CORRECTION



Correction to: Power-sharing negotiation and commitment in monarchies

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My article (Inata, 2021) derives a unique subgame perfect equilibrium in a simple game to analyze power-sharing negotiation and commitment problems between an absolute monarch and the regime's elites. This equilibrium is, however, not unique, strictly speaking; while it is effectively unique in a behavioral sense because it generates the unique outcomes, it does not rule out all best-reply strategies. The article's conclusion about the role played by the public nevertheless remains intact. For interested readers, I will detail those equilibria in this correction.

Commitment phase

In the commitment phase, an absolute monarch (M) and the regime's elites (E) decide simultaneously whether to comply with or renege on a negotiated agreement. If they both decide to abide by it, power is distributed in the manner they have agreed upon. If either or both parties renege on the agreement's terms, they must fight each other. That stage is condensed into Table 1's matrix. The parameter r_i , where $i \in \{E, M\}$, denotes the probability that the public revolts against either E or M; it takes the value of 1 when the public revolts and 0 when it does not.

In the three cases of negotiation failure, E and M receive the same payoff. Thus, one player always is indifferent between reneging and not reneging if the other player is expected to renege. In summary, mutual reneging always is a Nash equilibrium in the commitment phase. In addition, as Inata (2021) describes, another equilibrium exists in which E and M successfully commit to the power-sharing agreement depending on the value of c.

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Elites/Monarch	Renege	Don't renege
Renege	$(1-p)\Big[-r_E(1-\beta)+\big(1-r_E\big)\Big],$	$(1-p)\left[-r_E(1-\beta)+\left(1-r_E\right)\right],$
	$p\left[-r_M\beta + \left(1 - r_M\right)\right]$	$p\left[-r_M\beta + \left(1 - r_M\right)\right]$
Don't renege	$(1-p)\left[-r_E(1-\beta)+\left(1-r_E\right)\right],$	x, 1 - x
	$p\left[-r_M\beta + \left(1 - r_M\right)\right]$	

 Table 1
 Payoffs of the commitment phase

 $x \in [0, 1]$ denotes the extent of checks on monarchical power; $\beta \in [0, 1]$ denotes the extent of the public's bias in favor of E; $p \in [0, 1]$ denotes the probability that M wins a fight with E

Negotiation phase

I now consider the negotiation phase using backward induction. E first chooses whether to initiate a negotiation and, if so, the extent to which M's power should be constrained. Then, M decides whether to accept E's offer. The best responses of E and M in this phase are the same as those described in the article: M's decision to accept the negotiation depends on x, β , and p. E does not initiate a negotiation when the agreement will be broken by M or when M rejects E's offer, whereas E initiates a negotiation otherwise. The terms of E's offer depend on β and p.

Taken together, the full model simultaneously generates two equilibria. The first equilibrium is the one described in the published article: mutual commitment by E and M can be achieved in the face of credible threats by the public, wherein power is shared between them (i.e., constitutional monarchy). The second equilibrium is defined herein, namely E and M always renege on the negotiation's outcome and either possesses all political power (i.e., a republic or an absolute monarchy). The possibility of two equilibria is the result of a coordination game between E and M.

Interpretations

The rigorous interpretations of this new finding are that (1) credible threats by the public play a significant role in creating a credible commitment to the terms negotiated between the regime's elites and an absolute monarch in one equilibrium; (2) the regime's elites and the absolute monarch always renege on their power-sharing agreement in the other equilibrium. What is most important is that (3) the existence of two equilibria makes it impossible to predict which path the negotiation will follow.

However, considering the theoretical results overall, it can be concluded that mutual defection never is a dominant strategy and that the first equilibrium effectively is unique in a behavioral sense. The disadvantageous position of the regime's elites supports that conclusion. As argued in the published article, a transition from a monarchy to a republic is possible under limited conditions because the regime's elites hardly can expect to expand their political power when mutual commitment fails. As such, a rational elite would not choose to renege after initiating a power-sharing negotiation. Even if the elite's power is marginal at the time of transition, it would have opportunities to adjust the checks-and-balances system between the monarch and itself in the future, as exemplified by the case of Morocco in the published article.

Furthermore, given that the regime's elites have few incentives to renege on the negotiation's outcomes, compliance would be a realistic alternative for the monarch. Although my model assumes that reneging by itself imposes no costs on the reneging party, violating power-sharing agreements is costly on the ground. As discussed in the published article, Louis XVI's flight to Varennes is a case in point. Louis XVI reneged on his agreement to ongoing democratic reform by escaping from Paris attempting to mount a counter-revolution with his loyal troops. That historical event indicates that breaking an agreement can be quite consequential. As such, the main conclusions about the role of credible public threats in power-sharing negotiations between an absolute monarch and regime's elites in the published article are unaffected.

Reference

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