interests were thought to be. In this case, an Iraqi decision to agree to an unconditional withdrawal might merely place its forces in a less advantageous position for the inevitable coalition onslaught. Just as Saddam Hussein’s abrupt release of the hostages arguably made the subsequent air war easier and less costly for the coalition, so might an Iraqi withdrawal. In this interpretation, regardless of its accuracy, Iraqi agreement (a pullout) looked far worse than the horrible and credible alternative.

Incidentally, if the Iraqis thought an invasion was certain whether they withdrew from Kuwait or not, then all of the other possibilities (which made the no-agreement alternative for the Iraqis seem preferable to withdrawal) could have come into play and reinforced the Iraqi decision to stand fast. Why not
see if the coalition's weapons would work, if early casualties would sap its will, if the Arab world would rise up against the West, or if terrorists would reverse public support? Maybe the coalition forces would stop short of Baghdad; maybe Saddam and his regime would survive and survival would transmute into political victory. If mortal insult or fear of overthrow and death were consequences of a unilateral withdrawal, then all the more reason for the Iraqi troops to stand fast before an unalterable plan to invade. (This, of course, assumes that a partial or full withdrawal would not have fatally complicated, from a political point of view, any such coalition plans.)

Some Implications

For many officials and observers, the Gulf coalition's strategy rested on a simple and potent logic: Saddam should agree to leave Kuwait voluntarily, or in the event he would not agree to do so, Iraq would not only be forced out but would suffer grievously in the process. The same underlying logic is frequently invoked in a vast range of situations. Yet in the Iraq case, the application apparently failed; Saddam chose "wrong." As always, plumb craziness (politely, irrationality) and/or distorted communication cannot be ruled out as causes — and should add a note of caution to common and confident assertions about the outcome of BATNA-worsening bargaining tactics. Yet many completely logical explanations are also consistent with the outcome. Alone or in various combinations, these possibilities can explain why no agreement (however credible and horrible) may have appeared better to Iraq than the only agreement apparently offered: unconditional withdrawal. At a minimum, this analysis counsels consideration of a wider set of possibilities before concluding too quickly that the only (or best) choice is an irrevocable tactical path involving threats and force.

With a view toward how the coalition might have acted differently, briefly reconsider the three main logical possibilities discussed earlier that might have led Saddam Hussein to conclude that no agreement was the best option. First, it is hard to imagine what more the coalition could have done to alter Saddam's assessment of Iraq's military prospects. Second, short of a publicized and authorized commitment to take Baghdad, depose the Ba'athist regime, and to rule as an occupation force, it is equally hard to see how the coalition might have altered a belief that Saddam and his regime would survive and that survival would equal victory.

The third possibility was that if Saddam were convinced an invasion was inevitable, then a preemptive withdrawal from Kuwait would only have worsened his position (and would have given additional force to the first two considerations). With respect to this perception, very different coalition actions — reassurances that Iraq would not be attacked if it withdrew — might have changed the outcome. Setting aside possibilities of enlarging the issues at stake and forging the kinds of links to the Palestinian question nominally sought by Saddam Hussein, it should have been easy, at a minimum, for the allied coalition to engineer well-publicized and credible commitments not to take any military action if Iraq withdrew and complied with other U.N. conditions, however tough. And one can easily imagine any number of other legitimate inducements that would add to the attractiveness of agreement.

It is worth recalling that virtually the entire allied effort went into increasing the credibility and horror of Iraq's no-agreement alternative. Considera-
tions that could have made Iraqi _agreement_ relatively more attractive were apparently given short shrift when they might have tipped the Iraqi decision. In trying to influence the other side's choice between a proposed agreement and the no-agreement alternatives, the decisive factor is the other side's perception (through whatever cultural, organizational, and personal filters) of the _difference_ in value to it between these two options. Emphasizing the cost of no-agreement deals with only one side of the equation; the chances of "yes" go up when the carrot is sweeter, even as one picks up a still bigger stick (with nails).

Of course, in the Iraqi case, it cannot be ruled out that the coalition's leaders saw the full set of their interests better served by Iraqi intransigence as an excuse for expanded military action on behalf of broader purposes. If the coalition actually preferred no-agreement to agreement, then its diplomacy could be argued to have been extremely effective at nominally seeking a negotiated solution for public purposes, while reducing the chances of (a relatively undesirable) Iraqi withdrawal.

Yet assume for the moment that the coalition indeed wanted Iraq out of Kuwait, but that a larger set of objectives was far more important (e.g., the destruction of Iraq's unconventional weapons of mass destruction, the crippling of the offensive capacity of the Iraqi army). In this interpretation, a (mere) Iraqi withdrawal from Kuwait would _not_ serve the most important coalition interests. Was there still room for diplomacy that could accomplish these larger ends without war? Of course, this is in the realm of the speculative, but return to Sun Tzu's venerable advice that the best general is one who never fights, and bear in mind the blunt fact of the coalition's overwhelming military superiority. Even for a greatly expanded set of coalition purposes, shouldn't the coalition's diplomacy have been crafted to work on _both_ sides of Saddam's equation, rather than mainly on his no-agreement alternative? Along with dramatization of the credible and horrible no-agreement alternative, even an extraordinarily tough and far-reaching set of coalition demands coupled with a credible pledge of military restraint if the demands were met, would have closed off one of the key logical possibilities discussed earlier for Saddam to prefer intransigence (i.e., the inevitability of an attack). Such a revised diplomatic approach — obviously minus provocative language and personalization of the conflict and plus additional inducement such as lifting the embargo if the conditions were met — _could_ have tipped the balance in his mind between agreement and war. The more one believes that Saddam judged a coalition attack to be inevitable, the greater the chance that a negotiating strategy of the kind just described could have worked.

This short analysis intentionally focuses on a narrow slice of the Gulf crisis. It is mainly carried out from an American and allied coalition viewpoint. It ignores questions of international law, legitimacy, and morality. It does not consider a host of creative possibilities of process or substance that might have altered the outcome. It gives short shrift to a whole range of far broader negotiating issues, such as linkage, raised by this episode. Yet, it highlights a belief close to the heart of many people's approaches to bargaining — and one which was publicly espoused by key officials in the Gulf crisis: the relationship of threats, force, power, no-agreement alternatives, and successful negotiation. It does not argue that force is useless, or that the coalition's approach was bad, or that
there was an obvious alternative to the chosen negotiating strategy that would have worked with high probability.

It does, however, urge that the coalition's experience with Iraq should stimulate some long and careful thought before crafting a negotiating strategy based on worsening the other side's no-agreement alternatives. While the logic may seem simple and clear-cut, the world is often far more complex. First, quite rational reasons may exist for the other side "irrationally" to refuse an "offer that can't be refused." One should dig deeply to understand why and design an approach that takes more complex interests and perceptions into account. Second, in seeking to influence the other side's choice between agreement and no agreement, one should not solely focus on the negative side of the equation; also seek legitimate ways to improve the attractiveness of the proposed agreement — to all sides.

Undeniably, the allied coalition possessed overwhelmingly superior military force. It was unable, however, to translate the threat of using that force into the desired influence over Saddam Hussein's decisions. In this narrow sense, the resulting war was a tragic failure of negotiation. The costs were hundreds of thousands of casualties and widespread destruction. As analogous tactics are contemplated elsewhere in negotiations large and small, their potential use should be informed, and sobered, by the Gulf experience.

NOTES

2. This and related views that follow are discussed in Baldwin (1986: 20-24).
3. For a brief intellectual history of this concept, see endnote three in Lax and Sebenius (1985).
4. These include the differences between deterrence and "compellence," the role of attribution theory and "face," the frequency of misperception and miscalculation, the roles of various group biases, the dynamics of mutually unintended escalation, and so on.
5. See, e.g., Chapter Three of Lax and Sebenius (1986).
6. If this were the explanation, by the way, it would be another argument for decoupling personal and national stakes by creating a luxurious, safe, and confined international haven for ex-dictators. At a deteriorating point in situations such as this, in which the only chance for a dictator's personal survival seems to involve taking a whole country down with him to disaster, creating another option like such a haven might be handy, humane, and in a utilitarian sense, worth the moral queasiness associated with seeming to "reward" evil.
7. Viorst (1991: 67-68) argues that this was the case on the basis of a series of postwar interviews with Iraqi Foreign Minister Tariq Aziz.
REFERENCES