

Chapter 2. Capitalist Peace, Democratic Peace, and International War: Model Specification Errors

Abstract

Chapter 2 reexamines Gartzke's (2007) capitalist peace model. After replicating Oneal and Russett's (1997, 1999a) democratic peace model, Gartzke's study contends that "capitalism, and not democracy, leads to peace. Additional research is needed to corroborate, extend, and even refute the findings reported here" (180). In response to this open invitation, Chapter 2 reevaluates Gartzke's capitalist peace model along with Oneal and Russett's democratic peace model. The chapter finds that while the capitalist peace model suffers from misspecification, observation omission, and sample selection bias, the democratic peace model commits measurement error. After correcting these four errors, chapter 2 demonstrates that capitalism does not mitigate militarized disputes or wars in a consistent manner, but that democracy does.