

Abstract

The phenomenon that groups or people work together when they face an opponent, although they have little in common otherwise, has been termed the "common enemy effect". We study a model of network formation, where players can use links to build a network, knowing that they are facing a common enemy who can disrupt the links within the network, and whose goal it is to minimize the sum of the benefits of the network. We find that introducing a common enemy can lead to the formation of stable and efficient networks as well as fragmented networks and the empty network.