



Bargaining with Blood: Russia's War in Ukraine

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Key Issues

- Bargaining models of warfare see combat as a continuation of negotiations, whereby adversaries exchange information about each other's capabilities and resolve until expectations converge on a settlement.
- Russia and Ukraine's leaders continue to believe that their side can prevail in the war and is not yet close to defeat, meaning that the conflict is likely to drag on for the foreseeable future.
- The all-or-nothing stakes of Russia's maximalist demands and Ukraine's survival as a sovereign democratic nation make it especially difficult for both sides to agree to a negotiated settlement.
- Even if Russia and Ukraine sign a ceasefire agreement, commitment problems mean that Putin is unlikely to a negotiated settlement as long as his political objectives in Ukraine remain unfulfilled.

Common wisdom would say that diplomacy died the moment Russian tanks rolled across the border with Ukraine and Moscow's bombs began to fall on cities across Ukraine. But an important strand of international relations theory views war itself as part of a longer bargaining process, echoing Clausewitz's famous saying about war as the "continuation of politics by other means." This brief applies the bargaining model of war to examine the origins, escalation, eventual termination, and long-term settlement of Russia's war against Ukraine.

War as Bargaining

Bargaining theories of war are part of the "rational choice" tradition of international relations. These theories treat states and their leaders as rational actors who have consistent, rank-ordered preferences and generally engage

in a cost-benefit analysis when choosing actions that they think will achieve those preferences. Though the world may be shocked at Vladimir Putin's stunning invasion of Ukraine, he has long signalled that bending Ukraine's foreign policy choices to his will – even if it requires regime change in Kyiv – is his top foreign policy goal. As of yet, there is little reason to believe that he is acting irrationally in pursuit of his objectives.

War is costly for winners and losers alike – lives are lost, infrastructure is destroyed, and resources that could be invested productively are diverted to the war effort instead. The bargaining model of war argues that if states could know the war's outcome in advance, they would simply agree to the same settlement ahead of time, forego the costs of fighting, and be better off as a result. Obviously

this doesn't happen, and bargaining theories tell us why.

The Causes of War

Within the bargaining model, war may result if the item under dispute is indivisible: it's not a financial resource or even a territory that can be divided 70-30, for example. Some issues that countries fight over may be all-or-nothing, for which an ex-ante diplomatic settlement is impossible. Russia's apparent maximalist goals in Ukraine to remove the democratically elected Zelensky government and replace it with a puppet regime fits this condition: Ukrainian sovereignty may be indivisible, not something that Kyiv could have ever bargained away.

But there's another reason why states fight costly wars when they would be better off negotiating a settlement identical to the one that war would produce: both sides may disagree over the likely outcome of a war. Each side believes it has some reasonable chance of winning, even in a fight as lopsided as the one that Ukraine is fighting against Russia today. If Ukraine's leadership, its military, and its brave citizens fighting in cities and villages across Ukraine did not think that they had some chance of winning, they would simply surrender, as countries have done to invading armies across history. Yet Ukraine continues to fight.

Under bargaining models of war, the reason both sides disagree about the likely outcome of war is because each side has incomplete information about the *capabilities* and the *resolve* of the other side. Until you start fighting, you don't know how your adversary will perform on the battlefield. Early reports suggest that Ukraine's fighters have put up much stiffer resistance than Russia expected. Ukraine's forces have also appeared to be more capable at fighting than expected, largely thanks to several years of Western [military training and assistance](#) as well as eight years of combat experience gained fighting separatists in the Donbas.

States might also lack accurate information about their *own* military capabilities and resolve to fight, leading them to be overconfident at the start of a war. Though honed through multiple wars in Chechnya (1999-2002), Georgia (2008), Ukraine (2014), and Syria (2015), Russian forces (and their equipment) appear

to be performing worse than expected in the first of the current war. It seems likely that Putin expected a faster, more effective invasion, though it's still early to tell how Russian forces will perform as the war continues.

Combat as Bargaining

Once combat begins, bargaining models suggest that each successive "round" of fighting reveals information about each side's capabilities and resolve; through observation, I see how well (or poorly) my adversary fights, as they do for me. However, capabilities and resolve aren't static once fighting begins – they can change *because* of fighting. Combat can destroy military capabilities, battlefield victories can boost morale, and defeats and failures can demoralise armies. Ukraine's early unexpected success in slowing Russia's advance into the interior of the country, recent efforts by the Ukrainian military to launch limited counter-offences, and President Zelensky's vow to remain in Kyiv to the death likely helped boost the army's will to fight during the initial onslaught.

Domestic politics and public opinion beyond the soldiers who fight matters too. Some research shows that democracies fighting wars may be more sensitive to public opinion when it turns against war. But dictatorships like Putin's Russia can't ignore public opinion entirely and will invest great effort in legitimising their wars – or attempt to hide the costs and consequences from public view, as Russia has done. Recent polling from Levada Center indicates an increase in Putin's approval from 71 to 83 percent since the invasion; however, this stands in stark contrast to public protests that have percolated across Russia and the horror of many mothers who unexpectedly learn their children were sent to war. It is unclear to what extent Russian public polling can be seen as a true expression of support given that Putin has also intensified his threats of repression to suppress what may be growing dissent with his costly war, branding pro-western Russians as "traitors" and "scum" and threatening severe punishments for public opposition. These noisy signals hinder Ukraine's ability to calculate the effect of public opinion on Russian resolve.

External states influence capabilities and resolve as well. For Ukraine, Western economic, diplomatic,

and military support can bolster both. Zelensky's [inspired appeals](#) directly to governments have proved effective in arousing public support in partner nations. The coalescing of NATO, EU, and other western nations around an unprecedented sanctions regime and expanded military aid provides a public and credible signal of support that is likely to bolster both Ukrainian resolve and optimism in their capabilities. By extension, Ukraine (and outside observers) have accordingly increased their estimates of the odds of success over the first several weeks of war, a surprising turnaround from the early days when the fall of Kyiv was thought to be imminent. Whether this signal has been received in Moscow, however, is questionable in light of reports that Putin has been misled by his advisors on the true state of the war.

as unified Western support for Ukraine. Likewise, Putin has refined his estimates on the likelihood of success through limited military targets, as the initial operation failed to eliminate Ukrainian air defences or achieve a rapid encirclement of Kyiv.

As Russia has withdrawn from its failed siege of Kyiv and Ukrainian forces have regained control of the city's suburbs, the world is awakening to the horrific brutality that Russian forces committed in towns like Bucha where unarmed Ukrainian civilians appear to have been summarily executed, some with their hands tied at the time of killing. While many experts point to Putin as an increasingly irrational actor, his escalation to tactics more reminiscent of Aleppo and Grozny demonstrate an adjustment to

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External support for Russia, however, remains nebulous. Severe financial sanctions may slowly degrade Russia's ability to wage war over an extended period, but China's ability and willingness to offset the sanctions' effectiveness remains a wildcard. Although China recently assured the EU at an April 1 summit that it would pursue peace in Ukraine in its own way, Beijing once again avoided criticism of its long time strategic partner, Russia. U.S. released intelligence suggesting China was willing to provide Russia economic and military support, but the covert nature of support dilutes Ukraine's ability to accurately calculate the effect on Russian resolve and capabilities in the long term.

Russia's current escalatory behaviour and increasingly brutal tactics should therefore be seen as a response to the revealed information from the invasion's first several weeks. Putin is responding to revealed information about his soldiers' lack of resolve, as evident by the surrenders and desertion of equipment, the staunch resolve of the Ukrainian people, as well

prior miscalculations and a high value on winning, which results in a willingness to pay extreme costs. The bargaining model of war would therefore predict the bargaining range to be exceptionally narrow and further escalation to be aligned with Putin's preferences.

Clear evidence that Russian forces have committed war crimes in Bucha (and beyond) with likely genocidal motivations will narrow the bargaining range even further and heavily influence the calculations of external countries in the days ahead. Pressure on Western governments to provide massively expanded military assistance in order to prevent further ethnic cleansing in Russian-occupied territories is all but guaranteed. The shocking revelations of executions, rape, and mass graves may further galvanise Western support of Ukraine at a time when "war boredom" was beginning to draw attention from the conflict.

Similarly, morally shocking moments like these reframe the conflict in global public discourse as a

Manichean struggle between good and evil rather than a struggle over policy outcomes like NATO or EU membership. This reframing of the conflict cuts both ways when it comes to the bargaining model. On the one hand, it further reinforces the indivisibility of the conflict as the world is increasingly loathe to seek any compromise with the perpetrator of an ethnic cleansing campaign. Ending the war quickly may have become even more intractable as a result. On the other hand, global moral outrage against Russia's actions have likely increased reputation costs for neutral or wavering countries if they continue to prevaricate or call for Ukrainian concessions to satisfy Moscow's demands. In other words, the Bucha massacre (and those in other occupied cities that have yet to be liberated) has likely isolated Russia further from the kind of external economic support that could help it prolong its war.

How Wars End

Under the bargaining model, wars end and peace agreements signed when enough information has been revealed through combat so that *both* sides agree on what future rounds of combat would yield: certain defeat for one side, and certain victory for the other. When both sides agree about the outcome of continued fighting, the "loser" will agree to the victor's terms of surrender. Alternatively, if both sides arrive at the same conclusion that the war has reached a stalemate and additional rounds of combat will be fought to draws, they may agree that the time has arrived to negotiate a settlement.

At the time of publication, it is clear that neither of these conditions favouring settlement have been met yet, meaning that the war may still months - or even years - from ending. In the interim, combat is an essential means to increase leverage or improve one's position in future negotiations. Paradoxically, fighting might intensify as the sides begin to converge on a possible bargain as each side tries to "lock in" the most advantageous position on the ground before settlement and imposition of a new status quo. Unfortunately, this same last-minute intensification can upset fragile negotiations at the very moment when trust is most needed, derailing forward progress on a ceasefire settlement.

We don't know yet how long Ukraine can resist the

Russian onslaught. We don't know how severe the impact of sanctions will be on Russia's economy. We don't know how China will weigh its political support of Russia against its economic ties to the United States. Thus, bargaining theory would tell us that at this point we simply cannot know how long the war will last and how it will end.

But it is also important to remember that the bargaining model does not limit its scope to conventional military engagements between organised armies. Decentralised insurgencies also figure into calculations of capabilities, resolve, and chances of success. In this regard, the resolve and tenacity of Ukraine's ordinary citizens in resisting the Russian invasion must figure into both sides' calculations and point to a long- drawn out conflict, especially if Moscow is willing to scale back its initial war aims and regroup for a more limited – but protracted – fight in eastern Ukraine, as appears underway.

An Uneasy Settlement

While intermittent negotiations thus far have yielded no progress on a settlement, the bargaining model offers a dark warning for any future Ukrainian government should they eventually sign a ceasefire with Russia. One of the reasons peace agreements usually don't last forever is because today's signatories cannot credibly commit that future governments will uphold the terms of the treaty. Ukraine could commit to neutral status, agree to end its military ties with the United States and NATO, and renounce NATO membership as a national goal. But Vladimir Putin deeply distrusts democracies and would put little faith in any commitment that today's Ukrainian government – not to mention its Western partners – would make about the future.

The only Ukrainian government that he will trust to keep its promises is one that he controls. But such a government is incompatible with the democratic choice that Ukraine's citizens have made on multiple occasions and would make again. This is why Putin's ultimate war aim is to force regime change in Kyiv. Even if Ukraine manages to achieve a stalemate against Russia on the battlefield in the coming months, until Putin achieves his strategic political objectives he will continue to use every tool at his disposal to undermine Ukrainian sovereignty and democracy. After all, politics is just the continuation of war by other means.

