

Bruce Bueno de Mesquita, James Morrow, Randolph Siverson and Alastair Smith, "An Institutional Explanation of the Democratic Peace," 93(4) *American Political Science Review* (1999): 791-807.

Overview

Bueno de Mesquita et al use a game theoretic model to show how institutional arrangements produce: different levels of constraint in different political systems; different behavioral incentives; and a number of empirical regularities associated with the democratic peace.¹ Their model specifies how resources are allocated during an international dispute given variation in political institutions; how regime type affects war participation and outcome; and the prospects for leaders remaining in office after a war, as a function of institutional arrangements. Their key findings are that domestic reselection pressures cause democratic leaders to mobilize considerable resources for the war effort and to be more selective in choosing targets, because defeat is more likely to lead to domestic replacement. Because democracies use their resources for the war effort rather than to reward backers, they are generally able to overwhelm autocracies and to fight relatively short and less costly wars. Yet, democracies find it hard to defeat other democracies, which also try hard; thus democratic states rarely attack one another.

Preliminaries

All regimes can be classified according to the size of the *selectorate* [*S*] (those citizens participating in selection of political leadership) and of the *winning coalition* [*W*] (subset of *S*):

- Democracies – *S* represents all citizens; *W* is large (typically a majority of *S*)
- Monarchies & military juntas – *W* and *S* small relative to total number of citizens
- Authoritarian states – *W* is always small; *S* can be small or large.

Assumes that political leaders in all systems motivated to remain in office. Leader's incentives regarding conflict choices are endogenous to certain political institutions, specifically leadership selection criteria.

The Game

- Two states – **A** and **B** – engaged in a dispute. Leader **A** must choose to fight or to negotiate a settlement. If war, leader must decide what proportion of resources to allocate to war (effort level) as compared to private goods use.
- If war, leader **B** chooses how hard to fight (effort level), having observed **A**'s effort level.
- Outcome of war = function of relative effort levels + observable military balance
- Reselection Phase
In each state, citizens receive payoffs based on outcome of crisis and any

¹ Namely, dems still fight with nondems; dems tend to win most wars they fight; dem dyads choose to peacefully resolve disputes more often than other dyads; dems more likely to initiate war against autocracies than reverse; when they initiate, dems pay fewer costs (human lives) and don't fight as long as nondems; transitional dems more likely to fight than stable regimes (monadic observation); larger dems more constrained to avoid war than smaller dems (monadic).

resources not used in war effort. Given these payoffs, W decides whether to retain or replace the leader. Defection by W places their private goods benefits at risk, and this risk increases with the size of S and decreases with the size of W . Leader A remains in office as long as she offers her W at least as much as a potential challenger can credibly promise. Given her incumbency advantage, she survives as long as she's not judged "grossly incompetent as compared to the challenger." This judgment depends on the polity structure and size of incumbency advantage (smaller in democracies, etc.)

How do political institutions affect resource allocation during a war?

Leaders choose effort level that maximizes their expected payoff. Because political institutions shape selection criteria determining whether to retain the leader, they also shape leader's incentives in choosing certain policies. **The larger the W , the greater the effort level chosen.** Thus democratic leaders are more concerned with policy failure and so make more effort to succeed in war. Autocrats typically reserve their resources for domestic uses, as they do not need policy success to ensure political survival.²

How do political institutions affect incentives to negotiate vs. fight?

- Democratic leaders are selective and initiate war only if they anticipate victory
- Democracies make less attractive targets than nondemocracies b/c they typically 'try harder' during a war. Because autocrats don't try as hard, they make attractive targets for democracies.
- Autocrats initiate war when expected gains of conflict exceed expected gains of negotiation – thus not likely to initiate conflict with a democracy, b/c leader knows that democracies try hard.
- Democracies initiate war when their prospects of victory almost certain, providing that doing so enhances survivability of incumbent (this explains colonial and imperialist expansion). Autocracies will be willing to fight back b/c victory is not essential for political survival.
- Because democracies try hard, democratic dyads seek to avoid conflict. The exception is when one dyad-party is significantly weaker than the other. However, the smaller democracy is expected to settle rather than fight back (given that a high certainty of victory is needed in order for a democracy to fight).
- Because they try harder, democracies are more likely to win quickly and suffer fewer casualties. War between democracies, however, is likely to be long and costly, which further supports propensity of democratic dyads to negotiate.
- Suggests that if transitioning democracies expand their S faster than their W , then the W falls below its optimal size in shaping incentives of leaders, which might explain why some transitional democracies are more war prone.
- When democratic leaders have failed domestic policies → increased propensity for war ('Gambling for Resurrection'; diversionary war theory).

² Qualifications: cases where war-outcome more important relative to private goods such that all leaders choose high effort level; conversely, low salience of war such that no institutional arrangement will induce increased effort.