7 Democratic Peace

An Iraqi woman casts her ballot in Fallujah on 20 June 2013. Democratic peace theory suggests that such elections have important consequences for international conflict.

Source: Associated Press

In his 1994 State of the Union address, President Bill Clinton said that "ultimately, the best strategy to ensure our security and to build a durable peace is to support the advance of democracy elsewhere. Democracies don't attack each other" (Clinton 1994). Similarly, President George W. Bush stated in a 2004 press conference that "the reason why I'm so strong on democracy is democracies don't go to war with each other. And the reason why is the people of most societies don't like war, and they understand what war means. . . . I've got great faith in democracies to promote peace. And that's why I'm such a strong believer that the way forward in the Middle East, the broader Middle East, is to promote democracy" (Bush 2004).

These comments by presidents from both major political parties in the United States are quite similar in nature and have been echoed by other leaders around the world. But are their views justified? Does democracy lead to peace? Before examining these questions further, we need to establish what we mean by democracy. A **democracy** is country with three basic characteristics: "(1) most citizens can vote, (2) the government comes to power in a free and fair election contested by two or more parties, and (3) the executive is either popularly elected (a presidential system) or is held responsible to an elected legislature (a parliamentary system)" (Dahl 1971; Russett and Oneal 2001, 44).

The short answer to the question of whether these views are justified is that substantial evidence indicates that pairs of democracies are less likely to fight each other than are other pairs of states. This is known as the **democratic peace**, and the findings are so robust that Levy (1988, 662) claimed that the democratic peace is "as close as anything we have to an empirical law in international relations." Although democracies rarely fight other democracies, they also regularly fight nondemocracies.

In the first section of the chapter, we examine empirical findings regarding the democratic peace. We then review the primary explanations of the democratic peace, which focus on either democratic norms or on the structure of democratic institutions. Democracy is just one aspect of liberalism; the Kantian triangle of peace focuses on broader conceptions of a liberal peace, and we examine it in the third main section of the chapter. Finally, we explore alternative explanations for peace between democracies, particularly those focusing on common interests and capitalism.

Empirical Findings Regarding the Democratic Peace

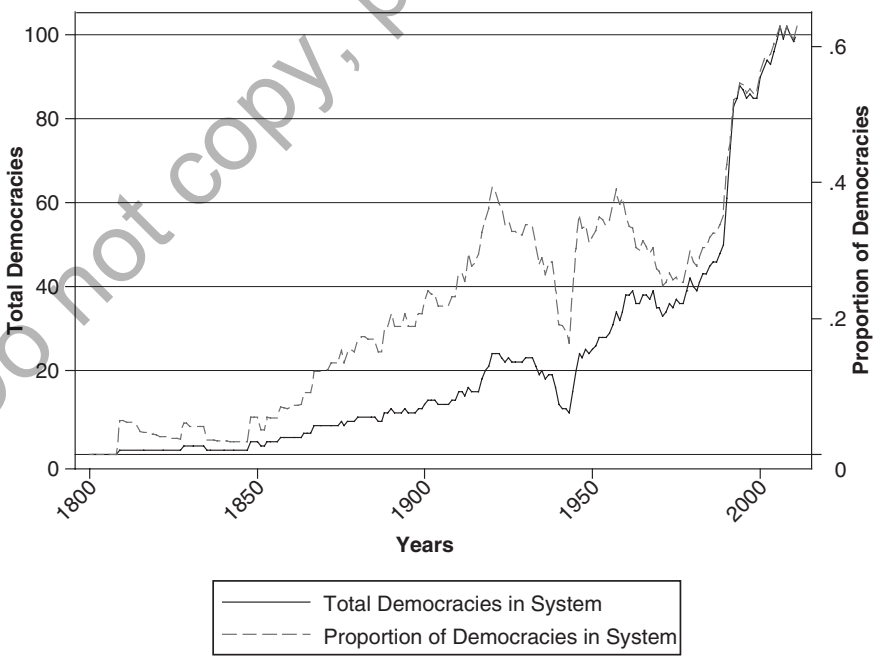
Studies about the effects of regime type have become increasingly prominent in research on international relations in the past several decades. At the center of these efforts is the democratic peace, which is a well-established empirical

law. Theoretical explanations of the democratic peace were developed in response to early empirical findings. In keeping with this basic order of events, we examine empirical evidence regarding the relationship between democracy and international conflict before turning our attention to explanations.

Studies of the effects of democracy, and regime type more generally, depend on the ability to measure democracy. The measure of democracy that is most commonly used in studies of international relations comes from the Polity IV data set (Marshall, Jaggers, and Gurr 2010). These data focus on the competitiveness of political participation, the openness and competitiveness of executive recruitment, and constraints on the chief executive and are available online at www.systemicpeace.org/polity/polity4.htm. The primary variables used are the democracy and autocracy scores, which each range from 0 to 10. We can subtract the autocracy score from the democracy score, resulting in an overall scale (called *polity*), which ranges from -10 to 10. We can use a dichotomous measure by coding each state as a democracy or nondemocracy; when a state is democratic it is coded as a 1, otherwise 0. For the empirical analyses in this section, a state is considered a democracy if its polity score is greater than or equal to 5, or a nondemocracy otherwise. Sometimes other thresholds are used (typically 6 or 7), but the results do not change much.

Figure 7.1 uses Polity data to show trends in democracy over time. We can easily see that there has been tremendous growth in democracy in the

Figure 7.1 Growth of Democracy in the International System



Source: Compiled by author.

international system over the past two hundred years. The solid line in the figure shows the total number of democracies in the system, while the dashed line indicates the proportion of democracies (the number of democracies divided by the total number of countries). From 1800 through 1932, there was a slow but steady growth in the number of democracies, peaking at a total of 23 countries or 33.8 percent of the system. Through World War II, there was a sharp decline in democracies, bottoming out at 10 democracies (16.4 percent of the system). Since then, the international system has experienced continual growth in democracy, which accelerated rapidly after 1990. In 2010, there were a total of 102 democracies in the world, representing 62.2 percent of all countries.

There are a number of different possible ways to examine the relationship between democracy and international conflict. In particular, we can examine (and form expectations about) whether democracies are more peaceful in general or are only peaceful in their relations with other democracies and also about whether democracies are more or less likely to initiate conflicts than nondemocracies. Accordingly, it is important to examine the logic of different democratic peace expectations in order to focus attention on appropriate empirical tests of the relationship between democracy and conflict.

The fundamental argument of the dyadic democratic peace is that pairs of democracies are less likely to fight than any other pairs of states. In other words, the conventional wisdom within the democratic peace literature is that democracies are peaceful *only* in their relationships with other democracies, not in general. Furthermore, substantial empirical evidence has supported this idea (e.g., Babst 1972; Chan 1997; Maoz and Abdolali 1989; Maoz and Russett 1993; Morgan and Campbell 1991; Oneal and Russett 1997). We can state this idea more formally as

$$\Pr(\text{fight} \mid \text{joint-D}, \mathbf{x}) < \Pr(\text{fight} \mid \text{not joint-D}, \mathbf{x}) \qquad \text{(Equation 7.1)}$$

where fight represents militarized interstates disputes and wars, joint-D represents a jointly democratic dyad, and **x** represents the set of other factors explaining international conflict.[1]

While most of the literature focuses on the dyadic peace, some argue that it is a monadic phenomenon. The idea of the **monadic democratic peace** is that democracies are more peaceful than other regimes in general, not just in their relationships with other democracies (Huth and Allee 2002; MacMillian 1998, 2003; Ray 2000; Rousseau, Gelpi, Reiter, and Huth 1996; Rummel 1979, 1983, 1985, 1995). The similar expectation for the monadic democratic peace argument is that democracies are less likely to fight than other states. More formally,

$$\Pr(\text{D fights} \mid \mathbf{x}) < \Pr(\sim\text{D fights} \mid \mathbf{x}) \qquad \text{(Equation 7.2)}$$

where D represents a democracy and ~D represents a nondemocracy. Note that in equation 7.1, the pacifying nature of democracy is contingent on the

[1]Thus, Pr(fight | joint-D, **x**) means the probability of a fight, given joint democracy and **x**.

opponent's regime type; democracies are only more peaceful when facing other democracies. In equation 7.2, however, the expectation is not contingent; democracies are expected to be more peaceful regardless of the opponent.

Strong empirical support for equation 7.2 would be the strongest possible support for the monadic proposition. Some, however, argue that the key to the monadic peace is that democracies are less likely to initiate conflicts than nondemocracies (e.g., Huth and Allee 2002):

$$\Pr(\text{D initiates} \mid \mathbf{x}) < \Pr(\sim\text{D initiates} \mid \mathbf{x}). \qquad \text{(Equation 7.3)}$$

Thus, even if equation 7.2 is not empirically supported, empirical support for equation 7.3 would provide some evidence in favor of the monadic democratic peace. To test this equation, we need to look not only at the effect of democracy on the frequency of international conflict (as we do in the next section), but also the effect of democracy on the initiation of international conflict (as we do in the section after that).

If democracy truly pacifies relations between states, then democracies should also be less likely to be targeted than nondemocracies. Thus, we would expect that

$$\Pr(\sim\text{D initiates} \mid \text{D}, \mathbf{x}) < \Pr(\sim\text{D initiates} \mid \sim\text{D}, \mathbf{x}). \qquad \text{(Equation 7.4)}$$

Together, equations 7.3 and 7.4 lead to explicit expectations for the probability of initiation for any pair of states, as follows:

$$\Pr(\text{D initiates} \mid \text{D}, \mathbf{x}) < \Pr(\text{D initiates} \mid \sim\text{D}, \mathbf{x}) <$$
$$\Pr(\sim\text{D initiates} \mid \text{D}, \mathbf{x}) < \Pr(\sim\text{D initiates} \mid \sim\text{D}, \mathbf{x}). \qquad \text{(Equation 7.5)}$$

Equation 7.5 shows the combined expectations that democracies are less likely to initiate conflict than nondemocracies and that democracies are less likely to be targeted than nondemocracies.

A clear logical implication of equation 7.5 is that dyads with at least one democracy are less likely to fight than jointly nondemocratic dyads. More formally,

$$\Pr(\text{fight} \mid \text{not joint-}\sim\text{D}, \mathbf{x}) < \Pr(\text{fight} \mid \text{joint-}\sim\text{D}, \mathbf{x}). \qquad \text{(Equation 7.6)}$$

Together, equations 7.1 and 7.6 nicely capture MacMillan's (2003, 233) monadic argument "that while liberal states are *especially* peace prone in relations with other liberal states, they are not *only* peace prone with other liberal states, but also more broadly." Our examination of empirical evidence regarding the relationship between democracy and international conflict in the following three sections is guided by the logic set forth in these equations. The first two sections focus on dyadic analyses to test equations 7.1, 7.4, 7.5, and 7.6, while the third section uses monadic analyses to test equations 7.2 and 7.3.

Frequency of Democratic Conflict

We begin our look at the empirical evidence regarding the democratic peace by examining the impact of regime type on the frequency of

international conflict. These dyadic tests are obtained through analyses of politically active dyads from 1816 to 2000, and are based on the work of Quackenbush and Rudy (2009). As the discussion above indicates, there are different ways to test the democratic peace. We want to test both the dyadic and the monadic democratic peace arguments. We begin here by examining the impact of democracy on involvement in militarized disputes.

Table 7.1 displays the results of a logit model in which the dependent variable is the occurrence of a militarized interstate dispute within a (nondirected) dyad year. Model 1 tests the expectations expressed in equations 7.1 and 7.6 that conflict is less likely in jointly democratic dyads and most likely in jointly nondemocratic dyads, with mixed dyads in between. The coefficient for Both Democratic is negative and highly significant, indicating that when both states in a dyad are democratic, disputes are much less likely to occur than if neither is. On the contrary, One Democratic is positive and significant, which indicates that dyads containing exactly one democracy (i.e., mixed dyads) are significantly more likely to fight than jointly autocratic dyads. The effects of the control variables are all in the expected directions, although the effect of power parity is not statistically significant.

Table 7.1 **Logit Results for Prediction of Militarized Interstate Dispute Occurrence**

VARIABLE		MODEL 1
Both Democratic	β	-0.3527***
	Se_β	0.1279
One Democratic		0.4586***
		0.0776
S-Score		-0.2747***
		0.2330
ln (Distance)		-0.2469***
		0.0131
Power Parity		0.0477
		0.1514
Peace Years		-0.2979***
		0.0171
Constant		-1.1699***
		0.1909
Wald χ^2		2,094.7***
Log-likelihood		-8,631.5
N		163,920

Notes: *$p < 0.05$, **$p < 0.01$, ***$p < 0.001$

Unit of analysis is dyad-years. Peace years cubic spline variables not shown. Standard errors are robust standard errors adjusted for clustering within dyads.

Source: Compiled by author.

Although the direction and significance of the coefficients suggest the effect of democracy on dispute involvement, we can get a better idea of the substantive effect by examining the predicted probabilities. Setting the control variables to their means and just varying the regime type, we find that the probability of conflict within a jointly democratic dyad is 0.0034. As expected, the predicted probability for nondemocratic dyads is higher, at 0.0049, but the predicted probability that mixed dyads fight is 0.0077, the highest overall. Thus, while equation 7.1 is supported, these results are the opposite of the prediction made by the monadic democratic peace in equation 7.6; instead, the presence of a single democracy within a dyad significantly *increases* the likelihood of international conflict.[2]

While the results in model 1 strongly contradict the monadic democratic peace proposition, it is possible that this is driven by some peculiarities in the Polity data that we use to measure democracy. Casper and Tufis (2003) point out that different measures of democracy can produce very different results in various applications. Nonetheless, Quackenbush and Rudy (2009) examine three other measures of democracy and find very consistent results.

Democracy and Conflict Initiation

These dyadic results make it clear that whereas jointly democratic dyads are the most peaceful, mixed dyads of one democracy and one nondemocracy are the most conflict prone. Thus, when we focus on the frequency of international conflict, there is strong support for the dyadic democratic peace, but no support for the monadic democratic peace. There are other ways, however, to examine the relationship between democracy and conflict.

Supporters of the monadic democratic peace (e.g., Huth and Allee 2002; MacMillan 2003; Rioux 1998) have argued that while democracies may indeed fight as frequently as other states, they are less likely to initiate conflict. This argument is well summarized by equation 7.5. Therefore, it is important to examine the impact of democracy on militarized interstate dispute initiation. We do this through an analysis of directed dyad years, where the dependent variable is dispute initiation as shown in Table 7.2.

Model 2 begins to address the impact of regime type on conflict initiation by including separate variables for whether State A (the potential initiator) and State B (the potential target) are democratic. The effect of State B democratic is positive and highly significant, indicating that democracies are indeed more likely to be targeted than nondemocracies. Although the effect of State A democratic is negative, however, it does not come close to a reasonable level of significance ($p = 0.15$). Again, the expectations of the monadic democratic peace argument are not supported.

The control variables are all in line with expectations. As states' foreign policy positions become more similar (as reflected by the *S*-score in Table 7.2), as the distance between the states increases, or as the number

[2] Of course we cannot determine from this result whether democracies are the targets or initiators; we examine that below. There should, however, be an increased likelihood of peace when a democracy is in a dyad in order to meaningfully speak of a monadic democratic peace.

Table 7.2 Logit Results for Prediction of Militarized Interstate Dispute Initiation

VARIABLE		MODEL 2	MODEL 3
State A democratic	β	-0.1213	0.3499***
	Se_β	0.0842	0.0985
State B democratic		0.1821*	0.5954***
		0.0760	0.0905
State A democratic * State B democratic		—	-1.2622***
			0.1522
S-Score		-0.4162	-0.3162
		0.2363	0.2365
ln (Distance)		-0.2627***	-0.2729***
		0.0139	0.0162
Relative power		0.6359***	0.6326***
		0.0865	0.0860
Peace years		-0.2787***	-0.2758**
		0.0180	0.0178
Constant		-1.8822***	-2.0603***
		0.2158	0.2132
Wald χ^2		1,751.7***	1,902.8***
Log-likelihood		-10,443.9	-10,373.4
N		325,990	325,990

Notes: $*p < 0.05$, $**p < 0.01$, $***p < 0.001$

Unit of analysis is directed-dyad years. Peace years cubic spline variables are included in the analysis but not shown in the table. Standard errors are robust standard errors adjusted for clustering within dyads.

Source: Compiled by author.

of peace years since the last dispute increases, each state is less likely to initiate conflict. Finally, the stronger that a state is relative to its potential adversary, the more likely it is to initiate a militarized interstate dispute. The results for these control variables are consistent across both of the models we examine here.

Although equation 7.5 indicates that the probability of initiation is contingent on the target's regime type, model 1 does not allow this. In order to do so, an interaction term, State A democratic * State B democratic, is included in model 3.[3] This allows us to account separately for monadic and dyadic effects of democracy. Once the interaction between regime types is

[3] An interaction term is one in which two variables in the model are multiplied by each other. This allows us to estimate whether each variable's effect on the dependent variable depends on the value of the other independent variable, rather than being independent of it. In model 3, the interaction term (State A democratic * State B democratic) allows us to determine whether the effect of effect of State A democratic depends on the value of State B democratic and vice versa.

controlled for, we find that not only are democratic states significantly more likely to be targeted by autocracies, they are also significantly more likely to initiate disputes against nondemocracies. Democracies, however, are significantly less likely to initiate disputes against other democracies, as indicated by the strong, highly significant, negative effect of the interaction term.

Together, these results strongly contradict the monadic peace expectations laid out in equation 7.5. The likelihood of initiation in a jointly democratic dyad ($p = 0.0019$) is reduced by 30 percent when compared to a dyad with no democracies ($p = 0.0027$).[4] Conflict initiation, however, is more likely in a mixed dyad than in a nondemocratic dyad: The probability that the democracy initiates versus the autocracy ($p = 0.0038$) is increased by 41 percent, and the probability that the nondemocracy initiates versus the democracy ($p = 0.0048$) is increased by 78 percent. Thus, contrary to the expectations of the monadic democratic peace argument, democracies are more likely to initiate disputes versus nondemocracies than nondemocracies are. Rather than equation 7.5, the true relationships between regime type and initiation are

$$\Pr(\text{D initiates} \mid \text{D}, \mathbf{x}) < \Pr(\sim\text{D initiates} \mid \sim\text{D}, \mathbf{x}) < \Pr(\text{D initiates} \mid \sim\text{D}, \mathbf{x}) < \Pr(\sim\text{D initiates} \mid \text{D}, \mathbf{x}). \quad \text{(Equation 7.7)}$$

Again, the results are consistent if other common measures of democracy are used (Quackenbush and Rudy 2009).

A Monadic Analysis

We conclude our empirical evaluation of the democratic peace by looking at the monadic level of analysis. By focusing directly on each state's conflict behavior individually, monadic analyses seemingly provide a useful way to test equation 7.2 regarding dispute involvement and equation 7.3 regarding dispute initiation. The expectation laid out by these equations is that the coefficients on democracy would be negative and significant, indicating that democracy makes dispute involvement or initiation less likely. The results, shown in Table 7.3, reveal once again that there is no empirical support for the monadic democratic peace.

In model 4, we estimate the impact of democracy on militarized interstate dispute (MID) involvement, controlling for power. The coefficient is positive but insignificant ($p = 0.938$). The effect is also insignificant using other measures of democracy (Quackenbush and Rudy 2009). Thus, rather than making conflict less likely, democracy has no effect on the likelihood of dispute involvement, contradicting equation 7.2.

Model 5 examines the relationship between democracy and MID initiation. Although the coefficient for democracy is negative, it again is not significant ($p = 0.980$). Thus, the expectation of equation 7.3—that democracies

[4]These predicted probabilities are calculated based on model 3 in Table 7.2. Only the democracy variables are changed; other variables are held at their means.

Table 7.3 Logit Results for Monadic Analyses

VARIABLE		MODEL 4: INVOLVEMENT	MODEL 5: INITIATION
Democracy	β	0.0109	-0.0042
	Se_β	0.1404	0.1647
ln (Power)		0.2860***	0.3479***
		0.0326	0.0347
Constant		0.7092***	0.2990
		0.2155	0.2072
Wald χ^2		77.5***	104.2***
Log-likelihood		-6,573.2	-4,821.6
N		11,654	11,654

Notes: $*p < 0.05$, $**p < 0.01$, $***p < 0.001$
Unit of analysis is nation-state years. Standard errors are robust standard errors adjusted for clustering by state.

Source: Compiled by author.

are less likely to initiate disputes than other regime types—is not supported. As with the previous analyses, the results are fairly consistent if other common measures of democracy are used (Quackenbush and Rudy 2009).

These results are based on the monadic level of analysis. Although this would seem to be the appropriate level of analysis to test monadic democratic peace expectations, the (directed or nondirected) dyadic level of analysis is more appropriate because interstate conflict—by definition—can only occur (at least) at the dyadic level. As Most and Starr (1989, 76–8) state, when international conflict "is conceived as the outcome of the interactions of at least two parties, the attributes of all of those parties—not just one of them—must be considered in one's attempts to understand and explain when" conflicts will and will not occur. Decisions to fight are not made in a vacuum. Furthermore, they are not made by only one state, since it "takes two to tango." Thus, dyadic analyses are the most appropriate for studying international conflict (Bremer 1992) since they allow one to account for the international context in which conflict occurs.

Furthermore, recall that the monadic democratic peace expectations as expressed in equations 7.2 through 7.6 above are that democracies are less likely to fight or initiate given **x**, the set of other factors explaining international conflict. It is not possible, however, to control for important factors such as relative power and contiguity in a monadic analysis, because these factors require one to know information on two states. For example, France and Germany are contiguous, but France and India are not, but if our analysis is only looking at France individually, then the idea of contiguity does not make sense. Nonetheless, these results are important because they allow the most complete test of monadic democratic peace expectations, and they

demonstrate that even if we focus on the monadic level of analysis, there is still no empirical support for the monadic democratic peace.

Democracy and International Conflict

Two key findings are generally considered to mark the cornerstone of the democratic peace: First, democracies almost never fight other democracies, and second, democracies regularly fight nondemocracies. As Maoz and Russett summarize, there appears to be "something in the internal makeup of democratic states that prevents them from fighting one another *despite the fact that they are not less conflict-prone than nondemocracies*" (1993, 624, emphasis in the original). Thus, the democratic peace is entirely a dyadic phenomenon; there is no empirical support for a monadic democratic peace (Quackenbush and Rudy 2009).

A variety of additional observations concerning the impact of democracy on international conflict have been made. While these are not an integral part of the democratic peace argument, they are nonetheless trends regarding the effect of democracy that should be accounted for in explanations of the democratic peace. We highlight six trends regarding the effect of democracy; the first three deal with the outbreak of conflict, and the second three deal with the evolution of war.

The first three trends relate to the relationship between democracy and the outbreak of conflict. First, when two democracies have a conflict of interest between them, they are much more likely to successfully negotiate peaceful settlements than are other pairs of states (Dixon 1994; Dixon and Senese 2002). Furthermore, although democratic dyads are generally associated with peace, they are more likely to fight with one another when they are in transition to democracy (Mansfield and Snyder 1995). Finally, democracies are more likely to initiate conflict against autocracies than are autocracies to initiate conflicts against them (Quackenbush and Rudy 2009).

The next three trends deal with the impact of democracy on the evolution of war itself. First, democracies are more likely than are other states to emerge victorious in war (Lake 1992; Reiter and Stam 1998; 2002), although this advantage declines the longer a war lasts (Bennett and Stam 1998). In addition, democracies are more likely to fight shorter wars than are autocracies (Bennett and Stam 1996). Finally, democracies also tend to experience fewer battle deaths in wars they fight (Horowitz, Simpson, and Stam 2011).

Regime type has many more effects related to international conflict than just peace between democracies. It is important to be able to explain each of these trends. A theory that is able to explain most or all of these effects of democracy is superior to one that is only able to explain peace between democracies.

Explaining the Democratic Peace

The empirical evidence regarding the democratic peace is very strong. Whereas much other research on international conflict started with the logic of the idea

and then turned to examining empirical evidence, modern democratic peace research started with the evidence and then went in search of an explanation. The scholar credited with first observing that democracies are less likely to fight each other was Babst (1972). Small and Singer (1976, 67) reexamined the evidence and found that democracies "do not seem to fight against one another" even though they are regular participants and initiators in international wars. They conclude that the relationship is spurious, arguing that it is better explained by contiguity—the fact that "democracies have rarely been neighbors" (Small and Singer 1976, 67), rather than that they are democratic.

Others disagree, and therefore embarked on efforts to explain the democratic peace. The observation that democracies are less likely to fight one another seems to fit well with the expectation of political thinkers such as Immanuel Kant and Woodrow Wilson that democracies are more peaceful (Doyle 1986). Explanations of the democratic peace were initially grouped into two primary arguments: the normative, or cultural, explanation and the institutional explanation (Maoz and Russett 1993). A third explanation is based on selectorate theory. We review each in turn.

Normative Explanation

The **normative explanation** of the democratic peace is centered on the impact of democratic norms of behavior, which emphasize regulated political competition through peaceful means (Dixon 1994; Doyle 1986; Maoz and Russett 1993). When one party wins a democratic election, there is no need to eliminate the opponent, and it is perfectly accepted (and expected) that the loser will come back to challenge again. Thus, political conflicts in democracies are resolved by compromise rather than by the elimination of opponents.

The prevalence of democratic norms in domestic politics leads democracies to externalize these norms in their relations with other states. Therefore, relations between two democracies are characterized by democratic norms, and thus they compromise on negotiated settlements rather than fighting (Dixon 1994).

In contrast, nondemocracies exhibit norms in which political conflicts are more likely to be resolved through violence and coercion. Because nondemocracies also externalize their norms, they are less likely to reach negotiated settlements and more likely to engage in militarized conflict when conflicts of interest arise between them. Therefore, conflict between democracies is much less likely than between nondemocracies.

Explaining conflict between democracies and nondemocracies is where the normative argument runs into some difficulty. Maoz and Russett (1993) argue that if nondemocracies with nondemocratic norms face democratic states with democratic norms, they will be able to exploit the democracies. Thus, in order to guard against exploitation and ensure their own survival, democratic states employ nondemocratic norms in their relations with nondemocracies. Accordingly, mixed dyads of one democracy and one nondemocracy are expected to be as conflict prone as nondemocratic dyads.

This explanation faces several limitations. First of all, nondemocracies sometimes adopt democratic norms of conflict resolution. As the proportion of democracies in the system has increased, nondemocracies have adopted democratic norms of third-party conflict management, respect for human rights, cooperation through international organizations, and respect for territorial boundaries (Mitchell 2002; 2012). Given this pattern of nondemocracies adopting democratic norms of behavior, one could reasonably question why democracies would be expected to adopt nondemocratic norms, as Maoz and Russett (1993) claim they do. In addition, while the explanation implies that nondemocratic dyads should be at least as conflict prone as mixed ones, the empirical evidence indicates that mixed dyads are much more conflictual.

Institutional Explanations

The second type of explanation for the democratic peace focuses on the structure of democratic institutions. There are three primary approaches to doing so. The first two focus on institutional constraints or information, and are reviewed in turn. The third, known as selectorate theory, is examined in the following section.

The basic idea of the **institutional explanation** of the democratic peace is that democracies are characterized by institutional constraints—checks and balances between the executive and legislative branches of government (Morgan and Campbell 1991). Furthermore, democracies have large (as a percentage of their population) electorates that compel democratically elected leaders to seek popular support for their policies. Because war entails high costs, many of which are paid by the general public, wars are generally unpopular, particularly the longer they last (Gartner and Segura 1998; Mueller 1973). Leaders of democratic states are therefore compelled to resolve international conflicts more peacefully in order to avoid the costs of war and the increased probability of removal from office.

These democratic domestic imperatives cause democratic dyads to be peaceful in their relations with one another. Nondemocratic states, however, act without as many domestic constraints and are therefore able to pursue more aggressive and conflictual foreign policies, which causes nondemocracies to be rather conflict prone. Conflicts between democracies and nondemocracies are driven by the lack of structural constraints. Thus, the nondemocracy imposes on the democratic political system emergency conditions enabling the government to rally support, and conflict escalation becomes a distinct possibility.

The second type of institutional explanation focuses on the role of information (Schultz 1998, 2001). We saw the importance of incomplete information (along with incentives to misrepresent) as a cause of war in our discussion of the bargaining model of war in chapter 3. This explanation is based on the observation that democracies have greater audience costs than nondemocracies (Fearon 1994). **Audience costs** are political costs that leaders have to pay for making foreign threats and then backing down. Because of these potential costs, threats made by leaders of democracies to other

states are more credible. Thus, "democracy facilitates peaceful conflict resolution by overcoming informational asymmetries that can cause bargaining to break down" (Schultz 1999, 233).

These information arguments, however, "are fundamentally claims about democratic states, rather than democratic dyads" (Schultz 1999, 243). Thus, if they are correct, there should be evidence of a monadic democratic peace. Since evidence suggests that democracies are only peaceful in their relations with other democracies, this argument is contradicted.

Selectorate Theory

The third primary explanation of the democratic peace comes from **selectorate theory** (Bueno de Mesquita et al. 1999, 2003). Selectorate theory is also an institutional explanation, but it is considered separately because the theory provides an alternative view of governance. At the heart of the theory is the assumption that leaders' primary preference is to stay in power. While they certainly have preferences for different policies, leaders cannot hope to shape policy without being in power.

The theory provides a formal, rational choice explanation of the impact of regime type on the behavior of states and is based on several parameters that are summarized in Table 7.4. The first is the total number of residents of a country, *N*. All other groups are subsets of this total. The selectorate (*S*) is the set of people who have a legal right to participate in the selection of the government leadership. These are the residents of the country who have at least a nominal say in choosing leaders; they can become members of a winning coalition.

The winning coalition (*W*) is the subset of the *S* without whose support the leader cannot be sustained in office. These are the members of the selectorate whose support is essential to keep the incumbent government in office at any given moment. In a democracy, it is essential to maintain the support of enough people to get reelected, and certainly not get impeached

Table 7.4 Selectorate Theory

TRAIT	DESCRIPTION
N	Total number of a country's residents
S	*Selectorate:* Set of people who have a legal right to participate in selecting the government's leadership
W	*Winning coalition:* A subset of *S,* without whose support the leader could not hold office
R	Available revenue
N-S	The disenfranchised
W/S	*Loyalty norm:* A large *W/S* is evident in democracies and is very small in nondemocracies

or removed through a vote of no confidence. In nondemocracies, elections (if any) are much less important, but the leader must still satisfy enough people to avoid a coup d'état, revolution, or other removal from power.

The disenfranchised (*N-S*) are people who have no legal right to participate in the selection of government leadership. In many countries, this includes children and criminals. At various times and places, women, nonlandowners, and minorities have been disenfranchised.

Much of selectorate theory's explanation is driven by the ratio between the winning coalition and the size of the selectorate (*W/S*), which is called the loyalty norm. *W/S* is large in states that people normally refer to as democracies. It is miniscule in places, such as North Korea, that operate on the basis of rigged elections. A leader needs *W* people out of *S* to support him or her. The larger *W* is relative to *S,* the more likely any individual is to be in the winning coalition. For small *W/S,* coalition members face a higher risk of being replaced in the winning coalition. Therefore, small *W/S* leads to greater loyalty to the incumbent.

Different political systems are characterized by different sizes of the winning coalition (*W*) and selectorate (*S*). A typical democracy has a large *S* relative to the polity size and a large *W* relative to *S*. While democracies have large *S* and large *W,* there are considerable variations within systems that we usually label as democracies (e.g., proportional representation parliamentary democracies have a smaller *W* than presidential democracies); this affects their policies. A typical one-party autocracy has a large *S* relative to polity size, but a small *W* relative to *S* because of rigged elections. Finally, a typical monarchy or military dictatorship has both small *S* and small *W*.

Leaders attempt to satisfy enough members of the selectorate to maintain a winning coalition by allocating the various goods that the leader controls. There are two primary tools available to leaders in their attempts to stay in office: private goods and public goods. Private goods are goods that benefit a single person or a well-defined group. Public goods are goods that are nonexcludable and indivisible, meaning than no one in a group can be excluded from the benefits of the good and the good cannot be divided into smaller parts.

The type of goods that leaders typically utilize to satisfy a winning coalition varies depending on the coalition size. When there is a small winning coalition, leaders can rely on private goods to stay in office. For example, leaders might provide "privileged access to government contracts, exploitation of a black market, or protection against prosecution" (Bueno de Mesquita 2010, 32) to their inner circle of supporters. However, there are simply not enough resources available to focus on private goods when the winning coalition is large. For a large winning coalition, leaders must rely on public goods to stay in office. "Examples of public goods include national defense, free speech and free assembly, public parks, equal protection under the law, and free access to education" (Bueno de Mesquita 2010, 33).

Bueno de Mesquita et al. (1999) lay out the implications of selectorate theory for the democratic peace. Regimes with large *W* focus on effective policies, including foreign policies, in order to provide the public goods required

to stay in office. When leaders' policies do poorly, they either switch them or pour more resources into trying to make them succeed. Regimes with small *W* tolerate failed policies more because in small-coalition settings, loyalty to a leader depends more on receiving private rewards than public benefits. Therefore, they do not change course as quickly as large-coalition leaders. The likelihood that a leader survives in office despite failed policies increases as *W*/*S* decreases and decreases as *W*/*S* increases.

The maximum average private goods for members of the winning coalition is *R*/*W,* where *R* is the available revenue and *W* is the size of the winning coalition. This obviously decreases as *W* increases. Democratic leaders need policy success—including in war. They are likely to lose power without successes (Bueno de Mesquita and Siverson 1995; Goemans 2000), as we will examine in more detail in chapter 12. Therefore, democracies are likely to try harder to win. They devote more and more resources toward the war effort, and they are better at selecting only winnable wars to fight.

Because autocratic leaders rely more on private goods, victory is not as vital. They are still interested in winning, but they can secure their hold on power through private goods. If they put too many resources into the war effort, then that reduces the resource pool for private goods, and can therefore reduce their hold on office.

Thus, democracies are unattractive targets. Democracies are therefore less likely to fight other democracies because they prefer to avoid the difficult fight. Furthermore, democracies tend to overwhelm autocracies because they are willing to mobilize more of their resources for the war effort rather than reserving them to reward domestic backers. Wars between democracies and autocracies are generally short in duration and relatively low in cost to the democracy.

Bueno de Mesquita et al. (1999) argue that the selectorate explanation is consistent with each of the trends—that the democratic peace is dyadic, not monadic, that democracies are more likely to win wars, and so on—highlighted in the previous section summarizing the various effects of democracy on international conflict. Another advantage of selectorate theory over the normative and institutional explanations is that it explains more than just the democratic peace. In addition to peace between democracies, selectorate theory has been used to explain how regime type affects phenomena such as economic growth, the duration of leaders' tenure in office (Bueno de Mesquita et al. 2003), foreign aid (Bueno de Mesquita and Smith 2007, 2009), and corruption in both democracies and autocracies (Bueno de Mesquita and Smith 2011). Because of its broad scope, logical consistency, and empirical support, selectorate theory appears to provide the best explanation of the democratic peace.

The Kantian Triangle

An idea that is closely related to the democratic peace is the **Kantian triangle of peace**, a concept developed by Russett and Oneal (2001) that builds on the arguments of eighteenth-century German philosopher Immanuel Kant in

his book *Perpetual Peace*. These ideas represent a broader liberal peace than a simple focus on democracy and echo ideas advanced by Woodrow Wilson for peace following World War I.

Box 7.1

Case in Point: Woodrow Wilson's Fourteen Points

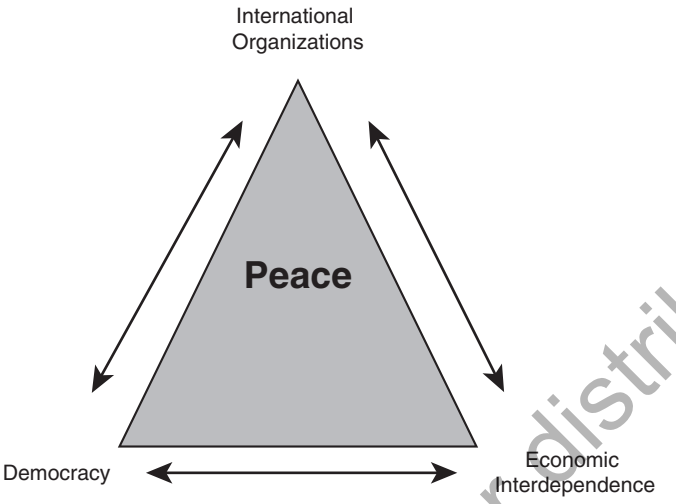
Ideas of a liberal peace are well summarized in the Fourteen Points presented by Woodrow Wilson, the president of the United States from 1913 to 1921. Although World War I began in August 1914, the United States did not join the war until April 1917. President Wilson presented his plan for postwar peace in fourteen points in a speech to a joint session of Congress on 8 January 1918. His plan was later accepted by France and Italy, and mostly accepted by Britain, and formed the basis of the Allies' approach to postwar peace.

The fourteen points, summarized, were:

1. Diplomacy should proceed "in the public view," rather than in secret alliances.
2. There should be "freedom of navigation upon the seas," in both peace and war.
3. Trade barriers among nations should be reduced.
4. "Armaments will be reduced to the lowest point consistent with domestic safety."
5. Colonial claims should be adjusted in the interest of the inhabitants as well as of the colonial powers.
6. The Russian territory should be evacuated and its government welcomed to the society of nations.
7. Belgian territories in Germany should be restored.
8. All French territory, including Alsace-Lorraine, should be evacuated.
9. Italian boundaries should be readjusted along clearly recognizable lines of nationality.
10. There should be independence for various national groups in Austria-Hungary.
11. The Balkan nations should be restored as well as free access to the sea for Serbia.
12. There should be protection for minorities in Turkey and the free passage of the ships of all nations through the Dardanelles.
13. Poland should have independence, including access to the sea.
14. A league of nations should be established to protect "mutual guarantees of political independence and territorial integrity to great and small nations alike."

Wilson's fourteen points highlight economic interdependence (points 2 and 3), self-determination (points 5–13), disarmament (point 4), and international organizations (points 1 and 14) as the path to peace. While not addressed in the fourteen points, Wilson's speech asking Congress to declare war argued that the United States should join to "make the world safe for democracy." Together, Wilson's arguments highlight the major themes of liberalism in international relations theory.

Figure 7.2 Kantian Triangle of Peace



The Kantian triangle represents three key factors that make international peace more likely, as shown in Figure 7.2. The first leg of the triangle is democracy. As we have already seen so far in this chapter, there is substantial evidence that democracies rarely fight each other. Kant argued that democracies "are capable of achieving peace among themselves" even while they "remain in a state of war with" nondemocracies (Doyle 1986, 1162).

Economic interdependence is the second leg of the Kantian triangle of peace. Russett and Oneal (2001) argue that economically important trade and investment with other states limit the likelihood that a state will use force against its commercial partners because the cost of severing these economic ties is too great. Although some scholars have argued that international trade makes conflict more likely (e.g., Barbieri 1996), the majority of research indicates that trade makes conflict less likely (e.g., Dorussen and Ward 2010; Maoz 2009; Oneal and Russett 1997).

The final leg of the triangle is international organizations. An **international organization** is an organization that has members in multiple countries. Russett and Oneal focus on membership in intergovernmental organizations (IGOs), such as the United Nations (UN), Organization of Petroleum Exporting Countries (OPEC), and World Trade Organization (WTO), which have states as their members. There are also international nongovernmental organizations (INGOs), whose members are individuals or private organizations. Examples of INGOs include Amnesty International, International Committee of the Red Cross, and Greenpeace.

Russett and Oneal argue that international organizations make a direct contribution to preventing and resolving conflicts between countries.

International organizations do this in different ways. They may directly coerce and restrain those who break the peace, they can serve as agents of mediation and arbitration, or they can reduce uncertainty in negotiations by conveying information. Furthermore, Russett and Oneal expect that the more international organizations to which two states belong together, the less likely they will be to fight one another or even to threaten the use of military force.

Russett and Oneal (2001) argue that these three legs of the triangle work together to produce peace. Their central empirical results, drawn from an analysis of politically relevant dyads from 1886 to 1992 and using militarized interstate disputes as the dependent variable, are shown in Table 7.5. The negative coefficient for lower democracy means that as the less democratic state in a dyad becomes more democratic, the likelihood of conflict is reduced. Similarly, the negative coefficient for lower dependence means that the likelihood of conflict is reduced as the less dependent state in a dyad becomes more economically interdependent. The negative coefficient for international organizations indicates that the more international

Table 7.5 Logit Results for the Kantian Triangle of Peace

VARIABLE	COEFFICIENT (STANDARD ERROR)	SIGNIFICANCE LEVEL
Lower democracy	-0.0608 (0.0094)	< 0.001
Lower dependence	-52.9 (13.4)	< 0.001
International organizations	-0.0135 (0.0043)	< 0.001
Alliance	-0.539 (0.159)	< 0.001
Power ratio	-0.318 (0.043)	< 0.001
Noncontiguity	-0.989 (0.168)	< 0.001
ln (Distance)	-0.376 (0.065)	< 0.001
Only minor powers	-0.647 (0.178)	< 0.001
Constant	-0.128 (0.536)	< 0.41
Wald χ^2	228	< 0.001
N	39,988	

Source: Adapted from Bruce M. Russett and John R. Oneal, *Triangulating Peace* (New York: Norton, 2001), 316.

organizations that the two states are joint members of, the less likely they are to have a militarized dispute. The impact of their control variables dealing with contiguity, power, and alliances are all as we would expect from our discussions in chapters 4, 5, and 6 respectively.

Thus, Russett and Oneal find strong empirical support for their expectations regarding each leg of the Kantian triangle of peace. In addition, they argue that peace produces these factors because democracy is easier to sustain in a peaceful environment, trade is discouraged by international conflict and especially by war, and international organizations are most often formed when a certain level of peace seems probable. Russett and Oneal argue that since democracy, economic interdependence, and international organizations all lead to peace, and peace in turn leads to each of them, feedback loops are created. These feedback loops create the potential for what Russett and Oneal label virtuous circles of peace.

These findings regarding democracy, economic interdependence, and international organizations seem to bode very well for the future of world peace. As we saw in Figure 7.1, democracy has spread dramatically across the world in recent decades. Similarly, economic interdependence and membership in international organizations have grown dramatically since World War II. In many ways, Russett and Oneal's argument echoes that of Norman Angell, who published a book called *The Great Illusion* in 1911. Angell argued that the interdependence in Europe created a situation in which war could no longer serve states' economic interests; the idea that war could do so was a great illusion. Many people took Angell's argument to mean that war was not going to happen, much like Mueller (1989) argued that major war is obsolete in the modern world. Nonetheless, World War I began shortly after Angell's writing, and further wars have occurred in the century since, regardless of whether they served the states' economic interests.

Alternative Explanations

Despite the strong empirical finding that democracies are less likely to fight each other than are other pairs of states, the democratic peace argument is not universally accepted (Thompson and Tucker 1997). That democracies are less likely to fight each other is not really subject to debate. What is debated is whether democracy causes this peace or whether some other factor is responsible. Two of the strongest alternative explanations in particular deserve our attention here: The first is focused on common interests, and the second is focused on capitalism. We review each in turn.

Common Interests

Farber and Gowa (1995) reassess the democratic peace and find that it is period specific. In particular, they find that democratic dyads are only more peaceful than others during the Cold War period. Prior to World War I (1816–1913), they find that democratic dyads are significantly more likely to get into militarized disputes than other pairs of states. Thompson and

Tucker (1997) argue that Farber and Gowa's pre–World War I results are driven by the nineteenth-century rivalries between France and Britain and the United States and Britain. This counterargument is questionable, however, since these dyads are identified as rivalries because they fought a number of militarized disputes (as we will see in chapter 13), which is precisely Farber and Gowa's point.

Farber and Gowa (1997) and Gowa (1999) argue that it is common interests between states that lead to peaceful relations, rather than democracy. They find that prior to 1945, democracies tended to ally with one another less and fight each other more, whereas since 1945 democracies have tended to ally with one another more and fight each other less.

Their results indicate that common interests between states explain the observed conflict patterns better than common polities do. In the Cold War, democracies fought each other less because they all faced a common enemy, the Soviet Union. Furthermore, if the democratic peace was only a Cold War phenomenon, then we would expect democracy to no longer be significant in the post–Cold War world. Gowa (2011) finds that in the post–Cold War period, the relationship between joint democracy and peace no longer holds. Nonetheless, while common interests are certainly important, by themselves they appear to be insufficient to explain peace between democracies (Gartzke 1998).

Capitalist Peace

A different set of alternative explanations of the democratic peace, known as the **capitalist peace**, focuses on capitalism as the force driving peace between democracies, rather than democracy itself (Schneider and Gleditsch 2010; Weede 2003). Capitalism is an economic system that is characterized by private ownership of capital goods (such as factories, machinery, etc.) and the reliance on the free market to determine the price and quantity of goods and services. The importance of capitalism, and economic issues in general, for explaining peace between democracies was highlighted by several studies showing that the impact of democracy depends on the level of economic development (Hegre 2000; Mousseau 2000; Mousseau, Hegre, and Oneal 2003).

Gartzke (2007) focuses on economic development and financial and monetary integration as the key indicators of capitalism. Many studies have argued and found that international trade is associated with peace between states, and Russett and Oneal (2001) demonstrate that democracy still matters even when we account for trade. However, Gartzke, Li, and Boehmer (2001) argue that trade is not the only aspect of economic interdependence that should be accounted for. In particular, they argue that financial and monetary integration are even more important aspects of economic interdependence because they provide a key way for states to convey credible signals to others and thereby overcome potential bargaining problems. Gartzke (2007) finds that greater levels of financial openness significantly decrease the probability of conflict in a dyad. Furthermore, once financial openness

and economic development are controlled for, democracy no longer has an effect on the likelihood of wars or fatal disputes. Thus, his results indicate that capitalism drives peace between democracies, not democracy.

Mousseau (2009, 2012) argues that the key element of capitalism is a contract-intensive society. "A contract-rich economy is one where most citizens normally contract with strangers in the market to obtain their incomes, goods, and services. In contract-poor economies, in contrast, citizens are more dependent upon favors reciprocated among friends and family" (Mousseau 2012, 194). Mousseau (2009) finds that contract-intensive economies are significantly less likely to engage in international conflict, and once they are accounted for, democracy no longer has a significant impact on conflict.

Pitting the capitalist peace against the democratic peace in empirical tests is difficult because there is a strong overlap between capitalism and democracy. Furthermore, the capitalist peace has faced criticism from a couple of different fronts. Russett (2010) argues that capitalism and democracy both make peace more likely, although capitalism has both monadic and dyadic effects, while democracy's effect is only dyadic. In addition, some evidence suggests that findings regarding the capitalist peace may result from statistical anomalies rather than reality (Choi 2011; Dafoe 2011).

Whether the democratic peace or the capitalist peace is correct has important implications for the real world. For example, power transition theory points to the potential for conflict between the United States and China in the next few decades, as discussed in chapter 5. Although China is not democratic, it has become increasingly capitalist in recent decades. Thus, the democratic peace would suggest that the risk of conflict is great because the dyad is mixed, with the United States democratic and China autocratic. On the contrary, if China continues to move toward capitalism in its economic system, the capitalist peace would indicate that the risk of conflict between the two is greatly reduced (Weede 2010).

Conclusion

Examination of the history of international conflict in the past two centuries clearly demonstrates that democracies are less likely to fight each other than are other pairs of states. However, although pairs of democracies are relatively peaceful, democracies are not less likely to fight in general. These observations mark the cornerstone of the democratic peace. The logical explanation of the relationship between democracy and conflict has been subject to debate.

The normative explanation argues that democratic norms of compromise and nonviolent conflict resolution explain peace between democracies. In contrast, institutional explanations focus on the constraints created by democratic institutions and the information revealed to other states because of audience costs to explain the democratic peace. However, these explanations lead one to expect there to be a monadic democratic peace as well;

since the historical record contradicts the idea that democracies are more peaceful in general, these explanations are problematic. Probably the best explanation of the democratic peace comes from selectorate theory, which argues that the size of the selectorate drives the democratic peace and also explains a variety of other effects of regime type.

The Kantian triangle of peace is the idea that democracy, economic interdependence, and international organizations all work together to produce peace, and there is evidence to support the idea that they do. Alternative explanations for why democracies have fought each other less often than other pairs of states have been developed. In particular, there is some evidence to suggest that this peace between democracies is driven by common interests between states or capitalism, rather than democracy. Nonetheless, these alternative explanations remain quite controversial as most scholars are convinced that joint democracy is a major driving force for peace.

Key Concepts

Audience costs

Capitalist peace

Democracy

Democratic peace

Economic interdependence

Institutional explanation

International organization

Kantian triangle of peace

Monadic democratic peace

Normative explanation

Selectorate theory