

When Does a Country Attack an Adversary? the Joint Role of Cost of Attack and Quality of Information

Abstract

I examine a game between two countries (Home and Foreign) to determine how the quality of intelligence affects the choice between offense and defense. The foreign country is interested in attacking the home country and expends effort in developing a viable plan of attack. The outcome of this effort is uncertain, and the home country spends resources to find out if the foreign country succeeds in developing the plan. I allow for two kinds of intelligence errors—missed alarm and false alarm. Based on the intelligence input, the home country first decides whether to undertake a pre-emptive strike. If it decides not to strike, then in the next period, the home country can choose to fortify itself, while the foreign country decides whether to attack. I examine how the cost of attack and quality of information jointly help the Home country choose between offense and defense.