A Kantian System?
Democracy and Third Party Conflict Resolution

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Abstract

While constructivist scholars have recognized an important role for norms in international relations, they have not considered the changing proportion of democratic states in the international system as a potential source of norm formation. I argue that democratic norms become international norms as the proportion of democratic states in the international system increases, focusing on the democratic norm of third party dispute resolution. I reach the novel conclusion that non-democratic states are more likely to behave like democratic states, adopting democratic norms, as the proportion of democracies increases. Empirical analysis of peaceful settlement attempts of territorial claims in the Americas supports this hypothesis. Third party settlement is sixteen times more likely for non-democratic dyads when the proportion of democracies in the system is 50% than when the proportion is zero. My theory and empirical results offer new insight into the democratic peace literature and the constructivist literature on international norms.

Normative approaches to the democratic peace assert that states externalize the norms that characterize their domestic political processes. One important norm that stems from a democratic political system is the peaceful resolution of disputes, especially through the use of courts as arbitrators. It is only natural that two democratic states would turn to a similar legal solution, such as arbitration, to help resolve international tensions. This type of argument has led liberal scholars to suggest that democratic dyads should be more likely to resolve disputes peacefully, and that they should also be more likely to turn to third parties in the dispute resolution process.

These studies in the democratic peace literature reveal something interesting about the behavior of democratic states, but the potential *systemic* impact of an increasingly large number of democracies is generally not considered. A systemic approach reaches a novel conclusion that if democratic norms become international norms, non-democratic states could behave like democratic ones. A dyadic approach to the democratic peace predicts peaceful dispute resolution only *between* democracies, while a systemic approach recognizes the potential for democratic interactions to influence the behavior of non-democratic states.

In this study I explore the idea of democratic norms becoming international norms as the proportion of democratic states in the international system increases, focusing on the democratic norm of third party dispute resolution. My theory emphasizes the first two stages of a norm cycle: norm emergence and norm acceptance. I argue that several democracies played a prominent role in establishing a norm for third party dispute resolution, particularly the United States and Great Britain. I then look at the evolution of this third party norm, and its acceptance by other states, drawing from Kant's work on perpetual peace. I conclude that non-democratic states are more likely to adopt democratic norms as the proportion of democracies increases.

I test this hypothesis by analyzing the various ways states attempt to peacefully settle international disputes, using data on territorial claims from the Issue Correlates of War (ICOW) project. I find that third party settlement of territorial claims is significantly more likely for non-democratic dyads when the percentage of democracies in the international system is large, suggesting that at least one democratic norm, third party dispute management, is becoming an international norm.

Third Party Dispute Management

States have numerous diplomatic tools at their disposal for settling international disputes (Akehurst, 1997; Levi, 1991) including direct bilateral negotiations, non-binding third party settlement (good offices, mediation, inquiry, and conciliation), and binding third party settlement (adjudication and arbitration). An interesting question is whether certain types of states are more likely to choose particular dispute resolution methods over others. Are democratic states more or less likely to involve third parties in the resolution of their disputes? Several scholars in the international relations community have addressed this issue.

Simmons (1999) compares three theoretical perspectives on the role of supranational authority in resolving international disputes: a realist perspective, a functionalist perspective, and a democratic legalist perspective. The first two perspectives ignore the relationship between regime type and dispute settlement. Democratic legalists, however, assert that "regime type is crucial to understanding the role of law in interstate relations…because liberal democratic regimes share an affinity with prevalent international legal processes and institutions, they tend to be more willing to depend on the rule of law for their external affairs. The argument depends on the notion that norms regarding limited government, respect for judicial processes, and regard for constitutional constraints carry over into the realm of international politics." (Simmons, 1999:211)

Similar to this democratic legalist school of thought is Dixon's (1993, 1994, 1996) argument about third party dispute resolution. According to Dixon, when two democratic states disagree over some issue, they should be more likely to resolve the dispute peacefully because they realize that their opponent is operating under a norm of bounded competition, which favors the use of compromise and nonviolence. Such conciliatory democratic norms should increase the chances of democracies adopting or agreeing to conflict management efforts, especially active participation by third parties (Dixon, 1993). Dixon (1993) finds support for this hypothesis; third party management in a given SHERFACS crisis phase is about 50% more likely if both dispute participants are highly democratic.

Raymond (1994) also argues that democracies are more likely to turn to third parties to help resolve their disputes. He posits that democracies are more inclined to involve third parties in the resolution of disputes in ways that are binding (arbitration and adjudication) as opposed to non-binding (good offices, mediation, inquiry, conciliation) because democratic institutions create a norm of trust in legal procedures.[1] Raymond's analysis of 206 dyadic disputes from 1820-1965 reveals that coherent democratic dyads were three times more likely to use binding third party arbitration than non-democratic dyads.

While the research described above has demonstrated a greater tendency for democracies to resolve disputes via third parties, it has not considered the potential systemic impact of an increasing number of democracies. To what extent does the behavior of democratic states create international norms that become adopted by other states? Have non-democratic states become more likely to turn to third party dispute settlement as the proportion of democracies in the international system has grown? Below I develop an evolutionary theory of the process by which democratic norms become international norms, drawing upon Kantian philosophy and recent work by Finnemore and Sikkink (1998). My argument applies to democratic norms in general, although I focus on the use of third parties in the dispute resolution process.[2]

The Evolution of Democratic Norms

One of the most important changes in the international system in the 20th century is the growth of democratic states, from 19% of all nation-states in 1900 to over 50% in 1998 (Gurr and Jaggers, 2000; Freedom House). Kant envisioned this growth of democratic states, arguing that it would lead to a

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[1] Evidence of this stems from the importance of the judicial system in most democratic states. "The existence of a judicial system…makes available a neutral arbiter for private disputes arising in domestic and transnational society (Slaughter, 1995:511)."

[2] Scholars have identified numerous democratic norms including the peaceful resolution of disputes through compromise and negotiation (Russett, 1993), upholding international agreements (Russett, 1993), respecting and promoting human rights, and respecting territorial boundaries (Kacowicz, 1995).

"Perpetual Peace" (1795/1991:99-105). He identifies three key conditions for perpetual peace: 1) republican forms of government domestically, 2) an international federation of free states, and 3) a principle of cosmopolitanism, or universal hospitality. The categorical imperative to end warfare can only be reached through the spread of a domestic and international "rule of law", whose principles are founded on individual freedom, legal equality, and separation of executive and legislative powers. A republican form of government built on these principles creates the freedom to act morally. Kant concludes that democracy leads to peace in the international system by decreasing the uncertainty that arises in a state of anarchy (or state of war).

Kant believes that democracies will extend their domestic rule of law to an international rule of law, such that the norms characteristic of democratic interaction will extend to the international arena. Kant's evolutionary arguments identify an important source of international norms: democracies. Democratic norms become international norms as the proportion of democracies grows. This theoretical argument provides new insight for the constructivist literature on norms (e.g. Checkel, 1998; Flynn and Farrell, 1999; Katzenstein, 1996; Klotz, 1995; Nadelmann, 1990), which has not generally considered the increasing influence of democracy on the emergence of particular international norms.[3]

In the constructivist tradition, Finnemore and Sikkink (1998) develop a persuasive theoretical framework for understanding the emergence and evolution of norms in the international system. They identify three stages of a norm's "life-cycle": 1) norm emergence, 2) norm acceptance, and 3) internalization. In the first stage, a norm emerges largely due to the efforts of norm entrepreneurs. In the second stage, the norm begins to cascade to other members of the international system, eventually reaching a tipping point where a critical mass of states adopts the norm. Finally, the norm becomes so

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[3] One exception is the study by Risse-Kappen (1995, 1996) that examines the origins and persistence of NATO. He argues that the democracies involved in the creation of NATO established an alliance that was characterized by democratic norms and rules. His analysis is limited only to the behavior of democracies; he does not consider their influence on the behavior of non-democratic states.

widely accepted in international affairs that it becomes internalized by virtually all states. Below, I adopt this framework to help explain the process by which the democratic norm of third party dispute resolution has become an international norm, drawing from Kant's philosophical arguments.[4]

Stage 1: Norm Emergence

To explain why particular norms emerge in the international system, Finnemore and Sikkink (1998) examine the role of norm entrepreneurs, who are individuals or groups who have a direct stake in promoting a particular norm. "Norm entrepreneurs are critical for norm emergence because they call attention to issues or even "create" issues by using language that names, interprets, and dramatizes them." (Finnemore and Sikkink, 1998:897) The leading women involved in the promotion of women's suffrage, such as Elizabeth Cady Stanton, Susan B. Anthony, Millicent Garrett Fawcett, and Emmeline Pankhurst, were norm entrepreneurs.

This viewpoint stresses the importance of human agency in the creation of norms.[5] The history of third party involvement in the settlement of international disputes reveals an important role for agency. The first efforts to resolve disputes by processes such as adjudication, arbitration, and mediation can clearly be traced to a few democratic states, most notably Great Britain and the United States. Although peaceful settlement of disputes dates back at least to the Peace of Westphalia, monarchs did not accept the most binding forms of third party involvement, especially arbitration and adjudication. The development

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[4] I do not discuss the third stage of the norm cycle, internalization, which would emerge when most countries with disputes that could not be resolved bilaterally would agree to third party involvement to resolve the issue. Such a situation has not yet emerged in the international system, although we see some initial evidence for internalization in democratic regional organizations such as the European Union, which have well-established court systems for resolving disputes between members.

[5] Finnemore and Sikkink (1998) also discuss the importance of organization platforms (governmental and non-governmental) through which entrepreneurs operate to promote norms, such as Greenpeace, the Red Cross, and the World Bank.

of arbitration in the modern era occurred shortly after the Revolutionary War, when Great Britain and the United States signed the 1794 Jay Treaty of Amity, Commerce and Navigation.[6] The United States and Great Britain also agreed to an arbitral settlement of disputes in 1871 arising from the actions of the British ship, *Alabama*, during the American Civil War (Cook, 1975). This settlement drew great international attention to the usefulness of arbitration; the Institute of International Law (1875) and the First International Conference of American States (1889-1890) discussed the establishment of arbitral rules in its aftermath (Von Glahn, 1996:503).

Other forms of third party dispute settlement were initiated by democracies as well, such as mediation. The United States offered to mediate numerous disputes in the 19th and 20th centuries including a 1866 war between Spain on the one hand and Bolivia, Chile, Ecuador, and Peru on the other, the Russo-Japanese war in 1905, and the Franco-German Moroccan crisis in 1906 (Von Glahn, 1996:497). Great Britain also played a prominent role in one of the early cases of fact-finding/inquiry in the 1904 Dogger Bank incident (Akehurst, 1997:277).

Normative democratic peace theorists (e.g. Maoz and Russett, 1993) would not be surprised by the prominence of democratic agents in third party dispute resolutions. The promotion of third party dispute resolution by two leading democratic states (Great Britain and the United States) is consistent with normative arguments that democracies externalize the norms that characterize their domestic processes. An important question, however, is to what extent the norm of third party dispute resolution has become accepted by other states, especially non-democratic states, as the number of democracies in the world has increased.

Stage 2: Norm Acceptance

Norm acceptance or cascading is the second stage of the norm cycle identified by Finnemore and Sikkink (1998). For a new norm to become more widely practiced by states, it must become institutionalized in

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[6] They agreed to the creation of an arbitration commission to settle claims for damages by British and American nations whose ships or property had been confiscated (Akehurst, 1997:20).

international rules and organizations. A tipping point occurs when norm entrepreneurs have persuaded enough states to agree to new norms.[7] Cascading is influenced not only by the sheer number of states practicing the norm, but also by which states adopt the norm. Adoption of a norm by certain "critical" states may be crucial for a norm to become widely accepted. Once the tipping point is reached, the primary mechanism by which a norm cascades is through socialization, which involves "diplomatic praise or censure, either bilateral or multilateral, which is reinforced by material sanctions and incentives (Finnemore and Sikkink, 1998:902)."

Finnemore and Sikkink (1998:902) posit that socialization is the dominant mechanism by which a norm cascades. One sees a similar logic in Kant's writings about the endogenous and evolutionary relationship between war and democracy (McLaughlin, 1997; Mitchell, Gates, and Hegre, 1999). Kant argues that the relationship between war and democracy is endogenous, i.e., both democracy and war cause changes in each other across time. Not only do republican constitutions promote peace in the international system, "the propensity for war itself sows the seeds of war's end." (Huntley, 1996:56) War serves as a catalyst for the development of republican constitutions and an international "rule of law" among states.

According to Kant, war is the strongest force creating more democracy in the international system, pushing us ever closer to a federation of free states, one pillar of perpetual peace. War justifies the development of democratic governments and creates a more widespread peace, which is essential to the survival and improvement of republican constitutions (Kant, 1784/1991:47). Kant argues further that war both creates and destroys states, and brings about new relations between states in the system (Kant, 1784/1991:48). The experience of civil and international war improves the internal institutions of states over time, creating "a state of affairs…which…can maintain itself automatically."[8] (Kant, 1784/1991:48) To

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[7] Finnemore and Sikkink (1998) assert that this tipping point occurs when 1/3 of all states adopt a norm.

[8] Kant asserts that the republic is the only form of government "which can be derived from the idea of an original contract, upon which all rightful legislation of a people must be founded." (Kant, 1795/1991:99-100) Thus war improves the internal institutions of states by eventually leading to the creation of a republic, which is the only form

protect this improvement in their domestic republican constitutions (the domestic rule of law), states seek the same improvements in their international relations (the international rule of law). The greater strength and success of republics over time encourages other states to liberalize (competition), while the "rule of law" externalized by democracies in their relations with each other (socialization) creates a more democratic international "rule of law" (Hinsley, 1963; Huntley, 1996).

One of the most important consequences of this process of socialization and competition is its impact on the rules and norms of international interaction. The more democratic the international system, the more likely that the norms governing interactions between states will change. In particular, the greater the proportion of democracies in the system, the more likely the traditional "rules" of the international system (e.g. power politics) will become replaced by more cooperative, conciliatory, and peaceful rules of interaction like we see between democracies (Harrison, 1998). In Kant's language, the greater the proportion of republican governments in the world, the more widespread their international "rule of law", which is both created from their domestic rule of law and perpetuated by the peace among them. War serves to promote the spread of republican forms of government, and the overall strength and success of republics serve to further their growth and influence over time. Cooperation in economic and cultural spheres serves to strengthen the peaceful and cooperative systemic norms of behavior (Russett, 1993).

The history of third party dispute resolution reveals evidence of this norm cascading from democratic states to non-democratic states. While democratic entrepreneurs initially engaged in third party dispute resolution, their actions soon influenced other states in the international system. There were many attempts to institutionalize peaceful settlement of disputes in a way that involved third parties, such as adjudication. For example, the Hague Peace Conferences of 1899 and 1907 created the Permanent

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of government that creates the freedom for citizens to act morally. Gaubatz (1996:138) elaborates on this point: "Democracy will expand internationally, then, as nondemocratic states observe and seek to replicate the success of democratic states. This emulation will occur as a result of the dictates of international competition as well as the internal demands of citizens who observe the benefits enjoyed by inhabitants of democratic states."

Court of Arbitration in the Hague; by 1996 eighty-two states were still bound by the 1899 or 1907 Convention. Several other regional treaties outlined methods for peaceful dispute settlement including the 1948 American Treaty on Pacific Settlement (Bogota Pact), the 1957 European Convention for the Peaceful Settlement of Disputes, the 1964 Protocol of the Commission of Mediation and Arbitration of the Organization of African Unity, the 1992 Convention on Conciliation and Arbitration Convention Within the CSCE, and the 1993 OAU Mechanism for Conflict Prevention, Management and Resolution (Akehurst, 1997:274). These treaties provide some evidence of institutionalization of the norm of third party dispute resolution.

The increasing frequency of these agreements is consistent with the evolutionary argument presented above. This, then, is my key claim: as the proportion of democratic states increases, all nation-states (democratic or otherwise) should become more likely to use third party means for settling disputes. In other words, norms stemming from a domestic democratic rule of law become an international rule of law as the system moves closer to the federation of free states. The novel hypothesis derived from my theoretical argument is that *as the proportion of democracies in the international system increases, the likelihood of third party involvement in non-democratic dyadic disputes increases*. I focus on non-democratic dyads to determine the extent to which the nature of the international system modifies their dispute resolution behavior. In the next section, I describe the data that is utilized to empirically test my primary hypothesis. This is followed by a discussion of the results and some concluding comments.

Research Design

Many scholars have focused on the importance of territorial issues in international relations. More wars have been fought over territory than any other issue (Holsti, 1991), militarized disputes involving territorial stakes are more likely to escalate to war than disputes over other issues (Vasquez, 1993; Kocs, 1995, Hensel, 1996; Senese, 1996), and territorial issues often lead to recurrent militarized disputes and rivalry (e.g. Goertz and Diehl, 1992). These findings explain why most research on territorial issues has

been conducted in the context of militarized relations.[9] The management of territorial issues short of militarized conflict is addressed by the Issue Correlates of War (ICOW) Project (Hensel, 1999, 2001).

The ICOW Project has collected data on multiple contentious issues, including data on territorial claims since 1816. "A territorial claim involves explicit contention between two or more states over the ownership of a piece of territory. Official representatives of the government of at least one state must lay explicit claim to territory being occupied, administered, or claimed by at least one other state."[10] (Hensel, 1999) This definition produces a total of 114 dyadic territorial claims in the Americas (North, Central, and South America) from 1816 to 1999.[11]

The ICOW territorial claims data is ideal for testing my theoretical arguments because it codes information on each peaceful attempt to settle a territorial claim. This includes information on the types of settlement attempts, ranging from bilateral negotiations, to non-binding third party interventions, to binding forms of third party involvement. There are 696 different settlement attempts for the 114 dyadic territorial claims in the Americas, with an average of 11 settlement attempts per overall claim (Hensel, 2001:99).[12]

States have attempted to settle the vast majority of territorial claims in the Americas through bilateral negotiations (72.3%), without any kind of third party assistance. Among the various third party settlement attempts, mediation is the most frequent (10.1%), followed by good offices (7.5%), and arbitration (4.7%). The dependent variable analyzed below is a dummy variable that is coded one for

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[9] A good example is Holsti's (1991) study of war that examines the issues at stake in international wars and major armed interventions.

[10] A territorial claim is considered ongoing as long as the parties involved continue to pursue their claim through explicit statements or actions. The claim ends when the two sides reach an agreement, the challenger drops or renounces its claim, or by military occupation of the territory by the challenger.

[11] A complete listing of these claims is contained in Hensel (2001:92-93). There are 74 claimed territories contested in the 114 dyadic cases.

[12] For more detailed information on ICOW procedures for coding settlement attempts, see Hensel (1999, 2001).

third party settlement attempts and zero for bilateral settlement attempts. All cases of the dependent variable represent *peaceful* attempts to settle a territorial claim; I do not consider militarized conflict over territory. The dependent variable simply distinguishes between peaceful settlement attempts that are bilateral, as opposed to multilateral (involving third parties).

I use the Polity III data set (Jaggers and Gurr, 1995) to measure the annual proportion of democracies in the international system. Polity III combines information from four institutional characteristics into a single democracy score ranging from 0 to 10.[13] I consider any nation that scores six or higher on this scale to be democratic. For each year, I divide the number of democracies in the system by the total number of Correlates of War system members. I also create a dyadic measure of regime type coded one for non-democratic dyads (containing at least one non-democracy) and zero for democratic dyads.[14]

Recall the hypothesis being tested: as the proportion of democracies in the international system increases, the likelihood of third party dispute resolution in non-democratic dyadic disputes increases. The best way to test this hypothesis is to create an interaction term between dyadic non-democracy and the proportion of democracies (the system variable). What we should observe is a marked increase in the probability of third party dispute resolution for non-democratic dyads as the proportion of democracies increases. In other words, the level of democracy in the system should modify the behavior of non-democratic dyads.

I also include three control variables that might affect the potential for third party settlement of territorial claims. The first variable considers capability differences among the participants to test the idea that third party involvement will be less likely in cases of power asymmetry. If one side has a clear

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[13] This includes the competitiveness of political participation, the level of constraints on the chief executive, and the openness and competitiveness of chief executive recruitment. (Jaggers and Gurr, 1995:471)

[14] One may wonder why I included mixed dyads in this set. I base this decision on the assumption in the normative democratic peace literature that norms of the non-democratic state are dominant in mixed dyadic interactions (e.g. Maoz and Russett (1993)).

power advantage (asymmetry), it should be better able to impose its preferred settlement (Bilder, 1989; Hensel, 2001). Power asymmetry is measured with the Correlates of War composite capability index, which indicates each nation's share of the system's total population, urban population, energy consumption, iron or steel production, military personnel, and military expenditures.[15] I divide the challenger's composite capabilities by the target's capabilities. My expectation is that the higher this ratio (indicating a clear capability advantage for the challenger, or asymmetry), the less likely third party management of territorial claims.

The second control variable captures previous militarized relations between the claimants, indicating whether they fought at least one militarized dispute in the 10 years preceding the beginning of the settlement attempt (Jones, Bremer, Singer, 1996). My expectation is that third party settlement attempts will become more likely for all dyads that have experienced prior militarized disputes, because a history of recurrent conflict will attract the attention of third parties (Bercovitch and Diehl, 1997; Dixon, 1994; Hensel, 2001; Hensel and Tures, 1997). The final control variable indicates whether there has been any prior management activity in the settlement of a territorial claim. Each settlement attempt following the first one for each claim is coded as a case of prior management activity. I expect prior management activity to increase the likelihood that third parties will intervene in a territorial claim (e.g. Dixon, 1993). Descriptive statistics for all variables are presented in Table 1.

Empirical Analysis

Table 2 presents logit estimates (with robust standard errors) of third party attempts to settle territorial claims. The coefficient for the proportion of democracies is positive and statistically significant (p=.011). This coefficient represents the impact of the proportion of democracies in the system on the probability of third party dispute settlement for democratic dyads. The coefficient for non-democratic dyad is negative and insignificant. The coefficient for the interaction term is positive and significant (p=.043) as expected.

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[15] This measure was created with the EUGene program (Bennett and Stam, 1998).

Non-democratic dyads have become more likely to settle territorial claims in the Americas with the help of third parties as the proportion of democracies in the international system increases.

To calculate the marginal effects of the dyadic and systemic democracy variables, we must consider their interaction. Table 3 presents the probability of third party settlement attempts for democratic and non-democratic dyads.[16] For democratic dyads, the non-democratic dyad variable and the interaction term are set equal to zero. For non-democratic dyads, the hypothetical value of the proportion of democracies is entered twice (once for the proportion variable and once in the interaction term). All other variables are set equal to their mean or modal value.

The results support my theoretical hypothesis. As the proportion of democracies increases, the probability of third party settlement increases for all dyads. For democratic dyads, the probability of third party settlement rises from .0801 when the proportion of democracies is zero to .5058 when the proportion is .50. For non-democratic dyads, the effect of democracy in the system is even more pronounced; the probability of third party settlement increases from .0541 when the proportion is zero, to .8777 when the proportion of democracies equals .50. This evidence is consistent with my hypothesis that third party dispute resolution is becoming an international norm as the proportion of democracies grows.

I also find that the challenger-target capability ratio has an effect on third party intervention ($p = .054$), making it less likely as the power advantage of the challenger to the target increases. The probability of third party settlement attempts decreases from .3790 to .0000 as the asymmetry measure is increased from its minimum (close to 0) to its maximum (666.3). In other words, third party management is much less likely for the most highly asymmetric dyads as compared to relative equals. Also third parties are more likely to become involved in the settlement of territorial disputes in the Americas when the disputants have a history of prior militarized relations ($p < .0001$). The probability of third party

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[16] I vary the proportion of democracies in the system from zero to .50, which is very close to the actual percentage of democracies in 1998 (51.9%), according to Polity 98 (Gurr and Jaggers, 2000).

involvement is .1462 for disputants that have not experienced a militarized dispute in the 10 years prior to the start of the settlement attempt, and increases to .3595 for disputants that have had a militarized history (a total increase of .2133). Finally, prior management has little effect on the probability of third party settlement attempts (p = .530).

These results demonstrate the importance of the systemic context. The proportion of democratic states in the world affects the means by which nations have resolved territorial disagreements. Non-democratic nations are much more likely to involve third parties in their dispute resolution processes when the proportion of democracies is large, which is consistent with the hypothesis that the democratic norm of third party conflict resolution has become an international norm. While previous studies of dispute resolution revealed a tendency for democratic dyads to adopt third party mechanisms, they did not consider the effect of an increasingly large number of democratic states in the system.

While the systemic effect is in the predicted direction for both democratic and non-democratic dyads (with the probability increasing as the proportion of democracies increases), it is interesting that the probability of third party settlement is quite a bit higher for non-democratic dyads, particularly as the proportion of democracies gets larger. When there are very few democracies in the international system (< 10%), democratic dyads have a higher probability of third party settlement than non-democratic dyads. On other hand, when the percentage of democracies in the system is 10% or higher, the probability of third party settlement for non-democratic dyads is much higher than the probability for democratic dyads. For example, when the percentage of system democracies is 50%, non-democratic dyads are 1 ½ times more likely to use third party settlement.

Three factors could help to explain this difference. First, the percentage of democratic dyads in the Americas that have disputed over territory is quite small (11.7%), which is consistent with my earlier argument that well-established democracies are able to remove territory as a contentious issue among them (Mitchell and Prins, 1999). Analysis of a broader set of issues could reveal a greater propensity for third party management. The ICOW project is currently collecting data on cross-border river and

maritime claims (Hensel and Mitchell, 2002), which will allow for a nice comparison of settlement attempts across different issues.

Second, the United States is a participant in a substantial percentage of the democratic dyadic settlement attempts. Of the 72 democratic dyads in Hensel's data, 28 (39%) involve the United States. And of those 93 cases where the U.S. was a challenger or target, third parties became involved in only 9 (9.7%) cases. It is clear that the United States has been able to resolve the vast majority of its disputes bilaterally. This is not surprising given the dominance of the United States in the Americas, and the overwhelming power advantage it holds over all other countries in the region. Furthermore, 69% of the total democratic dyadic settlement attempts involved the United States, Great Britain, or both. The empirical findings in Table 2 suggest that nations with overwhelming capability advantages are more likely to resolve their disputes bilaterally. The prevalence of these two major powers in so many of the settlement attempts in the Americas could also help to explain the lower predicted probability of third party settlement for democratic dyads.

A third possibility is that the likelihood of third party settlement depends on the issue at stake and the previous history of settlement attempts. One primary difference between Hensel's ICOW data and other data sets (such as those used by Dixon and Raymond) is the collection of data about territorial claims independently of the level of militarized interaction. In fact, less than half of the territorial claims in the Americas have ever led to a militarized confrontation (Hensel, 2001). The SHERFACS data, which is used by Dixon (1993, 1994), is limited to crises that became militarized at some point in time. If democracies are initially able to resolve disputes peacefully without external aid, then it may be misleading to test the relationship between regime type and type of dispute settlement in a set of cases that have reached the level of militarized confrontation (Dixon, 1998). If the dispute becomes unresolved and hotly contested, democracies may very well turn to third party solutions. More work needs to be done comparing settlement attempts of disputes that become militarized to those that are resolved peacefully.

Regardless of these differences, the results are supportive of the hypothesis. As expected, the probability of third party settlement has increased for all countries as the proportion of democratic states in the system has grown. The substantive impact of the systemic democracy variable on the behavior of non-democratic dyads is quite large, with the probability of third party settlement being sixteen times more likely as the percentage of democracies increases from zero to 50%. While my empirical test is limited to one regional context (the Americas), the results suggest that the democratic norm of third party dispute resolution is becoming an international norm.

Conclusion

One of the most striking changes in the international system in the past two decades has been the growth in the number of democratic states. Today democracies constitute a majority of states in the international system, and the absence of war between democracies (the democratic peace) suggests an optimistic view of future peaceful international relations. Many scholars and policy makers have posited that the nature of international relations could be transformed as a result of this trend towards democracy, and that the rules and norms of the international system could be altered to reflect those of democracies (Russett, 1993; Chan, 1997).

In this paper I argue that non-democratic states are more likely to behave like democratic states, adopting democratic norms, as the proportion of democracies increases. Empirical analysis of peaceful settlement attempts of territorial claims in the Americas supports this hypothesis. Third party settlement is sixteen times more likely for non-democratic dyads when the proportion of democracies in the system is 50% versus when the proportion is zero.

My theoretical approach is similar to normative explanations of the democratic peace; we agree that democracies will externalize their peaceful norms of cooperation and conciliation in their mutual interactions. However, most normative democratic peace scholars believe that such peaceful interaction extends only to other democracies (e.g. Cederman, 2001; Doyle, 1986). When a democratic and non-democratic country dispute over some issue in international politics, the norms of the non-democratic

country are thought to dominate their interaction (Maoz and Russett, 1993). I have shown that the *systemic* environment also influences the behavior of nation states. Non-democratic states are more likely to mimic behavior characteristic of democratic interaction, such as the use of third parties in the dispute resolution process, as the proportion of democratic states in the system grows. The empirical evidence presented in this paper is consistent with this argument, although there are certainly multiple avenues for future research on this topic.

It would be interesting to examine the evolution of other democratic norms, such as the propensity for nations to uphold the international agreements that they sign (Russett, 1993). As the proportion of democracies in the system increases, all nations should become more likely to live up to their international agreements, as this democratic norm becomes an international norm (Simmons, 1999). This perspective is distinct from formal models of credible commitments. For example, Fearon (1994:578) suggests that democracies are better able to signal intentions (because they generate audience costs) and hence they are better able to commit to foreign policy actions. The implication is that international agreements signed by democracies, such as alliances, are more likely to be honored. Formal models, such as Fearon's model, consider the effects of institutional features on state behavior. They do not generally consider the impact of the changing international environment on state behavior, particularly the influence of norms created by that environment. My theoretical approach provides an alternative perspective on the potential for credible commitments, suggesting that *non-democratic* states will more credibly commit to their agreements as the proportion of democracies in the system grows.

One of the most significant contributions of constructivist research is its recognition of the importance of international norms. While constructivist scholars have studied the origins and impact of a variety of norms such as slavery, decolonization, and humanitarian aid, it is rare to find a general theoretical model of norm formation and evolution in this literature (Finnemore and Sikkink's (1998) article is one exception). I have provided a theoretical model that can account for the development of a group of international norms, those that stem from democratic political systems. In this paper, I focus on the democratic norm of third party conflict resolution, but my theory applies to democratic norms in

general. The constructivist literature would benefit from the development of other general theories of the formation and evolution of international norms.

I have identified an important source of systemic change in this paper, the growth of democratic states. As the proportion of democratic states grows, the norms and rules that characterize relations between democracies are likely to alter the norms and rules in international relations. Future analyses of international interactions would be wise to consider this systemic change.

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TABLE 1   **Descriptive Statistics**

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Variable	Description	Mean	Std. Dev.	Min.	Max.	Mode
Third party	1 if third parties involved in settlement of claim; 0 if bilateral settlement (ICOW)	.2773	.4480	0	1	0
Propdem	Proportion of nations that are democratic	.2363	.1074	.03	.45	.04
Nondemdyad	1 if one or both nations are non-democratic; 0 otherwise	.8233	.3817	0	1	1
Asymmetry	Capability ratio of challenger to target	5.2748	30.62	.00	666.3	1.23
Priormid	1 if the challenger and target Fought a MID in the 10 years prior to start of settlement attempt; 0 otherwise	.5618	.4965	0	1	1
Priormgt	1 if there were previous attempts to manage the claim; 0 otherwise	.8707	.3358	0	1	1

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TABLE 2   **Logit Estimates of Third Party Attempts to Settle Territorial Claims**

Variable	Estimate	(S.E.)	Z	P > |Z|
Proportion of Democracies	4.927028	1.933429	2.55	0.011
Non-democratic Dyad	-0.421055	0.665012	-0.63	0.527
Proportion*Non-Democratic Dyad	4.737694	2.338450	2.03	0.043
Asymmetry	-0.015873	0.008234	-1.93	0.054
Prior MID	1.186889	0.219719	5.40	0.000
Prior Management	0.226849	0.360809	0.63	0.530
Constant	-3.770381	0.648413	-5.81	0.000

N = 667

$\chi^2 (6) = 85.34$ (p < 0.0001)

Log Likelihood = -319.4217

TABLE 3   **Probability of Third Party Settlement Attempts**

_____

Proportion of Democracies	Probability (Y=1) Democratic Dyads	Probability (Y=1) Non-democratic Dyads
.00	.0801	.0541
.05	.1003	.0849
.10	.1248	.1307
.15	.1543	.1960
.20	.1892	.2832
.25	.2299	.3905
.30	.2764	.5095
.35	.3283	.6274
.40	.3847	.7319
.45	.4444	.8157
.50	.5058	.8777

TABLE 4   Predicted Effects of Control Variables

Variable	Value	Probability of Third Party Settlement**	Change in Probability
Asymmetry	0 (Min.)	.3790	
	5.27 (Mean)	.3595	- .0195
	666.3 (Max)	.0000	- .3790
			Total = - .3790
Prior MID	0	.1462	
	1	.3595	+ .2133
Prior Management	0	.3091	
	1	.3595	+ .0504

** Proportion of democracies and asymmetry are held at their mean, while prior MID, prior management, and non-democratic dyad are held at their mode for these calculations. The baseline probability is 0.3595.