

**Kenneth Schultz, "Do Domestic Institutions Constrain or Inform? Contrasting Two Institutional Perspectives on Democracy and War," *International Organization* 52, no. 2 (Spring '99), pp. 233-66.**

- I. Intro -- The observation that democracies do not fight wars with each other has prompted a number of arguments about how attributes of democracies might be responsible for this phenomenon. This article tests two sets of arguments to see which is more plausible:
  - A. The "institutional constraints" school argues that democracies avoid initiating military conflict since democratic institutions increase the political risks to leaders of going to war (i.e., democracies have preferences that place lower average expected utility from war)
  - B. Another view stresses informational properties - democratic countries feature a more transparent political process, which enhances their ability to send convincing signals about their intentions in a crisis (i.e., democracies are better at revealing their preferences). In other words, if a democracy threatens war, it is comparatively easy for the target country to evaluate the seriousness of the threat.
- II. The test: These two approaches make similar predictions concerning international outcomes -- both would predict that democracies would be unlikely to go to war with each other -- so a test must be devised in which each approach would make different predictions. The two views arguably make different predictions concerning how other states (whether democratic or not) would respond when threatened with the use of force by a democracy.
  - A. Institutional constraints theorists would argue that states would be more likely to resist challenges from democracies since the target state has reason to doubt the threat will be carried out (the political costs of war for democratic leaders are greater, so they could just be bluffing).
  - B. The informational perspective would predict that the transparency of democracies would make them not only unlikely to engage in bluffing (since it would be transparent), but also more likely to have their threats seen as genuine since the support of the democratic polity for the policy could be verified. The target state thus would be more likely to back down.
- III. Results: Using a fairly simple formal model of crisis bargaining and correlates of war data, the two predictions can be evaluated. Schultz argues that the results support the informational perspective more than the institutional one:
  - A. Targets of military threats are significantly less likely to respond militarily when the initiator of the threat is a democracy.
  - B. Changing the initiator's regime from nondemocratic to democratic leads to an almost 25 percent reduction in the likelihood of a military response from the threatened state. This is the same degree of shift seen when the initiator changes from a minor to a major power (i.e., it's a very striking effect).
- IV. Caveats
  - A. There could be a selection bias problem: what if democracies are more likely than non-democracies to make threats against states that are predisposed to back down? This could be consistent with the institutional constraints view. Schultz attempted to introduce some variables to control for this effect, but acknowledged that he could not control for it completely.
  - B. It is also possible that both views are correct at the same time. Democratic institutions could simultaneously increase the political costs of war and facilitate information revelation. Presumably, when democracies actually did make threats, transparency could allow the threats to be perceived as genuine despite the higher political costs. In Schultz's view, the

results do not so much falsify the institutional argument as they lend support to the informational one.

C. Schultz does not address the question of why democracies are only less likely to go to war with other democracies - the basic democratic peace observation. The results here suggest that democracies would be less likely to be involved in war in general, since the other side (irrespective of whether it is democratic or not) is more likely to back down in the face of the democratic state's threats.