

Status Quo Preferences and Disputes Short of War

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ABSTRACT

This paper suggests that the importance of preferences for the international order extend beyond the conditions proposed by power transition theory. Specifically, a dissimilarity of preferences for the international order should affect relations for all states in the international system for all levels of dispute. In essence, I posit that disagreements over the norms and rules that comprise the international order should increase the domain of conflict for all dyads—even when they have neither the ability nor opportunity to directly affect the construction of the international order. To test the above argument, I propose two new Euclidean-distance measures of dissimilarities of economic and security preferences. Using a series of logits and their predicted probabilities on data from the post-WWII period, I find that a dissimilarity of preferences for the status quo has an important, incendiary effect on the likelihood of dyadic disputes short of war. In fact, dissimilar preferences for the economic and security status quo provide greater leverage in explaining disputes short of war than even such traditionally important variables as the lowest level of dyadic democracy and economic interdependence.

Organski and Kugler's (1980) power transition theory posits that a dissimilarity of preferences for the international status quo—or the security, military, economic and diplomatic rules and norms of engagement—is an essential determinant of war between great powers. This paper suggests that the impact of status quo preferences on international interactions extends beyond major wars in two important ways. First, I posit that dissimilarities of preferences for the international order¹ serve as a fundamental motivation for conflict at lower levels of dispute; and second, that they do so for all states in the international system.

In effect, I argue that the construction of the status quo need not be the “prize of war” for a dissimilarity of preferences to affect dyadic relations. Disagreements over the structure of the international status quo impact relationships between states in a number of different ways that are pertinent not only to the most intense wars in the international system but also to disputes short of war. Moreover, such disagreements should increase the likelihood of disputes for all dyads, regardless of whether or not they have the ability or opportunity to directly affect the composition of the international order.

To test this argument, I develop two Euclidean-distance measures of security and economic preferences that address some of the limitations of previous indicators of status quo preferences. Using a series of multinomial logits and predicted probabilities with data from the post-WWII period, I find that, regardless of whether these new measures or the previously established *S* correlation of alliance profiles is employed, a dissimilarity of status quo preferences dramatically increases the likelihood of interstate disputes short of war. In fact, dissimilar preferences for the status quo are shown to be the most powerful predictors of such disputes—even stronger than traditionally important variables such as the level of dyadic democracy and economic interdependence. Taken in conjunction with previous power transition

¹The terms “international order,” “international status quo,” and “status quo” are used interchangeably in this paper.

scholarship on preferences and great power war (Lemke and Kugler, 1996; Tammen, Kugler, Lemke, Stam, Abdollahian, Alsharabati, Efird and Organski, 2000), these findings strongly suggest that the construction of the international order and states' preferences for this order are vital determinants of international interactions for all dyads at all levels of conflict.

STATUS QUO PREFERENCES AND CONFLICT

The international order, defined by Organski (1968) as the security, military, economic, and diplomatic rules and norms of engagement, is supported to a greater or lesser degree by all states in the international system. Power transition theory clearly assumes that preferences for the international order, or the status quo, are a driving force behind war (Organski, 1968; Organski and Kugler, 1980; Kugler and Lemke, 1996; Tammen et al., 2000). This argument has garnered much empirical support in the recent literature, where a challenger dissatisfied with the status quo proves to be a near essential determinant of great power and regional war (Kim, 1989, 1991, 1996; Lemke and Werner, 1996; Lemke and Reed, 1996, 2001; Werner and Kugler, 1996; Lemke, 2002).

In brief, in power transition theory, a change in the status quo is assumed to be the primary motivating force for war. However, because disputes short of war are unlikely to affect the composition of the status quo, the theory does not attempt to explain low-level conflicts. This paper thus extends power transition theory in suggesting that preferences for the status quo can affect states' conflict propensities even when the structure of the international order is not the main area of contention.

Differences in preferences may arise from any number of material, ideological, or historical antecedents. Regardless of their genesis, discrepancies over preferences for the status quo are a powerful motivating factor for dyadic disputes. As Gartzke (1998, pp. 7) notes,

“nations that disagree often are more likely to come to blows than nations whose world views are in harmony.”² Indeed, disagreements over the status quo can strain interstate relationships in a number of ways. For example, disagreements over status quo norms for stable borders and sovereignty have led to disputes short of war between dissatisfied states such as China and satisfied states such as Taiwan, Japan, and the US. Similarly, disagreements over current international trade and commerce norms and rules have led to armed disputes over fishing rights and the forceful seizure of property.

In sum, the impact of a dissimilarity of preferences for the international order can be observed over many dimensions of interest and over many levels of interaction. Importantly, the impact of such preferences on disputes has been shown to be theoretically and empirically distinct from other important predictors of conflict such as institutional format (Lemke and Reed, 1996) and power (Lemke and Reed, 1998).³ Accordingly, I expect a dissimilarity of preferences to have a clear and independent role in expanding the domain of conflict for all dyads in the international system.

Operationalizing the Status Quo

Despite the role of a dissatisfied challenger as the *sine qua non* of great power war, preliminary tests of power transition theory were notably lacking in their operationalization of status quo preferences (Werner and Kugler, 1996; DiCicco and Levy, 1999). More recent work testing power transition theory has remedied this problem by operationalizing status quo

² Gartzke tests this argument by examining dyadic “affinity” (as measured by the correlation of UN voting profiles). Consequently, this work does not directly address how a dissimilarity of preferences for the US-led international order might affect dyadic disputes.

³ Indeed, there are powerful states that were widely considered to be dissatisfied with the international order (e.g., the USSR during the Cold War) and less powerful states that are by all accounts extremely satisfied with the current order (e.g., Belgium).

preferences through the correlation of states' alliance profiles with the dominant power of the international system.

Initially, work employing such measures relied on τ_β correlations of states' alliance profiles with the leader of the international system (Kim, 1989, 1991, 1996; Lemke and Reed, 1996). States with a high or positive correlation of alliance profiles with the dominant power were assumed to be satisfied with the international order (and, therefore, less likely to initiate war). Newer work on great power rivalry (Lemke and Reed, 2001) has employed Signorino and Ritter's (1999) much-improved *S* statistic to measure states' ties to the international leader.⁴ A third, dichotomous measure of status quo preferences includes the presence of arms buildups (Lemke and Werner, 1996; Werner and Kugler, 1996). In addition, Bueno de Mesquita (1990) and Gibler (2004) propose that the cost of money can be used as a measure of preferences for a status quo that is not tied to the leader of the international system. With few exceptions (Lemke and Reed, 2001; Gibler, 2004), status quo preferences are generally measured dichotomously—with states viewed as being either dissatisfied or satisfied with the international order and the outcome of interest being either war or no war. Furthermore, none of this work employs more than one dimension of the status quo in testing how preferences affect dyadic conflict.

The theoretical conception of the status quo, however, encompasses much more than just one dimension of interest—indeed, Organski (1968) and Organski and Kugler (1980) long ago suggested that satisfaction with both the economic and security components of the international order are important in determining war. Moreover, preferences for the status quo are certainly more nuanced than indicated by a dichotomous measure of “satisfaction” versus

⁴ The *EUGene* codebook notes that the *S* correlations are an improvement over *Tau-B* in that, “*S* evaluates the rank order correlation for two states' alliance portfolios. Unlike *Tau-B*, *S* also takes into account both the presence and absence of an alliance in the correlation calculation. For example, the fact that a state has identical alliances with some states as well as no alliances with identical sets of other states is accounted for in the *S* calculation, but not in *Tau-B*” (Bennett and Stam, 2000).

“dissatisfaction.” An ideal operationalization of status quo preferences would therefore include sophisticated measures of security and economic preferences (and perhaps even diplomatic, military, and cultural issues) that constitute the norms and rules of international interaction. However, limitations of time and resources have prevented the creation of such a breadth of measures. This paper begins to remedy this gap with the proposal of two new variables that provide a measurement of states’ direct and indirect security and economic ties to the international status quo. Not only do these measures improve on previous indicators by tapping both the security and economic dimensions of status quo preferences, but they move beyond a simple dichotomous measure of satisfaction or dissatisfaction and instead present a continuous, Euclidean-distance measure of the dissimilarities of states’ ties to the status quo.

MODEL AND MEASUREMENT

To adequately test if the dissimilarity of preferences for the status quo affects dyadic disputes short of war, it is necessary to also include controls for institutional format and economic interdependence. These variables make up the two most important legs of the “Kantian triangle” that suggests shared institutions and interests play an important role in limiting disputes between states (Russett and Oneal, 2001). I also include controls for alliances, capability ratio, distance, and contiguity, in addition to the number of peace years and cubic splines to control for temporal dependence. To measure status quo preferences I employ two different methods: a) two Euclidean-distance measures of dyads’ dissimilarity of security and economic preferences for the status quo, and b) a dissimilarity measure based on the well established *S* correlation of alliance profiles. Because this model is the basis for an examination of the effect of status quo preferences on disputes *short* of war (rather than a test of how power transitions and preferences affect the likelihood of war), it does not include interactions between

dyadic capability ratio and status quo preferences. While a dissimilarity of preferences should increase the probability of dyadic conflict, it is not expected that capability ratios (or their interaction with preferences) would have a substantive effect on the likelihood of such low-level disputes.

In testing for whether a dissimilarity of preferences for the status quo affects interactions between states—even when the status quo is not under direct dispute—it is necessary to examine only disputes with little or no possibility of directly affecting the status quo. Consequently, I employ a sample of all conflicts short of war that do not later on escalate into great power wars. Such a sample includes only those disputes that, according to prior theory, should be the *least* likely to be motivated by preferences for the international status quo.⁵ The deck is therefore stacked against a statistically significant, positive relationship between the dissimilarity of status quo preferences and disputes. Consequently, any significant findings for the dissimilarity variables would provide strong support for the importance of preferences in helping to predict all disputes.

Due to the time-intensive nature of creating the multidimensionally scaled status quo measures presented here, only the 1950-1980 period of time is used for this study. While similar time periods (1951-1985) have been employed in a wide variety of recent studies (e.g., Oneal et al., 1996; Oneal and Russett, 1997; Beck, Katz and Tucker, 1998; Gartzke, 1998; Russett, Oneal and Davis, 1998; Mansfield and Pevehouse, 2000; Crescenzi and Enterline, 2001; and Russett and Oneal, 2001), it limits the strict applicability of results to the Cold War period. To account

⁵ Only great powers have the ability to change and then maintain the international status quo.

for this limitation, an additional test using the *S*-based dissimilarity measure is undertaken for the 1950-1994 period.⁶ The unit of analysis for each of these estimations is the dyad/year.

Dependent Variable

Disputes Short of War

The dependent variable employed in this study is the outbreak of militarized interstate disputes short of war, as obtained from the *Eugene 3.01* dataset. The *Dispute* dependent variable is coded as 0 = no dispute and 1 = the first occurrence of either threat of force, show of force, or the use of force for a particular militarized dispute.

Independent Variables

MDS Dissimilarity of Security and Economic Status Quo Preferences

Using a multidimensional scaling (MDS) procedure, both alliance profile and dyadic trade dependence data are employed to obtain measures of states' ties to the international order.⁷ This measurement technique has been well established in the fields of psychology and American politics (Jacoby, 1991) and has been used to model the world trading system (Blanton, 1999) as well as the politico-military, economic, and intergovernmental organizational interdependence between states (De Vries, 1990).

The distance between states on a particular dimension is obtained from the following algorithm:

$$d_{ij} = \sqrt{\sum_{a=1}^A (x_{ia} - x_{ja})^2}$$

Where:

⁶ The Polity III dataset (as provided in *Eugene 3.1*) used as the basis of the institutional format variable limits the time span of these analyses to 1994.

⁷ Multidimensional scaling can provide graphical representations of distances between actors. For further explanation of MDS procedures as well as graphical examples see Jacoby (1986), DeVries (1990), and Blanton (1996).

d_{ij} = the distance between states i and j

x = the coordinates of the location of the stimuli

a = the dimensions of interest

The coordinates provided by the algorithm may be used to assess both distances between nations and distances from a specific reference point on the ruler of coordinates. Security and economic relationships between states are, however, different in nature. Security agreements are more often than not symmetric, while economic relationships are often asymmetric (i.e., j trades a larger proportion of its gross domestic product (GDP) with i than i does with j).⁸ Consequently, two separate scaling procedures are performed: one for security and one for economic relationships.

For the security measure, the entire spectrum of the sample of states' alliances are reverse-coded into dissimilarities and arrayed in matrix format, where 0 = the presence of a defense pact between two states, 1 = neutrality pact, 2 = entente, and 3 = no agreement. The symmetric nature of the relationships and the ordinal scale of the alliance measure necessitate the use of classical, symmetric, non-metric MDS.

Bilateral trade dependence data (Russett and Oneal, 2001) is used as the basis of the measure of economic relationships. The level of bilateral dependence for each state is operationalized as the magnitude of state i 's imports and exports to state j as a proportion of its GDP. The variable thus considers the importance of bilateral trade in the context of a state's entire economy. The asymmetric, ratio-level nature of these data requires the use of classical, asymmetric, metric MDS. These data are likewise arrayed in matrix format and re-coded into

⁸ The asymmetry of trade is especially apparent between countries of different levels of development. For example, in 1955 the US traded only .0002 % of its GDP with Honduras, while Honduras traded 21% of its GDP with the US.

dissimilarities data, with lower scores representing those states with the highest levels of dyadic trade and higher scores representing states with little or no trade with one another.

The ALSCAL procedure is then employed to create the MDS dissimilarities scores that are used as the basis of the security and economic status quo preference variables.⁹ States are scaled in reference to every other state with the use of all available data.¹⁰ The final products of the scaling procedure are two one-dimensional Euclidean-distance “rulers” for the security and economic dimensions, respectively. Each state is plotted separately along these two rulers and distances between states are interpreted as dissimilarities for that dimension of interaction.¹¹

As with research employing the τ_β and S measures, it is assumed that the status quo is put in place and largely maintained by the leader of the international system.¹² As the dominant power in the international system since World War II, the USA has had an overwhelming impact on international security and economic regimes (Tammen et al., 2000). For this reason, many studies (e.g., Kim, 1989, 1991, 1996; Lemke and Reed, 1996, 2001) and the coding rules used in *EUgene* (Bennett and Stam, 2000) consider the United States to be the leader of the international order for the entire time period of this study.

Greater distances from this leader of the international order are therefore considered to be associated with a greater degree of dissatisfaction for the international system. The dissimilarity

⁹ The ALSCAL procedure is available through *SPSS 10.1*.

¹⁰ MDS discovers structures underlying the observed relations among “stimuli, concepts, traits, persons, cultures, species or nations” (Shepard, Romney and Nerlove, 1972: xiii) and uses all available information to place states on the scale. Thus, even if no data are available for trade between two states, information from states’ entire trade profile is used to obtain the relative location of each state regarding the other.

¹¹ The security and trade matrices are scaled on one dimension for each year from 1950 to 1980. These base data are available from the author. Goodness-of-fit statistics range from an S stress of 0.10 to 0.15 for alliance profiles and an S stress of 0.36 to 0.53 for bilateral trade profiles. The R^2 's for alliances range from 0.95 to 0.98 (depending on the year of estimation), while those for trade range from 0.34 to 0.67.

¹² Indeed, as Organski (1968, p. 366) notes, “the dominant nation is necessarily more satisfied with the existing international order than any other since it is to a large extent *its* [emphasis added] international order.” States establishing ties to the dominant power do so with the knowledge that their actions are an implicit form of support for the current international system. Conversely, states that have limited direct or indirect ties to the dominant power may be expressing their lack of integration in the international order.

of two states' preferences for the international order is then operationalized as the absolute difference of their distance scores from the leader. For each of the two dimensions of interest, a separate variable is created: namely, *MDS Dissimilarity of Security SQ Preferences* and *MDS Dissimilarity of Economic SQ Preferences*. Dissimilarity scores range from 0 to 2.65 for security preferences and 0 to 4.22 for economic preferences. It is expected that a greater dissimilarity of preferences (i.e., larger values) for these two variables should be associated with a greater likelihood of disputes short of war.

S Measure of the Dissimilarity of Status Quo Preferences

As a comparative check of the validity of the arguments made above, an additional measure of the dissimilarity of status quo preferences is employed. This additional measure is based on the widely used "S" correlation of a state's alliance profile with the United States (Signorino and Ritter, 1999; Lemke and Reed, 2001).¹³ The *S* correlations of alliance profiles to the dominant power are obtained through *EUGene 3.1*. The stronger a state's correlations of alliance profiles with the leader of the international order, the more satisfied that state is assumed to be. The dissimilarity of a state's preferences for the status quo is measured as the absolute difference between the correlation coefficients of its alliance profiles with the US. As with the two Euclidean-distance measures, it is expected that higher values of *S Dissimilarity of SQ Preferences* should be associated with greater probabilities of dyadic disputes short of war.

Control Variables

Level of Dyadic Democracy

When addressing the relation between states' economic and security preferences for the international order and disputes, one must consider whether the relationship may be influenced

¹³ State_A's alliance profile includes information on the states with which an alliance exists and the type of alliance. These profiles include information on the states with which State_A has no alliance. Thus, an "S" correlation of any state's alliance profile with the US provides an aggregate measure of the entirety of similar and non-similar alliance partners (either direct or non-direct) that a state has with the US.

by domestic political institutions. Consequently, the level of democracy is an important control for ensuring that dyads' international-level preferences have a significant impact on dyadic disputes above and beyond institutional format.

The indicator for level of democracy was obtained from the POLITY III data set (Jagers and Gurr, 1995).¹⁴ To measure the level of political competition and participation, the level of autocracy was subtracted from the level of democracy for each state to obtain its total level of democracy. Scores range from highly autocratic (-10) to highly democratic (10). The lowest level of total democracy of State *i* versus State *j* is taken as the level of dyadic democracy and is considered to be the lowest level of institutional constraint for the dyad. A negative relationship between the dyadic level of democracy (*Democracy_{Low}*) and hostility is expected.

Economic Interdependence

Economic interdependence between states could also potentially affect the impact of status quo preferences on disputes. The interdependence variables used in these analyses are based on data obtained from Gleditsch's (2002) expanded trade data set. State *i*'s bilateral trade dependence on State *j* is measured by State *i*'s imports and exports from State *j* as a proportion of State *i*'s GDP. Following Russett and Oneal (2001), I use the lowest level of dyadic trade dependence as the measure of dyadic economic interdependence. As with previous work (Russett and Oneal, 2001), I expect that higher levels of economic interdependence (*Economic Interdependence_{Low}*) will be associated with lower levels of dispute.

Contiguity

Geographic proximity is a well established condition that, *ceteris paribus*, increases the likelihood of conflict (Choucri and North, 1989; Siverson and Starr, 1991; Bremer, 1992). As

¹⁴ Unless otherwise stated, control variables were obtained from *Eugene 3.1*.

coded in *Eugene*, contiguity is measured on a six-point scale, with 1 representing the highest level and 6 the lowest level of contiguity.

Geographical Distance

In addition to contiguity, it is important to control for the geographical distance between a dyad's capital cities. Even if two countries are contiguous by water, the core areas of the states in question are not necessarily within easily attainable distances. Distance is therefore an important constraint for conflict for small- and middle-sized states that lack the resources to project force (Russett and Oneal, 2001). The *Distance* variable is measured as the number of miles between capital cities as coded in *Eugene*.

Capability Ratio

The importance of relative power has moved beyond structural theories of war (such as power transition theory) to become one of the most prevalent control variables in the conflict processes literature. The power of each state in a dyad is measured through use of the well established Correlates of War composite national capabilities index. This index is based on a state's proportion of total system capabilities in iron and steel production, urban population, total population, total military expenditures, total military personnel, and total amount of energy production. Power capability ratios for each dyad are operationalized as the higher capability score divided by the lower. Thus, the lower the capability ratio, the closer a dyad is to power parity. Power transition theory makes no specific predictions as to the relationship between power preponderance and disputes short of war. It is, consequently, uncertain if power capability ratios will have an important impact on low-cost conflicts short of war.

Alliance

A control for alliance type is necessary to ensure that the presence of a security relationship does not subsume the impact of dyadic dissimilarity on conflict. When both members of a dyad are members of a defense pact, the alliance variable equals 1. The variable is coded as 2 for the presence of a neutrality pact, 3 for an entente, and 4 for no agreement. The relationship between dyadic conflict and alliances has proven to be mixed (Siverson and King, 1980; Bueno de Mesquita, 1981). Nonetheless, a positive relationship between alliance and hostility level is expected, with weaker alliance ties between states being related to a higher likelihood of dyadic dispute.

ESTIMATION AND RESULTS

Because this paper employs a dichotomous dependent variable (i.e., the onset of dyadic disputes short of war), a maximum likelihood logit estimation technique is employed. Dyadic disputes are often temporally dependent upon one another; I therefore include controls for duration dependence through use of a *disputeyears* variable and three cubic splines created from the *BTSCS* algorithm (Beck, Katz and Tucker, 1998). Rather than logit coefficients, Table 1 presents the more easily interpretable odds ratios with robust standard errors clustered on the dyad in parentheses.¹⁵

[Table 1 about here]

Model I illustrates that dissimilarities of both security and economic preferences for the status quo have an important, positive effect on the likelihood of disputes short of war. Indeed,

¹⁵ The odds ratios are a transformation of the β parameters where “for a unit change in x_k , the odds are expected to change by a factor of $\exp(\beta_k)$ holding all other variables constant” (Long, 1997, p. 80). The odds ratios can be translated to a percentage change in the odds by subtracting one from each coefficient and multiplying by 100. Therefore, coefficients above one are those with a positive effect on disputes while those below one have a negative effect on disputes.

these two variables are by far the strongest determinants of disputes, where a one-unit increase in dissimilarity of security preferences for the international order is associated with a 214% increase in the odds of disputes, and a one-unit increase in the dissimilarity of economic preferences is associated with a 82% increase. The lowest level of dyadic democracy has a much smaller substantive effect on conflict (a unit increase is associated with a 13% decrease in the odds of dispute).¹⁶ Indeed, the lowest level of dyadic democracy must improve an enormous 90 percentile points¹⁷ to have approximately the same effect on disputes short of war as only a 20-percentile point increase in security preference dissimilarities.¹⁸ The lowest level of economic interdependence, in turn, has no effect on disputes short of war.¹⁹ The only other significant variable of interest is the dyadic capability ratio. This variable has a negligible effect on conflict, which is not surprising due to the lack of theoretical expectation for the relationship between power preponderance and conflicts short of war.

The substance of these findings holds when the previously established *S*-based measure of dissimilarities is employed. Models II and III present estimation results for the 1950-1980 and 1950-1994 periods using this *S* measure of dissimilarity. In both of these models, greater dissimilarities are strongly associated with an increase in the likelihood of disputes short of war. The most noticeable differences with use of the extended time period includes the now significant, negative relationship between trade dependence and conflict and a positive,

¹⁶ Reversing the odds ratio to the odds of no dispute versus dispute translates to an odds ratio of 1.152, or a 15% increase, in the odds of no dispute.

¹⁷ That is, from the 3rd percentile score of the worst form of autocracy (i.e., -10) to the 93rd percentile score of mixed democracy (i.e., 5).

¹⁸ For example, from the 75th percentile score of 0.86 to the 95th percentile score of 1.71.

¹⁹ Note that previous findings suggesting a negative impact of trade dependence on conflict have been based on the use of a politically relevant sample. However, because the benefits from trade with larger economies are inflated (Polachek, Robst and Chang, 1999), such a sample falsely increases the impact of economic dependence on conflict because of the dramatically increased number of dyads that include major powers (Benson, 2005).

significant relationship between capability ratios and conflict.²⁰ Consequently, regardless of time period, and regardless of whether two Euclidean-distance measures or the single *S*-based measure is employed, a dissimilarity of preferences for the status quo proves to be a powerful predictor of disputes short of war. Combined, there is powerful evidence that ties to the international order strongly affect the likelihood of disputes for all dyads in the international system.

To further highlight the importance of the dissimilarity of economic and security preferences on conflicts short of war, Figures 1 and 2 present a series of predicted probabilities of disputes derived from Model I. Figure 1 illustrates the discrepancies of impact on disputes short of war for: a) the lowest level of dyadic democracy, b) the dissimilarity of security status quo preferences, and c) the dissimilarity of economic status quo preferences.²¹ These predicted probabilities are calculated for the median dyad in the international system.²² Under such a scenario, the lowest level of dyadic democracy (-10) corresponds to a 24% likelihood of dispute short of war, while the highest level of democracy (10) corresponds to a 2% likelihood of dispute.²³ In short, higher levels of dyadic democracy have an important effect in maintaining peace between states in a dyad.

[Figure 1 about here]

²⁰ Because power transition theory does not address disputes short of war, this finding should not be taken as a refutation of the theory.

²¹ Predicted probabilities were calculated using the *prgen* command in *Stata* 9.0.

²² Specifically, non-allied, non-contiguous dyads with no economic interdependence and 2 years of non-dispute interactions. The median values for the dissimilarity of security preferences for the status quo is .35, for the dissimilarity of economic preferences is .6351539, and for the lowest level of dyadic democracy is -7.

²³ Predicted probabilities for different levels of the lowest level of democracy were calculated at values of -10, -8, -6, -4, -2, 0, 2, 4, 6, 8, and 10. Predicted probabilities for different levels of the dissimilarity of security status quo preferences were calculated at values of 0, .265, .53, .795, 1.06, 1.325, 1.59, 1.855, 2.12, 2.385, and 2.65. Predicted probabilities for different levels of the dissimilarity of economic status quo preferences were calculated at values of 0, .422, .844, 1.267, 1.689, 2.112, 1.534, 2.956, 3.379, 3.80, and 4.223.

However, the range of impact for institutional format is shown to be quite limited when compared to the dissimilarity of status quo preferences. Dyads with wholly similar status quo preferences have a 12% and 11% predicted likelihood of dispute for the security and economic dimensions, respectively. In contrast, those dyads with the *most* dissimilar economic and security preferences, respectively, have a 60% and 74% predicted likelihood of dispute. In essence, moving along the full range of security and economic preference dissimilarities increases the likelihood of conflict by 62% for the security dimension and by 49% for the economic dimension. This is over double the impact of the 22.5% increase in the predicted likelihood of dispute for moving along the full range of values for dyadic democracy.

Institutional format is hence important in maintaining peace between states yet tells us relatively little about what drives states towards disputes short of war. In contrast, great dissimilarities of preferences for the international order make dyads much more likely than not to engage in dyadic disputes. In a field where it is rare to obtain a predicted probability for dispute greater than 50%, these are important results.

[Insert Figure 2 about here]

To further examine the predictive power of the two preference variables, Figure 2 presents their impact on non conflict-prone dyads—namely, non-contiguous, allied, democratic dyads.²⁴ Figure 2 illustrates that, even under these auspicious conditions, a dissimilarity of preferences for the status quo can still strongly increase the likelihood of dispute. In addition, a dissimilarity of security and economic preferences is shown to have an important complementary impact on disputes short of war. These predicted probabilities clearly illustrate the extraordinary effect that above-average dissimilarities of preferences for the security and

²⁴ Specifically, the alliance variable is set at 1, contiguity is set at 6, the lowest level of dyadic democracy is set at 6, and all other variables are set at their median values.

economic status quo have on those dyads that are least prone to war. When such dyads have highly similar status quo preferences (i.e., the lowest two values of security dissimilarity paired with the 5th and 25th percentiles of economic preference dissimilarities), there is only a 0.01% to 0.98% predicted likelihood of dispute short of war. In contrast, when such democratic, non conflict-prone dyads are faced with extremely dissimilar security *and* economic preferences (i.e., the highest two values of dissimilar security status quo preferences paired with the 75th and 95th percentiles of economic status quo preference dissimilarities), they have anywhere from a 40% to 57% predicted likelihood of conflict. In brief, a concurrent dissimilarity of security and economic status quo preferences plays an important role in pushing otherwise peaceful dyads towards dispute.²⁵

CONCLUSIONS

This paper suggests that states' preferences for the status quo have an even greater importance in conditioning international interactions than suggested by power transition theory. I argue that disagreement over the norms that comprise the international status quo should lead to a greater domain of conflict for all states in the international system. If such is the case, then one would expect a dissimilarity of preferences for the international order to have an important effect on states' dyadic relationships regardless of whether or not they have the ability or opportunity to affect the international order itself. In essence, I suggest that the international order need not be the prize of war for status quo preferences to have a direct effect on interstate relationships. Rather, preferences for that order condition international interactions and affect the likelihood of conflict for all disputes ranging from the threat of force, the show of force, and the use of force.

²⁵ Additional tests suggested that the interaction between security and economic preferences was not statistically significant. Therefore, a dissimilarity of security and economic preferences has an additive rather than multiplicative effect on disputes short of war.

Using a series of logit analyses and predicted probabilities with two new measures of the dissimilarity of security and economic status quo preferences, as well as a more traditional measure of preference dissimilarity based on the *S* correlation of alliance profiles with the leader of the international system, I find that this is indeed the case. The findings in Table 1 suggest that, regardless of whether or not states have similar institutional formats, are allied, or have an interdependent trading relationship, greater dissimilarities of preferences for the status quo lead to much higher probabilities of conflict short of war. Indeed, Figures 1 and 2 illustrate that such dissimilarities are the *most important* predictors of disputes short of war.

In employing a sample with disputes that do not escalate to great power war (and therefore have no possibility of affecting the international status quo), I have stacked the deck against any significant findings. That the results are so strong for such disputes is telling, and points to important implications for future research on dyadic disputes and conflict escalation. These findings suggest that, in forthcoming research, some measure of the dyadic dissimilarity of preferences for the status quo should be employed in studies attempting to predict the likelihood of the full range of all dyadic conflict (i.e., low-level disputes and war). In addition, because a dissimilarity of preferences for the status quo has been shown to be a near necessary condition for the onset of great power and regional wars (Kim, 1989, 1991, 1996; Werner and Kugler, 1996; Lemke and Werner, 1996; Lemke and Reed, 1996, 2001; Lemke, 2002), one would expect these findings to be even stronger for disputes that escalate to war that have either a direct or indirect possibility of affecting the international order.

As a final point, the relative impact of the variables of this study indicate that, even for the strongest democracies and least conflict prone dyads, a great dissimilarity of preferences for the international order leads to disputes at a much higher rate than one would expect. These

findings suggest that maintaining peace requires an international system populated with states of a similar mind rather than merely a similar institutional format.

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Table 1

Duration Dependent Logits of Disputes Short of War			
	Model I	Model II	Model III
	1950-1980	1950-1980	1950-1994
MDS Dissimilarity of Security SQ Preferences	3.135** (1.057)		
MDS Dissimilarity of Economic SQ Preferences	1.821*** (0.330)		
S Dissimilarity of Security SQ Preferences		567.85** (395.36)	5.073** (1.561)
Democracy_{Low}	0.868** (0.044)	0.893** (0.025)	0.953** (0.009)
Economic Interdependence_{Low}	0.538 (0.635)	0.650 (0.606)	0.838* (0.074)
Alliance	1.091 (0.232)	0.786 (0.177)	1.022 (0.055)
Capability Ratio	1.000** (0.000)	1.000 (0.000)	27203.48** (23600.06)
Geographical Distance	1.000 (0.000)	1.000** (0.000)	1.000** (0.000)
Contiguity	0.471* (0.066)	0.575** (0.068)	0.600** (0.018)
Peaceyears	0.575** (0.070)	0.633** (0.065)	0.626** (0.017)
Spline 1	0.989** (0.003)	0.990** (0.003)	0.998** (0.000)
Spline 2	1.009** (0.003)	1.009** (0.002)	1.001** (0.000)
Spline 3	0.996** (0.001)	0.996** (0.001)	1.000** (0.000)
N	233,474	233,474	328,594
χ^2	288.34**	302.23**	2271.12**
Log likelihood	-127.20	-1117.68	-6409.45
Pseudo R²	0.245	0.310	0.379

Figure 1

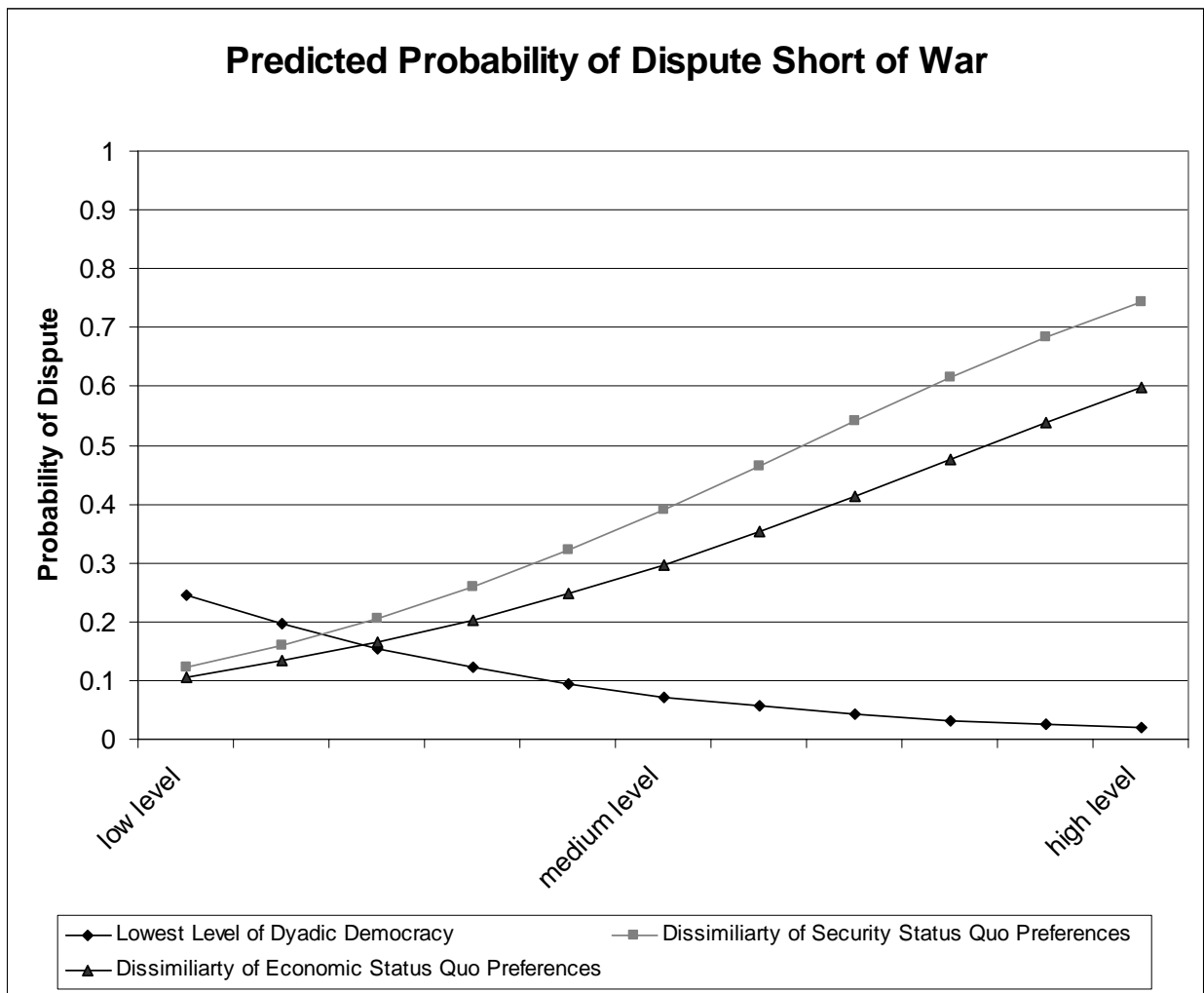


Figure 2

