

# PS 0500: The Democratic Peace Theory

William Spaniel

<http://williamspaniel.com/classes/IR22>

# Outline

- Brief History of IR Theory
- The Democratic Peace
- Explanations for the Democratic Peace?
- Correlation Does Not Imply Causation
- The McDonald's Peace Theory
- Economic Interdependence

# Roadmap

- Before: Unitary actor assumption
- Now: Perhaps type of government matters
- Next week: Perhaps leaders matter

# Intellectual History

- For the majority of IR's history, scholars assumed that states were identical except for in relative power (Realists)
- Other scholars challenged this assumption in the 1980s
  - Evidence overwhelmingly supports the second group

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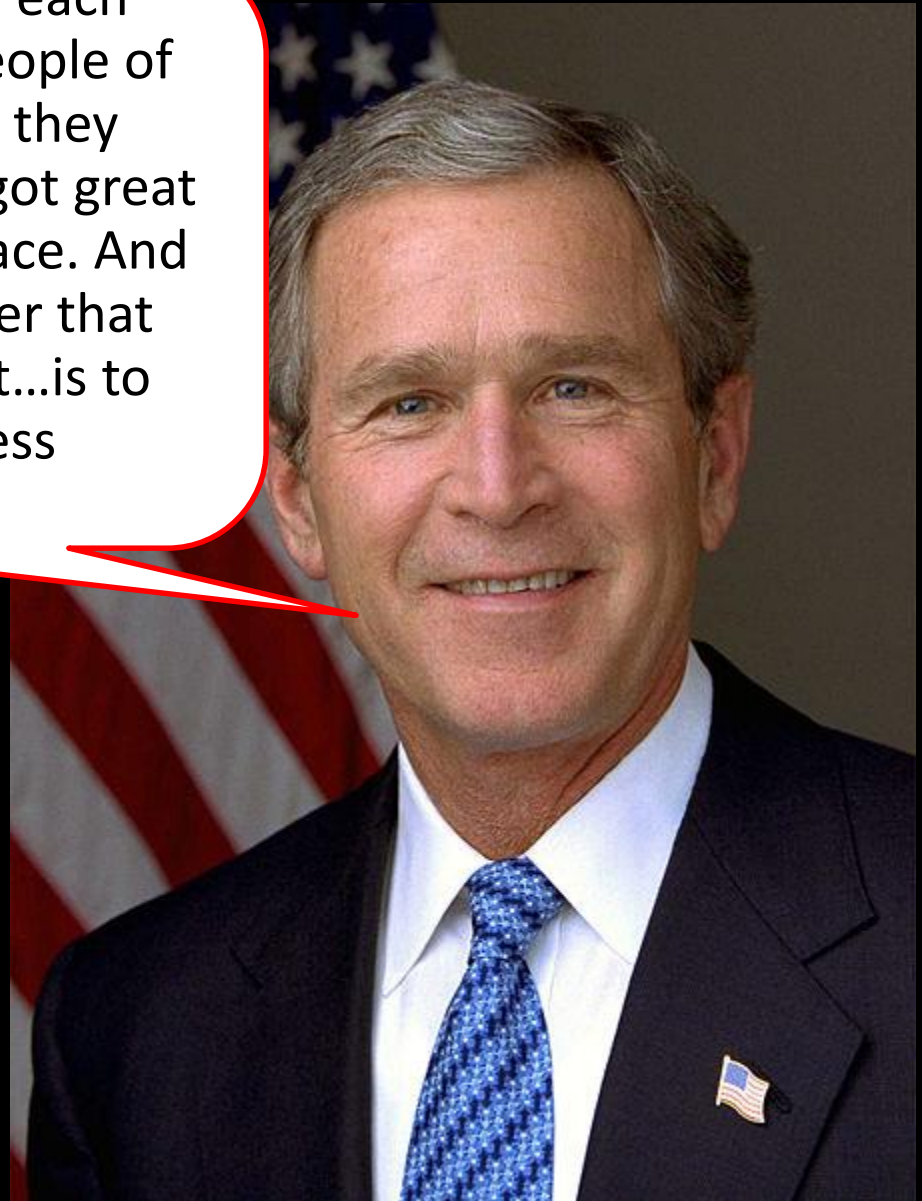
# The Democratic Peace Theory

Democracies tend not to fight other democracies.

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.  
(1994 State of the Union)



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...is to promote democracy. (2004 Press Conference)





Are democratic countries more  
peaceful?

Answer: Kind of.

Democracy + Democracy = Little  
War

Democracy + Democracy = Little War

Democracy + Non-Democracy = Some War

Democracy + Democracy = Little War

Democracy + Non-Democracy = Some War

Non-Democracy + Non-Democracy = Some War

# Some Caveats

- How do we define democracy?
  - Is Mexico a democracy?
  - Is Russia a democracy?
  - Was the United States in 1796 a democracy?

# Some Caveats

- How do we define war?
- Correlates of War is the standard dataset for war (1816-present)
  - Requirements
    - 1000 battle deaths (lots of death)
    - At least 100 battle deaths per side or 1000 troops committed (balanced fight)
    - Continuous conflict

# Some Caveats

- Democracies sometimes do fight other democracies
  - Ancient Greece
  - War of 1812
  - Spanish-American War
  - Lebanon/Israel Six Day War
  - Kargil War



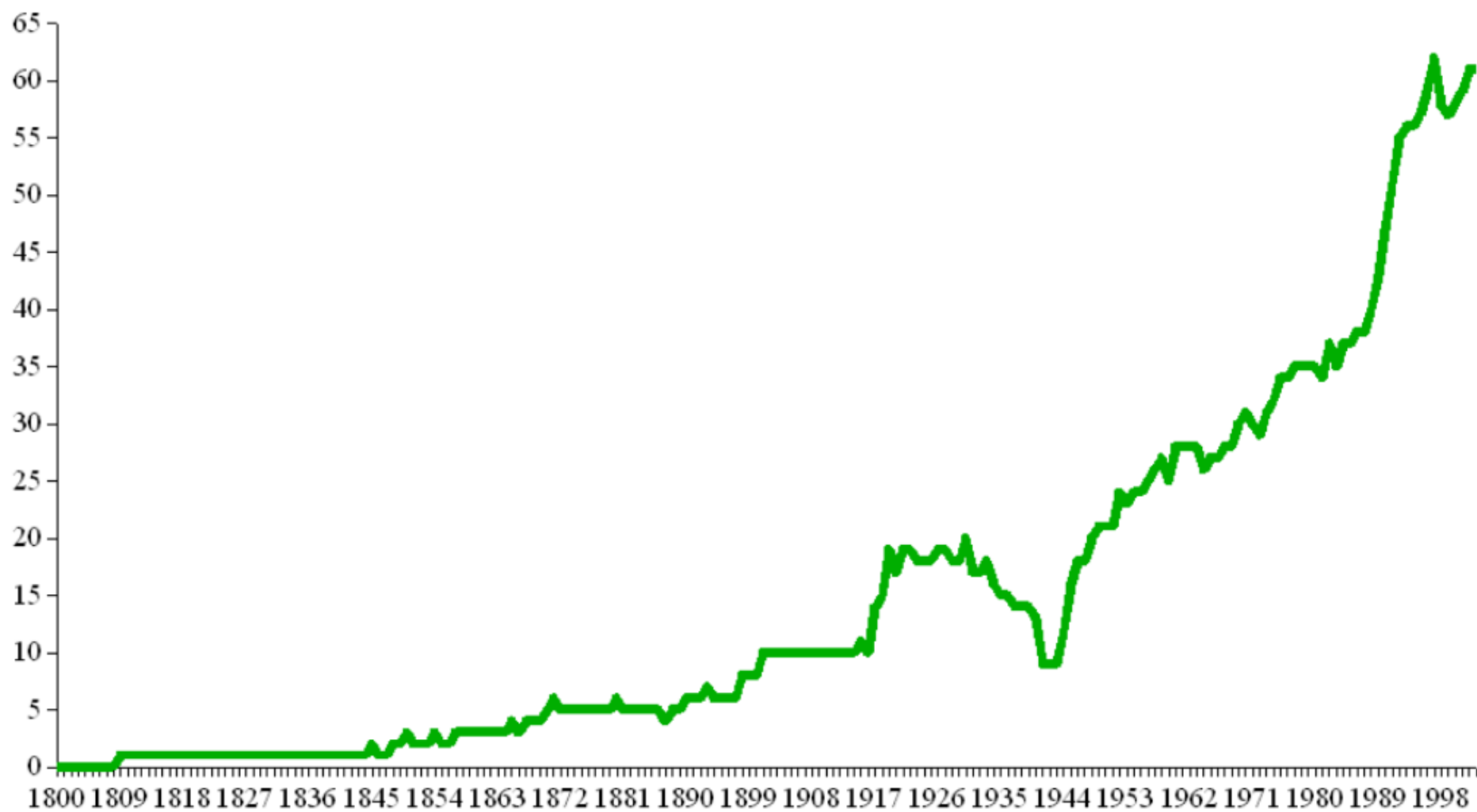
# Some Caveats

- Democracies aren't always friendly to democratic ideals
  - Iran 1953
  - Indonesia 1957
  - Chile 1973
  - Nicaragua 1984

# Some Caveats

- Very few democracies existed before the end of World War II

**Number of nations scoring 8 or higher on the Polity IV scale 1800-2003**



# Some Caveats

- Most democracy versus democracy data we have comes from the Cold War
  - Almost all democracies allied against communism

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How does democracy cause  
peace?

# Theories of the Democratic Peace

1. Culture of contracts
2. Transparency
3. Electoral incentives

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# Culture of Contracts

- Behavioral explanation for the democratic peace
- In democracies, citizens have incentive to cooperate through contractual agreements
  - Violence is not allowed

# Theories of the Democratic Peace

1. Culture of contracts
2. Transparency
3. Electoral incentives

# Transparency

- Rationalist explanations for war: uncertainty about resolve causes conflict
- How can rival states be uncertain about a democracy's level of resolve?
  - Public polling data is readily available to *everyone*, including the evil dictators of the world
  - Less private information → less war

# Theories of the Democratic Peace

1. Culture of contracts
2. Transparency
3. Electoral incentives

# Electoral Incentives

- *Selectorate*—the pool of individuals who can make up winning coalitions
- *Winning coalition*—a group of individuals necessary to remain in power
  - Democracies: Half of all voters plus 1
  - Autocracies: Military commanders, a handful of politicians

# Electoral Incentives

- War is costly, but some benefit
- Easy to buy off a small number of people
  - Saddam Hussein → steal Kuwaiti oil → buy off his cronies
- Hard to buy off a large number of people
  - Since democracies share the burden of war relatively equally, democratic leaders have less incentive to fight

Democracy + Democracy → Little War

Democracy + Democracy → Little War

Non-Democracy + Non-Democracy → Some War



Democracy + Democracy → Little War

Democracy + Non-Democracy → A Little More War

Non-Democracy + Non-Democracy → Some War

Democracy + Democracy = Little War

Democracy + Non-Democracy = Some War

Non-Democracy + Non-Democracy = Some War

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What is the difference between correlation and causation?

# Correlation

- When A is present, B tends to be present as well and vice versa

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  - When two democracies are present, peace tends to be present as well

# Correlation

- When A is present, B tends to be present as well and vice versa
  - When two democracies are present, peace tends to be present as well
- This tells us nothing about causation!

# Correlation

- For the moment, assume there actually is a causal relationship
  - Correlations can exist randomly
    - A fair coin appears biased every now and then
  - We have statistical tests to tell us the relationship between democracy and peace is extremely unlikely to be due to chance



# Problems with Inferring Causation

1. B causes A.
2. A and B cause each other.
3. C causes A and B.
4. A causes C which causes B. But D also causes C which causes B.

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- Presence of United Nations troops is correlated with the outbreak of civil war. Therefore, we should not station U.N. troops in hotspots.

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  - But U.N. troops go to the *hardest* places to keep the peace
  - They *should* fail frequently

# Peace Causes Democracy

- Democracies are not as efficient as autocracies
  - Benefit: check and balance on power
- With external threats, citizens might be willing to concentrate power
  - So democracies only arise in places not prone to war

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- Democracies are not as efficient as autocracies
  - Benefit: check and balance on power
- With external threats, citizens might be willing to concentrate power
  - So democracies only arise in places not prone to war
  - Or democracy recedes when conflict is likely

# Problems with Inferring Causation

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# Example: Wealth and Democracy

- Democracy is correlated with high domestic wealth. Therefore, democracy causes wealth.



# Example: Wealth and Democracy

- Democracy is correlated with high domestic wealth. Therefore, democracy causes wealth.
  - Yes.
  - But wealth also gives the middle class political power. So wealth causes democracy. The relationship goes both ways.

# Democracy and Peace

- Perhaps democracies causes peace but peace also causes democracy
- We cannot estimate the effectiveness of democracy by looking at the correlation between democracy and peace

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- Arms races are correlated with the outbreak of war. Therefore, arms races cause war.
  - No. Bargaining problems cause war. States engage in arms races to prepare for war.

ARMS RACES



WAR

**BARGAINING  
PROBLEMS**

```
graph TD; A[BARGAINING PROBLEMS] --> B[ARMS RACES]; A --> C[WAR];
```

A diagram illustrating the progression from bargaining problems to arms races and war. At the top, a red rounded rectangle contains the text 'BARGAINING PROBLEMS'. Two red arrows point downwards from this rectangle to two separate rounded rectangles below. The left rectangle is green and contains the text 'ARMS RACES'. The right rectangle is purple and contains the text 'WAR'.

**ARMS RACES**

**WAR**

# Democracy, Economics, and War

- Perhaps wealth causes democracy
- Perhaps the creation of wealth (i.e., trade) causes peace



WEALTH

```
graph TD; WEALTH[WEALTH] --> DEMOCRACY[DEMOCRACY]; WEALTH --> PEACE[PEACE];
```

DEMOCRACY

PEACE

# Problems with Inferring Causation

1. B causes A.
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# Cold and the Cold

- Cold weather and sickness are correlated.  
Therefore, cold weather causes sickness.

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- Cold weather and sickness are correlated.  
Therefore, cold weather causes sickness.
  - Not quite. Cold weather forces people indoors.  
Sharing cramped spaces allows germs to spread more easily.

```
graph LR; A[COLD WEATHER] --> B[BEING INDOORS]; B --> C[SICKNESS]
```

COLD  
WEATHER

BEING  
INDOORS

SICKNESS



COLD  
WEATHER

BEING  
INDOORS

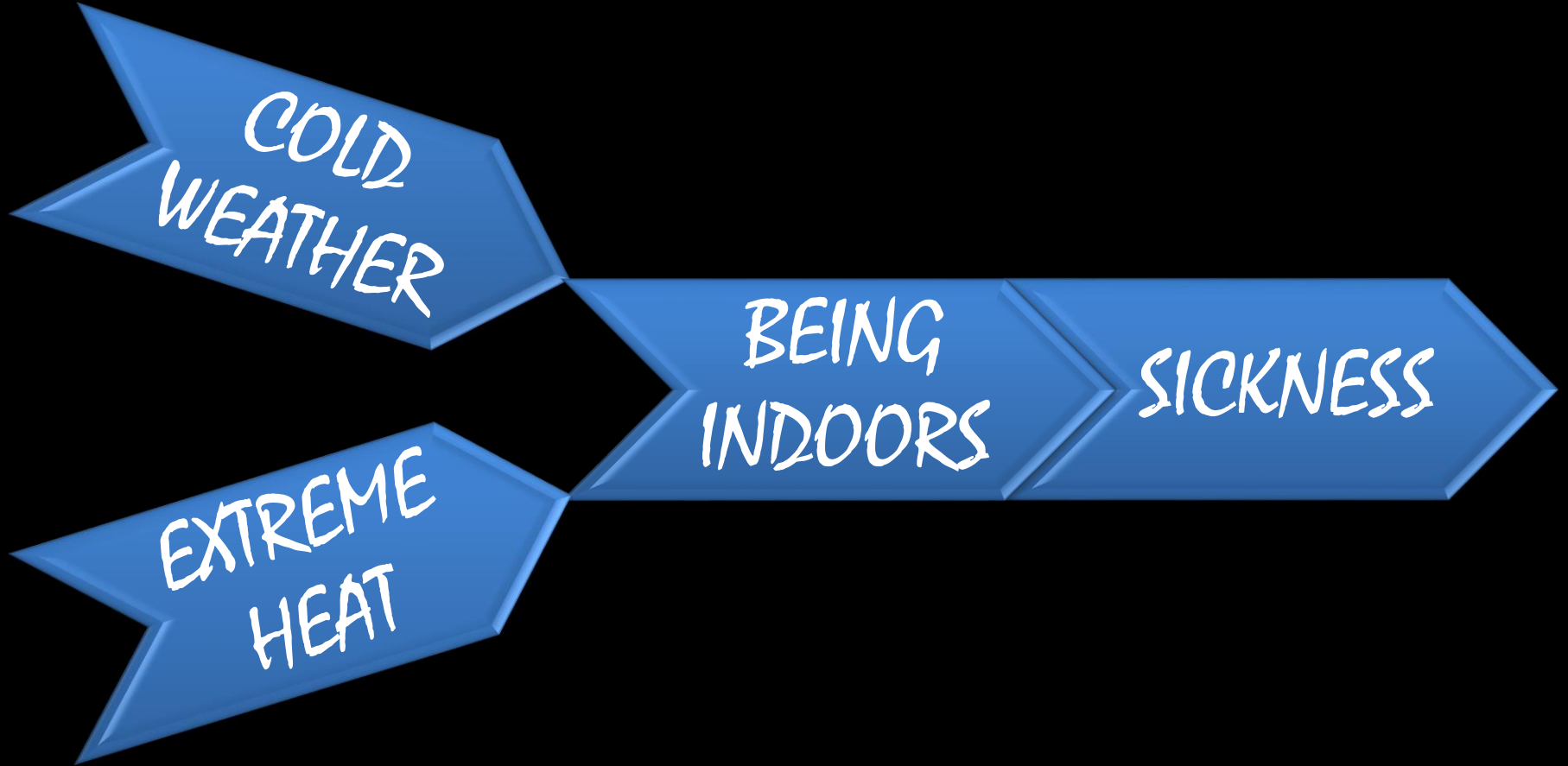
SICKNESS

COLD  
WEATHER

BEING  
INDOORS

SICKNESS

EXTREME  
HEAT





DEMOCRACY

BEING  
INDOORS



PEACE

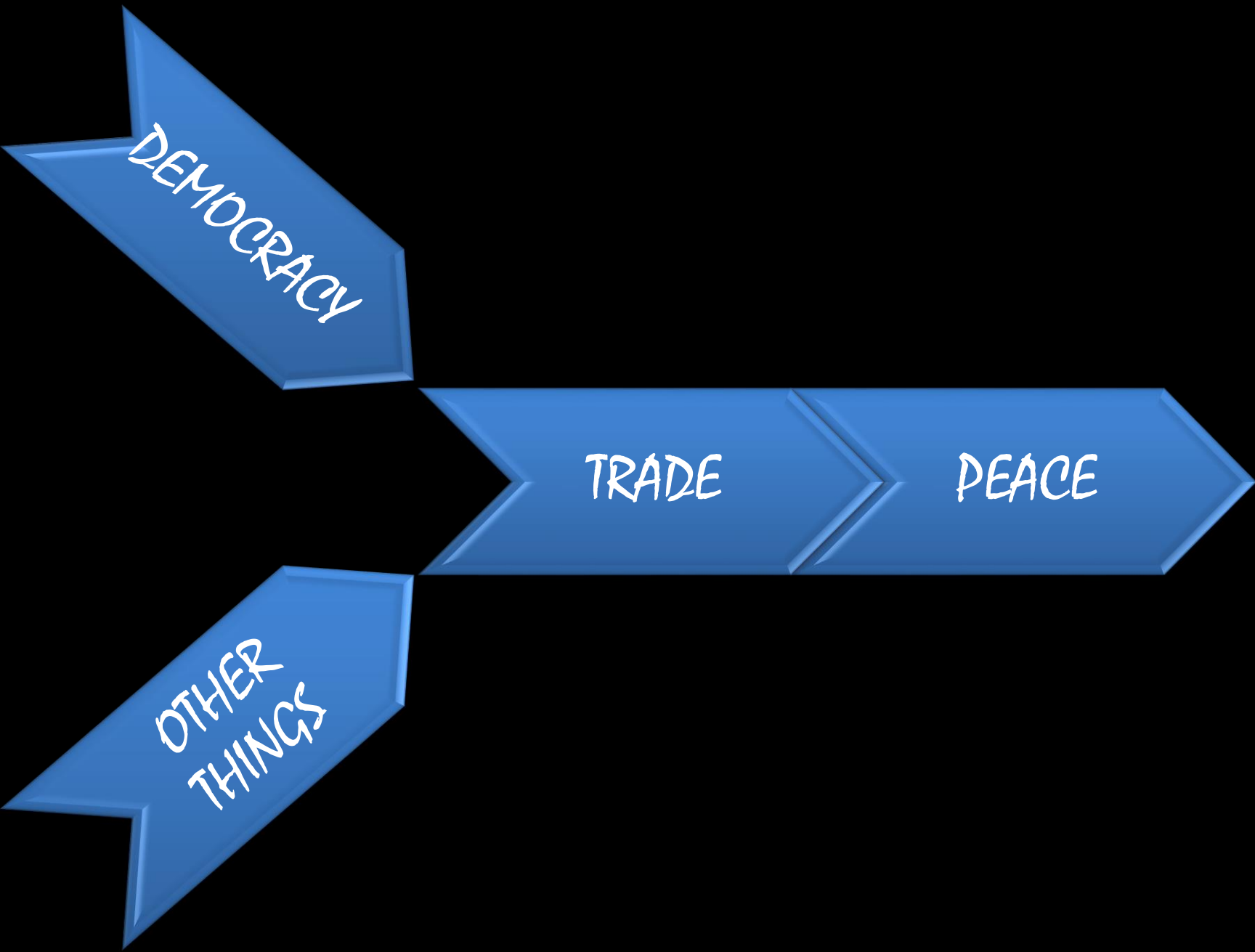




DEMOCRACY

TRADE

PEACE



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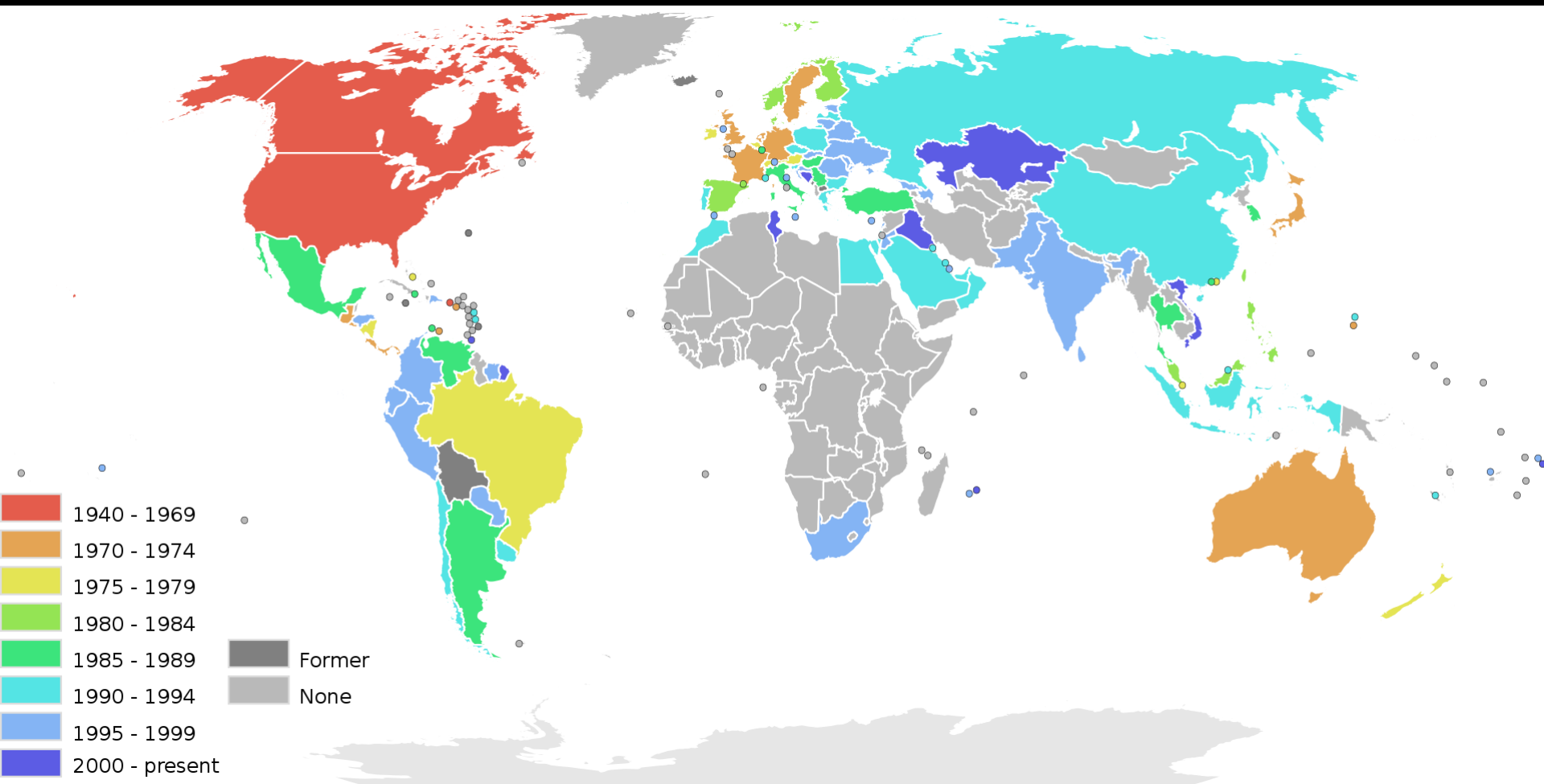
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# McDonald's Peace Theory

- Countries with McDonald's restaurants tend not to fight other countries with McDonald's restaurants
  - Originates from a 1996 NYT article by Thomas Friedman





# Perfect Theory?

- Yes!

# Perfect Theory?

- Yes...until it wasn't









Google 100%

Google Landsat / Copernicus Data SIO, NOAA, U.S. Navy, NGA, GEBCO Mapa GISrael Camera: 3,504 km 27°43'17"N 98°34'02"E

# Correlates of War

- Sustained combat between regular armed forces of two states
- At least 1000 combat fatalities total
- Each side has at least 100 combat fatalities or at least 1000 armed forces





Old

SOBERANA

ATLAS  
...era.

PANAMA

LAVANDERIA

RAP



# KRAGUJEVAC ARM AND MV PLANT CRVENA ZASTAVA, SERBIA















# Correlation versus Causation

- Clearly, Big Macs do not cause peace
- But countries with McDonald's tend to be better developed and open to trade
  - McDonald's only expands to rich countries integrated into the global supply chain
  - Perhaps open trade is causing the peace

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# Economic Interdependence

- Countries that trade with each other tend not to fight each other
  - True for disputes and wars
  - Finding controls for other factors

# Economic Interdependence

- Correlation does not imply causation
  - Perhaps causation goes the other way
  - Can we explain why trade relations might *cause* peace?

# Explaining the Peace

- Last unit: trade creates a surplus
  - Splitting the surplus makes everyone better off

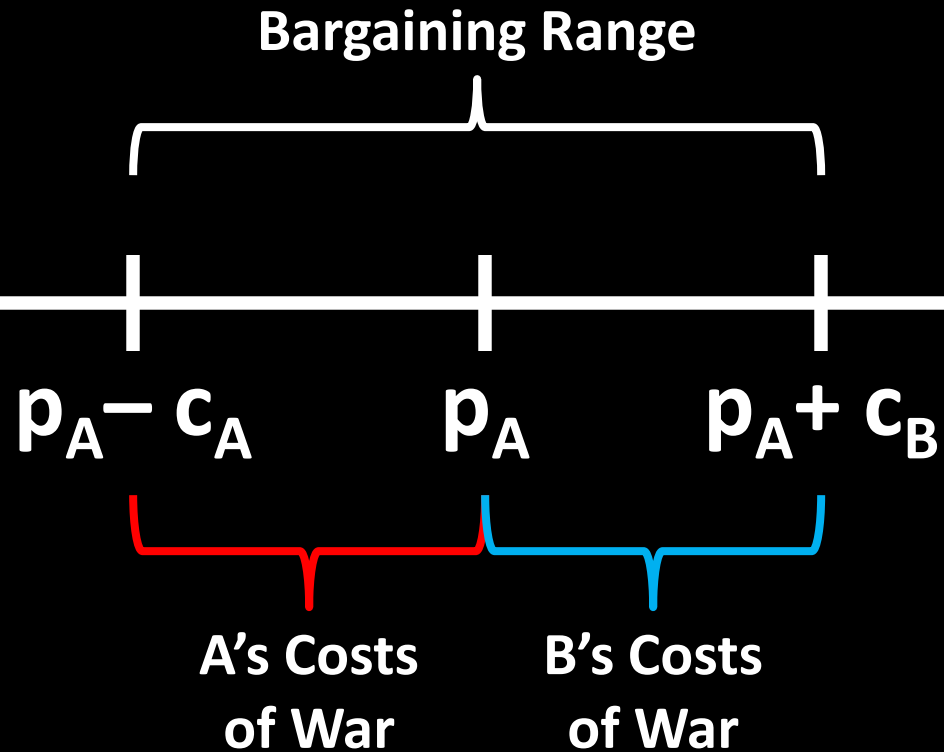
# Explaining the Peace

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# Explaining the Peace

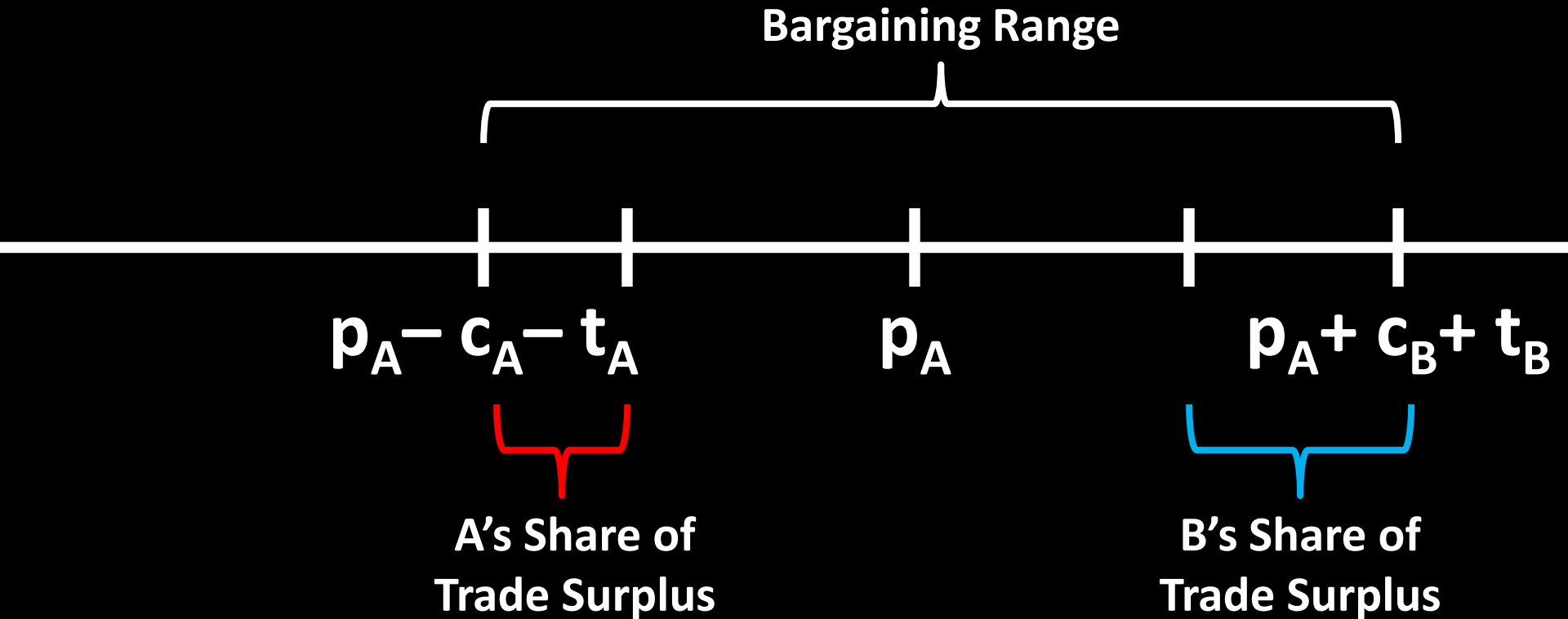
- Last unit: trade creates a surplus
  - Splitting the surplus makes everyone better off
- Two units ago: range of mutually preferable settlements grows larger as costs grow
  - States cannot trade if they are at war
  - Trade surplus makes war costlier

# Bargaining without Trade





# Bargaining with Trade



**Bargaining Range with Trade**



**Bargaining Range without Trade**



# Explaining the Peace

- Trade makes war less appealing
- The less appealing war is, the less likely bargaining breaks down for most explanations for war

Umlauffähig im ganzen Regierungsbezirk  
Aachen. Gültig bis zum 1. April 1924.

# Gutschein über Fünfzig Billionen M · a · r · k

Reihe A

DIESER GUTSCHEIN WIRD VON DEN STÄDTISCHEN KASSEN IN  
ESCHWEILER u. STOLBERG SOWIE VON DEN BANKEN DES ESCHWEILER  
STOLBERGER INDUSTRIEG. IN ZAHLUNG GENOMMEN. ER VERLIERT  
SEINE GÜLTIGKEIT VIER WOCHEN NACH AUFRUF DURCH D. ÖFFENTL. BLÄTTER.

ESCHWEILER u. STOLBERG, DEN 17. NOV. 1923  
DIE BÜRGERMEISTER:

50



*Elser i.v. Döbbelmann*



№ 715041

50 Trillion Marks









No Food or Beverage  
Permitted in this Area.  
Thank You for  
Helping us Preserve  
this Part of our History.



WORLD TRADE  
ORGANIZATION



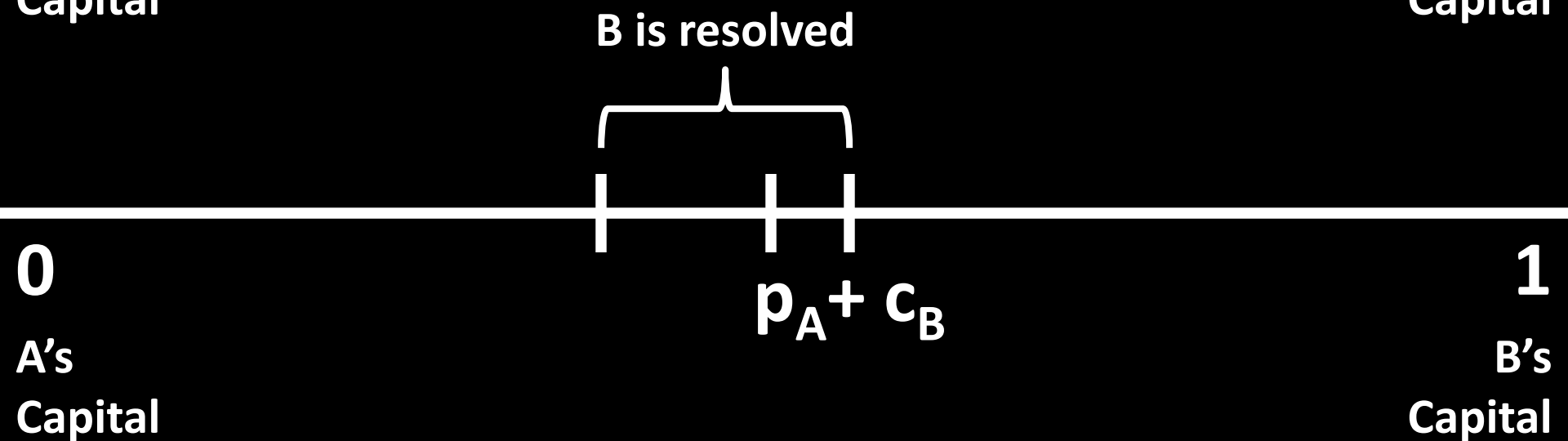
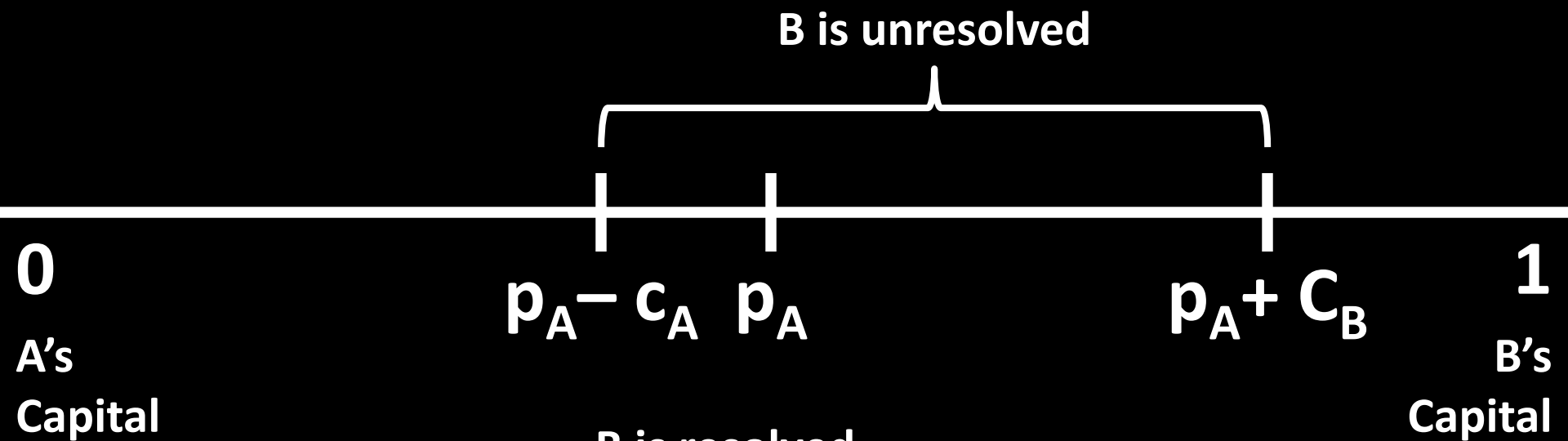
**THE WORLD BANK**





# Other Interdependence Theories

- Exchange of information



# Other Interdependence Theories

- Exchange of information
- Changing of underlying preferences