POLITICAL SURVIVAL AND DIVERSIONARY USE OF FORCE

A Dissertation presented to
the Faculty of the Graduate School
at the University of Missouri

In Partial Fulfillment
of the Requirements for the Degree
Doctor of Philosophy

by
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May 2009
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To my family
ACKNOWLEDGMENTS

Almost a decade ago when I graduated from college, I had a dream. Today, this dream has almost come true. There are so many people who have made this dream possible. Acknowledging all of them would have taken a longer space then the actual dissertation. Nevertheless, several people need special recognition.

Nobody should get offended but my family comes first. I can not find words that would express my gratitude to my mom, Beyhan, and dad, Mahmut, who have created themselves out of their ashes, and who have taught us the same. It has been their strong belief in the virtue of education and their commitment to our education that has made us try alternative paths to freedom. I thank you so much, and I have been proud of being your son. Mom, this is your mother’s day present. I am sure although you can not read it seeing my name on it will make you so proud and happy. And dad, as I grow up, I realize how much I look like to you. Please accept this as an upcoming father’s day present.

My brother Kadir, who has been a father to me and my best friend, watching over me since I have known myself, I do not think I could have come thus far without your support. I did not get you a birthday present this past Friday on May 8. I can hear you saying that you never get me presents. Well, would you accept this as a present for your birthday?

My brothers Nureddin, Serafeddin, and Ahmet, and my sister, the apple of my eye, Nimet, who have shared my happiness and sorrow thousands of miles away, I love you and you are in my imagination every moment of my life. But again, thanks to mum and dad for continuing to have kids after Kadir and me. You are gifts from them to us.
I can not imagine how life would have been without my family. But some people have made direct contribution to my intellectual progress. My professors Dr. Huseyin Bagci and Dr. Ihsan Dagi, at Middle East Technical University, certainly, deserve to be thanked.

My life in graduate school at MU was not a vacation. But I have had the opportunity to know some great people and scholars to whom I feel deep admiration and appreciation. Dr. Cooper Drury, thank you for being more than an academic advisor. Your support and contribution has been indispensible to my success. I have benefitted from your guidance not only on academic matters but also on any other issue that I have solicited advice and support. Although I should thank everybody in the department for not throwing me out of their office anytime I showed up on the threshold of their office without any notice, you have been exposed to my harassments more than any other. Thank you!

Dr. Marvin Overby, I would like to thank you for your friendship and tolerance. If I have a job today, this is to a certain extent because of the class I have taken with you. The experience and the substantive knowledge I acquired in that class have enabled me to teach at Columbia College, and subsequently to secure a job at Gainesville State College. Thank you!

My debt to Dr. Vanya Kriechhaus, Dr. Quackenbush and Dr. Tom Johnson is no less great. I would like to thank you as well for your support and contribution. This work would not have been possible without your active participation. Conversations with Vanya in and out side class have always stimulated my thinking. Dr. Quackenbush has always been available for my questions. I have found conversations with Tom invaluable.
I would like to also thank Dr. Petrocik, Dr. Tilemma and Dr. Morrison, who have been great role models. I also would like to thank fellow graduate student in my cohort- Adrian, Mike, Jerome and Dursun. Sara, Debbi and Dana, also, deserve appreciation.

Outside the department, I was lucky to have the support of two great friends. Leslie Langdon, you have been a wonderful friend to me. You will always have special place in my life. I would like to also thank Shannon Dennis for her presence and editing the final version of this work. Thank you very much!
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This research attempts to improve our knowledge on the study of the use of force for diversionary purposes by addressing three issues that have been left unaddressed. No study has taken into account the relevance of issues as potentially important determinant of diversionary behavior under different regime types. In this study, I seek to develop a more complete perspective on the diversionary behavior of leaders executing under different institutional constraints by emphasizing issue salience. I contend that leaders of different regime types will be compelled to use force for diversionary purposes under different domestic political and economic pressures. Empirical results demonstrate that while autocratic leaders divert more regularly under the pressure of domestic unrest, leaders of democratic and mixed regimes are more likely to initiate disputes under deteriorating economic conditions. A second task that is accomplished in this paper is to explore the effects of domestic unrest on conflict behavior of rivals. The existing research examining the diversionary incentive in rivalry settings has primarily restricted its focus to measures of economic discontent. My results provide mixed support for the relation between domestic unrest and the use of force against rivals. Findings demonstrate that while international and strategic rivals are more likely to initiate conflict against their rivals, this relation disappears when international rivals are separated into their enduring and proto components. Finally, this dissertation introduces a new perspective to the study
of diversion by associating diversionary use of force with corruption. My inquiry into the relation between corruption and diversion reveal that while corruption has a strong negative effect on the external use of force, the effects of corrupt on the external use of force in combination with domestic unrest appear to be positive. I also observe that corruption has a strong positive effect on militarized interstate dispute initiation in enduring rivalry settings. Likewise, prevalence of corruption in democratic regimes increases latitude towards belligerent foreign policies.
CHAPTER ONE

POLITICAL SURVIVAL AND DIVERSIONARY USE OF FORCE

A remarkably diverse literature has coalesced on the proposition that political leaders use external conflict when they face an internal threat to their political survival. Despite the persistence of this theme, the link between political survival and external conflict remain quite uncertain. Empirical findings are scattered and far from being cumulative. A survey of the literature reveals three major issues that have been the subject of controversy.

The first major debate revolves around the importance of regime type for propensity of leaders towards diversion. Scholars, who provide evidence that incriminates democratic polities, highlight the election mechanism that compels democratic executives to mask their domestic policy failures with successful foreign policy outcomes (Richards et al 1993; Russett 1990; Smith 1998; Gelpi 1999; Hess and Orphanides 1995; 2001; Davies 2002). Proponents of autocratic regimes counter this assertion, noting that lack of institutional constraints or checks and balances in the polity makes autocratic regimes more prone to diversionary use of external conflict (Miller 1995; 1999; Heldt 1999; Prins and Sprecher 1999). In addition, scholars, who are skeptical about conflict proclivity of democratic regimes for diversionary purposes, emphasize strategic conflict avoidance (Smith 1996; 1998; Leeds and Davis 1997; Miller 1999; Heldt 1999; Davies 2002; Chioza and Goemans 2004; Fordham 2005; Kissangani and Pickering 2007; Sobek 2007). From this perspective, even if democratic leaders have incentive for diversion, potential targets can behave strategically by limiting their interactions or by acting more cooperatively to deprive democratic leaders from the opportunity to divert. These earlier
studies, however, have overlooked the possibility that leaders of different regime types may have the incentive to use diversion as substitution to failure in domestic policy outcomes under different circumstances.


The third major controversy within the diversionary literature is whether diversion is a luxury that can be only enjoyed by major powers and particularly the US (Ward and Widmaier 1982; Levy, 1989; Russett, 1990; Leeds and Davis, 1997, Gowa 1998; James and Hristoulas 1994). Fordham (2005: 134), for instance, maintains that the logic of diversionary theory is not universal but a condition enjoyed by U.S. presidents, who use or threaten military force without risking war or even serious military retaliation. For the leaders of other countries, Fordham states, “diversion is fraught with peril.”

More recently, scholars have approached the issue from the dimension of rivalry (Bennett and Nordstrom 2000; Mitchell and Prins 2004; Sprecher and DeRouen 2005; DeRouen and Sprecher 2006; Foster 2006a). This shift has particularly been motivated by the need to show that diversion is about opportunity rather than capability. Several empirical works, both cross sectional and regional, have been conducted to examine the
influence of domestic political factors on conflict behavior of rivals. Most of these analyses, however, have been restricted to the effect of economic factors on conflict behavior of rivals. As yet to be examined is the impact of domestic political violence on the occurrence of conflict among rivals. Finally, despite the fact that most scholars have condemned the use of force to maintain one’s hold on power as an abuse of the discretionary power of the office (Hess and Orphanides 1995; 2001; Meernik 2001; 2002 Meernik and Waterman 1996; Wang 1996; James and Oneal 1991; Lian and Oneal 1993), no attempt has been drawn between pervasiveness of corruption and the use of force for diversionary purposes.

In light of this state of the literature the research undertaken here aims to accomplish three goals. In the first place, I focus on differential effects of issues on diversionary behavior of leaders under different regime types. Most literature examining the effects of regime type on incentives for diversion has ignored the possibility that leaders of different regimes might display diversionary behavior under different domestic circumstances. I argue that because of different accountability mechanisms, leaders operating under different institutional arrangements will attribute different salience to issues in question. While autocratic leaders can afford to ignore economic discontent, they are at more risk of removal from the office under domestic unrest, which can be managed by diversionary use of force. Democratic leaders, on the other hand, are more likely to gamble for resurrection under economic declines. However imperfect, the fact that leaders of mixed regimes have to solicit mass support like their democratic counterparts suggests that such leaders will find it more attractive to divert under economic pressures and manage domestic unrest through coercive measures, which are
justified by associating domestic unrest on foreign enemies. Thus, I consider that the heightened danger of diversion is not only contingent upon regime type but also the issue salience.

My second goal is to examine whether, in addition to economic declines, rivals use their rivalry for diversionary purposes when they face domestic political unrest measured in terms of demonstrations, riots, rebellions, revolutions, assassinations, strikes, and guerrilla warfare. Scholars studying diversionary use of force in rivalry settings have primarily emphasized the opportunity rich environment of rivalry for conflict. Foster (2006a) for instance, distinguishes states into two sets according to opportunities available to them to attempt diversion. Major powers, which belong to systemic set, have broader opportunities to divert because of the intensity and extensity of their involvement in international affairs. The behavior of non-major powers, which comprise dyadic level opportunity set, is conditioned by the availability of rivals in their geographic environments. Furthermore, rivalries present perfect scapegoats because of the history of past conflict, which makes alleged threats posed by rivals credible and persuasion of public more plausible (Ward and Widmaier 1982; Enterline and Gleditsch 1998).

Although the core of rivalry literature follows a state centric approach in formulating the interaction between international rivals, both theoretically and empirically, a growing number of studies within the rivalry research program support the connection between domestic factors and conflict between rivals (Bennett 1996b; 1997; 1998; Hensel; 1998; 1999; Cornwell and Colaresi 2002; Colaresi 2004; Prins and Daxecker 2007). Investigations into the domestic determinants of conflict primarily focus on how the entrenchment of rivalry in domestic politics through mobilization of public
opinion against rival states and the creation of interest groups that benefit from maintenance of rivalry tie the hands of political leaders in terminating rivalry.

My attempt is to reformulate these two approaches into a more coherent theoretical framework that derives its assumptions from the logic of political survival. In this regard, I argue that if diversionary theory suggests that political leaders look for a scapegoat to divert attention away from domestic political and economic problems, they would not find a better scapegoat than a rival. Rivalry settings not only create opportunity rich environments but the history of conflict between rivals provides a pretext and justification for military action.

The possibility that leaders might divert against rivals when they experience domestic unrest has not been studied systematically probably because of the assumption that leaders would use of force when they faced moderate forms of dissatisfaction (Hazelwood; Levy 1989; Morgan and Bickers 1992; Richards et al 1993). Nevertheless, a vast number of studies have confirmed the relation between domestic unrest and the use of conflict for diversionary purposes (Vincent 1981; Gelpi 1997; Enterline and Gleditsch 1998; Dassel and Reinhart 1999; Miller 1999; Davies 2002). Thus, it is important to address this link in rivalry settings.

This study is unique in another aspect. It draws a direct link between corruption and the use of force for diversionary purposes. Although scholars approaching the problem of diversion from the perspective of principal (public)-agent (officials) model, have considered diversion as a deviation from the preferences of the public (Downs and Rocke 1995; Smith 1996a; 1996b; 1998; Davies 2002), little careful thoughts have been given to the association of diversion with corruption. I seek to fill this gap and to
determine whether there is an association between corruption and diversionary use of force. In this regard, my framework rests on a sharp classification of the diversionary use of force as corruption. I identify two primary paths that corruption is related to the use of force. The first path suggests that political leaders, who are benefiting from the structure of corruption in the polity, will be risk averse, and try to avoid any engagement that might put them at the hazard of removal from office. However, I also show that corruption that instigates domestic discontent make political leaders more vulnerable to removal from office and thus heightens the risk of belligerent foreign policies.

This logic is extended to examine how rivalry and regime type, respectively, condition the relation between corruption and diversion. In terms of the conditioning effects of rivalry, I argue that the entrenchment of rivalry in domestic politics of respective rivals and the existence of interest groups, who benefit from continuation of rivalry, should suggest a positive relation between corruption and the use of force in rivalry settings. Likewise, the need to cover up their corrupt practices should increase the propensity of democratic leaders, as opposed to their autocratic counterparts, to diversion.

The remaining parts of this dissertation are organized as follows. Before turning to the exposition of the theoretical argument, I devote the next section to the review and assessment of rivalry and diversionary theory literature. I place a particular emphasis on the studies that one way or another concentrate on the interaction between domestic politics and the relation between rival dyads. Using these studies as stepping stones, I intend to deepen the study of interaction between domestic factors and conflict behavior of rivals by offering addition explanations that draw its assumptions from the logic of political survival.
Chapter 3 lays out the theoretical argument that sketches the relation between regime type, issue salience, rivalry, corruption and the use of external conflict for diversionary purposes. My theoretical argument can be summarized as follows. In the first place, building on selectorate theory, I argue that all political leaders, regardless of regime type, share the common goal of sustaining their hold on power. To this end, they employ a mixture of private and public goods to maintain the support of the coalition that brought them to power. Leaders, who are under the risk of removal from power, are likely to bias foreign policy to create a more favorable perception among their audiences and salvage their political position. Nevertheless, I argue that leaders of different regime types due to variations in accountability mechanisms should find diversionary use of force more attractive under different conditions. Second, I maintain that political leaders struggling for survival would be much better off diverting against an interstate rival, if they have any. Several characteristics of rivalry, including but not limited to institutionalization of rivalry in domestic politics of respective rivals, common perception held among populace against the rival, and the opportunity rich environment of rivalry for conflict, makes them perfect scapegoats for diversion. Third, I treat diversion as a form of corruption and argue that although corruption alone should discourage belligerency in foreign policy; corruption that precipitates domestic dissatisfaction is likely to precipitate conflict. In addition, if rivalry maintenance is conditioned by the preferences of influential groups that have leverage on leaders’ prospect to remain in office, there should be a positive relation between corruption and conflict in rivalry settings. Likewise, accountability of democratic leaders to electoral evaluation of
performance implies that corrupt democratic leaders will try harder to mask their illegitimate practices through belligerent foreign policies.

Chapter 4 and 5 respectively provide explanation and measurement of concepts utilized to test the theoretical argument; and examine whether the empirical relations overlap with theory constructed in chapter 3. Chapter 4, which employs a politically active directed dyad data set for the period of 1950-2000, is divided in two sections. The first section asses the conditionality of diversionary behavior of political leaders operating in different regime types on issue salience. The impact of domestic discontent and on the possibilities of the initiation of conflict against rivals is examined in the second section. Chapter 5, on the other hand, tests the relation between corruption and the use of force. My analyses of this relation are conducted in four steps. First, I briefly show the relation between corruption and domestic discontent. The second part examines the relation between corruption and corruption in combination with domestic unrest and the use of force, respectively. In the third and fourth sections of Chapter 5, I respectively, analyze how rivalry and regime type influence the effects of corruption on the use of force. The final chapter of this research concludes with a discussion of the implications of my empirical findings.

The empirical tests of the hypotheses generated from theoretical argument constructed in Chapter 3 reveal a number of interesting findings. In the first place, empirical analyses demonstrate that while autocratic leaders are more likely to precipitate conflict when they face domestic unrest, leaders of both democratic and mixed regimes have more propensity toward external conflict under economic pressures. Specifically, for democratic regimes, the danger of conflict instigation grows when inflation rates are
on the hike. Leaders of mixed regimes, on the other hand, tend to be more belligerent under the pressure of negative economic growth rates. Mixed regimes, likewise, show the tendency of following a more hostile foreign policy in general, as opposed to democratic or autocratic regimes.

The empirical findings provide mixed support for the argument that political leaders facing problems at home are more likely to initiate conflict against rival states. Support for this proposition appears to be conditional upon how rivalry is measured as well as the severity of rivalry. Empirical tests of the effects of domestic unrest, inflation and GDP per capita on two measures and four categories of rivalry demonstrate that while domestic unrest is associated with initiation of conflict against international and strategic rivals, the effects of this factor for enduring and proto rivals depend on the exclusion of rivalry from the model. Increasing inflation rates tend to precipitate militarized interstate disputes in international, enduring and proto rivalry settings but not in strategic rivalry context. GDP per capita, on the other hand, for all categories of rivalry appear to be positively associated with conflict initiation. In other words, state leaders have the tendency to challenge rival states when the overall economy is performing well rather than bad.

My analyses of the relation between corruption and the use of force, likewise, present mixed support for the theoretical formulation. The argument that corruption discourages conflict in isolation and encourages conflict in combination with domestic unrest appears to be robust. Likewise, there is a strong empirical relation between corruption and conflict initiation in enduring rivalry settings. Indeed, the connection between corruption and the use of force in enduring rivalry settings is so strong to be the
result of sheer coincidence. Furthermore, empirical evidence demonstrates that corrupt democracies are more prone to conflict initiation.
CHAPTER TWO

AN ASSESSMENT OF THE STATE OF PROGRESS IN DIVERSIONARY AND RIVALRY LITERATURE

Introduction

Do leaders operating under different institutional arrangements have different incentive structures for diversion under different domestic problems? Does domestic political unrest, in addition to economic downturn, precipitate conflict between rivals? If diversionary use of force is inherently the misuse of discretionary power of the office to manipulate public opinion for personal political gains, can one equate diversion with corruption? How does pervasiveness of corruption influence belligerency in foreign policy? Is there a relation between corruption and conflict among rivals? Does corruption have an effect on conflict behavior of political leaders operating under different regime types?

These are some of the questions that have been left unaddressed by both diversionary and rivalry approaches to conflict. In this section, I explore each approach separately to find answers for these questions. I begin with diversionary theory, which has produced a considerable amount of contradictory findings. The next section attempts to demonstrate the overwhelming focus of rivalry literature on conflict between rivals from a state centric perspective and aims to highlight recent efforts designed to show how rivalries are connected to domestic political processes.
**Diversionary Theory of Conflict**

Almost three decades ago, Ward and Widmaier (1982: 76; see also Stohl 1980 and Levy 1989) summarized the state of research on diversionary theory of conflict as “a mounting body of incommensurate results, contradictory findings, and competing hypotheses.” Not much seems to have changed in the state of the research program since then. Ambitious attempts to correct for the inconsistencies of the previous research have turned the theory into one of the most contested areas of international conflict. Several auxiliary hypotheses - mediating effects of polity, gambling for resurrection, strategic conflict avoidance, death watch/opportunity exploitation, rally/political survival, and rivalry exploitation hypotheses in addition to scapegoat hypothesis - have been developed to address the empirical irregularities.

The externalization of internal conflict, albeit with an emphasis on contradictions of the capitalist economic system, has been the central theme of Marxist-Leninist explanation for the outbreak of war (see Haas 1965 and Levy 1988 for a review of this literature). From this perspective, external conflict was another way of preventing working classes from achieving their class consciousness and realizing their revolutionary potential.

A parallel idea has been widely echoed in the so called “conventional wisdom” of international conflict studies. In a widely cited passage, Jean Bodin (cited in Stohl 1980: 297) stated that “the best way of preserving a state and guaranteeing it against sedition, rebellion, and civil war is to keep the subjects in amity with one another, and to this end, to find an enemy against whom they can make common cause.” Similar theoretical
statements have been made by Wright (1965), Rosecrance (1963), and Haas and Whitting (1956), among others.¹

The contemporary literature, however, to a great extent has drawn its assumptions from the “in-group/out-group” hypothesis developed in sociology to explain internal and external group behavior. Both Simmel (1898) and Coser (1956) have observed that conflict with an outside group is not only desirable but also can be consciously cultivated to maintain the survival of the group. Early empirical research remaining loyal to the literal reading of this postulation has been primarily concerned with whether this link holds for relations between nations. Although Rummel (1963:24), one of the first scholars to test this relation, concluded that “foreign conflict behavior is generally and completely unrelated to domestic conflict behavior,” the initial findings were not altogether insignificant as reported by most literature reviews of recent scholarly works (Haas 1965; 1968; Tanter 1966, Hazelwood 1973, 1975; Wilkenfield 1968; 1969; Wilkenfeld and Zinnes 1971; Kegley et al 1978; Vincent 1981).

However, subsequent research modified and/or shifted the focus of the hypothesis from the use of external force to maintain the harmony of the populace to suggest the external use of force by political leaders vulnerable to removal from office. The modified scapegoat hypothesis stipulates that political leaders, when faced with internal dissent or troubles that threaten their political survival, embark upon aggressive foreign policies in order to rally patriotic feelings, increase group cohesion and thereby maintain their hold on power. Thus, what has been developed to explain the preservation of group unity has branched into seven major hypotheses that investigate the conditions under which

¹ For an extensive review of this literature, see Haas 1965; 1968; Stohl 1980; Vincent 1981; Levy 1988; 1989; and Heldt 1997.
political leaders vulnerable to removal from office use external conflict to salvage their position. The branching of the research program has been a result of debate that primarily revolves around three major questions: whether diversion is a pathology of democracies, whether US presidents divert, and whether diversion can be generalized to non-major powers.

The shift of the focus from the unity of in-group to the survival of political leaders has brought, in the first place, the mediating effects of regime type (Wilkenfield 1968; 1969; Wilkenfield and Zinnes 1971) to the forefront of the debate on scapegoat hypothesis. While devising policies, political leaders in both democratic and autocratic regimes are concerned about the implications of their decisions not only for the entire nation but also for their political survival (Bueno de Mesquita and Siverson 1995; 1997; Bueno de Mesquita et al 2002; 2003; Bennett 1997b; 1998; Morgan and Bicker 1992; Morgan and Anderson 1999; Palmer et al 2004; Fordham 1998; Richards et al 1993). Nevertheless, different accountability mechanisms and support bases have been contended to create different incentive structures for diversion. In democratic systems, the election mechanism which has been formulated to keep executives accountable to the preferences of the citizenry at the same time create an incentive for democratic leaders to make suboptimal choices in foreign policy decisions (Smith 1996a; 1996b). This control mechanism creates a paradox, or what Hess and Orphanides (1995) call “the costs of democracy”.

Contrary to the logic of democratic peace theory, which insists that being answerable to the public who bear the costs of war in lives and resources, makes war avoidable (Morgan and Campbell 1991), concern with reelection creates an incentive for
political leaders that runs counter not only to the logic of democratic peace theory but also to the logic of elections. For instance, Hess and Orphanides (1995; 2001) argue that the desire of incumbent leaders with unfavorable economic performance to hold onto power generates an incentive for actions that demonstrate their leadership abilities, and therefore leads them toward aggressive foreign policies in order to salvage their chances of reelection.

Since the public favors competent executives to incompetent ones, leaders who fall short of satisfying the needs of the citizenry in domestic politics will choose to manipulate international events to persuade the citizenry to retain them in office. Thus, those executives who are vulnerable to electoral defeats will gamble for resurrection (Richards et al 1993; Downs and Rocke 1995; Smith 1996a; 1996b; 1998; Mansfield and Snyder 2002; Hess and Orphanides 1995; 2001).

In summary, the desire to remain in power, the dependence of their political future on mass electoral support and the system of checks and balances that prevent them from initiating policies that will address the sources of the problems leaves democratic leaders with few options as opposed to their autocratic counterparts (Russett 1990; Fordham 1998; Heldt 1999; Brule 2006; Foster 2006b; DeRouen 1995; Kissangani and Pickering 2007). Therefore, Gelpi (1997) has concluded diversion to be a pathology of democracies.

However, it has also been argued that, although a bad economy may encourage democratic leaders to mask their incompetence by demonstrating their foreign policy competence, this condition does not automatically induce diversionary behavior. A bad economy, instead, creates an incompetent leader’s dilemma. In other words, the desire of
an executive to engage in diversion will be conditioned largely by the executive’s attitude toward risk-acceptant behavior (Richards et al 1993; Downs and Rocke 1995; Smith 1996a; 1996b; 1998; Heldt 1999). While competent executives are more risk-acceptant and more likely to exploit international conflict to demonstrate their competence, the behavior of incompetent executives is conditioned by their attitude towards risk. Risk-acceptant executives with a bad economy tend to gamble on the lottery if they are convinced that the public is going to reward them for favorable outcomes. Risk-averse executives facing a bad economy, on the other hand, are more likely to refrain from engaging in diversion.

Ironically, properties of democracies that have been identified as diversion-promoting, are highlighted by others as characteristics inhibiting incentives for diversion (Clark 2003). Checks and balances established in the system, accountability to citizens, risks and costs associated with use of force, and the rationality of addressing the sources of the problem (Hazelwood 1975; Stoll 1994; Miller 1995; Heldt 1999; DeRouen 1995) are a number of mechanisms highlighted by the skeptics of democratic diversion. Heldt (1999) argues that since economic conditions are predominantly the determining factor that citizens most care about, leaders will be more constrained to use force because of the costs and risks that it entails. In addition, the possibility of a bad outcome is more likely to have a negative effect on an already bad economy. Thus it has been suggested that it is more effective to address the sources of discontent and implement policies that will fix the problems rather than engaging in behaviors that have the potential to backfire and escalate into war (Hazelwood 1975; Ward and Widmaier 1982; Miller 1995; Heldt 1999; DeRouen 1995; Tarar 2006).
Others have called into question the simple causal link drawn between domestic political and economic conditions and the external use of force by democratic regimes and emphasized another paradox of democracy that prevents rather than promotes diversion (Smith 1996a; 1996b; 1998; Leeds and Davies 1997; Heldt 1997; Miller 1999; Meernik 2000; Davies 2002; 2008; Clark 2003; Mitchell and Prins, 2004; Chiozza and Goemans 2004; Fordham 2005; Foster 2006b; Kissangani and Pickering 2007; Demir 2008). Democratic leaders may have more desire and willingness to divert. However, desire and willingness alone are not sufficient conditions for observing diversionary actions. Opportunity is a necessary condition for diversion to take place. Nevertheless, the conditions that create an incentive for democratic executives to initiate dispute at the same time decrease the opportunity for dispute. Domestic conditions that lead to incentive formation in democratic political leaders are also visible to potential targets and work as an early warning for targets to maintain a low profile or cooperative relation to deprive the diverter from a pretext to initiating a conflict. Thus, while democratic leaders are seeking strategies to improve their chances of reelection, potential targets of diversion look for strategies to avoid becoming the targets of diversion. Therefore, it might not be possible to observe aggression during times when aggression is most likely because of self-restraining behavior of targets who adjust their actions to avoid becoming the target of a diversion. Perhaps this explains why Guabatz (1991) observed an increase in

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2 Note that Davies (2002) has found that states that experience domestic strife are more likely to become targets of external aggression. In a similar vein, Davies (2008), who examines strategic conflict avoidance behavior of Iranian leaders in their confrontations with the US, has found no direct effect of US presidential approval ratings and US unemployment figures on conflict behavior of Iranian leaders.

3 Kissangani and Pickering have argued that benevolent uses of force that involve issues of politics can undermine the ability of targets to behave strategically.
conflict behavior of democratic polities in the early phases of their electoral terms rather than in the last phases of electoral cycles.

Finding an eager target is not the only problem in front of the desire to divert; not all uses of force will be compelling enough to convince the citizenry of the justification for the use of force (Tarar 2006; Meernik and Waterman 1996; Meernik 2000; 2001). According to Tarar (2006), the target should be sufficiently difficult to convince the citizenry about the competence of the executive. However, a difficult target creates a dilemma to make a choice between the benefits of retaining the office and the costs of war. Stoll (1984), for instance, warns against the risk that such uses of force can be perceived by the target countries as hostile actions embarked upon for strategic purposes rather than domestic concerns. Therefore, instead of diverting, leaders might find it more efficient to initiate policies that will improve their chances of reelection (Tarar 2006; DeRouen 1995; Clark 2003).

Russett (1990), Fordham (2002) and Morgan and Bickers (1992) recognize that long-term effects of intense and costly wars are more likely to be politically very costly for the governments that initiate them. However, they also argue that leaders with diversionary incentives are more likely to initiate limited conflict that has lower risks of escalating into a full-scale war. Thus, the argument is that aggression initiated with diversion in mind does not have to be intense (Richards et al 1993; Morgan and Bicker 1992; Morgan and Anderson 1999).

On the other hand, not everybody seems to be convinced about the innocence of autocracies when it comes to the issue of diversion (Sobek 2007; Chiozza and Goemans 2003; Miller 1995; 1999; Enterline and Gleditsch 2000). Miller (1995) argues that having
few constraints on their power and personal gain and inefficient extractive capacity, which leaves autocracies with limited resources to influence their domestic environment, attracts autocratic regimes to diversion more than their democratic counterparts. However, why an autocrat with little or no constraints on his power would chose to divert instead of suppress domestic discontent begs the question, especially when the chances of irregular removal for autocrats in the aftermath of costly and humiliating conflicts are higher than for their democratic counterparts. Nevertheless, Goemans (2008) makes a compelling argument in favor of the influence of the post-exit fate of political leaders. Goemans argues that it is not the threat of the removal from office but how the leaders are removed from office that influences their diversionary behavior. Leaders who are more vulnerable to irregular removals are more likely to engage in international conflict.

Dassel (1998) and Dassel and Reinhart (1999) join the debate on the polity type by introducing the role of military and distinguishing general domestic strife from contested institutions. According to the authors, domestic strife leads to conflict initiation only if the conflict is over contested institutions and only if using domestic violence to quell discontent threatens the organizational structure of the military. Mansfield and Snyder (1995; 2002), on the other hand, have shown that democratizing states are more likely to externalize their internal conflict because of potential power struggles between old elites and new elites who compete over drawing masses to their side by using nationalist sentiments that spirals out of control.

Evidence in favor of both democratic and autocratic diversion is too compelling to dismiss. Nevertheless, it appears that both sides of the argument have overlooked the possibility that the incentive structure of political leaders operating under different
institutional constraints for diversion might be conditioned by the salience of the issue for political survival. Thus, it may not be surprising that scholars have produced inconsistent results given the lack of attention to the possibility that different issues will have different weight in terms of their implication for tenure under different regime types. Issue salience is important because it indicates the risk at which political leaders are vulnerable to removal from office. For instance, autocratic regimes may not find economic problems as compelling as would their democratic counterparts. Indeed, the insulation of these regimes from mass public preferences suggests that they will have no incentive to divert under economic distress.

Nevertheless, attempts at investigating the theory in other contexts have been called into question on the grounds that diversion is a luxury or privilege that major powers can exploit (Ward and Widmaier 1982; Levy 1989; Leeds and Davis 1997; Russett 1990; James and Hristoulas 1994; Fordham 1998b; 2005; Gowa 1998; Foster 2006). This is exactly what is maintained by Fordham (2005: 134; 1998) when he argues that the logic of diversionary theory is not universal but a condition enjoyed by US presidents who use or threaten military force without risking war or even serious military retaliation. For the leaders of other countries, Fordham states, “diversion is fraught with peril.” Obviously, Fordham is right in his assertion that preeminent US military power makes diversion for US presidents a relatively less risky engagement. But does this necessarily imply that leaders of lesser powers lack desire let alone opportunity to initiate conflict in order to advance their agenda at home? In a similar vein, Foster (2006a)
argues that broad international commitments and capability advantage create more opportunities for great powers to divert.  

The US, however, has also been the domain that has produced the most inconsistent findings on a consistent basis. In the first place, not everybody seems to be pleased with the contention that diversion is a unique feature of US foreign policy. While some scholars have found it troublesome and disturbing (James and Oneal 1991; Wang 1996), others have found it hard to “believe” that political leaders would use foreign aggression for their self-serving interests (Meernik 2000; 2001; Lian and Oneal 1993). Lian and Oneal find the use of force for political purposes illegitimate and consider it a reason for the impeachment of presidents. Meernik and Waterman (1996) claim that the public would punish the president who initiates an international crisis that is not a sound and compelling case of national interest.  

Intuitively, it is understandable that scholars examining the diversionary behavior of US presidents have a hard time accepting the possibility that US presidents might be committing armed forces abroad to improve their political standing. After all this category of the use of force is the use of the benefits of the office for personal (political) gains, which is ethically unacceptable. 

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4 Nevertheless, Foster (2006) draws attention to the necessity to classify countries according to their opportunity set. Following this logic, he distinguishes between two different types of opportunity sets: systemic and dyadic. The intensity and extensity of major power involvement in international affairs provide them with a broader opportunity set compared to non-major powers. Therefore, major powers operate in a more opportunity-rich environment and are less likely to be constrained in finding targets to scapegoat. The behavior of non-major powers, however, is conditioned by the size of their opportunity, which is limited to their immediate geographic environment. Thus, more narrowly-committed states are not only constrained to divert from domestic distress but also are limited to divert against their rivals. Foster’s analysis of militarized conflict initiations between 1960 and 1999 has demonstrated that although the US’ diversionary actions are more likely to be directed against non-rivals, other nations, including non-US major powers show the tendency to divert against their rivals when troubled by domestic distress. 

5 Nobody has empirically addressed the possibility that diversion is an accountability problem. Indeed, Fordham (1998) seems to imply that it might even be a necessary strategy for leaders who want to strike a balance between the demands of policy implementation and the desire to survive politically.
Thus, the dominant tendency among scholars who do not “believe” in the existence of a link between domestic political and economic conditions of US presidents and their external use of force is to view the occurrence of conflict as a result of necessity (exogenous factors) or opportunity exploitation (death watch hypothesis) rather than diversion. The first explanation focuses on the characteristics of the international system as well as the demands of American national political, economic and security interests and the US responsibilities as a hegemon. Therefore, these scholars find international factors as more reliable predictors of conflict initiation (Meernik 1994; Meernik and Waterman 1996; Gowa 1998; Mitchell and Moore 2002). Nevertheless, several studies have found that politics does not stop at the water’s edge. A positive relation between several domestic political and economic indicators such as election (James and Oneal 1991; Hess and Orphanides 1995; 2001; Wang 1996; Stoll 1994; Fordham 1998; 2002),

6 public approval ratings both among partisans (Ostrom and Job 1986; James and Hristoulas 1994; DeRouen 1995) and members of Congress (Morgan and Bickers 1992; Foster and Palmer 2006; Fordham 2002),

7 economic decline8 measured in terms of

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6 Other studies by Stoll (1984), James and Oneal (1991), Meernik (1994), DeRouen (1995), and Mitchell and Moore (2002) have reported negative or no significant relation between election and the presidential uses of force.
7 See James and Hristoulas (1994), Hess and Orphanides (1995), Wang (1996), Meernik (1994; 2000), Foster and Palmer (2006), and Brule (2006) for findings that report positive or no relation between overall public, partisan or congressional approval ratings and the use of force. Morgan and Anderson (1999), on the other hand, examining the effects of approval ratings on conflict behavior of British governments find that British governments have the propensity to engage in belligerent foreign policy actions when the overall public approval ratings for the government are high and when the approval ratings for the party in government are in decline.
8 Fordham (1998) and Clark (2003) argue that the ideological orientation of presidents will condition their incentive to diversion under different domestic problems. From this perspective, variation in elite composition of Democratic and Republican presidents suggests that not all economic problems will carry the same weight across both parties. While Republicans prefer to control inflation at the cost of unemployment, the opposite is true for Democrats. Although they find a positive relation for Republican incumbents between inflation and the use of force, the relation between unemployment and the use of force for Democratic incumbents is not statistically supported. According to Foster and Palmer (2006), the reason Republican presidents are more prone to initiate conflict as opposed to their Democratic counterparts is because only presidents who expect a positive response for hawkish policies from their constituency are
unemployment (Fordham 1998; Meernik 2001), increasing inflation rates (Fordham 2002), declining growth rates measured in terms of GDP and GNP (Hess and Orphanides 1995; Fordham 2002; Brule 2006), misery index (Ostrom and Job 1986; James and Oneal 1991; Wang 1996), recession (Hess and Orphanides 1995), and the use of force have been reported by studies focusing on diversionary behavior of US presidents. Ostrom and Job even conclude that political factors are more influential on the use of force abroad than international environment. Wang (1996) reached the same conclusions stating that domestic variables exercise influence despite high expected value for war.

The second explanation for the use of force victimizes US presidents. While strategic conflict avoidance posits that diversionary behavior, despite its temptation (desirability) for democratic executives, might not be the observable outcome because of self-restraint exercised by potential targets, the opportunity exploitation or death watch hypothesis, with a reversal of the causal link from the potential initiator to potential target, considers domestic conflict as an invitation for aggression rather than an instigator of aggression. Its primary argument is that domestic conflict creates an opportunity for exploitation rather than a temptation for diversion. Thus the potential initiators become the victims and potential targets become the abusers. Instead of reducing their interaction,
the death watch or opportunity exploitation hypothesis suggests that targets or adversaries act aggressively to exploit the vulnerability of the leaders suffering from domestic political problems. Meernik (2000; 2001), for instance, argues that the reason for scholars to have found supporting evidence in favor of diversionary theory is because potential targets time their hostility toward the US when its presidents are overwhelmed by domestic political problems that can prevent them from the incentive to retaliate. A similar argument is advanced by Foster (2006b) who argues that the US is more likely to be a target than an initiator of conflict when US presidents are simultaneously experiencing economic problems and face opposition from congress to their foreign policy agenda. Similar findings have been reported by Davies (2002), Sprecher and DeRouen (2002; 2005; 2006) and Sobek (2007).

The problem with the second interpretation is that the incentive to exploit the vulnerability of a political leader gives the vulnerable leader a much more credible opportunity to divert. Indeed, Chioza and Goemans (2004) have shown that vulnerable leaders who suffer the risk of losing office are less likely to become targets of international crisis. Likewise, Ward and Widmaier (1982), Bennett and Nordstrom (2000), Mansfield and Snyder (1995; 2002), and Colaresi and Thomson (2002b) have disconfirmed the argument that weakness invites aggression.

The most recent attempt to address the inconsistencies in diversionary literature has developed around the concept of rivalry (Bennett and Nordstrom 2000; Mitchell and Prins 2004; Sprecher and DeRouen 2002; 2005; 2006; Foster 2006a; 2006b; Davis 2008; Demir 2008). This perspective, which can be termed as rivalry exploitation hypothesis, with good reason emphasizes the necessity to identify the set of political targets against
which political leaders will prefer to divert. Ward and Widmaier (1982; see also Levy 1989; Enterline and Gledistch 2000) are among the first to suggest that if leaders had the incentives to divert, it would be more plausible to turn against a target whose enmity has been well-established among the populace. The deep mistrust and animosity between rival states provides an opportunity-rich environment for political leaders to manipulate foreign affairs in order to satisfy their own personal and political objectives.

From this perspective, the identification of rivals as potential targets for diversion solves at least three major problems advanced/highlighted in the debate summarized above. First, it addresses the problem of opportunity that confines diversion to the US. Second, it makes strategic conflict avoidance less of an obstacle in front of the desire to divert. Third, it solves the problem of finding an adequately difficult target to justify or rationalize aggression.

Nevertheless, once we shift the focus from the international consequences of domestic outcomes to the domestic consequences of international outcomes, the use of force for diversionary purposes may not be worth the price it costs. Recall that the basic mechanism that is expected to operate between domestic and foreign conflict is that domestic troubles lead to external conflict with the incentive to create some sort of rally affect and thus enable political leaders to salvage their lingering hold on power.

Though they point to different culprits, rally hypothesis and political survival hypothesis investigate whether the use of force implied by theory has any positive effect on the purposes for which it is employed. The common consensus among scholars, with the exception of DeRouen (2005), is that rally effects only minimally occur after the use of force by US presidents (Lian and Oneal 1993; James and Rioux 1998; Oneal and
Bryan 1995; Baker and Oneal 2001; Ninic 1997). Lia and Reiter (2005), who explore rally effects in Great Britain, confirm these findings. Indeed, Cotton (1986) has found war to have devastating effects not only on the reelection chances of American presidents but also on the cohesiveness of the American public. James and Rioux (1998) argue that the public is concerned with losses rather than processes, a finding that has also been confirmed by Bueno de Mesquita et al 1992 and Bueno de Mesquita and Siverson 1995.

Thus, leaders who engage their nations in costly conflicts at the same time put themselves at a greater hazard of removal from the office (Bueno de Mesquita et al 1992; Bueno de Mesquita and Siverson 1995; Cotton 1986; Chiozza and Goemans 2003; 2004; Goemans 2008). Nevertheless, Bueno de Mesquita et al (1992) and his associates have shown that low-intensity conflict short of war improves the chances for leaders to remain in office.\textsuperscript{12}

\textbf{International Rivals and Their Conflicts}

The study of interstate rivalry has emerged as an alternative to the conventional approach that treats conflicts and crises as separate events independent from each other (see Goertz and Diehl 1993; 1996; Vasquez and Leskiw 2001; Klien et al 2007). Based on the evidence that some pairs of states have been involved in multiple disputes and that these same states are responsible for the majority of the total conflict in the international system (Diehl and Goertz, 2000; Goertz and Diehl 1992; Vasquez 1993; Thomson 1995, 2001; Vasquez and Lewski 2001; Colerasi and Thompson 2002a; 2002b; Hensel 1994; 1998a; 1999a; Prins 2007), the research program emphasizes the need for a separate

\textsuperscript{12} Chiozza and Goemans (2003) have found that those leaders who are vulnerable to the risk of losing office are less likely to initiate conflict and the risk of removal from office increases with the risk of crisis initiation. In addition, Goemans (2008) has shown that the outcome of conflict weakly affects a leader’s regular removal from office but strongly affects a leader’s irregular removal from office.
treatment of such conflicts to understand the dynamics of dispute proneness between the same set of dyads. The central tenet of the research program is that conflict in one period influences conflicts in subsequent periods. It assumes that an initiated conflict left unresolved opens the path for a relationship of recurrent disputes between the same states (Hensel 1994; Goertz and Diehl 1992; 1993; 1995; 2000; Bennett 1996; 1997a; 1997b; 1998).

Hensel (1994), for instance, argues that states that have had an aggressive or threatening experience with each other in the past are likely to view each other as posing a continuous threat, regardless of the presence of conditions that triggered the past actions. Likewise, Thompson (2001; see also Vasquez 1993; 1996) emphasizes the “psychological baggage” that rivals carry from one conflict to the next. Each round of exchange creates a conflict expectation between adversaries, which influence their perception and behavior towards each other. When both sides deal with each other in ways that fulfill conflict expectation, they create a cycle of hostile behavior toward each other which is hard to break. In a similar fashion, Leng (1983; 2000) and Maoz and Mor (1996) emphasize the role of learning in shaping the course of rivalry. Each interaction enables the adversaries to develop an idea about the preferences of their rival. This idea in turn helps them shape their preferences, which are later modified by the outcome of the conflict.

Rivalry literature has covered substantial progress relative to the state of the research program in the 1990s. At least introductions that complain about lack of attention to rivalry are no longer the case. A closer examination of the works conducted in the research program reveals a progression that follows an evolutionary pattern. Early
studies have concentrated on the important task of operationalization and identify rivals rather than addressing the question of why rivals fight.\textsuperscript{13}

The current decade has witnessed an explosion in scholarly attention to the dynamics of relations between rivals. A research program that has been concerned with different dimensions of rivalries is in progress. Much of the debate at this stage revolves around a number of indicators that are used to predict or explain the conflict propensities or conflict patterns of rivals. Issues concerning the origins, progression, maintenance, conflict interdependence and escalation, and termination of rivalries have been the subject of productive dialogues between scholars. From the examination of scholarly work produced in rivalry literature, it is possible to identify the following general questions that have been addressed: How do rivalries originate or what are the processes for their formation? What kind of path do they follow? How are conflicts within rivalries likely to be connected? What explains the conflict propensity of rivals? How and when does their already conflictual relation escalate into war? What are the factors that lead to their termination? What role do domestic factors play in initiation, maintenance and termination of rivalries?

One way to present the progress in the research program is to address each question separately. However, most of these questions and especially questions

\textsuperscript{13} Although scholars recognize how rivalry is operationalized affects the results of empirical questions (Goertz and Diehl 1993; 2000; Bennett 1997a), the realization that it is difficult to establish consensus around a standard definition or operationalization of rivalry has made scholars give up trying to convince each other of the merits of respective operationalization and instead focus on more substantive questions that underpin the relation between rivals. Nevertheless, the research program seems to have settled on two operationalizations. Although the Goertz and Diehl’s operationalizations and the corresponding rivalry lists that they generate have by far been the most widely adopted operationalizations, Thomson’s Strategic Rivalry also has been used considerably by scholars who especially are concerned with the distinction between militarized and non-militarized rivalries (Rasler and Thomson 2000; Rasler and Thomson, 2006; Cornwell and Colarsi 2002; Colaresi and Thomson 2002a; 2002b). In some cases, scholars test their hypothesis using a rivalry list constructed by both operationalizations to demonstrate the rigorousness of their results (Colaresi 2004; Thies 2004; 2005; 2006).
concerning origins, progression, and maintenance and conflict interdependence are so intertwined both theoretically and empirically that addressing each of them separately runs the risk of committing redundancy. Thus, a better way to explore the progress in the research program is to reconstruct the life span of a typical rivalry beginning from its origins to its termination.

Such a generic model would require identifying the origins of the rivalry and the path it follows. Although our knowledge of the origins and the pattern that potential rivals follow is not precise, we know that they either follow a pattern of structural/punctuated equilibrium (Goertz and Diehl 1995; 2000; Goertz et al 2005), an evolutionary model (Hensel 1994; 1998a; 1999a; 2001; Maoz and Mor 1996; Colaresi and Thomson 2002a; Prins 2005) or a combination of both (Stinnett and Diehl 2001).

Empirical findings show that most rivalries are caused and driven by structural/exogenous factors such as the characteristics of the international system, the characteristics of disputants, and the subject matter of their confrontation, which are out of the immediate control of potential rivals (Diehl and Goertz, 2000; 1998; Vasquez and Leskiw 2001; Stinnett and Diehl 2001). Structural factors vary from the balance of military capabilities, the polarity within the system, whether the states are major powers, the role of territorial issues, geographic contiguity, exogenous political shocks and the pacifying effects of democracy. Most rivalries come into existence approximately within 10 years following a political shock. The empirical findings in favor of political shocks are so strong that Goertz and Diehl (1995) treat them as necessary conditions for the emergence of a rivalry.
Once ignited, the competing dyads follow a punctuated equilibrium path (Goertz and Diehl 1995; 2000; Goertz et al 2005). According to the punctuated equilibrium model, each pair of states has a basic rivalry level around which their relations fluctuate randomly without showing a secular trend. In this view, the participants lock into a conflict pattern early in the rivalry after which they develop a relatively stable relation over the course of their relation without turning the competition into a more conflictual or more cooperative pattern. However, empirical findings have also demonstrated that structural factors are not sufficient conditions to produce a rivalry. While some dyads carry their conflict into the future, others are better able to manage their confrontation. Why do some conflicts become enduring whereas others terminate early on (Stinnett and Diehl 2001)?

Evolutionary perspective advanced by Hensel (1998a; 1999a; 2001) and Maoz and Mor (1996) offers an alternative explanation to rivalry formation. First, the evolutionary model views rivalry formation as a process in construction. A rivalry is a dynamic relationship that comes into existence as a result of interaction between rivals. What rivals do to each other during the early stages of their confrontation has important implications for what they will do to each other and what path they will follow in the future. According to this perspective, a rivalry does not start with a prior inclination among dyads that they are going to be rivals. Instead, a rivalry is created as a result of the past interactions and the realization of self-fulfilling prophesies about the future.

Two factors play a prominent role in rivalry formation: the severity and outcome of initial confrontations (Leng 1983; 2000; Hensel 1994; Hensel 1998a; 1999b) and the volume of disputatious encounters in the past (Colaresi and Thomson 2002a; 2002b;
Prins 2005). These two factors set the tone for the future. They are fundamentally important in determining whether a pair of states will move away or move forward on the rivalry path because they create a legacy of the past which operates as a feedback loop for the future. Regardless of the characteristics of the disputants or the issue under contention, the use of coercive bargaining strategies creates an atmosphere of distrust and enmity which is reinforced by subsequent interactions (Thomson 1995; 2001; Vasquez 1996; Hensel 1998a; 1999a). The accumulation of negative perceptions over time leads to the creation of rivalry. Thus, it is not the structure but the context that potential rivals create together for each other that leads to the formation of a rivalry.

There are four major distinctions between these two paths to rivalry formation. The first major distinction is what sparks the rivalry in the first place. The structural approach emphasizes a big bang that sets the rivalry in motion while the behavioral approach models rivalry formation akin to a snowball that comes into existence as it rolls down the hill. The second major distinction between the punctuated equilibrium model and the behavioral model of rivalry development is whether the relation follows a positive secular trend where the interactions become more hostile in the advanced stages or whether the relation remains stable after the lock in stage without necessarily becoming more conflictual or cooperative.

The third distinction is the order of perceptions in the sequence ordering of rivalry formation. The structural approach gives priority to perceptions in the causal sequence. In other words, would-be rivals carry a certain level of suspicion or enmity towards each other that increases the risk of conflict. Conversely, the evolutionary path emphasizes the precession of conflict to perception formation. States that take the path of rivalry do not
know in advance that their competition will turn into rivalry. Instead, the image that
rivals attribute to each other is created along the way as a result of the enmity that each
encounter reinforces.

Finally, the evolutionary model to rivalry formation differs from the structural
model in terms of the conflict trend that rivalries follow. Since the evolutionary model
strictly formulates rivalry formation around the legacy of the past, the emphasis is on the
implications of dispute accumulation for the future. Thus, according to this account,
rivalries demonstrate additive or perhaps multiplicative dispute propensity in the
advanced stages of rivalry rather than an indistinct pattern of ascension and decension
over the course of the rivalry. As disputes accumulate, the relations become more rigid
and future conflict more likely.

However, apart from these major distinctions, it is possible to integrate the rest of
the research into a single story of the typical life of a rivalry. Thanks to Vasquez (1993;
1996) and others (Hensel 1994; Rasler and Thomson 2000; 2006; Bennett 1996; 1998),
we now know that territoriality is not only the single best indicator of the formation of a
rivalry but also dispute occurrence in general. The first dispute left unresolved creates
incentives for one of the parties to challenge the status quo (Maoz and Mor 1996; Mor
2003; Goertz et al 2005; Hensel 1999; Leng 1993; 2000).\textsuperscript{14} For the dispute to recur at a
later time, the parties should have power symmetry. However, power symmetry has not
been confirmed as a necessary condition for rivalry sustenance.

Initial policy decisions are important in terms of establishing a path to follow in
the future. The initial interactions lead to experiential learning that leads to the
establishment of policies that guide the course of the rivalry (Leng 1983; 2000; Maoz and

\textsuperscript{14} Nevertheless, Hensel (1994) has found that decisive outcomes produce the highest level of hostility.
Mor 1996). Leng, in his investigation of what he calls experiential learning realpolitik model of crisis bargaining behavior of states embroiled in recurrent crises, argues that states learn how to deal with each other from one conflict to the other. Depending on the success or failure of the strategy they employed in previous conflicts, they either adopt the same tactics or resort to more coercive behaviors in dealing with their adversaries.

After the rivalry is set in motion, it does take much to sustain or maintain the rivalry. The ghost of the past creates a security dilemma that perpetuates the chances for full-scale militarization of even minor crises. The uncertainty and insecurity that both sides feel increase expectations for violence and lead to hardening of bargaining strategies (Colaresi and Thomson 2002b; Mor 2003). Accumulation of disputes solidifies distrust and suspicion, negative perceptions of the opponent become self-enforcing (Hensel 1998a; 1999b), and, as new issues are incorporated into the competition, the relation turns into a zero sum game and compromise is inconceivable (Vasquez 1996).

Despite the fact that rivalry is a “lose-lose” situation, rivals become the prisoners of the path they have created for each other. Realist strategies, even if they fail, strengthen the hands of hardliners on both sides (Hensel 1998b; 1999b; Hensel 2001). The necessity to show resolve in order not to be perceived as weak causes crises to escalate quickly between rivals. Cooperation and peaceful gestures run the risk of being perceived as signs of weakness and vulnerability (Prins 2005; Colaresi 2004). This perception reinforces a downward spiraling effect (Prins 2005). Thus, the severity of previous conflicts, despite the intuition that war-weariness will lead rivals to adopt softer
policies towards each other, indeed is an invitation for a new round of conflict (Goertz et al 2005; Hensel 1998b; 1999b).15

Rivals also differ from non-rival dyads in terms of their conflict propensity and the escalation of their conflictual behavior into war. The majority of militarized interstate disputes/crises are committed by rivals.16 However, rivalry is not a guaranteed path to war (Ralser and Thomson 2000; Vasquez and Leskiw 2001). Although it is safe to conclude that contested territory (Colaresi and Thomson 2002b; Vasquez, 1996; Hensel 1996; Hensel and Diehl 1994; Thomson and Rasler 2006) and contiguity (Vasquez 1996; Diehl 1985; Colaresi and Thomson 2002; Rasler and Thomson 2000; 2006) are the dominant paths to rivalry and escalation of the rivalry into war, this is not necessarily always the case, at least in major power rivalries (Vasquez 1996; Rasler and Thomson 2006; Lemke and Reed 2001). In the absence of territorial issues or contiguity, major power rivals go to war either by becoming involved in wars with others (Vasquez 1996) or by becoming motivated by positional issues such as national status, prestige or threat to the status of a state on the hierarchy ladder of great powers (Rasler and Thomson 2006). In addition, political shocks (Lemke and Reed 2001), multi-polarity (Colaresi and Thomson 2002b), violent and non-violent conflict triggers, major power involvement (Rasler and Thomson 2000; Colaresi and Thomson 2002b) and increase in the number of

15 Although Gartzke and Simon have articulated their skepticism about the interdependence of conflict between rivals and have instead emphasized the initial factors that have put the rivalry in motion as the primary reason for the continuation of conflict between rivals, several attempts have been made to show that the conflict between rivals are actually interdependent (Hensel 1994; Colaresi and Thomson 2002a; Prins 2005).
16 Mor (2003) reports that nearly 60 percent of all politically relevant disputes and nearly 53 percent of all politically relevant wars are undertaken by rivals. Approximate figures are reported by Hensel 1998a; Goertz and Diehl 1992; 2000; Prins 2005.
actors involved in a crisis (Lamke and Reed 2001; Colaresi and Thomson 2002b) are found to be relevant conflict triggers and conflict escalators between rivals.\textsuperscript{17}

Of course rivalries do not last forever. Recent studies on rivalry offer multiple explanations for termination. Internal wars (Goertz and Diehl 1995; Bennette 1998) and external political shocks (Goertz and Diehl 1995; Bennett 1998; Prins 2005; Cornwell and Colaresi 2002; Goertz et al 2005), deepening democracy (Cornwell and Colaresi 2002; Prins and Daxecker 2007; Goertz et al 2005), joint democracy (Bennett 1997b; Hensel 1999a; 1999b; Cornwell and Colaresi 2002; Hensel et al 2000; Lemke and Reed, 2001; Colaresi and Thomson 2002a), democratization (Hensel et al 2000),\textsuperscript{18} regime change (Bennett 1997b; 1998),\textsuperscript{19} free market reforms and economic development (Prins and Daxecker 2007), settlement of territorial issues (Gibler 1997), the presence of non-territorial issues, state security concerns (Bennett 1996; 1998),\textsuperscript{20} mutual security threats (Bennett 1996; 1998; Cornwell and Colaresi 2002), and mutual membership to international organizations (Gibler 1997; Cornwell and Colaresi 2002; Prins and Daxecker 1997) all help account for the end of a rivalry. While capability asymmetry prevents rivalry termination, polarity in the international system has been reported to have no effect on rivalry termination (Bennett 1996; Cornwell and Colaresi 2002).

How does domestic politics factor into this story? Both theoretically and empirically, a growing number of studies support the connection between domestic factors and conflict between rivals. While earlier research promoted the need to

\textsuperscript{17} Lemke and Reed (2001) and Colaresi and Thomson (2002b) did not find any indication that power parity leads to war between rivals. Rivals chose to go to war even in the absence of power parity.

\textsuperscript{18} Bennett (1997b; 1998) has found no indication that democratization leads to rivalry termination.

\textsuperscript{19} Prins and Daxecker (2007), on the other hand, have found that regime transitions that create instability can reinforce rather than dampen conflict between rivals.

\textsuperscript{20} When regime change, however, is taken into account state security concerns lose its significance.
investigate the domestic dimension of rivalry, this dimension mainly has remained uncharted until recently (Bennett 1996; Goertz and Diehl 1995; Thomson 2001). On the other hand, the studies that address this link have kept their scope limited to implications of domestic political alignments for rivalry termination (Bennett 1997b; 1998; Hensel 1998b; 1999b; Colaresi 2004).

In this context, it is possible to identify two avenues of research that have been in progression. The first avenue is simply concerned with how domestic factors, or, to put it more precisely, how variation in domestic political institutions tie the hands of executive in negotiating settlement agreements with rivals (Hensel 1998b; 1999b; Colaresi 2004). This literature takes cues from the diversionary theory, but the major concern is to identify domestic pressures that prevent rivalry termination. From this perspective, the enemy perception of the rival that has been constructed to effectively create and mobilize domestic support in dealing with foreign threat influence the pattern of rivalry behavior by “creating a constituency for hardliners” (Vasquez 1993: 1999), perpetuating the use of coercive measures (Hensel 1998b; 1999b; Thomson 2001; Mor 2003; Goertz and Diehl 2005), and inhibiting initiation of actions that will settle the dispute even though doing so would benefit both sides (Bennett 1996). For instance, Vasquez (1993:138) notes that “external interactions produce those domestic consequences which encourage more hostile (and escalatory) steps to be taken within a rivalry and within a crisis.”

Most importantly, these studies emphasize a link between rivalry and leadership tenure. As rivalries become institutionalized in domestic political processes of respective rivals, it becomes more difficult to mobilize support for or attempt to reach compromised solutions (McGinnis and Williams 1989; Thies 2001; Mor 2003). The fear of being
perceived as soft in public discourse and the anticipation to be attacked by the opposition as weak prevent decision makers to reach pareto optimal outcomes (Hensel 1998b; 1999b; 2001; Colaresi 2004).

The second avenue of research that delves into domestic dimensions of rivalry is primarily rooted in democratic peace theory. In parallel with the basic assumptions established in democratic peace hypothesis, scholars operating in this vein, likewise, have been interested in how regime type influences termination of rivalry. The consensus among scholars is that democracy and joint democracy are more likely to lead to rivalry termination (Bennett 1997b; 1998; Hensel 1998a; 1998b; 1999a; 1999b; Hensel et al 2000; Cornwell and Colaresi 2002; Goertz et al 2005; Prins and Daxecker 2007). The same conclusions, however, cannot be reached for democratization. While Bennett (1997) and Prins and Daxecker (2007) maintain that regime transitions with the potential for internal instability can reinforce conflict among rivals, Hensel et al (2000) have found democratization to have a pacifying effect on conflict between rivals.

If insecurity and mistrust make it difficult to mobilize the public toward cooperation with a rival, can the same conditions motivate political leaders to exploit rivalry for diversionary purposes? As noted in the discussion of diversionary theory, an alternative avenue of research on the domestic dimensions of conflict among rivals focuses primarily on the opportunity-rich environment of rivalry for conflict. Scholars who have conducted their research in this framework have been curious to uncover whether rivals fought each other for reasons other than the ones that had been advanced for hardcore security concerns. Evidence suggests that conflict between rivals is strongly associated with domestic political conditions that pose a threat to the tenure of leaders.
If scholars have already investigated the link between domestic factors and the occurrence of conflict between rivals, what kind of an improvement does this study offer over existing literature? What is the utility of conducting research on the same topic? This study offers several improvements over the existing literature. In the first place, the previous research has predominantly focused on the effects of economic conditions on the conflict behavior of rivals without regards to political instability. Economic downturns have been proxied for political turmoil. However, economic decline is only one of several assumptions offered by diversionary theory as the predictor of external conflict. More importantly the existing literature conflates economic decline with political discontent. Nevertheless, theories of group mobilization have shown that although economic decline can be a necessary condition it is not a sufficient condition to lead to political discontent and turmoil (Tilly 1978; Muller 1985; Muller and Weede 1990; Ellina and Moore 1990 Jenkins and Schock 1992; Tarrow 1994).

Thus, despite the fact that our knowledge of domestic origins of conflict between interstate rivals ha relatively improved, we still do not know much about the influence of many domestic factors on the conflict behavior of rivals. For instance, we do not know yet whether domestic political unrest precipitates conflict between rivals. Since rivalry maintenance serves the benefits of certain groups who can exercise leverage over political leaders, we do not know whether this should be considered a form of corruption or whether the level of corruption in a country influences conflict propensity towards a rival.
CHAPTER THREE

ISSUE SALIENCE, REGIME TYPE, RIVALRY, CORRUPTION AND DIVERSIONARY USE OF FORCE

Introduction and Research Questions

Survival instinct is the essence of politics. It is this logic, according to Bueno de Mesquita (2000) and Bueno de Mesquita et al (2003), that explains why leaders who produce corruption, and bring war and poverty to their nation last longer in office than their counterparts, who produce effective public policy. Informed by this logic, the theoretical argument developed below, first seeks to approach diversionary use of force from the logic of political survival by emphasizing issue-salience under different regime types. Earlier research has drifted over whether autocratic or democratic regimes are more prone to diversionary use of force without taking into account the possibility that leaders of different regimes are vulnerable to different domestic pressures. Therefore, I draw attention to the necessity of taking issues more seriously to reach more accurate conclusions on the effects of regime type. Second, adding rivalry to equation, I seek to explain why leaders who perceive a threat to their hold on power are more likely to divert against rivals. I argue that political leaders who face the hazard of removal from the office are more likely to scapegoat against rivals rather than random targets.

In formulating these arguments, I build on insights developed in two major areas of research: diversionary theory and interstate rivalry. Although these two areas of research form the foundation of my arguments, my insights are heavily drawn from the selectorate theory developed by Bueno de Mesquita and his associates (2002; 2003). In this context, the theory I formulate is built on three general assumptions. First, like many others before me, I place the individual decision-maker at center stage. This simple
assumption in turn breaks down the boundary between domestic and international politics and suggests that the issues of war and peace are not simply determined by the external processes alone but at the same time are shaped by domestic political factors whose influences are transmitted through a leader’s motivation for survival. Deducing from these major assumptions, I narrow my argument to identify the relation between regime type and diversion, on the one hand, and rivalry and diversion, on the other hand.

The same logic is utilized to address the relation between corruption and diversion, on the one hand, corruption, diversion and rivalry as well as corruption, diversion and regime type, on the other hand. In this context, the theoretical argument developed below seeks to answer whether diversion can be considered as a form of corruption, and whether there is a link between corruption and use of force. If such link exists, how is pervasiveness of corruption in a polity related to the use of force? Put otherwise, can corruption explain the use of force for diversionary purposes? If there is a relation between corruption and the use of force, can this logic be extended to the use of force against rivals? Finally, I seek to reflect on whether there is an association between corruption, regime type and external use of force.

**Political Survival and Diversionary Use of Force**

As a point of departure in explaining the relations outlined above, it is necessary to identify who governs the state and for whom. For the past half century our understanding of international relations was informed by the primacy of state. According to this view, state was a unitary actor whose primary motivation was to maximize benefit and minimize risk to enhance national security. This view of state disregarded the processes of decision making both at individual, organizational and societal levels.
(Moravcsik 1997). It also restricted the preferences of state to the single dimension of interest maximization. There was almost romanticism, or if you wish, heroism associated with state. Since national security maximization was the only motivation that can explain the behavior of the state, there was no room and no reason to question the legitimacy of state actions. In sum, this view of state locked domestic political processes behind iron curtains.

However, in the last two decades, this concept of state has begun to lose its currency, and has led to the emergence of a more realistic and a much less favorable view of state behavior especially on matters of security. The departure from the traditional view of state has not only contributed to the demise of the state as a unified actor, but has allowed variation in the composition of foreign policy choices.

From this perspective, the state is not a monolithic entity that speaks and reacts to the stimulations from external environment uniformly. First it is an individual decision-maker, not the state, who determines the course of action. Furthermore, replacing the state with an individual decision-maker not only changes the decision making calculus but also changes the content meaning of benefit maximization.

The incorporation of decision-maker to the decision making process suggests that the preferences of the state are determined on subjective rather than objective bases. Regardless of what rhetoric or rationalization is provided for the actions of state, the reality or the interests of the state is filtered through the reality of the decision-maker, whose choices are conditioned by the demands of retaining office as much as by the demands of the external environment (Putnam 1988). Consistent with their role as politicians, and as agents of those social groups that brought them to power and on whom
they rely to maintain their hold on power, the executive preferences are constrained by the demands of domestic political processes (Geddes 1994; Bueno de Mesquita and Siverson 1997; Bueno de Mesquita et al 2002; 2003). This suggests that regardless of the aspirations a leader has or the goals he wants to achieve in both in domestic and foreign policy domains, a leader’s first goal is to ensure his or her survival. All other goals and preferences that a leader carries are conditioned by this simple axiom. The decision to use of force as with any other decisions will be conditioned by the instinct of political survival.

From this perspective, the logic of political survival has important implications for diversion, rivalry and corruption. It almost creates an organic link between these three situations. To see the connection, it is necessary to further explore how the logic of political survival works (Bueno de Mesquita et al 2002; 2003). In the first place, every leader owes his or her survival to a coalition of supporters to whom the leader is accountable. This coalition, the winning coalition, holds the strings of the power. In democracies, it is the people who elect the leader. In other systems, the winning coalition is composed of groups who have other instruments at their disposal in hiring and firing the executive. To avoid challengers and removal from power, the leader has to maintain the loyalty of the sufficient members of the winning coalition. To this end, leaders allocate a mixture of private and public goods. The allocation scheme of each leader is largely determined by the size of essential backers.21 Whereas leaders with large

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21 The amount received by each member of the winning coalition diminishes as the size of the winning coalition increases. This factor suggests that the rational choice for a leader, who wants to retain office, is to provide public goods instead of private goods.
coalitions will have the incentive to produce public goods, leaders who owe their political fortune to the support of smaller groups will be more inclined to produce private goods.

The inability of the leader to satisfy the demands of supporters attracts challengers who mobilize the masses to capture the political authority. In other words, it is not domestic discontent per se that motivates leaders to resort to aggressive foreign policies but the presence of an opposition, who would benefit from mobilizing discontent to precipitate political change that would put the political survival of the leader at risk.

Thus, my first theoretical proposition is that state leaders who perceive a threat to their survival will have more incentive to act belligerently in foreign policy for personal political gains under the guise of national interest. As widely articulated elsewhere, the use of force serves the political interests of executives in several ways. The existence of an external threat not only enables the leader to redirect national sentiment but also enables the leader to hold his coalition together. It creates a rally effect and helps political leaders to mobilize masses, for which perhaps politics stops at the water’s edge. Finally, it enables the leader to neutralize or even mute his opponents.

_Hypothesis 1.1:_ Leaders under the risk of removal from the office will have more incentive to engage in diversionary conflicts.

The executives who are under the risk of being removed from power will have the incentive for diversion regardless of the outcome. Since failure in producing satisfactory policies is likely to receive punishment, executives, regardless of the consequences of foreign conflict, will gamble for resurrection with the anticipation that they can salvage
their political fortunes. Thus, the more desperate political leaders are, the more likely they are to engage in diversionary use of force.

**When do Autocrats, Anocrats and Democrats Divert? Issue-Salience, Regime Type and Diversionary Use of Force**

Although it has been widely argued that democratic leaders are more apt to belligerency under conditions of the hazard of removal, a more useful way to frame the relation between regime type and diversionary use of force is to take issue-salience into account. In other words, different accountability mechanisms suggest that there might be variation in the effects of different domestic conditions on conflict behavior of leaders operating under different accountability mechanisms.

An extremely closed regime structure offers little or no opportunity for unsatisfied groups to articulate their discontent (Eisinger 1973; Muller 1985). Likewise, a repressive regime undermines the ability of dissident voices to engage in organizational activity. For autocratic regimes, domestic unrest, despite all oppressive measures designed to silence political opposition, is a good indicator of the extent to which the autocratic leaders are at risk. In addition, as maintained by Miller (1995), the inability of autocratic leaders to command sufficient resources to influence their political environment further reduces options available to such leaders. Bueno de Mesquita et al (2003), however, argue that autocratic leaders, unlike their democratic counterparts, will not commit to their war effort. Nevertheless, the high probability of having to pay the price of being removed from the office by their lives suggests that autocratic leaders who face domestic political strife will have more incentive to divert. On the other hand, the absence of election
pressure makes it more affordable for autocratic leaders to ignore economic discontent. Thus autocratic leaders are unlikely to be activated under economic distress.

_Hypothesis 1.2_: Autocratic leaders, who face domestic unrest as opposed to economic down turns, will have more incentive to engage in diversionary use of force.

By contrast, open and democratic polities not only facilitate participation but at the same time enhance organizational formation. Receptiveness of democratic structures to alternative positions, therefore, makes violent dissent unattractive and unnecessary. Nevertheless, the fact that democratic leaders have to stand elections suggests that these leaders will feel more pressure when they face economic problems. The reelection incentive and the need to cover their domestic policy failures with successful foreign policy outcomes makes diversion an appealing strategy for democratic leaders struggling with poor economic conditions.

_Hypothesis 1.3_: Democratic leaders are more likely to initiate external conflict when they face economic pressures.

In the case of mixed regimes, or what Jaggers and Gurr (1995) call anorchronic regimes, it may not be possible to make precise conclusions about whether such regimes will have more tendency to initiate conflict under domestic unrest or economic pressures. Mixed regimes carry characteristics of both democratic and autocratic regimes. While such regimes enable mass political participation, they lack the institutional capacity that protects expression of political freedoms. The partial democratic feature of political
structure creates two contradictory conditions. In the first place, incomplete democratic polities create opportunities for politically discontented groups to engage in political action in pursuit of their goals. However, such systems at the same time legitimize the use of coercive measures to silence dissent. This might imply that political leaders of mixed regimes prefer to suppress discontent rather than engaging in diversionary activities to maintain their hold on power. Nevertheless, Mansfield and Snyder (1995; 2002) have shown that leaders of partially democratic regimes are more likely to follow a belligerent foreign policy course than their democratic and autocratic counterparts. They offer two reasons for this. First, mixed regimes are characterized by the lack of political institutions strong enough to regulate political competition, which enables the political elite to avoid full accountability to public. Second, such regimes are characterized by severe competition between remnants of the old regime, who strive to protect their interests, and alternative elites, whose goal is to depose the old elite and capture the government apparatus. The combination of these factors creates an incentive for political elites of mixed regimes to solicit mass support by mobilizing national sentiments. According to Mansfield and Snyder (2002: 301), “[nationalist] ideas help perpetuate this semi democratic condition by justifying the exclusion of opponents from political participation on the grounds that they are enemies of the nation.” Once the nationalist sentiment, which is seized by the new elite as well, is mobilized by invoking an external enemy, it becomes difficult for the political leadership to reverse the course of events. The fear of being removed from the office for not fulfilling their foreign policy commitments or, what Smith (1998) calls audience costs, draw mixed regimes into conflict that they did not actually intended.
On the basis of these observations, it is plausible to expect political leadership facing domestic discontent to employ coercive measures against dissenters by calling them out as enemy sympathizers. However, the same justification might not hold in the face of economic pressures. Although the political leadership may not find it hard to sell its justification of repressing domestic unrest in a heightened nationalist environment, it is far less likely to expect the public to be convinced under economic hardships. Given the fact that the public is more likely to attribute the sole responsibility for the state of economy to political leadership and that leaders of these regimes, regardless of how poor democratic accountability is, still have to stand at least to some sort of elections, I expect such leaders to be receptive to diversion under economic pressures.

*Hypothesis 1.4*: Leaders of mixed regimes will have more incentive to initiate conflict when they are threatened by economic pressures.

**Why Do Rivals Make Good Scapegoats?**

At this juncture the crucial question to be addressed is against whom political leaders will use force to maintain their hold on power? The desire to use force does not automatically translate into using force unless there is opportunity to do so. As leaders would not resort to force when they lose the support of any groups among citizens (Morgan and Bickers 1992; Morgan and Anderson 1999; Fordham 1998), they would not use force randomly to improve their political survival. This argument requires the identification of potential targets against which the leaders will have more opportunity to use force.

Concern for an appropriate target leads us to think that leaders will have more desire to use force against rivals. However, assuming that political leaders would divert
against rivals does not suffice. To be able to demonstrate why leaders would divert against rivals, one has to see why rivals make good scapegoats.

At first glance, the influence of domestic factors on conflict behavior of rivals might seem unwarranted. As noted earlier, rivalry literature concentrates on the temporal connection between disputes of the same sets of states and the history they create for each other (Goertz and Diehl, 1993; 1995; 2000; Hansel, 1994; Goertz, 1998; Thompson, 1995, 2001). The focus on conflict interdependence, the realist calculations that motivates rivals to apply coercive strategies and the influence of issues in rivalry duration makes the influence of domestic factors to appear unlikely.

The emphasis on the impact of each conflict episode upon the next, however, fails to capture other dimensions that might be influencing the occurrence of conflict (Hensel 1998b; 1999b). It narrows the focus to the strategic interaction of the past experiences, and like state centric tradition, confines foreign policy behavior to the single choice of benefit maximization of a monolithic entity. As Bennett (1997b; 1998) rightly puts it, it is the policy choices, not external or internal political events that initiates, sustains or terminates rivalries. External factors such as political shocks or security concerns are filtered by decision-makers whose decisions are conditioned by the implication of their decisions for their political survival.

Rivalries condition political survival through several channels. Rivalries are costly enterprises. Maintaining them requires mobilization of human and material resources. Thus, to justify the confrontation with rivals and to make competition with a rival more credible, political elites mobilize support, which is best accomplished by demonizing the rival and creating an imminent threat perception (McGinnis and Williams
1989; Mor 1997; Hensel 1998b; 1999b; 2001; Thomson 2001). The mobilization of the public creates perceptions and expectations around which domestic political processes are structured. The domestic perception of the rival that has been constructed to effectively create and mobilize domestic support in dealing with a rival strengthens the hands of hardliners, traps rivals into rivalry maintenance and prevents them from settling dispute despite the fact that doing so would benefit both side.

Rivalry maintenance is reinforced in other respects as well. Apart from creating a mind set or a filter that eliminates the rise of pro-settlement leaders to office (Thomson 2001; Colaresi 2004), rivalries also create profiteers who benefit from the continuation of the rivalry. Those groups that benefit from the maintenance of rivalry press for hawkish policies, which prolong conflict and prevent initiation of positive steps towards the settlement of disputes (Bennett 1996; 1997b; 1998; Mor 1997; Hensel 1998b; 1999b; 2001; Thies 2001).

It is not only the interest groups that press for adoption of policies that keep rivalries going. Rivalries make excellent weapons in the hands of incumbents or opposition. The constituencies who benefit from duration or maintenance of rivalry will press for policies that sustain the rivalry (Hensel; Bennett 1997; 1998). There will also be groups who would benefit from the termination of rivalry. However, domestic consensus on the threat posed by a rival and the potential this perception creates opportunity for exploitation by opposition would induce leaders to refrain from policies that will jeopardize their political fortunes and instead adopt hawkish stance against the rival (Mor 1997; Hensel 1998b; 1999b; Colaresi 2004). The implied assumption here is that concern for political survival prevents decision-makers from reaching pareto-optimal outcomes.
for the fear of being tagged as soft or enemy sympathizers. Thus, once the enemy perceptions of the rival are solidified in the public mind, it acts as a firewall against the termination of rivalry.

If rivalry termination or its maintenance has the potential to be influenced by a leader’s desire to remain in office why should not the same leader use the disputation with rival to enhance his chances of remaining in office? Thus, I argue that leaders, who carry incentive for diversion, are likely to divert against rivals.

Hypothesis 2.1: Domestic political and economic problems that pose a threat to political survival will lead political leaders to initiate conflict against rival states.

Viewed in this context, it is possible to suggest a number of reasons that make interstate rivalry a fertile context to observe diversionary behavior. In the first place, a rivalry not only creates a permanent threat environment, without having to recourse to major war but also creates and reinforces an enemy image in the eyes of the public. Therefore, in difficult times, instead of choosing a random target, political leaders who face the risk of survival would be better off confronting a rival. Aggressive behavior against a state, whose enmity has already been confirmed, is easy to justify. The enemy image in the conscience of the public makes the hostile action more credible and more readily legitimate and supportable. if diversionary theory suggests that in-group cohesion is established with the existence of an enemy, the best target would be a country that already deserves that status.
Second, contrary to some arguments that require diversion to entail some risk involving action taken on the part of the sender (Tarar 2006), the position taken here is that the initiation of a conflict with diversion in mind does not necessarily require recourse to actions that can lead to escalation. State leaders can still create the perception of a foreign threat employing less risky tactics such as threats to use force, shows of force, and uses of force short of war. Indeed, since the goal is not the achievement of some high value issues at stake, it does not make sense for diverting leaders to risk a conflict that can escalate into war. After all, what gives the theory its clout is not that a leader is willing to go to war but that conflict is utilized to sideline domestic discontent. Not being an end in itself, this type of external conflict, therefore, should be carefully crafted to prevent the costs exceeding the benefits (Russett 1990; Morgan and Bickers 1992; Richards et al 1993; and Morgan and Anderson 1999; Fordham 2002).

Again, rivals make a better target if the intention is to initiate a relatively “cheap and manageable incident to divert attention without imposing a major coast” (Bennett and Nordstrom 2000: 42) As noted by Bennett and Nordstrom, “over the course of many confrontations, rival states may learn to anticipate response patterns, leading to safer disputes or at least to leaders believing that they can control the risks of the conflict when they initiate a new confrontation.”

Third, rivalry solves the problem of opportunity exploitation. Fordham (2005), for instance, has maintained that some American foes might find retaliation against US aggression a way to enhance their legitimacy at home. In a similar vein, the link between domestic political processes and rivalry suggests that the leader of the target state will be compelled to bid on the challenge of a rival to avoid the charge of appeasement.
If rivals make good scapegoats, what kind of domestic problems (factors) are likely to lead to diversionary actions? The literature investigating domestic factors that create an incentive for diversion against interstate rivals have strictly limited their focus to economic indicators and particularly to inflation (Bennett and Nordstrom 2000; Mitchell and Prins 2004; Foster 2006). Mitchell and Prins, for instance, have employed the differentiation in the level of inflation as an indicator of domestic turmoil.

However, economic decline is only one facet of domestic discontent. To date no empirical evidence has been presented to corroborate the relationship between internal conflict and the use of force against rivals. Most importantly the existing literature conflates economic decline with political turmoil. While economic decline can be a necessary condition for political discontent, it is not a sufficient condition to lead to turmoil as has already been shown by theories of group mobilization (Tilly 1978; Muller 1985; Muller and Weede 1990; Moore and Jaggers 1990 Jenkins and Schock 1992; Tarrow 1994). Thus, the association of economic discontent with turmoil is problematic not only semantically but at the same time empirically. I find this distinction to be important and consider that it warrants empirical examination.

**Corruption and Diversionary Use of Force**

Up to this point, I have restricted my theoretical argument to the formulation of the relation between diversion and regime type and diversion and rivalry within the parameters of political survival. In this portion of my theoretical argument, expanding on the argument formulated above, I approach the act of diversion from a normative dimension, which has been largely neglected in theoretical and empirical literature. The theoretical argument that I develop particularly concentrates on two issues. First, I
explain the association between diversion and corruption. In other words, I make an argument that categorizes the use of external aggression to retain office as a form of corruption. After laying out the conceptual association between corruption and diversion, in the second portion of my theoretical argument, I shift my focus to the empirical implications of corruption for diversion. More specifically, I attempt to draw a causal link between pervasiveness of corruption in a polity and the tendency of external use of force.

Although it is not the purpose of this study to debate or construct a conceptual definition of corruption, it is important to understand what I mean by corruption. Conceptually, definitions of corruption abound, and beyond the notion that corruption “denotes deviation or perversion from some ideal state or natural condition,” there seems to be little else on which researchers agree. Therefore, unless you have a clear idea of what it is, studying corruption can be as messy as its practice.

Most political scientists, however, are interested in corruption practiced in political institutions or by politicians, and hence adhere to a definition that implies the use public office for private benefits. The use of public office for private gain takes on a meaning that can range from the distribution of rents to politically distinguished figures, who are usually the key backers of the office holders to kleptocracy, which is an outright theft of public finances.

Several authors have condemned the use of force for political purpose as inherently bad (James and Oneal; Lian and Oneal 1993; Meernik 2000; 2001; Meernik and Waterman 1996; Wang 1996; Davies 2002). Yet no attempt has been made to formalize the relation between corruption and the use of force and why the use of force for diversionary purposes is associated with corruption. Although research that

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22 See Lanchester and Montinola (1997) and Haywood (1997) for a definitional conundrum.
approaches the problem of diversion from the principle-agent model treats diversion as a principle-agent problem, this association does not necessarily treats diversion as a form of corruption.

The principal-agent problem treats diversion in the confines of competency or information asymmetry.23 According to this account of diversion, leaders engage in conflict for one of two reasons. They divert either to hide their incompetency in domestic affairs with their competency in foreign policy (Richards et al 1993; Hess and Orphanides 1995; 2001; Smith 1996a; 1996b; 1998) or the reputational costs of backing down resulting from the asymmetry of information between the leader and the constituency on foreign policy issues compels decision-makers to escalate their involvement in international crises despite high chances of defeat (Downs and Rocke 1995). As a result, those who approach diversion from the principle agent perspective have refrained from associating diversion with corruption.

Although, in principle, I do not dispute the treatment of diversion as a deviation from preferences of the principle, I deviate from the assumption that treats diversion as a condition that arises from incompetent leader’s dilemma or information asymmetry. Instead, I consider diversion as a special case of corruption that arises when the leader uses his or her discretionary power over national security for personal political motives.

As noted earlier, the use of force for political survival not only implies a deviation from the realist assumption but it also attributes a completely different meaning to the use of force. Recall that the state centric approach to international relations attributes an

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23 The principal-agent model frames the relation between public officers and citizens as matter of delegation of authority from the principle (the public) and the agents (public representatives or state officials) who are expected to act in accordance with the interest of principle. The problem arises when the agent deviates from or fails to act in consistent with the preferences of the principle (Banfield, 1975; Calvert et al 1989).
implied legitimacy to the use of force by confining the use of force to the domain of national security. However, if diversionary motive, rather than benefit maximization for state, is the underlying motive behind the use of force, is it not reasonable to call into question the legitimacy of such use of force? Put it more succinctly, does the use of force for diversionary purposes imply the abuse of the privileges and discretionary power of the office for personal gain?

The logic behind these questions becomes more visible in relation with the distinction between public and private goods. The provision of national security is commonly considered as public good. However, the underlying assumption behind diversionary theory is that leaders engage in avoidable conflicts to mislead the public perception. If national security is a public good then the use of force for political purposes becomes the distortion of a public good for private benefits.

At this point, the parallels between diversion and corruption should be fairly obvious. The use of force to prolong one’s hold on power is as illegitimate as the allocation of public resources to key supporters to maintain one’s hold on power. If diversion is a form of corruption, how well can corruption explain the use of force for diversionary purposes? Can pervasiveness of corruption in a system better distinguish between the use of force for national security purposes, as claimed anytime the force is used, and the use of force for diversionary purposes?

Intuitive reasoning suggests that war and conflict serve corrupt leaders better by creating conditions, i.e. black market, that benefit them and their supporters. This implies that leaders of countries with higher levels of corruption would be more enthusiastic to initiate conflict abroad. Although diversion by itself is a corrupt behavior, the relation
between corruption and diversion is more complex than one would assume. In other words, the prevalence of corruption does not a priori imply that leaders of countries with higher levels of corruption should already be inclined to abuse conflict for domestic political incentives. Indeed, the logic of political survival suggests that the prevalence of corruption in a polity should discourage the executive from engaging in aggressive foreign policy adventures that will threaten the functioning of the corrupt system and in turn negatively affect their political fortunes.

As noted earlier, the incentive structure of a political leader is largely based upon the motivation to remain in office. Political leaders are risk averse. They are aware of the fact that defeat in external conflicts increases the hazard of removal from office (Goemans 2008; Chiozza and Goemans, 2003; 2004). Therefore, corrupt leaders, instead of exposing themselves to the vulnerabilities defeat, will have the incentive to save resources for themselves and their backers instead of “spending the national treasure on the pursuit of war aims” (Bueno de Mesquita 2003: 225).

There is at the same time supporters’ side of the equation that constrains the choices made by corrupt leaders. When deciding to extend their support to a political leader, potential supporters not only have to calculate the amount of benefits a political leader can produce for them but also whether the leader in question has an adequate time horizon in office to produce them those benefits. The supporters extend their support to the political leader so long as they are assured that they will be able to collect the fruits of their investment. This means that the benefits the supporters can expect depends on the survival of political leader and is the most significant inducement that shapes the behavior of supporters. Nobody invests in a leader whose political future is uncertain.
(Campante, Chor and Do 2008). By contrast, a stable regime implies a stable environment and a longer horizon for the leader, which increases the confidence of the social groups who seek rents from the government and makes supporters more eager to invest in the executive. Thus, a “responsible” leader, with this condition in mind, should refrain from practices or policies that jeopardize the stability of the structure of spoil-sharing and undermine his or her control over the system. Drawing from these postulations, one can develop the assumption that corruption by itself may not lead to conflict, but may indeed discourage conflict.

*Hypothesis 3.1:* Corruption in and by itself will discourage the external use of force.

**Externalities of Corruption**

However, from the perspective of political survival, corruption in the polity creates externalities for corrupt leaders. Corruption in the long run creates dynamics that threaten the survival of the leader. Corruption threatens the rule of the leader when it instigates popular discontent with the polity and the executive.

The vast literature has shown that corruption has detrimental effects on economic growth and investment (Schleifer and Vishny, 1993; Mauro 1998; Meon and Sekatt 2005; Tanzi and Davoodi 1997; 2000). Likewise, it has been shown that corruption creates conditions that are highly conducive to income inequality and poverty (Mauro, 1998; Tanzi 1997; Gupta, Davoodi and Alonso-Terne 1998). The longer a corrupt leader stays in office, the deeper the detrimental effects of corrupt relations will be on economic growth.

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24 Corruption can impede economic growth by creating conditions unfavorable to small firms, inhibiting investment, and pushing talents towards rent seeking rather than productive behavior (Tanzi and Davoodi, 2000). It also slows growth by influencing the size and composition of government budget (Mauro, 1998; Tanzi 1997; Gupta, Davoodi and Alonso-Terne 1998)
structure. Obviously, the misery and grievances of ordinary people become severer as the economic situation that benefits some and disfavor others becomes chronic.

When there is a conflict over the distribution of rents and dissatisfaction among the populace, then corruption leads to instability in the political system. Instability and demand for political change is a threat to the survival of political leaders. Although economic deprivation alone is not sufficient to transform discontent into mass reaction, it presents an opportunity for opposition. As the misery increases, it attracts opposition. The elements that are silenced by political leadership may find an opportunity to become more assertive and voice popular discontent. The political instability that weakens the control of the government can be overcome by diverting attention from domestic problems. Political leadership can resort to aggressive foreign policy not only as a practical way to assault their opponents but at the same time salvage their own position.

Conceivably, the combination of corruption and dissatisfaction explains why authoritarian leaders are more inclined to risking even wars that are likely to be lost (Bueno de Mesquita and Siverson, 1995). Perhaps, it is not the sense of security that comes with the longevity in office but the dissatisfaction that the longevity of being in office has created overtime is what compels authoritarian leaders to engage in diversionary behavior as a survival strategy of last resort.

*Hypothesis 3.2:* Corruption that creates internal discontent is more likely to lead to use of force than corruption alone.

**Corruption, Rivalry and Diversionary Use of Force**

However, when the relation between corruption and the external use of force is extended to rivalry settings, I expect that the effects of corruption on militarized conflict
should take a twist. Rather than having a dampening effect on external belligerency, corruption should increase the chances of conflict between rival states. To see how corruption alters the nature of interaction between rivals, one has to recall the influence of domestic constituencies who benefit from rivalry maintenance. Domestic political coalitions with parochial interests are more likely to assert their agenda on policy debates by framing their interests in reference to enemy image of rival. Using the security threat posed by rival states, these groups will advocate formulation of self-serving policies that are articulated under the rubric of patriotism (Snyder 1991; McGinnis and Williams 1989; Hensel 1998b; 1999b; Mor 2003; Colaresi 2004). If the desire to remain in office is contingent upon the satisfaction of the desires of relevant domestic political groups, we should expect leaders who are concerned with the satisfaction of such groups to follow a more hawkish stance against rival states.

*Hypothesis 3.3:* The pervasiveness of corruption in a polity is more likely to have a strong effect on initiation of conflict against rival states.

Finally, the combination of the fact that rivalries are ingrained in domestic political processes and that some groups benefit from aggressive foreign polices directed against rivals suggest that leaders are expected to turn on to rivals for resurrection when their political survival is under threat.

*Hypothesis 3.4:* Corrupt leaders, who perceive a threat to their hold on power are likely to initiate conflict against a rival state.
Regime Type, Corruption and Diversionary Use of Force

It is noteworthy to state that nothing in this argument confines corruption to a particular regime type. Although Bueno de Mesquita et al (2003), argue that democratic executives are more inclined to produce public goods than private goods because of the sheer size of coalition that they rely on; the production of public goods does not necessarily imply that democratic leaders act altogether in the interest of public in producing public goods. Although, they do not frame it this way, the implied argument is that provision of private goods produce bad economic outcomes, while provision of public goods produces good economic outcomes. Furthermore, since autocratic regimes rely on the support of smaller coalitions, they will have the incentive to produce private goods as opposed to their democratic counterparts who would be more eager to produce public goods.

However, from the efficiency dimension, one has to be cautious not to reach the conclusion that provision of public goods always leads to economically efficient outcomes. When the reference point for the cost-benefit calculation is political survival rather than economic efficiency, provision of public goods can produce as much corruption as provision of private goods. Politically motivated provision of public goods can produce as harmful effects on economy as the provision of private goods. Ribbon cutting ceremonies are not exclusive to autocratic regimes. Indeed, democratic politicians are more obsessed with such ceremonies being pictured in newspapers as an investment to secure their political future. If the goal is to send the constituency the message that they promote growth, political leaders in democracies have more incentive to internalize investment bias and exploit it for personal political gains.
Likewise, the vulnerability of democratic regimes to populist pressures and politically organized groups can lead to production of public goods that maximizes the benefits of those groups rather than that of aggregate society. The political and populist pressures can induce democratic governments toward high levels of social expenditures, which impose a heavy burden on economic growth (Olson, 1982; Weede 1983; Cheibub 1998).

On the basis of these considerations and in relation with vulnerability of democratic leaders to economic pressures, it is possible to expect corrupt democratic leaders as opposed to their autocratic counterparts to have more incentive towards the use of force for diversionary purposes. While corrupt autocrats may not need to cover up their illegitimate practices, corrupt democrats, given the nature of the political system that exposes them to electoral evaluation, may find it convenient to hide their corrupt practices by capitalizing on national sentiments.

_Hypothesis 3.5:_ The pervasiveness of corruption in democratic polities as opposed to autocratic or mixed regimes will create more incentive for political leaders to divert.

**Summary and Conclusion**

Before concluding this chapter, it is worthwhile to summarize the argument in terms of expectations for empirical analyses. In the first place, I expect diversionary behavior to be conditional not only upon regime type but also on the salience of issue. In other words, the incentive for diversion in different regimes will depend on the implications of issues for political survival. While I expect autocratic regimes to be stimulated by domestic unrest, I postulate that leaders of democratic and mixed regimes
will have more incentive to divert under economic pressures. Second, the enemy image of rivals in the public mind will induce political leaders to divert against rival states rather than random targets. Finally, even though the argument formulated here associates diversion with corruption, empirically, I expect corruption to have a discouraging effect on belligerent foreign policies that have the potential to backlash and threaten the structure of spoils system. Nevertheless, the detrimental effects of corruption on the welfare of mass public suggest that corruption that instigates dissatisfaction is likely to be a threat to an executive’s hold on power. Thus, in the presence of domestic unrest, I expect a positive relation between corruption and belligerent foreign policy. Likewise, the fact that rivalry serves the interests of some interests groups in polity suggests that there should be a positive relation between corruption and conflict initiation. Finally, in terms of the effects of regime type on the relation between corruption and external conflict, I consider democratic executives, as opposed to their autocratic counterparts, to be more enthusiastic to activate national sentiments through belligerent foreign policies to cover up their corrupt practices.

The next two chapters are designed to empirically test these expectations. Chapter 4 has two primary goals. The first section of this chapter is mainly devoted to the examination of the relation between regime type, issue salience and conflict initiation. The second part of Chapter 4 examines the influence of domestic political and economic factors on conflict behavior of rival states. Chapter 5, on the other hand, is divided into four sections. The first part of Chapter 5 is comprised of preliminary analyses, designed to demonstrate instability breeding effects of corruption. After showing whether there is a relation between corruption and political dissatisfaction, I move to examine the relation
between corruption, domestic unrest and conflict initiation. The third part of Chapter 5 presents findings for the relation between corruption and conflict initiation in rivalry settings. Finally, the fourth section in Chapter 5 addresses the conditioning effects of regime type on the relation between corruption and conflict initiation.
CHAPTER FOUR

ISSUE SALIENCE, REGIME TYPE, RIVALRY AND DIVERSIONARY USE OF FORCE

Introduction

Although the literature on the use of force for domestic political purposes is abundant on diversionary behavior of democratic and autocratic regimes, little attempt has been made to account for the diversionary incentives of political leaders in mixed regimes. Moreover, a simultaneous comparison of the effects of different domestic issues on diversionary behavior of political leaders in autocratic, mixed and democratic regimes can be more revealing than generalizing diversion to either democratic or autocratic regimes. Different accountability mechanisms in different contexts may lead to diversionary behavior under different conditions.

In addition to this goal, my analyses are extended to examine the conditioning effect of rivalry on diversionary behavior of political leaders. The possibility that rivals might use their rivalry for domestic political purposes has been overlooked to a great extend because of the treatment of rivals as unitary actors whose interactions are conditioned by the characteristics of past encounters. Only recently, scholars have begun to take interest in the influence of domestic factors on conflict behavior of rivals. Nevertheless, while the rivalry literature has been primarily concerned with implications of domestic factor for rivalry termination, the research that has originated from diversionary literature has limited its focus to the effects of moderate domestic problems that lead to diversion. No attempt has been made to analyze the affects of domestic unrest on external conflict behavior of rivals. I attempt to fill this gap by examining whether political leaders who face domestic unrest divert against rivals.
Another distinguishing aspect of my analyses is the examination of diversionary behavior in four different sets of rivalry lists. The existing research has primarily restricted its focus to the category of enduring rivalry. In addition to this category, I conduct my analysis in the context of proto rivalries as well as the list of international rivals, which is an amalgamation of both proto and enduring types. Finally, to check the robustness of the statistical results, I test my analysis using measure of strategic rivalry developed by Thomson (2001).

**Research Design**

**Case Selection and Unit of Analysis**

The first task before identifying the data and variables is to specify the population of dyads subject to analyses. Although rival states and their interaction is the primary concern, one of the major criticisms leveled against rivalry literature arises from the restriction of analyses to dyads that satisfy a given criteria of rivalry (Vasquez and Leskiw, 2001; Lemke and Reed, 2002) and exclusion of those cases that do not pass the threshold of dispute frequency within a fixed timeframe. The problem associated with this practice is that it is not possible to determine the actual factors that produce the sample in the first place because the dependent variable might well be influenced by those factors rather than major variables in the model. This practice, which has been associated with selection bias, is considered a threat to the validity of conclusions drawn from such a sample (King et al 1994).

Thus, to avoid selection bias and to compare the interaction of rival dyads with non-rival dyads, I include all possible annual directed dyadic interactions recorded over
the period 1950-2001 in Correlates of War (COW) Militarized Interstate Disputes (MID) version 3.10 dataset explained below. Since my primary interest is not only conflict initiation in a given year but also the initiator of conflict, the data reports two observations for each paired state in a year to identify the initiation of conflict as well as the initiator of conflict. For instance, each observation for dyad A and B in year X is followed by a second observation for the same year for dyad B and A.

Including all annual directed dyadic combinations in MID data, however, does not resolve all issues related to case selection. Recently there has been objection to the practice of conducting analysis on all possible combinations of directed dyadic interactions on the grounds that matching cases that do not have any opportunity to fight each other contributes to an unnecessary inflation in the number of observations, which carries the risk of obtaining contaminated estimates. Quackenbush (2006), among several others, argues that not every dyad has the opportunity to fight each other. Therefore, he draws attention to the necessity of empirically identifying a proper universe of dyads that have the probability of conflict. To this end, he offers the concept of politically active dyads to augment not only the practice of improper case selection but also the shortcomings of earlier attempts designed to measure opportunity for conflict. A dyad is considered politically active if it satisfies one of the following three conditions: contiguity, major power status, and being a member of an alliance system. Identifying dyads that carry the opportunity to engage in conflict based on these criteria between 1816 and 2000 classifies only 29.8 % of 656,870 dyad years recorded in version 3.10 of COW MID data as active or having the opportunity to engage in international conflict.
This operationalization at the same time correctly predicts 95.5% (2852 out of 3002) of dispute dyad years.

Despite 5% sacrifice of dyad years, I concur with Quackenbush (2006) that the first step in empirical analysis is to select cases that are relevant to the research question. Identifying dyads that have the opportunity to fight each other is further crucial in the context of diversionary theory as several analysts (Chiozza and Goemans 2004; Heldt 1997; Leeds and Davis 1997; Miller 1999; Clark 2003; Smith 1996; 1998; Fordham 2005; Davies 2002; Kissangani and Pickering 2007; Meernik 2000) have emphasized opportunity as a precondition to observe the phenomena of diversion. In this regard, the unit of analysis in this study is the politically active directed dyad year.25

Measurement of Rivalry

Another challenge with case selection is determining which pairs of states are involved in rivalry. After all, to be able to compare the interaction of rival dyads with non-rival dyads, we have to identify which dyads are in rivalry and which are not. This is a major question that confronts the rivalry literature itself and, unfortunately, there is no consensus among scholars over the list of dyads categorized as rivals. Indeed, it would not be an exaggerated observation to claim that there are as many lists as there are scholars working in this program.26 For instance, the operationalization adopted by Diehl and Goertz (2000) produces a list of 63 “enduring rivalries.” Bennett (1996; 1997a) identifies 34 “interstate rivalries,” which increase to 63 rivalries in a subsequent study.

25 The politically active dyad year COW MID data is generated by using EuGene software, version 3.20 (Bennett and Stam 2007). Likewise, contiguity, major power status and capability ration, which are explained below, are downloaded from the EUGene program.
26 For a review of different operationalizations and their comparison to each other, the reader is referred to Goertz and Diehl, 1993; Thomson, 2001; Vasquez and Leskiw, 2001.
Although most of the operationalizations rely on dispute frequency within a given timeframe and use Correlates of War data to produce a list of rivalries, the list of rival dyads may even vary among the same scholars from one publication to the other.

To illustrate this definitional conundrum, it is enough to compare different definitions of rivalry operationalized by Goertz and Diehl in two different studies. Goertz and Diehl (1992), in one of their early works on the topic, define enduring rivalries as “conflicts between the same two states that involve at least five militarized disputes in a period lasting at least 10 years. An enduring rivalry is considered terminated if a period of 10 years passes without another militarized dispute between the two states.

In a subsequent study, Goertz and Diehl (1995; Diehl and Goertz 2000) increase the threshold of rivalry qualification to require at least six disputes within a time of 20 years, and to determine the termination of a rivalry, 15 years have to pass from the last dispute. Diehl and Goertz (2000) also distinguish between isolated, proto and enduring rivalries according to the number and duration of disputes involved. The group of isolated rivalries is comprised of adversaries that experience one or two disputes. The dyads in the category of enduring rivalries, which stand at the other end of the scale, as a rule should have experienced at least six disputes within at least a 20 year timeframe. Proto rivalries, which occupy a middle ground between isolated and enduring rivalries, experience more than two disputes but do not satisfy the condition of duration.

More recently, Klein, Goertz and Diehl (2007) have made revisions to rivalry list constructed by Goertz and Diehl (2000). The new population (RIV5.01), which is comprised of 290 cases of rivalry over the period 1816-2001, updates the earlier list in accordance with the release of MID 3.10 data set, which extends MID 2.10 data set from
1992 to 2001. Although the revised list is still constructed upon dispute frequency, it improves some of the shortcomings of the previous operationalization.

Apart from dropping the category of isolated rivalries, Klein et al (2007) adopt new measures in addition to the criteria of frequency and duration of militarized disputes to identify the new set. Two modifications stand out. In the first place, unlike the previous operationalization, which distinguished rival dyads from non-rivals based on their past record (the number of past military disputes between the same dyads), the new list takes into account expectation of future confrontation seriously. Therefore, rivalries with a number of militarized disputes that do not create any expectation of future confrontation are eliminated from the list. Second, it is the issue in question rather than some minimum passage of time that determines whether disputes belong to the same rivalry or not. For instance, some dyads that confronted each other repeatedly over the same issues were designated as rival despite failing to meet the criterion of proximity in time (10 years for proto rivalries and 20 for enduring rivalries).

An alternative approach, developed by Thomson (1995, 2001), finds this procedure of producing a list of rival states arbitrary and instead digs in to historical records, to identify which states consider each other as rival. According to Thomson, not only is distinction between proto and enduring rivals unnecessary, but also is identifying rivals according to their dispute frequency arbitrary. Thomson considers these criteria of rivalry identification no more than identifying states that frequently and infrequently dispute with each other. For him states are either rival or non-rival and what makes states rival is not the number of times they confront each other but their perception of each other. Therefore, instead of relying on some superficial criteria, which lacks any
theoretical foundation for setting boundaries for eligibility to become rivals, Thomson uses decision makers’ perceptions as the benchmark to identifying rival states. His justification for producing a list that relies on perception is that we have to categorize actors according to how they categorize each other. This operationalization produces 174 “strategic rivalries” for the period of 1816-1999.

Given the abundance of the lists of rivalry dyads, the challenge to overcome is to identify an appropriate list for the examination of the research questions. While any of the lists produced by the literature could have been adopted to carry out the research, the fact that different operationalizations have the possibility to lead different empirical findings, makes such a random selection undesirable (Thomson, 1995, 2001; Bennett, 1998; Gartzke and Simon 1999). On the other hand, Thompson (1995; 2001) makes a convincing argument in favor of the concept of “strategic rivalry.” Concern with the factors that influence the construction and the manipulation of perceptions makes Thomson’s classification a better fit to my purpose. However, I see no reason not test my analyses utilizing both Klien et al (2007) and Thomson’s rivalry list. Thus, the analyses I conduct below rely both 290 on cases of rivalry constructed by Klien et al and strategic rivalries constructed by Thomson. In addition, I analyze the hypothesized relations by splitting Klien et al’s rivalry list into its enduring and proto rivalry components. Each category of rivalry is dichotomized taking the value of one (1) if two states in dyadic relation are coded as rival in accordance with how the rivalry is operationalized, and zero (0) otherwise. To avoid any confusion, the combined list of enduring and proto rivalries is termed as international rivalries for the remainder of this study.
Variables, Measurement and Data

The Dependent Variable

*Interstate Conflict:* The dependent variable of interest in each equation outlined below is militarized interstate disputes (MID) initiated by one state against another. The data for this variable is constructed (generated) from Correlates of War Project (COW) Militarized Interstate Disputes (MID) data version 2.1, which covers the period between 1815 and 1992 (Jones, Bremer and Singer, 1996) and version 3.10, which builds on the former version to extend the data from 1993 through 2001 (Ghosn, Palmer and Bremer 2004). The COW data set broadly defines a militarized interstate dispute as “united historical cases in which the threat, display or use of military force short of war by one member state is explicitly directed towards” another state, the target (Jones, Bremer and Singer 1996: 168). For a politically active directed dyad year in the data set, the dependent variable takes the value of one (1) if State A in the dyadic relation has initiated a militarized dispute against State B in a given year and zero (0) otherwise.

*Independent variables:*

*Domestic Political Unrest:* The primary independent variable, domestic political unrest, is a summary measure constructed from the conversion of seven event count indicators of domestic political unrest drawn from Cross-National Time-Series Data Achieve (CNTS) (2006) into WEIS conflict scores (Goldstein 1992). Each indicator in CNTS counts incidents of assassinations, general strikes, guerilla warfare, government crises, purges, riots, revolutions and anti-government demonstrations. To obtain a single index of domestic unrest, these seven indicators are collapsed into one variable. The corresponding Weis score for each indicator is reported in Table 4.1. The following
procedure is adopted to obtain an aggregate score of domestic unrest for each country in a
given year. First, event counts for each indicator are multiplied by WEIS Weight and
divided by the number of events reported for that particular indicator in a given year. This
procedure is performed for all seven indicators. Once an average score for each indicator
is obtained, the indicators are added up and divided by seven (7) to estimate the average
level of domestic unrest for each country in a given year. The resulting variable displayed
a score ranging from zero (0), representing no indication of domestic unrest, and negative
nine (-9), representing the presence of severe domestic unrest. Finally, to simplify
interpretation, the values of domestic unrest are rescaled to range from zero (0), meaning
no domestic unrest, and (9), meaning high domestic unrest.

**TABLE 4.1. CNTS Event Types and Corresponding WEIS Scores**

<table>
<thead>
<tr>
<th>CNTS Event Type</th>
<th>Corresponding WEIS Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assassination</td>
<td>-8.7</td>
</tr>
<tr>
<td>Demonstrations</td>
<td>-5.2</td>
</tr>
<tr>
<td>Government Crisis</td>
<td>-6.1</td>
</tr>
<tr>
<td>Guerrilla Warfare</td>
<td>-9</td>
</tr>
<tr>
<td>Purges</td>
<td>-4.4</td>
</tr>
<tr>
<td>Revolutions</td>
<td>-8.7</td>
</tr>
<tr>
<td>Riots</td>
<td>-8.7</td>
</tr>
<tr>
<td>Strike</td>
<td>-4.5</td>
</tr>
</tbody>
</table>

*Changes in Economic Growth Rates:* I use two separate indicators of economic
discontent, inflation and annual growth in constant currency GDP per capita. Data for
these variables are collected from World Development Indicators (2007) compiled by
World Bank. The absence of reliable data on economic indicators prior to 1950s is one of
the major reasons for restricting the focus of the study to post 1950 period.
**Regime Type:** The common practice among scholars (Stinnett and Diehl, 2002; see also, Fordham 2005; Bennett and Nordstrom, 2000; Dassel and Reinhardt, 1999) for measuring regime type is to use Democ-Autoc indicator suggested by Jaggers and Gurr (1995). A state’s regime type is measured by the difference between a state’s Polity III autocracy score from its democracy score, producing a regime score that ranges from +10 (highly democratic) to -10 (highly autocratic). Following this practice, I create a regime score variable based on Polity IV, which extends Polity III from 1998 to 2004. To determine a country’s regime type, I break Polity IV’s polity score into three regime types and identify each type of polity with a dummy indicator. Countries that receive +7 and higher on polity scale are coded as democratic. Regimes that receive scores of -7 and below are coded as autocratic. And regimes that fall in between these thresholds are considered mixed regimes.

**Measuring the Conditioning Effects of Different Issues on Diversionary Behavior of Different Regime Types:** To examine the differential effect of regime type on diversionary behavior of leaders of autocratic, democratic and mixed regimes, I include interactions between each regime type and domestic unrest, GDP per capita and inflation in each equation measuring the effect of regime type on diversionary behavior.

**Measuring the Diversionary Behavior of Rivals:** The argument I advanced earlier suggested that political leaders who have the tendency to divert are more likely to do so against rivals. To test this hypothesis, I include rivalry and its interactions with each of the three domestic variables pertaining.
Control Variables:

Domestic factors are only one possible influence on the behavior of states in general and interstate rivals in particular. Failing to account for the influence of international factors on conflict initiation could produce misleading inferences. To control for arguments that the decision to initiate conflict is contingent upon international factors and dynamics of the rivalry rather than domestic political considerations, I incorporate a number of international variables into my analysis. These variables are listed as follows.

Balance of capabilities/power disparity: Studies of dyadic interaction have shown that while states with greater military capabilities are more likely to initiate conflict, those who are on the weak side of the balance tend to refrain from initiating conflict (Meernik, 2005; Dassel and Reinhardt, 1999; Stinnett and Diehl, 2002). To control for the impact of the balance of military capabilities between each pair of dyads, I use the COW composite index of national capabilities (CINC) version 3.02 (Singer, 1987), which is an average of six indicators across three dimensions of power: military, economic and demographic. For each state the relative capability ratio is calculated by dividing the CINC score of a state in a dyad by the combined capabilities of that state and the other stat in the dyad (State A/ (State A + State B)).

Major and minor Powers: Many studies have argued that major powers are more likely to use force abroad than minor powers (Russett, 1990; Fordham, 1998, 2005; Tarar, 2006). To test this argument, I rely on the classification of Small and Singer (1982), who identify nine such powers. The variable is coded one (1) if the sender is a major power, zero (0) otherwise (Stinnett and Diehl, 2002).
The contiguity variable: The data to measure contiguity is pulled from the COW contiguity data set (Stinnett, et. al. 2002), coded as one (1) if states share a land border and zero (0) otherwise.

The joint democracy variable: The findings of democratic peace theory in favor of dampening effects of joint democracy on conflict have made it essential for the conflict literature to account for this assumption in empirical analysis. In line with this trend, I also control for the effects of being jointly democratic by including a dummy variable in equations tested below. Accordingly, a dyad is coded as 1 if both dyads score +7 and higher on the polity scale reported in Polity IV data set.

The territory variable: is coded to measure the salience of the issue at hand. The variable takes the value of one (1) if at least one of the states in the dyadic dispute was seeking a territorial revision and zero (0) otherwise (Stinnett and Diehl, 2002). The data for this variable is taken from the MID dataset coding of revision type.

Statistical Models:

The empirical tests of the relations formulated in the theoretical chapter are conducted using logistic regression. This procedure is analogous to linear regression but is the most appropriate statistical test when the dependent variable is dichotomous (Agresti and Finlay 1997; Kutner et al 2005). Since linear regression allows the dependent variable to take values greater than 1 and less than 0, it is inappropriate to model probabilities with linear regression when dependent variable can take only one of two possible values: 0 and 1. Furthermore, linear regression technique assumes homogeneity of variance, which does not hold when the mean and standard deviation of a proportion are related.
In logistic regression model, the relationship between an independent variable and the probability of the event of interest is described by logistic transformation, which uses the log of the odds. The formula for this transformation can be specified as:

$$\text{Logit}[\pi(X)] = \log\left(\frac{\pi(X)}{1-\pi(X)}\right) = \alpha + \beta X$$

Initially, I estimate the following two models for the period 1950-2000. Most variables, except contiguity, rivalry, regime type, joint democracy, territoriality and major power status, in all equations are lagged for one year to avoid the problem of temporal ordering.

**Model 4.1:**

$$\text{MID Initiation} = \beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Regime} + \beta_6 \text{Domestic Unrest}_{(t-1)} + \beta_7 \text{GDP Per Capita}_{(t-1)} + \beta_8 \text{Inflation}_{(t-1)} + \beta_9 \text{Regime}^*\text{Domestic Unrest}_{(t-1)} + \beta_{10} \text{Regime}^*\text{GDP Per Capita}_{(t-1)} + \beta_{11} \text{Regime}^*\text{Inflation}_{(t-1)}$$

**Model 4.2:**

$$\text{MID Initiation} = \beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Rivalry} + \beta_6 \text{Domestic Unrest}_{(t-1)} + \beta_7 \text{GDP Per Capita}_{(t-1)} + \beta_8 \text{Inflation}_{(t-1)} + \beta_9 \text{Rivalry}^*\text{Domestic Unrest}_{(t-1)} + \beta_{10} \text{Rivalry}^*\text{GDP Per Capita}_{(t-1)} + \beta_{11} \text{Rivalry}^*\text{Inflation}_{(t-1)}$$

The first model is modified into three separate equations each of which accounts for autocratic, mixed and democratic regimes. Likewise, the second model produces four different equations separately representing international, strategic, enduring and proto
rivals, respectively. Table 4.2 presents descriptive statistics for variables used in Model 4.1 and Model 4.2.

**TABLE 4.2. Descriptive Statistics for Variables in Model 4.1 and Model 4.2**

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
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<tbody>
<tr>
<td>Militarized Interstate Dispute Initiation</td>
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<td>1</td>
<td>.01</td>
<td>.080</td>
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<td>.261</td>
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<tr>
<td>Joint Democracy</td>
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<td>1</td>
<td>.1329</td>
<td>.339</td>
</tr>
<tr>
<td>majorpower1</td>
<td>284343</td>
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<td>1</td>
<td>.11</td>
<td>.316</td>
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<tr>
<td>Territoriality</td>
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<td>1</td>
<td>.00</td>
<td>.038</td>
</tr>
<tr>
<td>International Rivalry</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.02</td>
<td>.135</td>
</tr>
<tr>
<td>Strategic Rivalry</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.01</td>
<td>.114</td>
</tr>
<tr>
<td>Enduring Rivalry</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.0114</td>
<td>.106</td>
</tr>
<tr>
<td>Proto Rivalry</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.0071</td>
<td>.084</td>
</tr>
<tr>
<td>Autocratic Regimes</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.3376</td>
<td>.472</td>
</tr>
<tr>
<td>Democratic Regimes</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.3561</td>
<td>.478</td>
</tr>
<tr>
<td>Mixed Regimes</td>
<td>284343</td>
<td>0</td>
<td>1</td>
<td>.1913</td>
<td>.393</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>276526</td>
<td>0</td>
<td>9</td>
<td>3.6355</td>
<td>3.60</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>284146</td>
<td>-.02</td>
<td>1</td>
<td>.5498</td>
<td>.360</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>206387</td>
<td>-51.03</td>
<td>106.28</td>
<td>3.5904</td>
<td>6.11</td>
</tr>
<tr>
<td>Inflation</td>
<td>195948</td>
<td>0</td>
<td>331.36</td>
<td>41.8190</td>
<td>36.5</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>176308</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Empirical Results**

**Issue Salience, Regime Type and Diversionary Use of Force**

Since non-US literature on diversionary theory has placed particular emphasis on conditioning effect of regime type, and my hypotheses 1.2 through 1.4 postulate that leaders of different regime types will react differently under different domestic pressures, it is appropriate to begin my analyses with the examination this relation. Table 4.3 reports findings for three types of regimes, controlling for variables explained above.
Column 1, which examines the influence of domestic factors on conflict behavior of autocratic regimes, reveals promising results for the theoretical argument. Nevertheless, a closer examination of independent variables demonstrates that, in isolation, domestic unrest, economic growth and inflation do not have statistically significant values in the equation for autocratic regimes. The effects of domestic unrest, GDP per capita and inflation, however, display variations in the other two equations. In column 2, representing equation for mixed regimes, while internal conflict has a positive significant effect, GDP per capita and inflation appear to be statistically insignificant. In column 3, all domestic variables appear to be statistically significant with a positive sign for domestic unrest and negative signs for GDP per capita and inflation. This suggests inconclusive evidence for hypothesis 1.1, which simply asserted a relation between domestic political problems and the external use of force for diversionary purposes.

As can be viewed from all three equations, the only type of regime that is positively and statistically significant with conflict initiation is mixed regimes. Being a mixed regime alone increases the odds of conflict initiation by 2.55. This finding is consistent with Mansfield and Snyder’s (1995; 2002) argument that transitional regimes are more likely to follow a hostile course in their foreign policy. Recall that these regimes are characterized by weakness of political institutions regulating political competition and severe cleavages between the remnants of the old regime and the alternative elite. The combination of these two factors as predicted by Mansfield and Snyder create a fertile
## Table 4.3. Logistic Model for the Influence of Domestic Factors on MID Initiation for Three Types of Regime

<table>
<thead>
<tr>
<th>Variables</th>
<th>Autocratic</th>
<th></th>
<th>Mixed</th>
<th></th>
<th>Democratic</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE (β)</td>
<td>P-Value</td>
<td>B</td>
<td>SE (β)</td>
<td>P-Value</td>
</tr>
<tr>
<td>Contiguity</td>
<td>2.597</td>
<td>.076</td>
<td>.000</td>
<td>2.513</td>
<td>.075</td>
<td>.000</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>1.101</td>
<td>.129</td>
<td>.000</td>
<td>1.068</td>
<td>.129</td>
<td>.000</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-1.323</td>
<td>.146</td>
<td>.000</td>
<td>-1.138</td>
<td>.148</td>
<td>.000</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>.561</td>
<td>.104</td>
<td>.000</td>
<td>.499</td>
<td>.105</td>
<td>.000</td>
</tr>
<tr>
<td>Territoriality</td>
<td>10.089</td>
<td>1.014</td>
<td>.000</td>
<td>9.956</td>
<td>1.012</td>
<td>.000</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>-.001</td>
<td>.013</td>
<td>.962</td>
<td>.042</td>
<td>.013</td>
<td>.002</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>-.045</td>
<td>.007</td>
<td>.355</td>
<td>-.007</td>
<td>.008</td>
<td>.355</td>
</tr>
<tr>
<td>Inflation</td>
<td>-.002</td>
<td>.001</td>
<td>.917</td>
<td>.000</td>
<td>.001</td>
<td>.917</td>
</tr>
<tr>
<td>Regime Type</td>
<td>-.682</td>
<td>.176</td>
<td>.000</td>
<td>.923</td>
<td>.170</td>
<td>.000</td>
</tr>
<tr>
<td>Regime*Domestic Unrest</td>
<td>.094</td>
<td>.024</td>
<td>.000</td>
<td>-.043</td>
<td>.023</td>
<td>.062</td>
</tr>
<tr>
<td>Regime*GDP Per Capita</td>
<td>.038</td>
<td>.012</td>
<td>.002</td>
<td>-.051</td>
<td>.012</td>
<td>.000</td>
</tr>
<tr>
<td>Regime*Inflation</td>
<td>-.005</td>
<td>.003</td>
<td>.065</td>
<td>-.008</td>
<td>.002</td>
<td>.001</td>
</tr>
<tr>
<td>Constant</td>
<td>-6.391</td>
<td>.127</td>
<td>.000</td>
<td>-6.849</td>
<td>.130</td>
<td>.000</td>
</tr>
</tbody>
</table>

No. observations: 176308
Hosmer-Lemeshow (df): 37.992 (8), 22.77 (8), 10.634 (8)
Chi-Square (df): 3299.32 (12), 3305.74 (12), 3298.81 (12)
Log-Likelihood: 8749.33, 8742.92, 8749.84
Pseudo R-square: .281, .281, .281
environment for the manipulation of nationalist sentiment in soliciting mass support, which eventually spiral out of control and lead to aggressive foreign policy outcomes. Likewise, as predicted by Mansfield and Snyder, autocracy has a dampening effect on external conflict. This finding, at the same, partially overlaps with the argument of Bueno de Mesquita et al (2003), who observe that autocratic leaders prefer to reserve resources to reward themselves and their supporters instead of committing them to war effort. Although Beueno de Mesquita and Siverson (1995) and Bueno de Mesquita et al (2003) observe that longevity of autocrats in office increases the propensity of autocratic regimes engaging even in wars that they do not have any chance to win, the nature of data employed here does not allow a comparison of conflict behavior of newly installed and long time autocrats. On the other hand, there is no indication that democracies are more prone to conflict as opposed to mixed or autocratic regimes.

When Table 4.3 is examined in terms of the causal relations of interest, consistent with hypotheses 1.2 through 1.4, the effects of regime type on diversionary behavior is conditioned by the types of issue in question. Autocratic leaders appear to follow a more hostile foreign policy when they experience domestic unrest. The product of regime type and domestic unrest for autocratic regimes is positive and statistically significant. For autocratic regimes facing domestic unrest, the estimated odds of militarized interstate dispute initiation is multiplied by 1.09. Nevertheless, contrary to the logic of diversion, autocratic regimes are more inclined to initiate conflict when the economy performs well rather than poorly. Economic growth represented by GDP per capita has a positive significant value in its interaction with regime type. This condition holds for political leaders in democratic regimes as well. In a similar vein, autocratic leaders appear more
belligerent when inflation rates decrease rather than increase. Leaders in mixed regimes also tend to be less inclined to initiate conflict when inflation rates are dropping.

Democratic leaders, as opposed to leaders of autocratic and mixed regimes, seem to be more vulnerable to the effects of inflation. The odds of conflict initiation by democratic leaders facing increasing inflation rates increase by 1.009. Leaders of mixed regimes, on the other hand, appear to be more responsive to declines in the overall state of economy. The coefficient estimate for the interaction term between regime type and GDP per capita in mixed regime equation is negative and statistically significant. The chances of observing hostile actions by leaders of mixed regimes when they are experiencing decline in GDP per capita increases by .95.27

Control variables in all three equations, on the other hand, are all significant and in the expected direction. Contiguity increases the chances of conflict. Likewise, major power status and the presence of territorial issues, have positive signs in the model, which are consistent with traditional explanations for the occurrence of conflict. Territoriality is by far the most important factor that contribute to initiation of militarized interstate disputes. The chances of observing conflict initiation in the presence of territorial issues are higher than the chances of observing conflict in the absence of territorial issues. The predicted probability of observing conflict is 99.9 %. Also states that have capability advantage are more likely to initiate conflict as opposed to states that lack sufficient resources. Joint democracy, on the other hand, in line with democratic peace theory has a dampening effect on the probabilities of observing conflict between jointly democratic states.

27 I reran separate models for inflation and GDP per capita to see whether results differ when either one of these variables and their interaction are in the model. The results appear to be similar to the findings presented in Table 4.3 for all types of regimes.
In this regard, the most significant finding that emerges from Table 4.3 in relation to hypotheses 1.2 through 1.4 is variation in conflict behavior of leaders operating in different types of regimes. Altogether the results presented in Table 4.3 support the contention that different domestic political pressures have different effects on militarized conflict behavior of political leaders operating in different regime types. As the interaction terms demonstrate, while leaders in democratic and mixed regimes are more vulnerable to the effects of economic dissatisfaction, autocratic leaders have more incentive to divert when faced with more severe forms of problems.

Theoretically, it makes sense to observe the differential effect of economic decline and domestic violence on diversionary behavior of leaders acting under different institutional arrangements. Standard of living is a concern of the public regardless of regime type. However, from the perspective of political survival, the fact that autocratic regimes are better insulated in terms risks to their survival posed by economic declines suggests that they do not have to worry much about the economic dissatisfaction of the masses. Yet this is not the case with leaders of democratic and mixed regimes, who are at greater risk to removal from office because of the elections that empower the masses. Economic considerations appear to be more influential and have a greater impact on conflict initiation of leaders in democratic and mixed regimes.

Unlike leaders of democratic and mixed regimes, who refrain from belligerent behaviors in foreign policy when they experience domestic unrest, autocratic leaders tend to have more incentive to diversion under such condition. The sheer presence of internal conflict despite all measures of repression is a good indicator of the extent an autocratic leader is at risk of removal from office. Thus, it appears that autocrats have more at stake
when they face domestic political unrest and, therefore, are more willing to gamble for resurrection.

Considered only in terms of autocratic regimes, this finding provides support to Goemans’ (2008) argument that post exit fate of autocratic leaders creates strong incentives for these group of leaders to risk external conflict even at the expense of losing it. However, when the results for leaders of all three types of regimes are taken into account, it appears that it is misleading to confine diversionary actions to one category of leaders. In this vein, patterns observed here pose a challenge to earlier studies that have restricted diversion to either autocratic or democratic regimes. As such, these findings partially explain the contradictory conclusions drawn by scholars over the relation between regime type and diversion. Diversion, contrary to Miller (1995; 1999) is not unique to autocratic regimes. As demonstrated here, autocratic leaders divert, however, not under the conditions that Miller estimates. Indeed, as predicted by Russett (1990) autocratic leaders have the tendency to use force during prosperous times.

On the other hand, the findings pertaining to domestic unrest and democratic diversions, overlap with Enterline and Gledistch (2000) and contradicts Gelpi (1997), who claims that diversion is pathology of democratic regimes. Nevertheless, the relation between economic factors and diversionary behavior of democratic regimes lends considerable support to claims that democratic leaders are more compulsive to diversionary use of force under poor economic conditions (Richards et al 1993; Hess and Orphanides 1995; 2001; Smith 1996a; 1996b; 1998; Fordham 2002). From this perspective, my findings contradict Mitchell and Prins (2004) who find inflation to be associated with conflict behavior of nondemocratic regimes as opposed to democratic
regimes. Clearly, the results presented here demonstrate that democratic leaders are the only group of leaders who display a propensity to use external force when they experience increasing inflation rates.

An evaluation of the behavior of mixed regimes, in terms of the existing literature is hard to make because of a considerable lack of attention to the diversionary behavior of mixed regimes. The only parallels that can be drawn between the estimations presented here and findings of earlier studies are those of Davies (2002) and Kissangani and Pickering (2007). My findings contradict Davies who reports a negative negligible relation between non-violent domestic unrest and initiation of conflict by leaders of mixed regimes. Kissangani and Pickering, on the other hand, observe that mixed regimes have strong incentive to engage in (external) socio-economic interventions, which by definition involve benevolent deployment of military force, in response to severe mass unrest (inverted U shape) and severe declines in economic growth rates (inverted U shape). While my findings concur with the latter evidence, it contradicts with the former contention. However, by definition, socioeconomic interventions do not entail aggressive actions. Therefore, any inferences drawn from this comparison might lead to misleading conclusions.

In sum these findings demonstrate that democratic regimes are no less belligerent than autocratic regime leaders or vice versa when it comes to diversion. Instead, the incentive to divert appears to be determined by the implications of issues for the political survival of leaders in different regimes. However, before concluding this section, it is important to note that further investigation is needed to determine why democratic
leaders are more prone to divert when they face inflationary pressures, while leaders of mixed regimes become more reactive to declines in GDP per capita.

**Rivalry and Diversionary Use of Force**

I next shift my focus to show whether rivals use their rivalry for diversionary purposes as suggested by hypothesis 2.1 in my theoretical chapter. Table 4.4 shows results for four categories of rivalry excluding the effects of regime type from the equations. Column 1, which is a test of my hypothesis for international rivalries, demonstrates some interesting findings. Most variables in the model, except domestic unrest and major power, have significant effect on militarized interstate dispute initiation. In line with expectations, international rivalries, without distinguishing between enduring and proto type, are strongly influenced by internal political and economic problems in terms of their conflict behavior. The coefficient estimates for the interaction of International Rivalry*Domestic unrest (β=.055 [e^β=1.057]) and International Rivalry*Inflation (β=.013 [e^β=1.057]) are positive and statistically significant (p<.020 and p< .000, respectively), which indicate that political leaders who face domestic unrest and ascending inflation rates have more tendency to use external military force against their rivals. Taken together, these findings lend credence to the claim that rivals, rather than seeing each other from purely realist perspective, tend to treat them as safety valves to drain internal tensions. The opposite, however, is true for the effects of GDP per capita (β=.061; p=.000 [e^β=1.063]) on conflict behavior of rivals. In terms of the overall state
### TABLE 4.4. Logistic Model for the Influence of Domestic Factors on MID Initiation for Four Categories of Rivalry

<table>
<thead>
<tr>
<th>Variables</th>
<th>International Rivalry</th>
<th>Strategic Rivalry</th>
<th>Enduring Rivalry</th>
<th>Proto-Rivalry</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE (β)</td>
<td>P-Value</td>
<td>B</td>
</tr>
<tr>
<td>Contiguity</td>
<td>.412</td>
<td>.103</td>
<td>.000</td>
<td>1.957</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>1.199</td>
<td>.143</td>
<td>.000</td>
<td>1.010</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-.750</td>
<td>.151</td>
<td>.000</td>
<td>-1.128</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>-.039</td>
<td>.118</td>
<td>.000</td>
<td>.742</td>
</tr>
<tr>
<td>Rivalry</td>
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<td>.185</td>
<td>.000</td>
<td>1.688</td>
</tr>
<tr>
<td>Territoriality</td>
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<td>1.035</td>
<td>.000</td>
<td>9.877</td>
</tr>
<tr>
<td>Domestic Unrest</td>
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<td>.019</td>
<td>.000</td>
<td>.008</td>
</tr>
<tr>
<td>GDP per capita</td>
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<td>.009</td>
<td>.000</td>
<td>-.045</td>
</tr>
<tr>
<td>Inflation</td>
<td>-.006</td>
<td>.002</td>
<td>.002</td>
<td>-.001</td>
</tr>
<tr>
<td>Rivalry*Domestic Unrest</td>
<td>.055</td>
<td>.024</td>
<td>.020</td>
<td>.026</td>
</tr>
<tr>
<td>Rivalry*GDP per capita</td>
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<td>.012</td>
<td>.000</td>
<td>.034</td>
</tr>
<tr>
<td>Rivalry*Inflation</td>
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<td>.002</td>
<td>.000</td>
<td>.001</td>
</tr>
<tr>
<td>Constant</td>
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<td>.153</td>
<td>.000</td>
<td>1.123</td>
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</table>

<table>
<thead>
<tr>
<th>Statistics</th>
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</tr>
</thead>
<tbody>
<tr>
<td>No. observations</td>
<td>176308</td>
</tr>
<tr>
<td>Hosmer-Lemeshow (df)</td>
<td>20.37 (8)</td>
</tr>
<tr>
<td>Chi-Square (df)</td>
<td>5821.12 (12)</td>
</tr>
<tr>
<td>Log-Likelihood</td>
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</tr>
<tr>
<td>Pseudo R-square</td>
<td>.492</td>
</tr>
<tr>
<td></td>
<td>19.13 (8)</td>
</tr>
<tr>
<td></td>
<td>3645.72 (12)</td>
</tr>
<tr>
<td></td>
<td>8402.93</td>
</tr>
<tr>
<td></td>
<td>.310</td>
</tr>
<tr>
<td></td>
<td>4036.94 (12)</td>
</tr>
<tr>
<td></td>
<td>8011.71</td>
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<tr>
<td></td>
<td>.343</td>
</tr>
<tr>
<td></td>
<td>4563.57 (12)</td>
</tr>
<tr>
<td></td>
<td>7485.09</td>
</tr>
<tr>
<td></td>
<td>.387</td>
</tr>
</tbody>
</table>
of the economy, states tend to be hostile toward their rivals when the overall economic performance is positive rather than negative.\textsuperscript{28}

These results both confirm and contradict earlier findings investigating diversionary use of force in rivalry settings. While the relation between inflation and the use of force against rivals overlaps with findings presented by Mitchell and Prins (2004) and Foster (2006), the relation between GDP per capita and the use of force in international rivalry settings produces results opposite to those reported by Bennett and Nordstrom (2000). In line with earlier findings, conflict initiation of rivals is strongly associated with increase in inflation. However, contrary to the negative relation between GDP per capita and external use of force observed by Bennett and Nordstrom (2000), international rivals tend to be more belligerent under high growth rates. Although Bennett and Nordstrom test their hypothesis in enduring rivalry setting, as presented in Column 3 of Table 4.4, the effects of economic growth measured in terms of GDP per capita appear to have the same effect on enduring rivals as well. In addition, this finding is empirically supported in all types of rivalry settings to leave no room for doubt about the validity of the positive relation between GDP per capita and the use of force against rivals.

In this context, employment of different units of analysis appears to be the only reason that can be provided to explain the discrepancy over the effects of GDP per capita on conflict behavior of rivals. As noted above, I adopt a politically active directed dyad year data set. Bennett and Nordstrom (2000), on the other hand, limit their analysis to

\textsuperscript{28} My analysis involving separate equations for GDP and inflation demonstrated that results were similar to the findings presented in Table 4.5 when either inflation or GDP per capita and their corresponding interactions with rivalry were in the model.
population of enduring rival dyads. In other words, their analysis is restricted to cases that satisfy operationalization of enduring rivals constructed by Goertz and Diehl (1995); a practice that has been strongly criticized for leading to selection bias.

Up to this point, the empirical results provided promising evidence for the argument developed in favor of the relation between diversion and rivalry. The critical question at this point is whether this relation holds for other categories of rivalry. A comparison of Column 1, interstate rivalry, and Column 2, which replaces interstate rivals with the list of strategic rivalry constructed by Thomson (2001), shows a relatively different picture in terms of associations formulated in my hypothesis 2.1. The most important distinction emerges from differential reaction of international and strategic rivals to inflation. In concrete terms, the coefficient for International Rivals*Inflation changes from .013 to .001, and is statistically insignificant in the strategic rivalry equation. Expressed differently, inflation appears to have no significant effect on conflict behavior of strategic rivals. GDP per capita, on the other hand, produces almost identical results for both types of rivalry. Likewise, strategic rivals tend to respond to internal conflict positively and even stronger than the former. The coefficient for Strategic*Domestic Unrest interaction is .073 and has a better significance level (p=.005). This suggests that there is more reason to believe that rivals use their rivalry for domestic political purposes.

The equation presented in Column 1 of Table 4.4 confined the relation between diversion and rivalry to the combined category of enduring and proto-rivalries. I now turn
## TABLE 4.5. Logistic Model for the Influences of Domestic Factors on MID Initiation for Four Categories of Rivalry, Removing Rivalry from the Model

<table>
<thead>
<tr>
<th>Variables</th>
<th>International Rivalry</th>
<th>Strategic Rivalry</th>
<th>Enduring Rivalry</th>
<th>Proto-Rivalry</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>SE (β)</td>
<td>P-Value</td>
<td>B</td>
</tr>
<tr>
<td>Contiguity</td>
<td>1.272</td>
<td>.093</td>
<td>.000</td>
<td>2.106</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>1.389</td>
<td>.140</td>
<td>.000</td>
<td>1.053</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-.863</td>
<td>.152</td>
<td>.000</td>
<td>-1.143</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>.385</td>
<td>.118</td>
<td>.001</td>
<td>.729</td>
</tr>
<tr>
<td>Rivalry</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Territoriality</td>
<td>10.215</td>
<td>1.067</td>
<td>.000</td>
<td>9.959</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>-.167</td>
<td>.016</td>
<td>.000</td>
<td>-.016</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>-.085</td>
<td>.007</td>
<td>.000</td>
<td>-.047</td>
</tr>
<tr>
<td>Inflation</td>
<td>-.020</td>
<td>.002</td>
<td>.000</td>
<td>-.004</td>
</tr>
<tr>
<td>Rivalry*Domestic Unrest</td>
<td>.401</td>
<td>.018</td>
<td>.000</td>
<td>.234</td>
</tr>
<tr>
<td>Rivalry*GDP per capita</td>
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<td>.063</td>
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<tr>
<td>Rivalry*Inflation</td>
<td>.043</td>
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<td>.000</td>
<td>.011</td>
</tr>
<tr>
<td>Constant</td>
<td>-5.755</td>
<td>.124</td>
<td>.000</td>
<td>-6.332</td>
</tr>
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</table>

| No. observations     | 176308    |        |        |        |        |        |        |        |        |        |        |        |
| Hosmer-Lemashow (df) | 25.38 (8) | .001   | 34.43 (8) | .000 | 21.83 (8) | .005 | 30.53 (8) | .000 |
| Chi-Square (df)      | 5351.01 (11) | .000 | 3586.84 (11) | .000 | 3918.13 (11) | .000 | 4344.03 (11) | .000 |
| Log-Likelihood       | 6697.64 | 3461.81 | 8130.52 | 7704.62 |
| Pseudo R-square      | .453     | .305   | .333    | .368     |
to check whether this evidence holds for enduring and proto-rivalries separately. Apart from a number of minor differences, findings presented for proto-rivals in Column 4 to a great extent resemble the patterns observed for enduring rivals in Column 3. The only distinction between proto and enduring rivals appears to be the effect of inflation in respective models. While this variable tends to be positive and significant in the enduring rivalry equation, it displays a negative insignificant effect in proto-rivalry context. However, there are a number of distinctions displayed by both proto and enduring rivals in terms of relations observed for international and strategic rivals. In the first place, domestic unrest both in isolation and in interaction with respective types of rivalry does not exercise any statistically significant effect on initiation of militarized interstate disputes. Second, inflation appears to be the only domestic factor that instigates hostility in both proto and enduring rivalry contexts. GDP per capita, on the other hand, both in isolation and in interaction with corresponding rivalry types retains the same pattern observed for the two former categories of rivalry.

Although the insignificant effect of domestic unrest on external conflict behavior of proto and enduring rivals might seemingly discredit my argument that manifested discontent will induce political leaders to divert against rivals, it is important to note that the effect of domestic unrest on external conflict behavior of proto and enduring rivals is primarily obscured because of severe multi-co-linearity between the interaction terms and their components. While the correlation coefficient for enduring rivalry and Enduring-Rivalry*domestic unrest is $r= .815$, it is $r= .798$ for Proto-rivalry and Proto-rivalry*Domestic unrest.
Rerunning the equations without rivalry variable produce rather significant results in favor of the argument that political leaders use their rivalry for domestic political concerns regardless of how rivalry is empirically operationalized. Column 1 through 4 in Table 4.5 demonstrate that external conflict behavior of all types of rivalry is strongly influenced from domestic unrest and inflation when rivalry variables are excluded from the models. GDP per capita, on the other hand, still remains stable in all four models.

Robustness Check for the Effects of Different Domestic Factors on Conflict Behavior of Leaders Operating in Different Regime Types

Table 4.3 reports the results for three equations each of which estimates the effects of domestic political and economic factors on conflict behavior of autocratic, mixed and democratic regimes, respectively. To check the robustness of the findings of this table, Table 4.6 collapses all three equations into one single equation, where democratic regimes serve as the excluded baseline category. With minor distinctions, Table 4.6 produces results identical to estimates presented in Table 4.3. In reduced equations in Table 4.3, I found mixed regimes to be more belligerent than their autocratic and democratic counterparts. This finding appears to be robust in full equation. Leaders of mixed regimes exhibit more belligerency in their foreign policy as opposed democratic and autocratic leaders. Although the sign of the relation for autocratic regimes is still in the expected direction, this variable loses its significance in the full equation. Thus, the analysis in full model indicate that autocratic leaders overall appears to be indistinguishable from their democratic counterparts.
TABLE 4. 6. Full Logistic Model for the Influence of Domestic Factors on MID Initiation for Three Types of Regime

<table>
<thead>
<tr>
<th>Variables</th>
<th>B</th>
<th>SE (β)</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contiguity</td>
<td>2.559</td>
<td>.078</td>
<td>.000</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>1.103</td>
<td>.129</td>
<td>.000</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-1.210</td>
<td>.153</td>
<td>.000</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>.531</td>
<td>.107</td>
<td>.000</td>
</tr>
<tr>
<td>Territoriality</td>
<td>10.073</td>
<td>1.014</td>
<td>.000</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>-.002</td>
<td>.018</td>
<td>.902</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>-.001</td>
<td>.016</td>
<td>.970</td>
</tr>
<tr>
<td>Inflation</td>
<td>.003</td>
<td>.002</td>
<td>.108</td>
</tr>
<tr>
<td>Autocratic Regimes</td>
<td>-.195</td>
<td>.209</td>
<td>.351</td>
</tr>
<tr>
<td>Autocratic*Domestic Unrest</td>
<td>.096</td>
<td>.027</td>
<td>.000</td>
</tr>
<tr>
<td>Autocratic*GDP Per Capita</td>
<td>-.006</td>
<td>.018</td>
<td>.742</td>
</tr>
<tr>
<td>Autocratic*Inflation</td>
<td>-.010</td>
<td>.003</td>
<td>.001</td>
</tr>
<tr>
<td>Mixed Regimes</td>
<td>.848</td>
<td>.203</td>
<td>.000</td>
</tr>
<tr>
<td>Mixed*Domestic Unrest</td>
<td>.001</td>
<td>.026</td>
<td>.980</td>
</tr>
<tr>
<td>Mixed*GDP Per Capita</td>
<td>-.057</td>
<td>.018</td>
<td>.001</td>
</tr>
<tr>
<td>Mixed*Inflation</td>
<td>-.011</td>
<td>.003</td>
<td>.000</td>
</tr>
<tr>
<td>Constant</td>
<td>-6.827</td>
<td>.166</td>
<td>.000</td>
</tr>
</tbody>
</table>

No. Observations: 176308
Hosmer-Lemashow (df): 34.68 (8) , .000
Chi-Square (df): 3338.34 (16) , .000
Log-Likelihood: 8710.31
Pseudo R-square: .248

As for the influence of different domestic pressures on conflict behavior of leaders operating in different regime types, the full model presents estimates that are comparable to reduced equations outlined in Table 4.3. In line with findings presented in reduced equations, autocratic regimes tend to divert under the influence of domestic political unrest. The behavior of leaders in mixed regimes is strongly influenced from declines in GDP per capita rates. The only deviation from the results presented in Table 4.3 is the effect of inflation on conflict behavior of democratic regimes. The isolated coefficient for inflation reflects the effects of inflation on initiation of conflict for leaders with an autocracy score of 0, and democracy score of 1. Earlier findings demonstrated
that democratic leaders have more tendencies to initiate conflict when they faced inflationary pressures. Although the sign of relation for democratic leaders is still positive, it fails to achieve statistical significance.

Another distinction between the reduced equations and the full model presented in Table 4.6 is the effect of economic factors on conflict behavior of autocratic leaders. Findings presented in Column 1 of Table 4.3 demonstrated that autocratic leaders tend to initiate conflict under prosperous economic conditions. However, in the full equation, although inflation appears to have negative significant effect, there is no indication that GDP per capita has an effect on conflict behavior of autocratic leaders.

Domestic unrest in reduced model has a negative significant effect on conflict behavior of democratic leader. In full model the coefficient for domestic unrest is negative but insignificant. Likewise, the results in full model provide no indication that conflict behavior of mixed regimes is influenced by domestic unrest; even though the sign of relation still remains negative.
CHAPTER FIVE
CORRUPTION, RIVALRY, REGIME TYPE AND DIVERSIONARY USE OF FORCE

Introduction

The primary question that I explore in this chapter is whether corruption is related to the use of force for diversionary purposes. Surprisingly, there is no theoretical or empirical study that addresses the link between corruption and the use of force in general and the use of force for diversionary purposes in particular. Nevertheless, there are strong reasons to believe that pervasiveness of corruption in a polity is related to the use of force for diversionary purposes.

In Chapter 3 of this research, I advanced a theoretical argument that associated corruption with diversion. The primary tenet of this argument rested on the manipulation of public perception through the use of external force. Perhaps one can argue that at least in democratic polities, manipulation through election campaigns is an integral part of the political process. If resources of the office are allocated for reelection purposes there is no reason not to associate that practice with corruption as well. As such, if political leaders are initiating conflict with the intention of improving their political fortunes, then this category of the use of force is logically the use and abuse of the privileges and responsibilities of the office for personal gain, which is the office itself and is thus associated with corruption.

On the other hand, it might be misleading to jump to the conclusion that corrupt leaders are more prone to adopt belligerent foreign policy. Indeed, corruption alone may have a negative effect on the use of force. Since corruption satisfies the interests of certain groups that benefit from stability in polity, which comes with corruption, it may
discourage rather than encourage external conflict. On the other hand, corruption that instigates dissatisfaction and promotes instability creates a serious threat to the survival of political leadership. Under such circumstances, the political leadership can use its monopoly on the use of force not only to get rid of opponents, but also to try to return the old order by rallying the populace.

My examination of these relations takes several steps. First, I focus on the relation between corruption and domestic discontent. Then I move to an examination of the relation between corruption and the use of force. After showing the relation between corruption and the use of force, I extend my analyses to examine the conditioning effects of rivalry and regime type, respectively, on the relation between corruption and the use of force. As in the previous chapter, I test my arguments in the context of four categories of rivalry and three types of regimes.

Research Design

In principal, the analyses conducted in this chapter are extensions of analyses conducted in the previous chapter. I follow the research design, with a number of modifications, outlined in Chapter 4. First, in addition to independent and control variables employed in Chapter 4, this chapter introduces a number of additional domestic political indicators that have the potential to effect the decision calculus of political leaders in initiating conflict against rivals. These variables are corruption, investment profile of a country and aggregate socio-economic factors. Data for these variables are gathered from International Country Risk Data compiled by a private international investment risk service that provides ratings on economic, financial and political

29 I excluded inflation from my statistical analysis in this chapter. The missing data for this variable causes about 10% reduction in the sample size.
indicators for 140 countries between 1984 and 2007. ICRG variable, corruption, measures the level of corruption in a political system based on excessiveness of “patronage, nepotism, job reservations, ‘favor for favors’, secret party founding and suspiciously close ties between politics and business” (International Country Risk Guide Methodology 2008: 4). This indicator takes a value between zero (0) and (6). A lower score means more corruption. To make interpretation simpler this value is reversed by subtracting the original value from 6.  

The second indicator drawn from ICRG is investment profile, which is a composite index, constructed from three subcomponents measuring contract viability, profits repatriation and payment delays. The variable takes a score that ranges between zero (0) and twelve (12). Countries that score lower on this scale have more risk for investment. In addition to its relevance for links between corruption and dissatisfaction, the effects of investment profile of a country on diversionary behavior of political leaders is included in analysis to replicate Meernik (2000; 2001). Meernik, in addition to standard measures of economic conditions, uses the effects of changes in stock market on foreign policy behavior of US presidents. Although his findings demonstrate that the declines in the Dow Jones Industrial Average index present opportunities for US presidents to engage in diversionary behavior, crisis are less likely to occur when there is a decline in the stock market. Thus, Meernik concludes that there is no relation between

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30 Scholars studying political corruption rely widely on two sources of data in measuring corruption, either the Transparency International Corruption Perception Index (CPI) (Lambsdorf 1998) or a good governance index created by Kaufmann, Kraay, and Zoido-Lobatón (KKZ) (1999), or both. However, the availability of ICRG data since the beginning of the 1980s makes it possible to observe the corruption-domestic discontent and external conflict relationship over a substantial time span.
crisis and the use of force. I employ investment profile as a proxy to test this hypothesis across other countries.

The third variable taken from the ICRG data set is aggregate socioeconomic conditions. This indicator is a composite score that assesses the socioeconomic pressures at work in a society. The variable is constructed from the level of unemployment, consumer confidence and poverty. Countries that score lower on a scale of zero to twelve (12) are under more socioeconomic pressures. Although I use this variable in the first section of my analyses, to show the negative effects of corruption on aggregate socioeconomic conditions of a populace in a country, I excluded it from the models constructed to test the relation between domestic factors and the external use of force, primarily because of strong correlation between corruption and aggregate socioeconomic conditions.

A final note is on the time period under consideration. Since data for the variables drawn from ICRG is only available from 1984, the analyses undertaken in this chapter are conducted for the period 1984-2000.

I conduct my analysis constructing four separate models comprised of eight equations. The following models are estimated for the period under consideration:

**Model 5.1:**

\[
\text{MID Initiation} = \beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Corruption} + \beta_7 \text{Domestic Unrest}_{t-1} + \beta_8 \text{GDP Per Capita}_{t-1} + \beta_9 \text{Investment Profile}_{t-1} + \beta_{10} \text{Corruption}_{t-1} \times \text{Domestic Unrest}_{t-1}.
\]
Model 5.2:
MID Initiation = $\beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Rivalry} + \beta_6 \text{Corruption} + \beta_7 \text{Domestic Unrest}_{(t-1)} + \beta_8 \text{GDP Per Capita}_{(t-1)} + \beta_9 \text{Investment Profile}_{(t-1)} + \beta_{10} \text{Rivalry*Corruption}_{(t-1)} + \beta_{11} \text{Rivalry*Domestic Unrest}_{(t-1)} + \beta_{12} \text{Rivalry*Investment Profile}_{(t-1)}$.

Model 5.3:
MID Initiation = $\beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Corruption} + \beta_6 \text{Domestic Unrest}_{(t-1)} + \beta_8 \text{GDP Per Capita}_{(t-1)} + \beta_9 \text{Investment Profile}_{(t-1)} + \beta_{10} \text{Rivalry*Corruption}_{(t-1)}*\text{Domestic Unrest}_{(t-1)}$.

Model 5.4:
MID Initiation = $\beta_0 + \beta_1 \text{Contiguity} + \beta_2 \text{Capability Ratio} + \beta_3 \text{Joint Democracy} + \beta_4 \text{Major Power Status} + \beta_5 \text{Regime} + \beta_6 \text{Corruption} + \beta_7 \text{Domestic Unrest}_{(t-1)} + \beta_8 \text{GDP Per Capita}_{(t-1)} + \beta_9 \text{Investment Profile}_{(t-1)} + \beta_{10} \text{Regime*Corruption}_{(t-1)} + \beta_{11} \text{Regime*Domestic Unrest}_{(t-1)} + \beta_{12} \text{Regime*Investment Profile}_{(t-1)}$.

The first model is a test of the first two hypotheses, which postulate a negative relation between corruption and conflict initiation and a positive relation for interaction of corruption with domestic unrest. The second model, in addition to examination of corruption and domestic unrest, tests effects of several domestic political and economic indicators and their interactions with rivalry in producing external conflict. This model is comprised of four equations formulated for four categories of rivalry: international, strategic, enduring and proto rivalries. The third model incorporates a triple interaction...
term between rivalry, corruption and domestic unrest to test whether corrupt leaders that experience domestic unrest are more prone to engage in diversion against rival states. The fourth model, on the other hand, tests established relations in the previous two models for autocratic, democratic and mixed regimes in three separate equations. Note that I exclude corruption-domestic unrest interaction from Model 5.2, 5.3, and 5.4, particularly because of its strong correlation with most of the variables in the models. My preliminary tests revealed that incorporation of this variable not only produces insignificant results for the variable itself but also hinders the effects of other variables. Table 5.1 presents descriptive statistics for the variables used in empirical analysis.

As discussed earlier, the dependent variable is dichotomous that takes the value of one (1) if State A in directed active dyad data in a given year initiates conflict against State B. Contiguity, joint democracy, territoriality, rivalry and regime types are dichotomous variables, indicating the presence or absence of these conditions. GDP per capita (-51.3-106.28), domestic unrest (0-9), corruption (0-6), investment profile (0-12) and socioeconomic conditions (0-12) are scaled variables that range according to the values indicated in parentheses for each variable.

**Empirical Results**

**Corruption and Domestic Dissatisfaction**

In my theoretical discussion, I argued that corruption in the long term has negative effects on political survivability of executives through its negative effects on welfare of the populace by causing decline in investment and economic growth, both of which have the potential to lead to political discontent. To see the causal mechanism between corruption, domestic dissatisfaction and diversion, it is necessary to show that
corruption indeed leads to dissatisfaction. Therefore, in this section, I briefly discuss the effects of corruption on political instability and mass dissatisfaction. To this end, I conduct an analysis of variance test (ANOVA) to detect whether there is an association between prevalence of corruption, on the one hand, economic growth, inflation, investment profile and domestic unrest and overall socio-economic conditions of populace of a country, on the other hand.31

The analysis of variance is a significance test using F-statistics that compares the null hypothesis, which assumes that several means are equal, against the alternative

| TABLE 5.1. Descriptive Statistics for the Variables in Model 5.1 – 5.4 |
|---------------------------|--------|--------|----------|--------|
| Variables                 | N      | Minimum | Maximum | Mean   | Std. Deviation |
| Militarized Interstate Dispute Initiation | 116066 | 0       | 1        | .01    | .079          |
| Capability Ratio          | 116030 | 0       | 1        | .5610  | .369          |
| Contiguity                | 116066 | 0       | 1        | .0769  | .266          |
| Joint Democracy           | 116066 | 0       | 1        | .1750  | .379          |
| Territoriality            | 116066 | 0       | 1        | .00    | .038          |
| International Rivalry     | 116066 | 0       | 1        | .02    | .130          |
| Strategic Rivalry         | 116066 | 0       | 1        | .01    | .102          |
| Enduring Rivalry          | 116066 | 0       | 1        | .009   | .095          |
| Proto Rivalry             | 116066 | 0       | 1        | .008   | .088          |
| Autocratic Regimes        | 116066 | 0       | 1        | .246   | .431          |
| Democratic Regimes        | 116066 | 0       | 1        | .405   | .490          |
| Mixed Regimes             | 116066 | 0       | 1        | .198   | .399          |
| Corruption                | 93554  | 0       | 6        | 2.619  | 1.462         |
| Domestic Unrest           | 114262 | 0       | 9        | 3.236  | 3.547         |
| GDP Per Capita            | 105687 | -51.03  | 106.28   | 2.926  | 6.370         |
| Investment Profile        | 93554  | 0       | 11.17    | 6.333  | 2.121         |
| Socioeconomic Conditions  | 93554  | 1       | 11.00    | 5.844  | 2.042         |
| Valid N (listwise)        | 80370  |         |          |        |               |

31 Note that all independent variables are lagged 1 year
hypothesis, which states that at least two means are unequal. F-statistics is appropriate to test the association between the values of a qualitative explanatory variable and a quantitative response variable. Therefore, I collapse the independent variable, corruption, which is measured on a 6-point scale ranging from zero (0) to six (6), into six categories. Table 5.2 summarizes observations on different levels of corruption categorized into six different groups based on data from ICRG. For each category of corruption, Table 5.2 shows the number of cases which score at that particular level of corruption. For instance, 6.7% of the cases in the data fall into category 1, low corruption, and 11.7% of the cases fall into category 2, and so on.

Table 5.3 and Table 5.4, respectively, present ANOVA F-test results and Levene statistics. Both statistics with smaller significant values suggest evidence against the null hypothesis that the mean values of dependent variables remain equal across different categories of explanatory variables. Especially with Levene statistics ANOVA is robust to the violation of group variance when the groups are equal or near equal size. The factor variable (independent variable) is corruption summarized into six categories, and the dependent variables are GDP per capita, inflation, domestic unrest, investment profile and variations in aggregate socioeconomic conditions of population for the countries in the sample.

The statistical values of F-test for all dependent variables are significant at p. \(<.000. Thus, we can reject the null hypothesis that GDP per capita, inflation, internal conflict, investment profile and socioeconomic conditions are equal at different levels of corruption. The robustness of this finding is supported by Levene statistics presented in Table 5.4. With Levene statistics at significant levels for all dependent variables we can
TABLE 5.2. Level of Corruption for a Sample of 147 Countries between 1983 and 2001

<table>
<thead>
<tr>
<th>Corruption Level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00</td>
<td>212</td>
<td>6.7</td>
<td>6.8</td>
<td>6.8</td>
</tr>
<tr>
<td>2.00</td>
<td>368</td>
<td>11.7</td>
<td>11.7</td>
<td>18.5</td>
</tr>
<tr>
<td>3.00</td>
<td>506</td>
<td>16.1</td>
<td>16.2</td>
<td>34.7</td>
</tr>
<tr>
<td>4.00</td>
<td>995</td>
<td>31.7</td>
<td>31.8</td>
<td>66.4</td>
</tr>
<tr>
<td>5.00</td>
<td>787</td>
<td>25.0</td>
<td>25.1</td>
<td>91.6</td>
</tr>
<tr>
<td>6.00</td>
<td>264</td>
<td>8.4</td>
<td>8.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>3132</td>
<td>99.7</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

TABLE 5.3. ANOVA Table for Results of One-Way Analysis of Variance in Domestic Political and Economic Factors by Levels of Corruption

<table>
<thead>
<tr>
<th>Variables</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Unrest</td>
<td>1305.315</td>
<td>5</td>
<td>261.063</td>
<td>20.875</td>
<td>.000</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>67679.939</td>
<td>2853</td>
<td>23.432</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflation</td>
<td>36922.955</td>
<td>5</td>
<td>159.352</td>
<td>5.094</td>
<td>.000</td>
</tr>
<tr>
<td>Investment Profile</td>
<td>16527924.69</td>
<td>2595</td>
<td>6409.187</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Socioeconomic Conditions</td>
<td>14621.364</td>
<td>2853</td>
<td>5.141</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TABLE 5.4. Levene Statistics for the Test of Homogeneity of Variances of Mean GDP Per Capita, Inflation, Internal Conflict, Investment Profile and Socio-economic Conditions by Levels of Corruption

<table>
<thead>
<tr>
<th>Variables</th>
<th>Levene Statistic</th>
<th>df1</th>
<th>df2</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Unrest</td>
<td>571.658</td>
<td>5</td>
<td>93337</td>
<td>.000</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>1517.924</td>
<td>5</td>
<td>85807</td>
<td>.000</td>
</tr>
<tr>
<td>Inflation</td>
<td>3286.274</td>
<td>5</td>
<td>82836</td>
<td>.000</td>
</tr>
<tr>
<td>Investment Profile</td>
<td>410.977</td>
<td>5</td>
<td>93548</td>
<td>.000</td>
</tr>
<tr>
<td>Socio-economic Conditions</td>
<td>597.648</td>
<td>5</td>
<td>93548</td>
<td>.000</td>
</tr>
</tbody>
</table>

conclude that changes in economic growth, inflation, investment profile, socioeconomic conditions and internal conflict are all associated with changes in corruption levels.

Although we can be confident that corruption causes variation across all five socioeconomic indicators, we still do not know the nature of the relation. Does corruption diminish economic growth and investment? What is the direction of relation between corruption and domestic unrest? How does pervasiveness of corruption affect aggregate socioeconomic conditions of the populace? Figures 5.1 through 5.4 are mean plots graphically illustrating the relation between increase in levels of corruption and five measures of socioeconomic conditions observed in a country. In all figures, X-axis is the level of corruption collapsed into six categories, representing increase in corruption with increase in the category. Y-axis in each plot represents GDP per capita (Figure 5.1), domestic unrest (Figure 5.2), investment profile (Figure 5.3) and socioeconomic conditions (Figure 5.4), respectively.
FIGURE 5.1. Effects of Corruption on Mean Economic Growth

FIGURE 5.2. Effects of Corruption on Domestic Unrest
FIGURE 5.3. Effects of Corruption on Investment Profile

FIGURE 5.4. Effects of Corruption on Socioeconomic Conditions
As illustrated in Figure 5.1 through Figure 5.4, corruption at all levels have significantly strong effect on political and economic factors analyzed in this section. The effects of corruption are strongest on aggregate socioeconomic conditions (Figure 5.4). Socioeconomic conditions drop sharply as corruption increases from one level to the next. Likewise, while prevalence of corruption has significant detrimental effect on economic growth (Figure 5.1) and investment (Figure 5.3), it also increases the chances of observing domestic unrest (Figure 5.2).

In sum, the analysis of variance test and the accompanying mean plots that have been presented here not only confirm the literature that suggests a negative effect of corruption on socioeconomic indicators, but also sets a foundation for my argument that corruption has externalities for executives. Now that I have validated the relation between corruption and several domestic political and economic factors that have been emphasized in diversionary literature as instigators of use of force, the next step in my analyses is to examine how corruption is related to conflict initiation in general and belligerency of rivals as well as leaders of different regime types in particular.

**Corruption, Domestic Unrest and Diversionary Use of Force**

Having shown that corruption actually is related to important domestic factors that are crucial for the tenure of leaders, the next task is to identify how corruption displays in decision calculus of diverters. Hypothesis 3.1 and 3.2 formulated in the theoretical chapter asserted two contradictory effects of corruption on the use of force. The former stated that political leaders who benefits from the practice of corruption in polity will be risk averse and avoid belligerency in foreign policy. The latter hypothesis,
on the other hand, highlighting the externalities of corruption for political popularity, asserted a positive effect of corruption under conditions of mass dissatisfaction.

**TABLE 5.5. Influence of Corruption on MID Initiation**

<table>
<thead>
<tr>
<th>Variables</th>
<th>β</th>
<th>SE (β)</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contiguity</td>
<td>2.254</td>
<td>.097</td>
<td>.000</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>.763</td>
<td>.169</td>
<td>.000</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-1.156</td>
<td>.173</td>
<td>.000</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>.650</td>
<td>.132</td>
<td>.000</td>
</tr>
<tr>
<td>Territoriality</td>
<td>9.409</td>
<td>1.020</td>
<td>.000</td>
</tr>
<tr>
<td>Corruption</td>
<td>-.173</td>
<td>.055</td>
<td>.002</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>-.064</td>
<td>.031</td>
<td>.037</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>-.017</td>
<td>.007</td>
<td>.020</td>
</tr>
<tr>
<td>Investment Profile</td>
<td>-.189</td>
<td>.028</td>
<td>.000</td>
</tr>
<tr>
<td>Corruption*Domestic Unrest</td>
<td>.023</td>
<td>.009</td>
<td>.013</td>
</tr>
<tr>
<td>Constant</td>
<td>-4.541</td>
<td>.269</td>
<td>.000</td>
</tr>
</tbody>
</table>

| No. observations          | 85364 |
| Hosmer-Lemashow           | 17.51 (8) | .025 |
| Chi-Square                | 176.63 (10) | .000 |
| Log-Likelihood            | 5167.76 |
| Pseudo R-square           | .263   |

Table 5.5 displays findings for two alternative effects of corruption on conflict initiation in addition to various domestic political and economic indicators controlling for various international factors. The results confirm my argument that corruption in and by itself has a negative effect on conflict initiation. A one unit increase in corruption decreases the odds of conflict initiation by .786. In other words, chances of initiating conflict decrease by 44% when there is one unit increase in corruption. Domestic unrest, likewise, in isolation is a discouraging factor for conflict initiation. However, corruption in combination with domestic unrest precipitates rather than hinders external conflict. The coefficient (β=.020; p=.032) for the product term between corruption and internal conflict is positive and statistically significant. One standard deviation above the mean
FIGURE 5.5. Corruption and MID Initiation

![Graph showing the relationship between Corruption and MID Initiation.](image)

FIGURE 5.6. Corruption Domestic Unrest and MID Initiation

![Graph showing the relationship between Corruption and Domestic Unrest in the context of MID Initiation.](image)
value of Corruption*Domestic Unrest increases the odds of conflict by 1.022.

Probabilistically stated, the possibility of MID initiation increases about 50% with a one unit increase in corruption accompanied with internal conflict.

Figure 5.5 and 5.6 portray these findings by plotting the predicted probability of conflict initiation given various levels for corruption with and without domestic unrest. We can see from the graph in Figure 5.5 that the likelihood of conflict declines sharply with increase in corruption levels. Figure 5.6, which represents the predicted probability of MID initiation, holding other variables in the model at their mean value, given the change in the interaction term for corruption and internal conflict, displays an opposite trend than that observed for the isolated effect of corruption. We can see from the graph that corruption in interaction with domestic unrest strongly contributes to the likelihood of observing militarized conflict.

Taken together, these results confirm my theoretical argument that suggested two pathways through which corruption affects militarized interstate disputes. As formulated in hypotheses 3.1 and 3.2, corruption alone has a discouraging effect on conflict initiation while corruption that instigates internal conflict increases the chances of observing hostile foreign policy behavior.

Other domestic explanatory variables in the model are also significant, and mostly in the predicted direction assumed by diversionary theory. Political leaders are more likely to have an incentive for instigating conflict when there is a decline in economic growth as well as decline in investment. The odds of observing conflict increase by factors of .825 and .986 as a country experiences decline in investment and economic growth, respectively. Nevertheless, domestic unrest has a negative significant effect on
the chances of initiating militarized interstate disputes. This suggests that similar to
corruption, domestic unrest in isolation discourages political leaders in initiating conflict.

All control variables, likewise, are significant and in the predicted direction.
While contiguity, territoriality, major power status, and capability advantage increase the
risk of conflict, joint democracy has pacifying effect on probabilities of observing
militarized interstate dispute initiation. Territoriality, unsurprisingly, appears to be the
most important factor in observing conflict. The odds of conflict increase by a factor of
13,667 when the issue under contention involves territorial disputes.

**Corruption, Rivalry and Diversionary Use of Force**

My hypothesis 3.3 predicted that if rivals conflict with each other in line with
expectations of diversionary theory, then there should be a positive relation between
corruption and conflict initiation in rivalry than non-rivalry environments. The third set
of analyses addresses these relations in four types of rivalry outlined earlier. Table 5.6
reports the estimates of these results. Each equation, along with control and explanatory
variables examined in the first model, includes separate interaction terms for
Rivalry*Domestic Unrest, Rivalry*Corruption, Rivalry*Investment Profile, and
Rivalry*GDP per capita.

As presented in Table 5.6, several interactions between rivalry and domestic
factors are significant. However, not all relations are in the predicted direction. Column 1
in Table 5.6 reports results for the combined categories of proto and enduring rivals. The
most outstanding finding that emerges from Column 1 is the relation between corruption
and rivalry and domestic unrest and rivalry. Consistent with the findings for international
### Table 5.6: Logistic Model for the Influence of Corruption on MID Initiation of Four Categories of Rivalry Accounting for Domestic Political and Economic Factors

<table>
<thead>
<tr>
<th>Variables</th>
<th>International Rivalry</th>
<th></th>
<th></th>
<th></th>
<th>Strategic Rivalry</th>
<th></th>
<th></th>
<th></th>
<th>Enduring Rivalry</th>
<th></th>
<th></th>
<th></th>
<th>Proto-Rivalry</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contiguity</td>
<td>0.083</td>
<td>0.137</td>
<td>.544</td>
<td>1.852</td>
<td>0.110</td>
<td>0.000</td>
<td></td>
<td>.777</td>
<td>0.140</td>
<td>0.000</td>
<td>1.352</td>
<td>0.10</td>
<td>0.000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Capability Ratio</td>
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<td>1.184</td>
<td>0.000</td>
<td>0.763</td>
<td>0.171</td>
<td>0.000</td>
<td></td>
<td>1.036</td>
<td>0.184</td>
<td>0.000</td>
<td>0.676</td>
<td>0.181</td>
<td>0.000</td>
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<td></td>
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<tr>
<td>Joint Democracy</td>
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<td>0.182</td>
<td>0.000</td>
<td>-1.042</td>
<td>0.173</td>
<td>0.000</td>
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<td>-1.034</td>
<td>0.176</td>
<td>0.000</td>
<td>-0.784</td>
<td>0.181</td>
<td>0.000</td>
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<td>Major Power Status</td>
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<td>0.793</td>
<td>0.134</td>
<td>0.000</td>
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<td>0.141</td>
<td>0.000</td>
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<td>0.145</td>
<td>0.000</td>
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<td>Rivalry</td>
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<td>0.522</td>
<td>0.000</td>
<td>1.988</td>
<td>0.656</td>
<td>0.002</td>
<td></td>
<td>-3.522</td>
<td>0.467</td>
<td>0.002</td>
<td>2.779</td>
<td>0.529</td>
<td>0.000</td>
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<td></td>
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<tr>
<td>Territoriality</td>
<td>9.616</td>
<td>1.068</td>
<td>0.000</td>
<td>9.289</td>
<td>1.023</td>
<td>0.000</td>
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<td>9.057</td>
<td>1.048</td>
<td>0.000</td>
<td>9.697</td>
<td>1.020</td>
<td>0.000</td>
<td></td>
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<tr>
<td>Corruption</td>
<td>-0.207</td>
<td>0.064</td>
<td>0.001</td>
<td>-0.022</td>
<td>0.041</td>
<td>0.516</td>
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<td>-0.591</td>
<td>0.050</td>
<td>0.000</td>
<td>-0.019</td>
<td>0.049</td>
<td>0.696</td>
<td></td>
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</tr>
<tr>
<td>Domestic Unrest</td>
<td>-0.077</td>
<td>0.025</td>
<td>0.002</td>
<td>-0.018</td>
<td>0.016</td>
<td>0.275</td>
<td></td>
<td>-0.021</td>
<td>0.018</td>
<td>0.275</td>
<td>-0.025</td>
<td>0.018</td>
<td>0.147</td>
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</tr>
<tr>
<td>GDP Per Capita</td>
<td>-0.052</td>
<td>0.010</td>
<td>0.000</td>
<td>-0.023</td>
<td>0.008</td>
<td>0.005</td>
<td></td>
<td>-0.036</td>
<td>0.010</td>
<td>0.005</td>
<td>-0.025</td>
<td>0.009</td>
<td>0.006</td>
<td></td>
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</tr>
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<td>Investment Profile</td>
<td>-0.377</td>
<td>0.051</td>
<td>0.001</td>
<td>-1.189</td>
<td>0.030</td>
<td>0.000</td>
<td></td>
<td>-2.444</td>
<td>0.033</td>
<td>0.000</td>
<td>-2.522</td>
<td>0.037</td>
<td>0.000</td>
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</tr>
<tr>
<td>Rivalry*Corruption</td>
<td>0.142</td>
<td>0.082</td>
<td>0.002</td>
<td>-2.288</td>
<td>0.113</td>
<td>0.011</td>
<td></td>
<td>1.265</td>
<td>0.047</td>
<td>0.011</td>
<td>-1.141</td>
<td>0.080</td>
<td>0.103</td>
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<td></td>
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</tr>
<tr>
<td>Rivalry*GDP Per Capita</td>
<td>0.044</td>
<td>0.015</td>
<td>0.002</td>
<td>-0.010</td>
<td>0.023</td>
<td>0.679</td>
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<td>0.038</td>
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<td>0.016</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Rivalry*Domestic Unrest</td>
<td>0.090</td>
<td>0.031</td>
<td>0.004</td>
<td>0.074</td>
<td>0.038</td>
<td>0.048</td>
<td></td>
<td>0.036</td>
<td>0.036</td>
<td>0.048</td>
<td>0.043</td>
<td>0.033</td>
<td>0.190</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Rivalry*Investment Profile</td>
<td>0.365</td>
<td>0.063</td>
<td>0.000</td>
<td>0.064</td>
<td>0.077</td>
<td>0.410</td>
<td></td>
<td>0.540</td>
<td>0.067</td>
<td>0.410</td>
<td>0.289</td>
<td>0.059</td>
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<td></td>
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<tr>
<td>Constant</td>
<td>-3.822</td>
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<td>0.000</td>
<td>-4.882</td>
<td>0.277</td>
<td>0.000</td>
<td></td>
<td>-3.557</td>
<td>0.000</td>
<td>0.000</td>
<td>-4.694</td>
<td>0.322</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:**
- **B** = Coefficient
- **SE (β)** = Standard Error
- **P-Value** = Significance Level

**Model Statistics:**
- **No. Observations:** 85364
- **Hosmer-Lemeshow (df):**
  - International Rivalry: 15.556 (8), P = 0.049
  - Strategic Rivalry: 14.24 (8), P = 0.071
  - Enduring Rivalry: 27.44 (8), P = 0.000
  - Proto-Rivalry: 35.183 (8), P = 0.000
- **Chi-Square (df):**
  - International Rivalry: 3368.76 (14), P = 0.000
  - Strategic Rivalry: 1899.53 (14), P = 0.000
  - Enduring Rivalry: 2833.69 (14), P = 0.000
  - Proto-Rivalry: 2783.64 (14), P = 0.000
- **Log-Likelihood:**
  - International Rivalry: 3567.63
  - Strategic Rivalry: 5036.86
  - Enduring Rivalry: 4102.70
  - Proto-Rivalry: 4152.74
- **Pseudo-R-square:**
  - International Rivalry: 0.496
  - Strategic Rivalry: 0.282
  - Enduring Rivalry: 0.418
  - Proto-Rivalry: 0.411
rivals in the previous chapter, domestic unrest still exercises significant positive impact on conflict initiation. States that face internal conflict are more likely to initiate conflict against their rivals. This relation receives support in strategic rivalry context as well. However, Rivalry*Domestic Unrest interaction in enduring and proto-rivalry equations (Column 3 and 4) suffers from the same fate that has been observed in Chapter 4. While domestic unrest in isolation has a negative insignificant effect, it has a positive sign in interaction with both enduring and proto-rivalry but appears to be statistically insignificant. As noted in the previous chapter, the primary reason for the insignificant effect of domestic unrest and Rivalry-domestic unrest interaction is due to the severe collinearity between interaction terms and their components. The correlation between Enduring Rivalry and Enduring Rivalry*Domestic Unrest is \( r = .787 \). The same collinear relation is observable in proto-rivalry context as well (\( r = .784 \)).

The most interesting pattern that emerges from Table 5.6 is the relation between corruption and conflict initiation in rivalry settings. In line with theoretical expectations, corruption increases the chances of observing conflict in the context of international rivalry, but not in proto and strategic rivalry. The effect of corruption on conflict initiation is strongest among enduring rivals. Conversely, the same relation is negative and insignificant in proto-rivalry context. Corruption in combination with rivalry in strategic rivalry environment, on the other hand, appears to have a negative effect on the occurrence of militarized disputes. This indicates that the positive and significant relation between Rivalry*Corruption found in international rivalry context is driven by enduring rivals.
The effect of corruption on conflict initiation in enduring rivalry context is so strong that it even overshadows the influence of enduring rivalry. A closer look at Column 3 in Table 5.6 demonstrates that being in an enduring rivalry strongly decreases the probability of conflict, whereas the pervasiveness of corruption in enduring rivalry context strongly influences the chances of conflict involvement. From a theoretical point of view, the inverse effect of enduring rivalry and the positive effect of corrupt in enduring rivalry setting on conflict initiation makes sense. Recall that punctuated equilibrium model to rivalry progression suggested that maturation of rivalry decreased chances of observing conflict among rival states. On the other hand, the positive relation between Enduring Rivalry*Corruption is a confirmation of how rivalries become embedded in domestic political processes to the extent that they create a group of profiteers who benefit from the continuation of rivalry to its termination (McGinnis and Williams 1993; Hensel 1998; 1999b; Hensel 2001; Mor 1997; Thomson 2001).

Viewed in this context, the findings presented here are further confirmation of the necessity to pay closer attention to domestic political considerations in explaining the conflict behavior of rivals. They also shed light on the fact that established policies are not necessarily shaped by foreign policy imperatives. It appears that rivals do not only make good scapegoats but at the same time make profitable enterprises for dominant interest groups who have leverage on political leadership. In this regard, these findings substantiate the arguments that rivalry and polices that are adopted in the name of national security are serving the interests of certain groups within the polity who articulate their parochial interests under the guise of patriotism. As such, when these findings are considered in conjunction with Snyder’s (1991) insights over the logic
behind overexpansionist policies justified by narrow interest groups and reconciled by statesmen and Mansfield and Snyder’s (1995; 2002) emphasis on galvanization of nationalist sentiments by logrolling coalitions of mixed regimes one should not be surprised by the relation between corruption and conflict proneness of enduring rivals.

Figure 5.7 compares the effects of (mean) corruption on conflict initiation in enduring rivalry and non- (enduring) rivalry settings simultaneously. These predicted probabilities are derived from the estimated results presented in Column 3 of Table 5.6 holding the other variables at their mean value. The dashed line indicates increase in the probability of conflict with higher levels of corruption in enduring rivalry settings. The solid line represents the relation between corruption and probability of conflict in non-enduring rivalry settings. As can be seen, contrary to rivalry environments, corruption is negatively associated with conflict initiation. Thus, as predicted by hypothesis 3.3, corruption has a relatively important effect on conflict between enduring rivals.

Another interesting pattern that emerges from all four equations is the isolated effect of investment profile and GDP per capita as opposed to their interaction with corresponding rivalry category. In all four equations, while decline in investment profile and economic growth experienced by a country increases the chances of conflict in non-rivalry contexts, investment profile appears to be positively associated with conflict initiation in interstate rivalry settings. GDP per capita, on the other hand, has a positive significant effect in interstate rivalry, enduring and proto-rivalry contexts, but is not significant for the category of strategic rivals.

Before moving on to the next section, the final analyses concerning the effect of corruption on conflict initiation in rivalry contexts involve the combined effect of
corruption and domestic unrest on external conflict behavior of rivals. To capture this relation, a triple interaction term between rivalry, corruption and domestic unrest is included in the model. The results for this variable are presented in Table 5.7. Note that the dual interaction terms are removed from this model. As can be seen in all four equations, the interaction term for rivalry, corruption and domestic unrest does not receive support in any of the rivalry settings. The coefficient estimate for the product of rivalry, corruption and internal conflict is statistically insignificant in all four equations. In other words, there is no evidence that states that simultaneously experience high levels of corruption and internal conflict are likely to divert against their rivals.

**Figure 5.7. Predicted Probability of MID Initiation and Corruption in Enduring and Non-Enduring Rivalry Settings**
### TABLE 5.7. Logistic Model for the Influence of Corruption on MID Initiation of Four Categories of Rivalry Accounting for Domestic Political and Economic Factors

<table>
<thead>
<tr>
<th>Variables</th>
<th>International Rivalry</th>
<th>Strategic Rivalry</th>
<th>Enduring Rivalry</th>
<th>Proto-Rivalry</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>SE (β)</td>
<td>P-Value</td>
<td>B</td>
</tr>
<tr>
<td>Contiguity</td>
<td>-.062</td>
<td>.136</td>
<td>.648</td>
<td>1.858</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>.990</td>
<td>.185</td>
<td>.000</td>
<td>.757</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-.764</td>
<td>.181</td>
<td>.000</td>
<td>-1.068</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>-.238</td>
<td>.151</td>
<td>.000</td>
<td>.629</td>
</tr>
<tr>
<td>Rivalry</td>
<td>4.978</td>
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<td>.115</td>
<td>1.717</td>
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<tr>
<td>Territoriality</td>
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<td>1.049</td>
<td>.000</td>
<td>9.258</td>
</tr>
<tr>
<td>Corruption</td>
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<td>.045</td>
<td>.005</td>
<td>-.067</td>
</tr>
<tr>
<td>Domestic Unrest</td>
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<td>.019</td>
<td>.156</td>
<td>-.005</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>-.032</td>
<td>.008</td>
<td>.000</td>
<td>-.024</td>
</tr>
<tr>
<td>Investment Profile</td>
<td>-.150</td>
<td>.030</td>
<td>.000</td>
<td>-.181</td>
</tr>
<tr>
<td>Rivalry<em>Corruption</em>Domestic Unrest</td>
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<td>.007</td>
<td>.502</td>
<td>-.005</td>
</tr>
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<td>Constant</td>
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<td>.296</td>
<td>.000</td>
<td>-4.849</td>
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</tbody>
</table>

| No. Observations | 85364 |
| Hosmer-Lemeshow    | 18.82 (8) | .016 | 19.42 (8) | .013 | 14.64 (8) | .066 | 48.15 | .000 |
| Chi Square         | 3303.82 (11) | .000 | 1887.03 (11) | .000 | 2067.42 (11) | .000 | 2729.80 (11) | .000 |
| Log-Likelihood     | 3632.57 | 5049.35 | 4868.42 | 4206.59 |
| Pseudo R-square    | .486 | .280 | .307 | 403 |
Corruption, Regime Type and Diversionary Use of Force

I devote the fourth section of my statistical analyses to the conditioning effect of regime type. Table 5.8 presents results of the effects of corruption and internal conflict together with investment profile and GDP per capita for three types of polity. The first thing that receives attention is the variation in the belligerency of different regimes. Among the three types of regimes, mixed regimes have more tendency to conflict initiation in comparison to their autocratic and democratic counterparts. Indeed, both democracy and autocracy decreases the chances of conflict. These findings, to a great extend overlap with the patterns observed for differential reactions of autocratic, democratic and mixed regimes observed in Chapter 4. While mixed regimes have more tendency to become belligerent when they face a decline in the overall state of the economy and investment, they exercise more restrain when they experience internal conflict. Autocratic regimes, on the other hand, tend to engage in militarized interstate disputes when the economy is performing well. This tendency is depicted by the interaction terms between autocracy and investment profile and autocracy and GDP per capita. Both interaction terms are positive and statistically significant. Autocratic regimes, however, become more hostile when they experience internal conflict. For democratic regimes, while GDP per capita does not affect conflict initiation, increase in investment levels tend to create more incentive for initiating militarized interstate disputes. Like mixed regimes, democratic regimes tend to refrain from initiating hostilities when they face internal conflict.

The most interesting finding presented in Table 5.8 is the effect of corruption on conflict behavior of executives in different regime types. Corruption both in isolation and
<table>
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<tr>
<th>Variables</th>
<th>Autocratic B</th>
<th>SE (β)</th>
<th>P-Value</th>
<th>Mixed B</th>
<th>SE (β)</th>
<th>P-Value</th>
<th>Democratic B</th>
<th>SE (β)</th>
<th>P-Value</th>
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<td>.000</td>
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<td>.000</td>
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<td>.100</td>
<td>.000</td>
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<tr>
<td>Capability Ratio</td>
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<td>.000</td>
<td>.709</td>
<td>.170</td>
<td>.000</td>
<td>.769</td>
<td>.171</td>
<td>.000</td>
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<td>Joint Democracy</td>
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<td>.000</td>
<td>-991</td>
<td>.178</td>
<td>.000</td>
<td>-1.191</td>
<td>.184</td>
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<td>.000</td>
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<td>.526</td>
<td>.133</td>
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<td>.000</td>
<td>9.348</td>
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<td>.000</td>
<td>9.518</td>
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<td>.000</td>
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<td>.042</td>
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<td>.047</td>
<td>.603</td>
<td>-.129</td>
<td>.053</td>
<td>.014</td>
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<td>Domestic Unrest</td>
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<td>.016</td>
<td>.064</td>
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<td>.102</td>
<td>.016</td>
<td>.018</td>
<td>.351</td>
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<td>GDP Per Capita</td>
<td>-.031</td>
<td>.011</td>
<td>.004</td>
<td>.005</td>
<td>.011</td>
<td>.649</td>
<td>-.008</td>
<td>.007</td>
<td>.248</td>
</tr>
<tr>
<td>Investment Profile</td>
<td>-.204</td>
<td>.030</td>
<td>.80</td>
<td>-.080</td>
<td>.034</td>
<td>.021</td>
<td>-.369</td>
<td>.037</td>
<td>.000</td>
</tr>
<tr>
<td>Regime</td>
<td>-1.839</td>
<td>.680</td>
<td>.007</td>
<td>2.455</td>
<td>.478</td>
<td>.000</td>
<td>-2.691</td>
<td>.487</td>
<td>.000</td>
</tr>
<tr>
<td>Regime*Corruption</td>
<td>.062</td>
<td>.114</td>
<td>.585</td>
<td>-.114</td>
<td>.090</td>
<td>.204</td>
<td>.150</td>
<td>.084</td>
<td>.073</td>
</tr>
<tr>
<td>Regime*Domestic Unrest</td>
<td>.110</td>
<td>.037</td>
<td>.003</td>
<td>-.068</td>
<td>.029</td>
<td>.018</td>
<td>-.056</td>
<td>.029</td>
<td>.055</td>
</tr>
<tr>
<td>Regime*GDP Per Capita</td>
<td>.042</td>
<td>.018</td>
<td>.018</td>
<td>-.050</td>
<td>.017</td>
<td>.004</td>
<td>.015</td>
<td>.026</td>
<td>.574</td>
</tr>
<tr>
<td>Regime*Investment Profile</td>
<td>.011</td>
<td>.076</td>
<td>.883</td>
<td>-.234</td>
<td>.062</td>
<td>.000</td>
<td>.429</td>
<td>.057</td>
<td>.000</td>
</tr>
<tr>
<td>Constant</td>
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<td>.272</td>
<td>.000</td>
<td>-5.835</td>
<td>.322</td>
<td>.000</td>
<td>-3.867</td>
<td>.315</td>
<td>.000</td>
</tr>
</tbody>
</table>

| No. observations          | 85364        |
| Hosmer-Lemeshow (df)      | 9.524 (8)    | .300   | 14.4 (8) | .078   | 41.558 (8) | .000 |
| Chi-Square (df)           | 1838.83 (14) | .000   | 1829.25 (14) | .000   | 1841.16 (14) | .000 |
| Log-Likelihood            | 5097.56      | 5107.14 | 5095.23 |
| Pseudo-R-square           | .273         | .272   | .273    |

TABLE 5.8. Logistic Model for Influence of Corruption on MID Initiation of Three Types of Regimes, Accounting for Domestic Political and Economic Factors
in interaction with regime type appears to be significant only in equation for democratic regimes. While the main effect of corruption in democratic regime type equation is negative, corruption in interaction with democracy displays a significantly positive relation with militarized dispute initiation.

Figure 5.8 illustrates the differential effect of corruption on conflict initiation in democratic and non-democratic regimes. The graph illustrates the predicted probability of conflict initiation derived from the estimated results obtained from Column 3 of Table 5.8 holding other variables in the equation at their mean value. Clearly, the probability curve for democratic regimes is in the positive direction and increases sharply with increase in corruption levels. Non-democratic regimes, represented by the dashed line, conversely, are strongly averse to external conflict involvement as corruption in the polity increases.

Substantively, these results have two important implications for the argument advanced here. In the first place, these findings substantiate the assertion that corrupt leaders are more likely to be averse to risky policies that will undermine not only their tenure but also the stability of corrupt mechanism. Recall that the ability of a corrupt leader to attract and maintain support is conditioned by the ability of the leader to ensure stability in the distribution of resources to their potential supporters over the long term. Viewed from this perspective, it is not surprising to see why corrupt autocrats, and for the same reason corrupt autocrats exercise more restrain in their foreign policy behaviors.

The conflict proneness of corrupt democrats, on the other hand, can be explained only by their vulnerability to electoral pressures. Ironically, the election mechanism that creates an incentive in democratic leaders to resort to diversionary use of force to hide
their domestic political failures appears to influence their foreign policy under conditions of corruption. In other words, under circumstances where democratic accountability is not sufficient to restrain political leaders to engage in corrupt practice, a similar paradox emphasized by Hess and Orphanides (1995; 2001) motivates such leaders to use the discretionary power of the office to divert public attention from their corrupt practices by engaging in bellicose policies. Although this explanation might receive skepticism, it is certainly consistent with diversionary use of force in general, and gambling for resurrection hypothesis in particular. Since corrupt leaders in democratic regimes are at greater hazard of removal from the office, they should have more incentive to mask their illicit practices by diversionary uses of force.
Robustness Check for the Effects of Corruption on Conflict Behavior of Leaders Operating in Different Regime Types

Before concluding this chapter, I consider it necessary to check the robustness of the findings presented in Table 5.8 by collapsing separate equations for three different regime types into one single model. Table 5.9 presents results for the full equation where democratic regime variable serves as the excluded baseline category. A comparison of the findings presented in the full equation outlined in Table 5.9 in relation with the influence of pervasiveness of corruption on conflict behavior of leaders operating under different institutional constraints with the results obtained in initial equations presented in Table 5.8 demonstrates somewhat different estimates.

Recall that in Table 5.8, I found a positive relation between corruption and conflict initiation for democratic leaders. There was no indication that corruption had an effect on conflict behavior of autocratic and mixed regimes. The sign of coefficient estimate was positive and insignificant for the former regime type, and negative and insignificant for the latter.

However, the effect of corruption on conflict behavior of mixed regimes, in full model, is positive and statistically significant. In other words, leaders of mixed regimes become more belligerent under high levels of corruption. Yet, it appears in the full model that although corruption still exercises an insignificant effect on conflict behavior of autocratic regimes, the sign of the relation alters from being positive to negative. The effect of corruption on conflict behavior of democratic regimes, which is represented by the isolated term for corruption, on the other hand, is still positive and statistically significant. The positive and significant effect of corruption on conflict behavior of
TABLE 5.9. Full Logistic Model for the Influence of Corruption on MID Initiation of Three Types of Regime, Accounting for Domestic Political and Economic Factors

<table>
<thead>
<tr>
<th>Variables</th>
<th>β</th>
<th>SE (β)</th>
<th>P-Value</th>
</tr>
</thead>
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<tr>
<td>Contiguity</td>
<td>2.284</td>
<td>.100</td>
<td>.000</td>
</tr>
<tr>
<td>Capability Ratio</td>
<td>.695</td>
<td>.168</td>
<td>.000</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>-1.216</td>
<td>.180</td>
<td>.000</td>
</tr>
<tr>
<td>Major Power Status</td>
<td>.532</td>
<td>.140</td>
<td>.000</td>
</tr>
<tr>
<td>Territoriality</td>
<td>9.467</td>
<td>1.018</td>
<td>.000</td>
</tr>
<tr>
<td>Corruption</td>
<td>.102</td>
<td>.056</td>
<td>.069</td>
</tr>
<tr>
<td>Domestic Unrest</td>
<td>-.023</td>
<td>.022</td>
<td>.289</td>
</tr>
<tr>
<td>GDP Per Capita</td>
<td>.021</td>
<td>.019</td>
<td>.291</td>
</tr>
<tr>
<td>Investment Profile</td>
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<td>.040</td>
<td>.010</td>
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<tr>
<td>Autocratic Regimes</td>
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<td>.723</td>
<td>.287</td>
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<tr>
<td>Autocratic*Corruption</td>
<td>-.039</td>
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<td>.741</td>
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<td>Autocratic*Domestic Unrest</td>
<td>.105</td>
<td>.040</td>
<td>.009</td>
</tr>
<tr>
<td>Autocratic*GDP Per Capita</td>
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<td>.716</td>
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<td>Autocratic*Investment Profile</td>
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<tr>
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<td>.031</td>
<td>.613</td>
</tr>
<tr>
<td>Mixed*GDP Per Capita</td>
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<td>.023</td>
<td>.007</td>
</tr>
<tr>
<td>Mixed*Investment Profile</td>
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<td>.065</td>
<td>.001</td>
</tr>
<tr>
<td>Constant</td>
<td>-5.576</td>
<td>.364</td>
<td>.000</td>
</tr>
</tbody>
</table>

| No. Observations             | 85364|
| Hosmer-Lemashow (df)         | 15.60 (8)| .048|
| Chi-Square (df)              | 1873.13 (19)| .000|
| Log-Likelihood               | 5063.25|
| Pseudo R-square              | .278|

democratic and mixed regimes is a further indication of the validity of the argument that election mechanism creates more incentive to bias foreign policy decisions.

Other domestic political and economic indicators in full model, likewise, produce mixed results in comparison to estimates observed in reduced equations. Although the analyses show that autocratic regimes are still more belligerent than mixed and democratic, there is no indication that GDP per capita and investment profile have significant effects on conflict behavior of the leaders in the former category.
Nevertheless, it is important to note that the signs of relations for both variables changes from being positive to negative.

For mixed regimes, the effect of domestic unrest is still negative but insignificant. Investment profile, however, is still negative and significant. Similarly, the negative effects of GDP per capita for mixed regimes remain to be robust in full model.

As for the respective effects of domestic unrest, GDP per capita and investment profile on conflict behavior of democratic regimes, the results in full model demonstrate that domestic unrest and GDP per capita are statistically insignificant. Note that while GDP per capita had a positive insignificant effect, domestic unrest had a negative significant effect in reduced equation for democratic regimes.
CHAPTER SIX
CONCLUSION

This study is worthy of serious consideration because it makes a number of significant contributions to our understanding of the influence of domestic factors on international conflict and diversionary theory of conflict in particular. First, the theory constructed here establishes a clear link between the logic of political survival, regime type, rivalry, corruption and diversion by utilizing the selectorate theory as the bind holding all these three separate areas of research together. In this, it provides a non-realist and non-unitary actor framework for understanding the causes of conflict among rival as well as non-rival states. Such an approach, as argued above, requires understanding the motivation of those who make decisions in the name of the state. Once the focus is shifted from the state to decision makers, from the interest of the state to the interest of leaders, from the motivation of the state to the motivation of leaders, the effects of domestic political processes on foreign policy and concern for political survival becomes inevitable. Perhaps, the basic idea underlying the logic behind this shift is why a state, which cannot be impartial in devising domestic policies, should be impartial in the domain of foreign policy. Since decisions made in the name of the state are made by political leaders whose primary motivation is to remain in power, it is misleading to relegate all state actions in foreign policy to security maximization.

Taking the logic of political survival into account, first aids in understanding how political leaders who fail to accommodate the demands of the coalition that brought them to power can use bellicose policies to hold their coalition together. It also explains how
different political settings can lead political leaders to resort diversionary use of force under the risk of different domestic pressures. In this regard, my results highlight the necessity of taking into account differential effects of issues on diversionary behavior of leaders executing under different accountability mechanisms.

As anticipated in the theoretical argument, leaders of democratic and mixed regimes appear to be more vulnerable to economic problems. While the likelihood of conflict initiation by democratic leaders increases under inflationary pressures, the leaders of mixed regimes become more belligerent in their foreign policy under declines in the overall state of the economy. Leaders of mixed regimes, likewise, appear to be generally more belligerent in their foreign policy than their democratic and autocratic counterparts. Autocratic leaders, on the other hand, are inclined to engage in external conflict under the pressure of domestic political unrest. While different accountability mechanism explain why leaders of democratic regimes prefer to initiate conflict when they face economic downturns as opposed to autocratic leaders, further investigation is required to explain differential effect of inflation and GDP per capita on leaders of democratic and mixed regimes, respectively.

Second, this study complements the existing literature between diversion and rivalry by investigating the influence of domestic unrest on the use of force in the rivalry context. The opportunity richness of rivalry settings for conflict as well as the history of enmity, which makes diversion against rivals more persuasive, has proved rivalry an analytically useful concept for the study of diversion. The existing literature, however, has mainly focused on deteriorating economic indicators, inflation and GDP per capita. To this date, no empirical evidence has been presented to corroborate the relation
between domestic unrest and the use of force against rivals. Furthermore, the existing literature has primarily restricted its focus to the category of enduring rivals. The analyses conducted here underscore the utility to investigate the relation between domestic factors and conflict behavior of rivals utilizing different measures of rivalry.

In particular, my findings demonstrate that international and strategic rivals appear to initiate conflict when they face domestic unrest. Inconclusive evidence exists for the influence of domestic unrest on external conflict behavior of proto and enduring rivals. In both settings, the interaction terms representing situations in which states are involved in rivalry and experiencing domestic unrest is severely correlated with their component variables. Removing enduring and proto-rivals form the equations reveals a positive relation between the use of force against rivals under conditions of domestic unrest. However, I am still hesitant to draw strong conclusions given the severe co-linearity between rivalry and the product term for rivalry and domestic unrest. Thus, feature research should devise a more nuanced research design that will address this problem.

As for the relation between domestic economic indicators and the use of force against rivals, my findings confirm the results obtained in earlier studies (Mitchell and Prins 2004; Foster 2006a). This condition, however, does not hold for the relation between declining GDP per capita rates and the use of force against enduring rivals, as reported by Bennett and Nordstrom. I consider the use of different units of analysis as the major reason for the contradictory findings. Bennett and Nordstrom utilize a research design that tests their hypothesis only in dyadic rivalry relations. The fact that this type of
case selection practice has been strongly criticized for leading to selection bias raises questions over the inferences drawn by Bennett and Nordstrom.

Fourth, this study has introduced a new perspective to the study of diversion by associating diversion with corruption. Chapter 3 of this work devises a theoretical framework that elaborates on the association of diversion with corruption. The keystone of the argument rests on the use of the discretionary power of the office for personal political gains. If one accepts the view that national security is a public good, it is not too sophisticated to see how the use of discretionary power regarding the use of force to maintain one’s hold on power is the abuse of the privileges of the office for personal political gains. In addition, I provide two channels through which corruption is related to the use of force. Consistent with casual relations constructed in theoretical argument, the empirical findings demonstrate that corruption strongly discourages external conflict involvement. On the other hand, the empirical findings demonstrate that corruption not only has a strong relation with indicators of public satisfaction but also is positively associated with conflict initiation under conditions domestic unrest.

Finally, the relation between corruption and the use of force is extended to examine the conditioning effects of rivalry and regime type. The causal argument for the relation between corruption and external use of force against rivals assumed a positive relation between corruption and the use of force in rivalry settings. This expectation has been particularly due to the entrenchment of rivalry in domestic political process that leads to the creation of narrowly defined interest groups, who benefit from the continuation of rivalry and thus press for hawkish policies against rivals. My analyses demonstrate that enduring rivals fit perfectly to this expectation. In particular, there is a
strong association between corruption and militarized dispute initiation against enduring rivals. The same relation is observed in the international rivalry context. However, the lack of any significant relation between corruption and conflict behavior of leaders in pro-rivalry environments suggests that the positive relation observed in the international rivalry context is to a great extent driven by the behavior of enduring rivals. Conversely, corruption in strategic rivalry contexts appears to discourage conflict.

One possible explanation, which can be offered for the differential effects of corruption on conflict behavior of rivalry measure as operationalized by Klien et al (2007) and strategic rivalry measure as operationalized by Thomson (1995; 2001) is the use of different coding schemes. While the former operationalization primarily relies on dispute density approach, the latter strictly identifies rivals according to threat perception. The operationalization of strategic rivalry based on threat perception suggests that militarization is not a necessary condition for a pair of states to be categorized as rivals. This in turn implies that conflict might be observed less frequently for strategic rivals than international and/or enduring rivals.

Alternatively, one can argue that since the coding of strategic rivals is strictly based on threat perception, the influence of domestic political factors should be less intense on conflict behavior of this category of rivals. Yet we observed that strategic rivals strongly react to domestic unrest. Therefore, neither of these explanations is definitive. They should rather be taken tentatively, and future research should address why strategic rivals as well as proto rivals react differently than international and enduring rivals in terms of the effects of corruption on their external conflict behavior.
My analyses have also shed light on the differential effect of corruption on conflict behavior of leaders under different accountability mechanisms. The findings demonstrate that consistent with the logic of gambling for resurrection hypothesis, democratic leaders are more prone to hostility in foreign policy.

Overall, the primary success of this research is to show that a substantial portion of foreign policy conflict is influenced by domestic political and economic factors that have strong implications for the tenure of political leaders. My analyses have also shed new light on the meaning of diversion by treating it as a form of corruption. Finally, these analyses, although mixed, have further substantiated the influence of domestic factors on conflict behavior of rivals.

In spite of these achievements, it is necessary to acknowledge areas that need improvement. Primarily, the theoretical argument presented here is decidedly built on the logic of political survival. However, the analyses are conducted by using annualized directed dyadic data set. Therefore, future research should check the robustness of these findings by examining the relations constructed here by utilizing dataset with political leaders as the unit of analysis (Bueno de Mesquita and Siverson 1995; Chiozza and Goemans 2003; 2004; Goemans 2008) individual leader data.

Apart from this major weakness that needs to be addressed, the research can be expanded to take into account other dimensions of domestic conflict such as religious and/or ethnic tensions. Also these analyses can be put to a more severe test by accounting for strategic conflict avoidance and opportunity exploitation hypotheses.

A consistent theme in diversionary literature, with this study being no exception, is that leaders who initiate conflict with diversionary purposes in mind will try to create
the perception of a foreign threat by employing less risky tactics and trying to avoid atrocities that have the potential to escalate into war. However, there is no empirical research to corroborate this assertion. Therefore, future research should investigate whether there is a relation between domestic factors and the severity of conflict. Certainly, showing that leaders who face domestic political and economic pressures have the tendency to adopt less severe forms of conflict will enhance our confidence in the validity of diversionary theory.

Furthermore, in relation to diversionary behavior of rival states, future research can address the role of military in diversion against rivals. As noted earlier, Dassel (1998) and Dassel and Reinhart consider military as import actor in decisions over the use of force and argue that military will allow the use of force only under conditions that domestic strife threatens the organizational unity of armed forces. Thus, future research should be extended to investigate this possibility in rivalry settings to gain further insights in domestic determinants of conflict between rivals.
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