### 1NC

#### Text: A just government ought to recognize an unconditional right of workers to strike, except in the case of police officers.

#### Police strikes embolden police power and prevent reform

Grim 20, Andrew. [Andrew Grim, a Ph.D. candidate in history at the University of Massachusetts Amherst, is at work on a dissertation on anti-police brutality activism in post-WWII Newark.] “What Is the ‘Blue Flu’ and How Has It Increased Police Power?” *The Washington Post*, 1 July 2020, <https://www.washingtonpost.com/outlook/2020/07/01/what-is-blue-flu-how-has-it-increased-police-power/>. [GHS-AA]

What is the “blue flu,” and why might it strike New York City police? This weekend, officers from the New York City Police Department are rumored to be planning a walkout to protest calls to defund the police. This builds on a similar tactic used by police in Atlanta less than a month ago. On June 16, Fulton County District Attorney, Paul L. Howard Jr. announced that Garrett Rolfe, the Atlanta police officer who fatally shot Rayshard Brooks, would face charges of felony murder and aggravated assault. That night, scores of Atlanta Police Department officers caught the “blue flu,” calling out sick en masse to protest the charges against Rolfe. Such walkouts constitute, in effect, illegal strikes — laws in all 50 states prohibit police strikes. Yet, there is nothing new about the blue flu. It is a strategy long employed by police unions and rank-and-file officers during contract negotiations, disputes over reforms and, like in Atlanta, in response to disciplinary action against individual officers. The intent is to dramatize police disputes with municipal government and rally the citizenry to their side. But the result of such protests matter deeply as we consider police reform today. Historically, blue flu strikes have helped expand police power, ultimately limiting the ability of city governments to reform, constrain or conduct oversight over the police. They allow the police to leverage public fear of crime to extract concessions from municipalities. This became clear in Detroit more than 50 years ago. In June 1967, tensions arose between Detroit Mayor Jerome Cavanagh and the Detroit Police Officers Association (DPOA), which represented the city’s 3,300 patrol officers. The two were at odds primarily over police demands for a pay increase. Cavanagh showed no signs of caving to the DPOA’s demands and had, in fact, proposed to cut the police department’s budget. On June 15, the DPOA escalated the dispute with a walkout: 323 officers called in sick. The number grew over the next several days as the blue flu spread, reaching a height of 800 absences on June 17. In tandem with the walkout, the DPOA launched a fearmongering media campaign to win over the public. They took out ads in local newspapers warning Detroit residents, “How does it feel to be held up? Stick around and find out!” This campaign took place at a time of rising urban crime rates and uprisings, and only a month before the 1967 Detroit riot, making it especially potent. The DPOA understood this climate and used it to its advantage. With locals already afraid of crime and displeased at Cavanagh’s failure to rein it in, they would be more likely to demand the return of the police than to demand retribution against officers for an illegal strike. The DPOA’s strategy paid off. The walkout left Detroit Police Commissioner Ray Girardin feeling “practically helpless.” “I couldn’t force them to work,” he later told The Washington Post. Rather than risk public ire by allowing the blue flu to continue, Cavanagh relented. Ultimately, the DPOA got the raises it sought, making Detroit officers the highest paid in the nation. This was far from the end of the fight between Cavanagh and the DPOA. In the ensuing months and years, they continued to tussle over wages, pensions, the budget, the integration of squad cars and the hiring of black officers. The threat of another blue flu loomed over all these disputes, helping the union to win many of them. And Detroit was not an outlier. Throughout the 1960s, ’70s and ’80s, the blue flu was a ubiquitous and highly effective tactic in Baltimore, Memphis, New Orleans, Chicago, Newark, New York and many other cities. In most cases, as author Kristian Williams writes, “When faced with a walkout or slowdown, the authorities usually decided that the pragmatic need to get the cops back to work trumped the city government’s long term interest in diminishing the rank and file’s power.” But each time a city relented to this pressure, they ceded more and more power to police unions, which would turn to the strategy repeatedly to defend officers’ interests — particularly when it came to efforts to address systemic racism in police policies and practices. In 1970, black residents of Pittsburgh’s North Side neighborhood raised an outcry over the “hostile sadistic treatment” they experienced at the hands of white police officers. They lobbied Mayor Peter F. Flaherty to assign more black officers to their neighborhood. The mayor agreed, transferring several white officers out of the North Side and replacing them with black officers. While residents cheered this decision, white officers and the Fraternal Order of Police (FOP), which represented them, were furious. They slammed the transfer as “discrimination” against whites. About 425 of the Pittsburgh Police Department’s 1,600 police officers called out sick in protest. Notably, black police officers broke with their white colleagues and refused to join the walkout. They praised the transfer as a “long overdue action” and viewed the walkout as a betrayal of officers’ oath to protect the public. Nonetheless, the tactic paid off. After several days, Flaherty caved to the “open revolt” of white officers, agreeing to halt the transfers and instead submit the dispute to binding arbitration between the city and the police union. Black officers, though, continued to speak out against their union’s support of racist practices, and many of them later resigned from the union in protest. Similar scenarios played out in Detroit, Chicago and other cities in the 1960s and ’70s, as white officers continually staged walkouts to preserve the segregated status quo in their departments. These blue flu strikes amounted to an authoritarian power grab by police officers bent on avoiding oversight, rejecting reforms and shoring up their own authority. In the aftermath of the 1967 Detroit walkout, a police commissioner’s aide strongly criticized the police union’s strong-arm tactics, saying “it smacks of a police state.” The clash left one newspaper editor wondering, “Who’s the Boss of the Detroit Police?” But in the “law and order” climate of the late 1960s, such criticism did not resonate enough to stir a groundswell of public opinion against the blue flu. And police unions dismissed critics by arguing that officers had “no alternative” but to engage in walkouts to get city officials to make concessions.

#### Revolt against racial capitalism should explicitly be against the police – strikes enable them to continue oppressing the working class

**Clark 19**, School Director and Professor of Labor and Employment Relations, Penn State ("Why police unions are not part of the American labor movement," Conversation, <https://theconversation.com/why-police-unions-are-not-part-of-the-american-labor-movement-142538>) KD

A central concern with **police unions** is that **they use collective bargaining to negotiate contracts** **that reduce police transparency** and accountability. This **allows officers** **who engage in excessive violence** **to**[**avoid the consequences of their actions**](https://www.washingtonpost.com/business/2020/06/10/police-unions-violence-research-george-floyd/) and remain on the job. In a way, some **police unions have** **created an**[**alternative justice system**](https://www.theatlantic.com/politics/archive/2016/06/restorative-justice-police-violence/489221/) **that prevents** police departments and municipalities from **disciplining or discharging officers** who have committed crimes against the people they are sworn to serve. In Minneapolis, residents filed more than [2,600 misconduct complaints](https://www.wsj.com/articles/the-problem-with-police-unions-11591830984) against police officers between 2012 and 2020. But only 12 of those grievances resulted in discipline. The **most significant**[**punishment any officer received was a 40-hour suspension**](https://www.nytimes.com/2020/05/30/us/derek-chauvin-george-floyd.html). Besides collective bargaining, police have used the political process – including [candidate endorsements and lobbying](https://www.theguardian.com/us-news/2020/jun/23/police-unions-spending-policy-reform-chicago-new-york-la) – to secure local and state legislation that protects their members and quells efforts to provide greater police accountability. **Police officers are a formidable political force because they represent**[**the principle of law and order**](https://www.thedailybeast.com/the-gop-and-police-unions-a-love-story)**.** Candidates endorsed by the police unions can claim they are the law and order candidate. Once these candidates win office, police unions have [significant leverage to lobby for policies](https://nymag.com/intelligencer/2020/06/george-floyd-protests-police-abuse-reform-qualified-immunity-polls.html) they support or block those they oppose. Because of this power, critics claim that **police unions don’t feel accountable to the citizens they serve.** An attorney who sued the Minneapolis Police Department on behalf of a Black resident who was [severely beaten by police officers](https://www.nytimes.com/2020/05/30/us/derek-chauvin-george-floyd.html) said that he is convinced that Minneapolis “officers think they don’t have to abide by their own training and rules when dealing with the public.”

#### Police power and lack of accountability leads to over policing in minority neighborhoods

Greenhouse 20, Steven. [Steven Greenhouse was a reporter at the New York Times for thirty-one years; he covered labor and workplace matters there for nineteen. He is the author of “Beaten Down, Worked Up: The Past, Present, and Future of American Labor.”] “How Police Unions Enable and Conceal Abuses of Power.” *The New Yorker*, 18 June 2020, <https://www.newyorker.com/news/news-desk/how-police-union-power-helped-increase-abuses>. [GHS-AA]

A 2018 University of Oxford study of the hundred largest American cities found that the extent of protections in police contracts was directly and positively correlated with police violence and other abuses against citizens. A 2019 University of Chicago study found that extending collective-bargaining rights to Florida sheriffs’ deputies led to a forty per cent statewide increase in cases of violent misconduct—translating to nearly twelve additional such incidents annually. In a forthcoming study, Rob Gillezeau, a professor and researcher, concluded that, from the nineteen-fifties to the nineteen-eighties, the ability of police to collectively bargain led to a substantial rise in police killings of civilians, with a greater impact on people of color. “With the caveat that this is very early work,” Gillezeau wrote on Twitter, on May 30th, “it looks like collective bargaining rights are being used to protect the ability of officers to discriminate in the disproportionate use of force against the non-white population.” Other studies revealed that many existing mechanisms for disciplining police are toothless. WBEZ, a Chicago radio station, found that, between 2007 and 2015, Chicago’s Independent Police Review Authority investigated four hundred shootings by police and deemed the officers justified in all but two incidents. Since 2012, when Minneapolis replaced its civilian review board with an Office of Police Conduct Review, the public has filed more than twenty-six hundred misconduct complaints, yet only twelve resulted in a police officer being punished. The most severe penalty: a forty-hour suspension. When the St. Paul Pioneer Press reviewed appeals involving terminations from 2014 to 2019, it discovered that arbitrators ruled in favor of the discharged police and corrections officers and ordered them reinstated forty-six per cent of the time. (Non-law-enforcement workers were reinstated at a similar rate.) For those demanding more accountability, a large obstacle is that disciplinary actions are often overturned if an arbitrator finds that the penalty the department meted out is tougher than it was in a similar, previous case—no matter if the penalty in the previous case seemed far too lenient. To critics, all of this highlights that the disciplinary process for law enforcement is woefully broken, and that police unions have far too much power. They contend that robust protections, including qualified immunity, give many police officers a sense of impunity—an attitude exemplified by Derek Chauvin keeping his knee on George Floyd’s neck for nearly nine minutes, even as onlookers pleaded with him to stop. “We’re at a place where something has to change, so that police collective bargaining no longer contributes to police violence,” Benjamin Sachs, a labor-law professor at Harvard, told me. Sachs said that bargaining on “matters of discipline, especially related to the use of force, has insulated police officers from accountability, and that predictably can increase the problem.”

#### Over policing leads to more anti-black violence and a greater number of black people shot by white police officers.

Mock 19, Brentin. [Brentin Mock covers national politics for Colorlines. He previously served as lead reporter for Voting Rights Watch 2012, covering the challenges presented by new voter ID laws, suppression of voter registration drives and other attempts to limit electoral power of people of color. Brentin is also a contributor for Demos’ blog PolicyShop, where he covers voting rights and civil rights; and also a blogger for Grist.org, where he writes about environmental justice. You can read some of his other work at Next American City, Facing South, The Root, In These Times, American Prospect and The Washington Post.] “What New Research Says About Race and Police Shootings.” *CityLab*, 6 Aug. 2019, <https://www.citylab.com/equity/2019/08/police-officer-shootings-gun-violence-racial-bias-crime-data/595528/> [GHS-AA]

In the U.S., African Americans are 2.5 times more likely to be killed by police than white people. For black women, the rate is 1.4 times more likely. That’s [according to a new study](https://www.pnas.org/content/early/2019/07/30/1821204116) conducted by Frank Edwards, of Rutgers University’s School of Criminal Justice, Hedwig Lee, of Washington University in St. Louis’s Department of Sociology, and Michael Esposito, of the University of Michigan’s Institute for Social Research. The researchers used verified data on police killings from 2013 to 2018 compiled by the website [Fatal Encounters](https://fatalencounters.org/about-me/), created by Nevada-based journalist D. Brian Burghart. Under their models, they found that roughly 1-in-1,000 black boys and men will be killed by police in their lifetime. For white boys and men, the rate is 39 out of 100,000. In fact, people of color in general were found more likely to be killed by police than their white counterparts. The study was published on Monday in the Proceedings of the National Academy of Sciences, or PNAS, a journal that recently drew controversy for publishing another study on police killing disparities. That [study](https://www.pnas.org/content/early/2019/07/16/1903856116#ref-21), led by Michigan State University psychology professor Joseph Cesario, published on July 22, found that [violent crime rates and the racial demographics of a given location](https://msutoday.msu.edu/news/2019/the-truth-behind-racial-disparities-in-fatal-police-shootings/) are better indicators for determining a police killing victim’s race. As Cesario explained in a [press release](https://msutoday.msu.edu/news/2019/the-truth-behind-racial-disparities-in-fatal-police-shootings/): Many people ask whether black or white citizens are more likely to be shot and why. If you live in a county that has a lot of white people committing crimes, white people are more likely to be shot. If you live in a county that has a lot of black people committing crimes, black people are more likely to be shot. The two studies are just the latest salvos in a [long-running debate](https://www.citylab.com/equity/2017/02/is-reverse-racism-among-police-real/513503/) over whether police violence towards African Americans is better explained because of racial prejudice or because black people are really violent enough to justify extra police force. The Cesario study, with its focus on crime rates, seems to fall in the latter camp. Both rely on media-generated police shootings data—Cesario’s uses databases produced by The Washington Post and The Guardian. Several academics have [challenged Cesario’s](https://www.npr.org/2019/07/26/745731839/new-study-says-white-police-officers-are-not-more-likely-to-shoot-minority-suspe) [methodology](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3431132), namely his decision to “[sidestep the benchmark](https://www.pnas.org/content/early/2019/07/16/1903856116#ref-21)” of using population to calculate racial disparity. It has been questioned whether [using population is an appropriate benchmark](https://www.tandfonline.com/doi/abs/10.1080/0735648X.2018.1547269?journalCode=rjcj20) in these kinds of analyses: Critics of this technique believe that population-benchmarking is flawed because it assumes black and white people have an equal likelihood of encountering police. (An example of population-benchmarking is, as Cesario’s study explains, stating: “26% of civilians killed by police shootings in 2015 were Black even though Black civilians comprise only 12% of the U.S. population. According to this 12% benchmark, more Black civilians are fatally shot than we would expect, indicating disparity.”) The problem with this, as Princeton professor Jonathan Mummolo, [explained on Twitter](https://twitter.com/jonmummolo/status/1157056417796382720?s=20), is that it still rests on the assumption that black and white officers encounter black civilians in equal numbers, or in even temperaments—which [they don’t](https://www.citylab.com/equity/2015/11/police-are-more-aggressive-overall-in-encounters-with-african-americans/416253/).

## Case

ROB vote for the better debater

Hodl them to the post-fiat conseuqnces of the aff – cannot fiat a world w/ou racism – voer for extra-T – fairness, shiftiness

#### Market based economies with private initiatives are the best way to bolster economic growth and reduce poverty and inequality – socialist alternatives fail

Lingle 02 (Christopher Lingle is senior fellow at the Centre for Civil Society in New Delhi and visiting professor of economics at Universidad Francisco Marroquin, Guatemala. "Blame it all on socialism," 4/2/02, pg. online @ ccs.in/blame-it-all-socialism//ghs-DM)

In a classic case of deflecting blame for their own shortcomings, politicians in India have identified the size of the population as the country's biggest problem. It is hard to imagine a more cynical or despicable lie. If left unfettered by the extensive interferences of government, the Indian people could soon be among the richest on earth. The truth is that India's greatest problems arise from a political culture guided by socialist instincts. Diehard socialists proclaim that their dogma reinforces certain civic virtues. A presumed merit of socialism is that it aims to nurture a greater sense of collective identity by suppressing the narrow self-interest of individuals. However, this aspect of socialism lies at the heart of its failure both as a political tool as well as the basis for economic policy. This is because socialism provides the political mechanism for and legitimacy by which people identify themselves as members of groups. While it may suit the socialist agenda to create 'them-and-us' scenarios relating to workers and capitalists or peasants and urban dwellers, this logic is readily converted to other types of divisions. Asserting group rights over individual rights can lead to various injustices. In the case of India's socialist state, competition for power has increasingly become identified with religiosity or ethnicity. Political parties based upon religion are inevitably exclusionary. These narrow concepts of identity work against nation building since such political arrangement cannot accommodate universalist values. Socialism also sets the stage for populist promises of taking from one group to support another. And so it is that socialist ideology provided the beginnings of a political culture that has evolved into a sectarian populism that have wrought cycles of communal violence. Populism with its solicitations of political patronage, whether based upon nationalism or some other ploy, is also open to corruption. Like its evil twin populism, socialism creates false expectations among the poor that cannot be fulfilled. Suggestions that poverty can be decreased or that social justice served by taking away from the rich or by passing laws to raise wages misleads the poor into believing that their condition can and should be legislated away. In response, the poor demand to be given ever more as a right arising from group identity. By promoting the misleading idea that income and wealth redistribution can reduce poverty, socialism ignores the fact that poverty arises from low economic growth and insufficient capital formation. As in most emerging market economies, India has too many policies that hinder private investments. One of the lessons of the global economy is that only private initiatives can create sustainable economic growth and employment. Long-term investments by entrepreneurs are stunted by capricious actions of governments. Instead of listening to socialist denunciations of globalization, poverty-stricken citizens around the world should realize that their economies suffer from failures of governance. Poor policy decisions are being made within a defective 'institutional infrastructure'. At issue is nothing less than the role of the state. Should the Indian state be used as a mechanism to protect the freedoms and rights of individuals living under a general law with shared allegiance to a secular state? Or should the state be a vehicle for groups to gain power who use it to further their own narrow ends? It should be clear the latter approach would lead to the destruction of India's democracy while the former will allow it to survive. It is undeniable that public policy based upon socialism has promoted divisions that contributed to social instability and economic destruction. This dangerous game has only served the narrow interests of those who seek to capture or preserve political power. Socialism has wrought slower economic growth that harmed the poor and unskilled who lost access to economic opportunities. It also introduced forces that are destroying India's hard-earned democracy. A paradigm shift in the nature of Indian politics is needed whereby the state ceases serving as a mechanism for groups to gain power and becomes an instrument to secure rights and freedoms for individuals.

#### Free market capitalism needs to increase, not decrease, in order to reduce inequality/poverty and balance out the global economy

Norberg 03 (Johan Norberg is a senior fellow at the Cato Institute and a writer who focuses on globalization, entrepreneurship, and individual liberty. Norberg is the author and editor of several books exploring liberal themes, including his newest book, Financial Fiasco: How America’s Infatuation with Homeownership and Easy Money Created the Economic Crisis. "An Unequal Distribution — of Capitalism," 9/22/03, pg. online @ www.cato.org/publications/commentary/unequal-distribution-capitalism//ghs-DM)

The critics make it sound as though the poor are poor because the rich are rich, as if the richest 20 percent had somehow stolen those resources from the other 80 percent. That is wrong. The affluent world has grown fastest since losing its colonies. And the regions the imperialist countries subjugated grew faster after becoming colonies than they had previously. Several of the world’s richest countries — such as Switzerland and the Scandinavian countries — never had any colonies of importance. Others, such as the United States, Canada, Australia, New Zealand, Hong Kong, and Singapore, were colonies themselves. On the other hand, several of the world’s least developed countries — Afghanistan, Liberia, and Nepal, for example — have never been colonies. The main reason for that 20 percent consuming 80 percent of the resources is that they produce 80 percent of resources. The 80 percent consume only 20 percent because they produce only 20 percent of resources. It is this latter problem we ought to tackle. The problem is that many people are poor, not that certain people are rich. Critics of capitalism point out that per capita GDP is more than 30 times greater in the world’s 20 richest countries than in the 20 poorest. The critics are right to say that this inequality is due to capitalism — but not for the reasons they think. The difference is due to certain countries having taken the path of capitalism, resulting in fantastic prosperity for their inhabitants, while those choosing to impede ownership, trade, and production have lagged behind. Factors such as climate and natural disasters are not unimportant, but most of the gap can still be put down to certain countries having opted for liberalization and others for control. The 20 economically most liberal countries in the world have a per capita GDP about 29 times greater than the 20 economically least liberal. If, then, we are serious about closing the North-South divide, we should hope with all our hearts that the South will also gain access to a free economy and open markets. Developing countries that have had openness in recent decades have not only grown faster than other developing countries — they have grown faster than the affluent countries too. The world’s inequality is due to capitalism. Not to capitalism making certain groups poor, but to its making its practitioners wealthy. The uneven distribution of wealth in the world is due to the uneven distribution of capitalism. Trade and investment flows in the past two decades have come to be more and more evenly distributed among the economies that are relatively open to the rest of the world. It is the really closed economies that, for obvious reasons, are not getting investments and trade. A quarter of direct international investments between 1988 and 1998 went to developing countries. Since the beginning of the 1980s, investment flows from industrialized to developing countries have risen from $10 billion to $200 billion a year. If we look only at capital flows to the developing world, we find that 85 percent of direct investment there goes to a mere 10 countries, often the most liberalizing. But because those investments have been growing by 12 percent annually in the past three decades, tremendous increases also accrue for countries not included in the top 10. The affluent countries accounted for 80 percent of world GDP in 1975, a share that has fallen to 70 percent today. As has already been mentioned, poor countries that opted for economic liberalization and free trade have had faster growth than the affluent countries in recent decades. Free trade and economic liberalism, it seems, are a way for developing countries not only to get richer, but also, possibly, to catch up with the wealthier countries. As U.N. Secretary General Kofi Annan said at a conference held in February 2000, soon after the demonstrations against the World Trade Organization: “The main losers in today’s very unequal world are not those who are too much exposed to globalization. They are those who have been left out.”

#### Economic growth is key to prevent increasing violent inequality by taming the rich and creating opportunities for the poor

Reich 10 (Robert is chancellor’s professor of public policy at the University of California at Berkeley. He has served in three national administrations, most recently as secretary of labor under President Clinton. Time Magazine named him one of the 10 most effective cabinet secretaries of the last century. "Why growth is good," 8/20/10, pg. online @ www.csmonitor.com/Business/Robert-Reich/2010/0820/Why-growth-is-good//ghs-DM)

If governments keep hacking away at their budgets while consumers almost everywhere are becoming more cautious about spending, global demand will shrink to the point where a worldwide dip is inevitable. You might ask yourself: So what? Why do we need more economic growth anyway? Aren’t we ruining the planet with all this growth — destroying forests, polluting oceans and rivers, and spewing carbon into the atmosphere at a rate that’s already causing climate chaos? Let’s just stop filling our homes with so much stuff. The answer is economic growth isn’t just about more stuff. Growth is different from consumerism. Growth is really about the capacity of a nation to produce everything that’s wanted and needed by its inhabitants. That includes better stewardship of the environment as well as improved public health and better schools. (The Gross Domestic Product is a crude way of gauging this but it’s a guide. Nations with high and growing GDPs have more overall capacity; those with low or slowing GDPs have less.) Poorer countries tend to be more polluted than richer ones because they don’t have the capacity both to keep their people fed and clothed and also to keep their land, air and water clean. Infant mortality is higher and life spans shorter because they don’t have enough to immunize against diseases, prevent them from spreading, and cure the sick. In their quest for resources rich nations (and corporations) have too often devastated poor ones – destroying their forests, eroding their land, and fouling their water. This is intolerable, but it isn’t an indictment of growth itself. Growth doesn’t depend on plunder. Rich nations have the capacity to extract resources responsibly. That they don’t is a measure of their irresponsibility and the weakness of international law. How a nation chooses to use its productive capacity – how it defines its needs and wants — is a different matter. As China becomes a richer nation it can devote more of its capacity to its environment and to its own consumers, for example. The United States has the largest capacity in the world. But relative to other rich nations it chooses to devote a larger proportion of that capacity to consumer goods, health care, and the military. And it uses comparatively less to support people who are unemployed or destitute, pay for non-carbon fuels, keep people healthy, and provide aid to the rest of the world. Slower growth will mean even more competition among these goals. Faster growth greases the way toward more equal opportunity and a wider distribution of gains. The wealthy more easily accept a smaller share of the gains because they can still come out ahead of where they were before. Simultaneously, the middle class more willingly pays taxes to support public improvements like a cleaner environment and stronger safety nets. It’s a virtuous cycle. We had one during the Great Prosperity the lasted from 1947 to the early 1970s. Slower growth has the reverse effect. Because economic gains are small, the wealthy fight harder to maintain their share. The middle class, already burdened by high unemployment and flat or dropping wages, fights ever more furiously against any additional burdens, including tax increases to support public improvements. The poor are left worse off than before. It’s a vicious cycle. We’ve been in one most of the last thirty years. No one should celebrate slow growth. If we’re entering into a period of even slower growth, the consequences could be worse.

#### Turn – environment:

#### A) Rejecting capitalism causes massive ecological disasters

Butters 07- Nebraska Council on Economic Education, Assistant Professor of Economics, University of Nebraska (Roger, “Teaching the Benefits of Capitalism”, http://www.hillsdale.edu/images/userImages/afolsom/Page\_6281/Butters.pdf)

Property rights create the incentive needed to conserve scarce resources. Why is the air outside polluted and the air in your car clean? The answer is property rights. You don’t own the air outside your car so you gladly pollute it whereas the air inside your car, over which you have a property right, is jealously maintained with air‐conditioning, filters and air fresheners. How can we solve the pollution problem? Simple, establish a property right and require that all exhaust fumes be vented inside the vehicle that creates them. Suddenly the incentive to use better fuels, drive a more efficient vehicle and reduce emissions would result in booming innovation in pollution abatement; all in response to a property right. Clearly this example pushes into the absurd, but it illustrate the point none‐the‐less. For a more practical comparison consider why private bathrooms are clean, and public ones are not. Better yet, why are Maine Lobsters plentiful and orange roughy arent? – Property rights. Why are cows thriving and tigers vanishing? Property rights. For cows people have a direct incentive to preserve, protect and improve. For tigers the only incentive is to use the resource before someone else does. Why are elephants and other endangered species on the rebound in some African countries? Property rights. By letting villages own the animals they have an incentive to preserve, protect and improve, and as a result the animals are thriving. Rather than calling poachers when a rhinoceros decimates your corn-field, you care for the animal, make sure it has several young and then auction the right to shoot it to a wealthy game hunter. The animals are preserved, the population is maintained, the village receives increased wealth and a private individual has a unique experience. By defining the property right we have gone from extinction and poverty to trade and wealth and at the end of the day there are more, not fewer rhinoceroses. The tragedy of the commons is one of the most valuable and pervasive examples of what happens when property rights are poorly defined and unenforced. What is the benefit of capitalism? It provides us with property rights that create the incentives to preserve, protect and improve. It is not surprising that the greatest ecological disasters have all occurred in societies without strong social institutions that protect property.

#### B) Extinction

Dias 12—Braulio, Executive Secretary of the Convention on Biological Diversity “THE FUTURE WE WANT BIODIVERSITY AND ECOSYSTEMS– DRIVING SUSTAINABLE DEVELOPMENT BIODIVERSITY AND ECOSYSTEMS GLOBAL FRAMEWORK 2012-2020,” https://www.cbd.int/financial/mainstream/undp-globalframework2012-2020.pdf

Human survival and wellbeing depend upon biodiversity and healthy ecosystems, and the goods and services they provide. Yet, in recent decades, the world has experienced unprecedented biodiversity loss and ecosystem degradation, undermining the very foundations of life on Earth. Rapid demographic changes, overconsumption, and the use of technologies that damage the environment, now combined with climate change, are pushing our planet to its limits. Severe shortages of food, water and energy are predicted as human pressures on the planet’s climatic, geophysical, atmospheric and ecological processes approach a level at which abrupt global environmental change is likely to occur. Scientists believe we are beginning to transgress the planetary boundaries within which societies have been sustained for the past 10,000 years.

#### Causes mass death---only capitalism enables a peaceful solution to poverty.

Rainer Zitelmann 21. German historian and author of “The Rich in Public Opinion.” "Violence Is History’s Great Economic Leveler." National Interest. 6-30-2021. https://nationalinterest.org/feature/violence-history%E2%80%99s-great-economic-leveler-188974

Another question that is all too rarely asked is: What would be the price of eliminating inequality? In 2017, the renowned Stanford historian and scholar of ancient history Walter Scheidel presented an impressive historical analysis of this question: The Great Leveler: Violence and the History of Inequality from the Stone Age to the Twenty-First Century. He concludes that societies that have been spared mass violence and catastrophes have never experienced substantial reductions in inequality.

Substantial reductions in inequality have only ever been achieved as the result of violent shocks, primarily consisting of war, revolution, state failure and systems collapse, and plague.

According to Scheidel, the greatest levelers of the twentieth century did not include peaceful social reforms, they were the two world wars and the communist revolutions. More than 100 million people died in each of the two world wars and in the communist social experiments.

Total War as a Great Leveler

World War II serves as Scheidel’s strongest example of “total war” leveling. Take Japan: In 1938, the wealthiest 1 percent of the population received 19.9 percent of all reported income before taxes and transfers. Within the next seven years, their share dropped by two-thirds, all the way down to 6.4 percent. More than half of this loss was incurred by the richest tenth of that top bracket: their income share collapsed from 9.2 percent to 1.9 percent in the same period, a decline by almost four-fifths. The declared real value of the income of the largest 1 percent of estates in Japan’s population fell by 90 percent between 1936 and 1945 and by almost 97 percent between 1936 to 1949. The top 0.1 percent of all estates lost even more during this period, 93 and 98 percent, respectively. During this period, the Japanese economic system was transformed as state intervention gradually created a planned economy that preserved only a facade of free-market capitalism. Executive bonuses were capped, rental income was fixed by the authorities, and between 1935 and 1943 the top income tax rate in Japan doubled.

Significant leveling also took place in other countries during wartime. According to Scheidel’s analysis, the two world wars were among the greatest levelers in history. The average percentage drop of top income shares in countries that actively fought in World War II as frontline states was 31 percent of the prewar level. This is a robust finding because the sample consists of a dozen countries. The only two countries in which inequality increased during this period were also those farthest from the major theaters of war (Argentina and South Africa).

Low savings rates and depressed asset prices, physical destruction and the loss of foreign assets, inflation and progressive taxation, rent and price controls, and nationalization all contributed in varying degrees to equalization. The wealth of the rich was dramatically reduced in the two world wars, whether countries lost or won, suffered occupation during or after the war, were democracies or run by autocratic regimes.

The economic consequences of the two world wars were, therefore, devastating for the rich—a fact that stands in direct opposition to the thesis that it was capitalists that instigated the wars in pursuit of their own economic interests. Contrary to the popular perception that the lower classes suffered most in the wars, in economic terms it was the capitalists who were the biggest losers.

Incidentally, the left-wing economist Thomas Piketty comes to a similar conclusion. In his book Capital in the Twenty-First Century, he argues that progressive taxation in the twentieth century was primarily a product of the two world wars and not of democracy.

Poverty is Eliminated Peacefully

The price of reducing inequality has thus usually involved violent shocks and catastrophes, whose victims have been not only the rich but millions and millions of people. Neither nonviolent land reforms nor economic crises nor democratization has had as great a leveling effect throughout recorded history as these violent upheavals. If the goal is to distribute income and wealth more equally, says historian Scheidel, then we simply cannot close our eyes to the violent ruptures that have so often proved necessary to achieve that goal. We must ask ourselves whether humanity has ever succeeded in equalizing the distribution of wealth without considerable violence. Analyzing thousands of years of human history, Scheidel’s answer is no. This may be a depressing finding for many adherents of egalitarian ideas.

However, if we shift perspective, and ask not “How do we reduce inequality?” but “How do we reduce poverty?” then we can provide an optimistic answer: Not violent ruptures of the kind that led to reductions of inequality, but very peaceful mechanisms, namely innovations and growth, brought about by the forces of capitalism, have led to the greatest declines in poverty. Or, to put it another way: The greatest “levelers” in history have been violent events such as wars, revolutions, state and systems collapses, and pandemics, but the greatest poverty reducer in history has been capitalism. Before capitalism came into being, most of the world’s population was living in extreme poverty—in 1820, the rate stood at 90 percent. Today, it’s down to less than 10 percent. And the most remarkable aspect of all this progress is that, in the recent decades since the end of communism in China and other countries, the decline in poverty has accelerated to a pace unmatched in any previous period of human history. In 1981, the rate was still 42.7 percent; by 2000, it had fallen to 27.8 percent, and in 2021 it was only 9.3 percent.

#### No consistent link between economic freedom and inequality---capitalism net alleviates poverty.

Lazear 20, \*Edward P. Lazear was the Morris Arnold and Nona Jean Cox Senior Fellow at the Hoover Institution and the Davies Family Professor of Economics at Stanford University's Graduate School of Business.;(May 26th, 2020, “Socialism, Capitalism, And Income”, https://www.hoover.org/research/socialism-capitalism-and-income-0)

First, there is no evidence that, as a general matter, high-income groups benefit more from a move toward capitalism than low-income groups. The effect of changing state ownership and economic freedom on income is not larger for the rich than for the poor. Second, income growth is positively correlated across deciles. The situation is closer to a rising tide lifting all boats than to the fat man becoming fat by making the thin man thin. Finally, there is no consistent evidence across the large number of countries and time periods examined of any strong and widespread link between income growth and inequality. There are examples, like China, where income growth was coupled with large increases in inequality, but others like Chile, where strong income growth came about without much change in inequality, and South Korea, where inequality declined slightly as economic freedom and income grew over time.

Transfers and redistribution present the most complex picture of state involvement.

Transfers from rich to poor through the tax system are a luxury that only rich countries seem to be able to afford and are not a product of socialism per se. There is a very high correlation (-.67 in 2010) between contemporaneous median income and the low transfer index across countries.

High transfer countries like those in Scandinavia and other rich parts of Europe have primarily private ownership and economic freedom more like what prevails in the United States than in socialist countries. The poor definitely—and unsurprisingly—seem to benefit from higher transfers at a point in time. But the high taxes that generally go along with transfers do result in low income growth for median and high-income groups within a given country over time.

A similar pattern exists with respect to rule of law. The contemporaneous relation of rule of law to income is strong, but this seems to reflect the fact that countries that are wealthy demand rule of law rather than the reverse. Low state ownership at a point in time is a more consistent predictor of income growth within a country over the following decade than is rule of law at that same point in time.

Finally, not all transitions are alike. The Eastern European countries and the former Soviet Union saw large transitory declines in incomes for all groups during their transition to the market and the poor were more adversely affected than the rich. In China, and to a lesser extent India, market reforms brought about almost uninterrupted income growth. Venezuela provides an opposite example, moving from a more market-oriented economy to a socialist one.

Inequality fell slightly, but income growth was low for all groups and the poor have not regained the income levels that they had at the peak during the 1990s. The evidence suggests that it is economic shocks rather than transitions that disproportionately affect the poor. Transition from a command structure to the market is but one example of such a shock.

In sum, most income groups benefit from moves away from socialist command structures to free-market capitalism, but transfers can at least in the short run improve the well-being of those worst off.

#### Cap solves human rights- we control uq

Nohberg, 01(original publication)- Swedish author and historian, devoted to promoting economic globalization and is senior fellow at the Cato Institute (Johan, “In Defense of Global Capitalism”, 5, https://www.questia.com/library/103198447/in-defense-of-global-capitalism)//J

In 2002, there were 47 states that violated basic human rights. Worst among them were Burma, Cuba, Iraq, Libya, North Korea, Saudi Arabia, Sudan, Syria, and Turkmenistan—that is, the countries least affected by globalization and least oriented in favor of the market economy and liberalism. While deploring and combating their oppression, suppression of opinion, government-controlled media, and wiretapping, we should still remember that such was the normal state of affairs for most of the world’s population only a few decades ago. In 1973, only 20 countries with populations of more than a million were democratically governed. 12 During the 1990s the number of ‘‘free’’ states in the world increased by 21, at the same time as the number of unfree ones declined by 3. This expansion of freedom has proceeded parallel to the formation of many new states, following the disintegration of old ones like the Soviet Union. The democratic trend continues. And there is no reason to expect it to end now. Now and then it is alleged that democracy is hard to reconcile with Islam, and so it may seem in the world today. But we should remember that many researchers were saying the same about Catholicism as recently as the 1970s, when Catholic countries included, for example, the military regimes of Latin America, the communist states of eastern Europe, and dictatorships like the Philippines under Ferdinand Marcos.

#### No human rights ensures extinction

Human Rights Web, 94 (“An Introduction to the Human Rights Movement “Created on July 20, 1994 / Last edited on January 25, 1997, http://www.hrweb.org/intro.html)//J

The United Nations Charter, Universal Declaration of Human Rights, and UN Human Rights convenants were written and implemented in the aftermath of the Holocaust, revelations coming from the Nuremberg war crimes trials, the Bataan Death March, the atomic bomb, and other horrors smaller in magnitude but not in impact on the individuals they affected. A whole lot of people in a number of countries had a crisis of conscience and found they could no longer look the other way while tyrants jailed, tortured, and killed their neighbors. Many also realized that advances in technology and changes in social structures had rendered war a threat to the continued existence of the human race. Large numbers of people in many countries lived under the control of tyrants, having no recourse but war to relieve often intolerable living conditions. Unless some way was found to relieve the lot of these people, they could revolt and become the catalyst for another wide-scale and possibly nuclear war. For perhaps the first time, representatives from the majority of governments in the world came to the conclusion that basic human rights must be protected, not only for the sake of the individuals and countries involved, but to preserve the human race.

#### Capitalism is crucial to peace

Gartzke 9 (The Capitalist Peace Erik Gartzke Columbia University 2009 Erik Gartzke is an associate professor in the Department of Political Science and the Saltzman Institute of War and Peace Studies at Columbia University)

The discovery that democracies seldom fight each other has led, quite reasonably, to the conclusion that democracy causes peace, at leastwithin the community of liberal polities. Explanations abound, but a consensus account of the dyadic democratic peace has been surprisingly slow to materialize. I offer a theory of liberal peace based on capitalism and common interstate interests. Economic development, capital market integration, and the compatibility of foreignpolicy preferences supplant the effect of democracy in standard statistical tests of the democratic peace. In fact, after controlling for regional heterogeneity, any one of these three variables is sufficient to account for effects previously attributed to regime type in standard samples of wars, militarized interstate disputes (MIDs), and fatal disputes.1 If war is a product of incompatible interests and failed or abortive bargaining, peace ensues when states lack differences worthy of costly conflict, or when circumstances favor successful diplomacy. Realists and others argue that state interests are inherently incompatible, but this need be so only if state interests are narrowly defined or when conquest promises tangible benefits. Peace can result from at least three attributes of mature capitalist economies. First, the historic impetus to territorial expansion is tempered by the rising importance of intellectual and financial capital, factors that are more expediently enticed than conquered. Land does little to increase the worth of the advanced economies while resource competition is more cheaply pursued through markets than by means of military occupation. At the same time, development actually increases the ability of states to project power when incompatible policy objectives exist. Development affects who states fight (and what they fight over) more than the overall frequency of warfare. Second, substantial overlap in the foreign policy goals of developed nations in the post–WorldWar II period further limits the scope and scale of conflict. Lacking territorial tensions, consensus about how to order the international system has allowed liberal states to cooperate and to accommodate minor differences. Whether this affinity among liberal states will persist in the next century is a question open to debate. Finally, the rise of global capital markets creates a newmechanism for competition and communication for states that might otherwise be forced to fight. Separately, these processes influence patterns of warfare in the modern world. Together, they explain the absence of war among states in the developed world and account for the dyadic observation of the democratic peace. The notion of a capitalist peace is hardly new. Montesquieu, Paine, Bastiat, Mill, Cobden, Angell, and others saw in market forces the power to end war. Unfortunately, war continued, leading many to view as overly optimistic classical conceptions of liberal peace. This study can be seen as part of an effort to reexamine capitalist peace theory, revising arguments in line with contemporary insights much as Kantian claims were reworked in response to evolving evidence of a democratic peace. Existing empirical research on the democratic peace, while addressing many possible alternatives, provides an incomplete and uneven treatment of liberal economic processes.Mostdemocraticpeace researchexamines trade in goods and services but ignores capital markets and offers only a cursory assessment of economic development (Maoz and Russett 1992). Several studies explore the impact of interests, though these have largely been dismissed by democratic peace advocates (Oneal and Russett 1999a; Russett and Oneal 2001). These omissions or oversights help to determine the democratic peace result and thus shape subsequent research, thinking, and policy on the subject of liberal peace. This study offers evidence that liberal economic processes do in fact lead to peace, even accounting for the well-documented role of liberal politics. Democracy cohabitates with peace. It does not, by itself, lead nations to be less conflict prone, not even toward other democracies. The argument and evidence provided here are bound to draw criticism. Skepticism in the face of controversial claims is natural, reasonable, even essential for the cumulation of knowledge. The democratic peace observation is supported by an exceptionally large and sophisticated body of research.2 At the same time, excessive deference to previous conclusions privileges conventional wisdom.3 A willingness to doubt that which we have come to believe is a hallmark of scientific inquiry. Indeed, the weight of existing evidence does not directly contradict this study as previous research has typically failed to address the claims of classical liberal political economists like Montesquieu, Richard Cobden, and Norman Angell. As with previous research, this study finds support for a liberal peace, though the key causal variables, and some major policy implications, are considerably changed. Two Traditions of Liberal Peace Liberal scholarship details two paths to peace, one dominated by democracy, the other guided by the philosophy of market economics. This article briefly reviews each tradition, offering a few critical comments. The Political Tradition Democratic peace research most often attributes its intellectual genesis to Kant’s essay Perpetual Peace, though scholars like Abbe de Saint-Pierre, Rousseau, and Bentham all provided similar arguments prior to Kant.4 Early twentieth-century scholar-statesmen likeWoodrow Wilson andNicolasMurrayButler advanced thepacific effects of democracy in their writings, and to a lesser extent in practice. After a cold war hiatus, contemporary politicians like Bill Clinton and George W. Bush have again picked up the banner of liberal peace in an era of U.S. hegemony.5 Early statistical work questioned the liberal conviction that democracies are generally less warlike (cf.Wright 1942). Babst (1964, 1972) was the first to identify the special dyadic observation.6 Small and Singer (1976) drew attention to the topic, paradoxically by seeking to establish that Kant was wrong. Rummel (1979, 1983, 1985) argued foralibertarian peace, incorporating,amongother things, free markets: “The more freedom that individuals have in a state, the less the state engages in foreign violence” (1983, 27). Doyle (1983a, 1983b, 1997) examines three traditions of liberalism exemplified by Kant,Machiavelli, and Schumpeter, favoring Kantian republicanism.7 Levy (1988) characterized the democratic peace as “lawlike”,8 anticipating the bulk of quantitative research.9 Numerous studies have nowreported a negative statistical association between dyadic democracy and disputes, crises, or wars, especially in the post–World War II period (Beck, Katz, and Tucker 1998; Bremer 1992, 1993; Gelpi andGriesdorf 1997; Gleditsch1995; GleditschandHegre 1997; Gleditsch andWard1997;Hensel, Goertz,andDiehl 2000;Hermann and Kegley 1995, 1996; Hewitt and Wilkenfeld 1996; Huth and Allee 2002, 2003; Maoz and Abdoladi 1989; Maoz and Russett 1992, 1993; Morgan and Campbell 1991; Morgan and Schwebach 1992; Oneal and Russett 1997, 1999a, 1999c; Oneal, Russett, and Berbaum 2003; Oneal et al. 1996; Raknerud and Hegre 1997; Ray 1993, 1995; Russett 1993; Russett and Oneal 2001; Russett, Oneal, and Davis 1998; Senese 1997;Van Belle 1997;Ward and Gleditsch 1998;Weede 1992).10 Theories of democratic peace have also proliferated, in no small part because of the difficulty in accounting for the special dyadic nature of the observation.11 Initial accounts focused on linking domestic liberal norms or institutions to constraints on the use of force. Institutional explanations assert that elements of the apparatus of liberal government interfere with the exercise of military foreign policy (Bueno deMesquita and Lalman 1992; Maoz and Russett 1993; Russett 1993).Kant ([1795]1957) sawconstitutional constraints as inhibiting the sovereign’s innate proclivity toward warfare. Norms explanations assign an analogous role to informal processes said to evolve in mature democracies (Dixon1993, 1994;Ember, Ember, andRussett 1992;Mintz andGeva 1993;Owen 1994, 1997; Russett 1993).12 Constructivists argue that warfare is becoming socially unacceptable (Cederman 2001a, 2001b; Cederman and Rao 2001; Mueller 1989; Risse-Kappen 1995, 1997; Wendt 1999).13 Some see the evolution of a common identity (Deutsch 1978; Flynn and Farrell 1999).14 Others claim that mature democracies do not go to war with states that they perceive as democratic, but may fight with unrecognized democracies (Weart 1994, 1998).15 Constraint theories have been criticized as ad hoc and deductively flawed (Bueno deMesquita et al. 1999; Gates, Knutsen, andMoses 1996; Layne 2003;Rosato 2003).Note that the statement“democracies behave differently toward each other than toward nondemocracies” characterizes, in broad strokes, both the observation and many of the theories designed to explain the observation. Efforts to avoid a circularity between theory and evidence benefit most from new empirical content (Huth and Allee 2003). Work by Mousseau (2000), Hegre (2000), andMousseau, Hegre, and Oneal (2003), for example, restricts the domain of the democratic peace to states with advanced industrialized economies. It is not obvious from existing explanations for the democratic peace why norms, institutions, or other factorswould inhibit conflict among rich democracies but fail to do so for poor democratic states.16 Bueno de Mesquita et al. (1999, 2003) offer an elaborate and carefully constructed explanation in which leaders intent on remaining in office seek to retain the support of a winning coalition drawn from the group of politically relevant citizens (the selectorate). Size matters in this theory, as leaders in societies with small winning coalitions (autocracies) can efficiently target benefits to key supporters, while leaders facing big winning coalitions (democracies) are better off providing public goods to stay in power. Democracies fight harder because leaders with large winning coalitions are more likely to be replaced in the event of defeat. Two democracies, taken together, promise particularly expensive contests, leading democrats more often to prefer negotiated settlements.17 Comparisons of the costs or risks of war often tell us more about who gets what than about whether force is needed to get there. Since disputes typically end in some division of the stakes, the democratic peace can be described in terms of the timing of bargains, rather than about tactics. Several authors view democracies as more transparent (Mitchell 1998; Small 1996;VanBelle 1997).18 Others argue that “audience costs” or opposition groups allow democracies better to signal resolve (Fearon 1994; Schultz 1998, 1999; Smith 1998). Properly understood, however, these explanations anticipate monadic democratic pacifism, not the dyadic democratic peace relationship. Contests should be less likely in all dyads possessing at least one democratic state, regardless of the regime type of the dyadic partner.19 As Schultz acknowledges, domestic signaling arguments “. . . are fundamentally claims about democratic states, rather than democratic dyads” (1999, 243).20 Which explanations for the democratic peace are mostnearly “right?” Givensomany accounts, it is a safebet that at least some theoriesmust be in error. Still, whittling away at the panoply of plausible arguments has proven difficult. Textbook social science begins with deductive theories, implications of which are then tested empirically. The evolution of democratic peace research has been messier,with the bulk of explanations coming in response to the observation. Several authors seek to critically evaluate democratic peace theory (Gates,Knutsen, andMoses 1996; Layne 1994; Rosato 2003), but culling theories deductively is problematic.Apoorly crafted argument could still be fundamentally sound. Conversely, explanations that are seen to be flawed are often revised, escaping intellectual death. Other theories might be deductively coherent, but remain products, rather than predictors, of the observation. It is not clear, for example, how to reconcile the persuasive theory of Bueno de Mesquita et al. (2003) about large selectorates, with the persuasive evidence of Mousseau, Hegre, and Oneal (2003) that only some large selectorates matter.Given the malleabilityof assumptions, one should be able todevelopnumerous logically coherent explanations for almost any given empirical relationship. Indeed, given the flexibility of assumptions, and the number of bright minds engaged, it is rather a riddle that the democratic peace has yet to produce numerous logically coherent theoretical explanations. Statistical testing is necessary to substantiate any theoretical claim that is at variance with the established democratic peace observation.21 This same evidence is also sufficient to challenge existing theories of the democratic peace. Rather than seek to show that every conceivable attribute of democracy cannot possibly influence the propensity toward interstate violence—an impossible task—this article focuses on comparing democratic and capitalist variants of the liberal peace empirically. The Economic Tradition What else but democracy could account for liberal peace? One answer might be capitalism. The association between economic freedom and interstate peace has deep intellectual roots, though the liberal political economy tradition has received little attention in recent decades.22 Enlightenment figures like Montesquieu and Smith argued that market interests abominate war. Paine wrote that “commerce diminishes the spirit, both of patriotism and military defense” (cited in Walker 2000, 59). Cobden called trade “the grand panacea” ([1867] 1903, 36). Mill sawmarket forces as “rapidly rendering war obsolete” (1902, 390). Angell argued that it had become “impossible for one nation to seize by force the wealth or trade of another . . . war, even when victorious, can no longer achieve those aims for which peoples strive” (1933, 60). Angell (1933) serves as a useful point of departure in attempting to identify how capitalism contributes to interstate peace. Angell highlights two processes thought to diminish the appeal of conquest among countries with modern industrial economies. First, changes in the nature of production make it difficult to cheaply subdue and to profitably manage modern economies through force. Industrial economies are increasingly dependent on inputs that are more easily and cheaply obtained through commerce than through coercion. Relating tales of Viking raids on the English countryside, Angell asks why, now that the tables have turned, he did not see “our navy loading up a goodly part of our mercantile marine with the agricultural and industrial wealth of the Scandinavian peninsular” (1933, 103). Governments, like individuals, choose between trade and theft in obtaining needed goods and services. Modernity made it easier to profit from production and trade, and harder to draw wealth from conquered lands or confiscated loot.23 The second process Angell outlines involves economic globalization. The integration of world markets not only facilitates commerce, but also creates new interests inimical to war. Financial interdependence ensures that damage inflicted on one economy travels through the global system, afflicting even aggressors. Angell imagines aTeutonic army descending on London: “the German General, while trying to sack the Bank of England, might find his own balance in the Bank of Germany had vanished, and the value of even the best of his investments reduced” (1933, 106–7). As wealth becomes less tangible, more mobile, distributed, and more dependent on the good will of investors, it also becomes more difficult to coerce (Brooks 1999; Rosecrance 1985). The chief challenge to the arguments of Angell and other political economists is that they turned out to be wrong (Carr 1939; Morgenthau 1948). Two world wars and associated economic upheaval reversed the trend toward globalization and dissolved optimism about a capitalist peace.24 Cold war tensions ensured that scholarship was preoccupied with balancing and deterrence (Jervis 1978; Richardson 1960; Snyder 1961; Waltz 1959, 1979), and that subsequent generations of researchers remained skeptical about the prospects for liberal peace (Waltz 1970, 1999, 2000). These same events led to the long hiatus in democratic peace research. However, when interest in liberal peace returned, attention centered on democracy. Kantian theory was givena thorough rewrite in an attempt to conform to the evolving evidence, while the capitalist peace received little attention. Of the factors emphasized by liberal political economists, trade has been by far the most closely evaluated in contemporary scholarship (Bliss andRussett 1998; Keohane and Nye 1989; Oneal and Ray 1997; Oneal et al. 1996; OnealandRussett 1997, 1999a;Polachek 1980, 1997; Polachek, Robst, and Chang 1999).25 Yet, of the elements of global capitalism, trade is arguably the least important in terms of mitigating warfare. Classical political economists had yet to consider the strategic nature of conflict (Schelling 1966). If trademakes one partnermore pliant, it should allowother states to becomemore aggressive (Morrow 1999;Wagner 1988), so that the overall decline in warfare is small or nonexistent (Beck, Katz, and Tucker 1998; Gartzke, Li, and Boehmer 2001). Economic development, financial markets, and monetary policy coordination all arguably play a more critical role in promoting peace (Gartzke and Li 2003). Much of the impact of free markets on peace will be missed if much of what comprises capitalism is omitted or ignored. What are the “aims for which peoples strive,” which Angell mentions? Much like realists, classical political economists assumed that warfare results from resource competition. If there are other reasons why nations fight, then some wars will occur, despite the basic validity of capitalist peace arguments. It is then necessary to revise, rather than reject out of hand, economic explanations for liberal peace. This article next offers the outlines of a revised theory of capitalist peace. Capitalism as Pacifism The security dilemma implies that insecurity is a durable facet of international affairs. War can result as each country fears for its own security, even when neither state intends aggression (Glaser 1997; Jervis 1978). Yet, insecurity is predicated on the expectation that at least some countries are revisionist powers. Even “pessimistic” conceptions ofworld affairs appear more sanguine aswe relax the assumption that insecurity is ubiquitous and immutable. The task before peace theorists, then, is to identify when and how nations are liberated from the security dilemma. The argument here is that capitalism resolves insecurity by creating “powerful pacifists” (Lake 1992), countries possessing military strength ensuring that they are largely free from foreign influence or domination, but equally that they lack incentives to act aggressively abroad, at least under certain circumstances.26 Warfare results from two stages of interaction. First, states must possess the willingness and ability to compete. Second, states must be unable, or unwilling, to resolve differences through diplomatic means.27 Capabilities constrain weak, distant states (Belize and Burundi do not fight each other), but weakness alone is often insufficient, given the relativity of power. Indeed, weakness is an attractive attribute in a target. For similar reasons, an unwillingness to fight must also be mutual. For the purposes of exposition, imagine that the motives for war are divided between zero-sum (private goods) and nonzerosum( goodswith public properties).Private goods competition involves things like attempts to conquer or control material resources (land, labor, minerals).28 Competition can also occur over efforts to influence or compel policies (norms, alignments, leaders).29 The allocation of resources is inherently conflictual; two states that claim the same territory must compromise, fight, or delay a decision. The allocation of policies may or may not generate significant friction, depending on whether, or to what extent, stateobjectives are compatible.While itwould beodd to speak of countries as having substantially compatible interests when drawing a common geographic boundary (cf. Collins and Lapierre 1997;Holbrooke 1998), it would be strange not to consider the existence (or absence) of common cause in assessing such topics as ideology, norm enforcement, terrorism, or the organization of the global or regional economy. At least three mechanisms associated with capitalism are capable of addressing the security dilemma and mitigating the causes of war. States with similar policy goals have no need to fight to establish policy since little can be gained from victory, or lost in defeat. States always have dissimilar interests when it comes to resource or territorial issues, but changes in modern economies often make these differences trivial, as resources can be hadmore easily through commerce. There can be no basis for agreement between two passersby about who should collect a quarter lying on the sidewalk, but fighting over 25 cents makes little sense. If, however, a sack of $100 bills falls from the sky, landing on the quarter, then it is entirely possible that a fight will ensue over who can collect their bag of riches. Yet, even the sack of money need not lead to violence if the passersby can agree on how to divide up the wind fall. States willing and able to fight can still avoid a contest if competitors are able to foresee the likely consequences of fighting and identify appropriate bargains. Economic Development Conflict is inherent in the allocation of resources among two or more parties, but need not result in violence if the stakes are literally “not worth fighting over” or when bargains preempt fighting. Imagine two countries attempting to divide up a bundle of goods (resources, territory). Comparison of available allocations is zero-sum; any shift from one allocation to another benefits one country only at the expense of the other country. In this framework, a mutual preference for peace requires that the value of winning be small relative to the cost of fighting (Morrow 1989; Powell 1999). Peace advocates have long championed factors thought to make war prohibitively expensive. Cobden, for example, claimed optimistically that “Should war break out between two great nations I have no doubt that the immense consumption of material and the rapid destruction of property would have the effect of very soon bringing the combatants to reason or exhausting their resources” ([1867] 1903, 355). Yet, if war is a process where competitors inflict costs on one another, making war more expensive will affect who wins, or how long fighting lasts, but not whether a contest occurs (Levy andMorgan 1984). 172 ERIK GARTZKE War costs are also endogenous; if fighting is prohibitive, countries will make themselves a “nice little war.”30 Increasing the cost of fighting, or alternately increasing the benefits of peace—even when possible—shape what each actorwill accept in lieu of fighting, but do not tell us which bargains are forged before warfare, and which after. Even the prospect of nuclear annihilation did not deter disputes during the cold war (Schelling 1960). If, on the other hand, the value of resources in dispute is small or varies with ownership, then states can be disinclined to fight. Nations have historically used force to acquire land and resources, and subdue foreign populations. War or treaties that shifted control of territory changed the balance of resources, and power. Sovereigns, and to a lesser extent citizens, prospered as the state extended its domain. Development can alter these incentives if modern production processes de-emphasize land, minerals, and rooted labor in favor of intellectual and financial capital (Brooks 1999, 2005; Rosecrance 1996). If the rents from conquest decline, even as occupation costs increase, then states can prefer to buy goods rather than steal them.31 As the U.S. invasion of Iraq illustrates, occupying a reluctant foreign power is extremely labor intensive. If soldiers are expensive, then nations can be better off “outsourcing occupation” to local leaders and obtaining needed goods through trade.32 At the same time that development leads states to prefer trade to theft, developed countries also retain populations with common identities, cultural affinities, and political, social, and economic ties. These states may be reluctant to conquer their neighbors, but they are equally opposed to arbitrary contractions of their borders. Residents of Gibraltar, for example, prefer British rule, even while Spain, which has fought over this lump of rock for centuries, is today unwilling to provoke a war.33 The combination of a lack of motive for territorial expansion and continued interest in serving and protecting a given population ensures a decline in conflict among states with developed economies, especially where developed countries are geographically clustered (Gleditsch 2003). Since most territorial disputes are between contiguous states (Vasquez 1993), I hypothesize that developed, contiguous dyads are more powerful than either developing or noncontiguous dyads.34 H1: Development leads contiguous dyads to be less likely to experience conflict. While development decreases incentives for territorial aggrandizement, it greatly enhances the technological ability of states to project power. Nations with ships and aircraft can engage in distant disputes inconceivable for poor countries. Development may also lead to increased willingness to pursue policy conflicts. If development is clustered and neighbors no longer covet territory, capabilities can be devoted to pursuing the nation’s secondary or tertiary interests. Distributed production networks and greater economic, social, or political integration naturally also create incentives to seek to influence the foreign policies of other countries, sometimes through force. In contrast to the blanket assertion of classical political economists, I expect that development actually leads countries to be more likely to engage in conflicts far from home.35 Iraq invadedandoccupiedKuwait inAugust 1990, intent on securing its “nineteenth province” and wresting Kuwaiti oil wealth from local leaders. The United States anditsCoalition allies also invadedKuwait, not toconquer and keep, but to return the Emirate to its previous leaders. WhileCoalition objectiveswere couched inmoralistic rhetoric, the United States was clearly concerned about who governed Kuwait, while preferring not to govern the country itself. Similarly, European colonial powers have repeatedly intervened in Africa, Asia, and elsewhere to prop up or dethrone regimes, impose settlements, or otherwise meddle in the affairs of developing countries. H2:Development leadsnoncontiguousdyads to be more likely to experience conflict. Similar Interests There is a second salient difference between the two sets of motives for invading Kuwait. Suppose that Iraq had formed an alliance, like the U.S. Coalition. Spoils from the conquest of Kuwait would have had to be divided up in some manner. Each new member of an Iraqi-led alliance would dilute the spoils, diminishing each member’s “slice.” By going it alone, Iraq kept all of the wealth of Kuwait to itself, at least for a little while. In contrast, U.S. objectives were not much diluted by the size of its coalition. Since there was no resource “pie” to distribute, the size of the Coalition was not a hindrance in allocating benefits, though reasons for reconstituting Kuwait differed markedly among the members, another source of tension that could have led to conflict (Baker 1995). Students of war often treat state interests as largely uniform, and largely incompatible. International competition forces nations—large and small—to be security seekers (Waltz 1959, 1979), or to lust after power (Mearsheimer 2001). A different conception of interests comes from utilitarianism (Bentham [1781] 2000; Mill [1861] 1998) and rational theory (Black 1948; Downs 1957; Riker 1963), one in which interests are variable and are often logical primitives.Many countries may share to a greater or lesser extent compatible worldviews or objectives (cf. Keohane and Nye 1989). Conversely, strong policy differences can lead to conflict, and possibly to war (Bueno deMesquita 1981, 1985, 1989;Morrow1985). For example, World War II and the cold war were “ideological contests” which pitted coalitions of countries with incompatible visions of an appropriate world order against each other. Since policy interests vary, while interests over resource allocations are more nearly constant (in their fundamental incompatibility), policy conflict should also vary. The range of policy issues over which state preferences might vary is literally innumerable. This article adopts an axiomatic approach, making the broadest theoretical claim, and then using a policy interest index to operationalize interest affinity in testing. H3: Similar state policy interests lead dyads to be less likely to experience conflict. Globalization of Capital While policy differences or resource competition can generate conflict, they need not produce contests if states can resolve differences diplomatically. Liberal theory emphasizes the pacifying effect of cross-border economic linkages. Markets are arguably most relevant as mechanisms for revealing information, however, rather than for adding to the risks or costs of fighting (Gartzke and Li 2003; Gartzke, Li, and Boehmer 2001). Competition creates incentives to bluff, to exaggerate capabilities or resolve. Anarchy makes it difficult for states to compel honest answers from one another except through the threat or imposition of harm. Contests inform by being costly, forcing actors to choose between bearing the burden of competition and backing down.Of course, one can signal by “burning money,” expending valuable resources autonomously, but such acts create a relative as well as absolute loss. Tactics that impart costs only as a byproduct of imposing costs onanopponent can produce relative gains, while tactics such as burning money only harmthe initiator. States with economies integrated into global markets face autonomous investors with incentives to reallocate capital away from risk. A leader’s threats against another state become costly when threats spark market repercussions. Participants learn from watching the reactions of leaders to the differential incentives of economic cost and political reward. Two economically integrated states can more often avoid military violence, since market integration combines mechanisms for revelation and coercion. An economically integrated target can be coerced by the threat of losing valuable exchange, but a nonintegrated initiator cannot make its threats credible or informative. Conversely, a globalized initiator can signal but has little incentive to hamper its own markets when a nonintegrated target does not suffer (Gartzke 2006b). H4: Financial or monetary integration leads dyads to be less likely to experience conflict. Research Design I next analyze the hypotheses in a standard statistical test of the democratic peace, using a sample of all dyad years (1950–92). This sample is well documented by previous studies. The democratic peace is thought to be most robust in the post–World War II period.36 Unless noted, variables are coded as described in Oneal and Russett (1999a). Adopting the assumptions of this canonical research program allows for ready comparison of results and diminishes the danger that my findings result from idiosyncrasies in coding or model specification. Oneal and Russett (1999a) appear to offer the most appropriate baseline for the analysis. Subsequent research focuses on other aspects of theirKantian tripartite liberal explanation (Oneal and Russett 1999c; Russett and Oneal 2001), or on extending the temporal domain (Oneal and Russett 1999b; Oneal, Russett, and Berbaum 2003). I estimated coefficients using logit and GEE in Stata (v. 8) with Huber/White robust standard errors, though for brevity only the logit estimates are reported. Results using GEE are generally equivalent or more favorable to the hypotheses. Independent variables are lagged one year behind the dependent variable to control for endogeneity. The Beck, Katz, and Tucker (1998) method of temporal spline variables was adopted to control for duration dependence. 37 Dependent Variable Zeev Maoz’s construction of dyadic militarized interstate disputes (DYMID) is used as the dependent variable,with the standard dichotomous coding of “1” for the initial year of a MID in the dyad and “0” otherwise (Gochman and Maoz 1984; Jones, Bremer, and Singer 1996).38 The Maoz data are intentionally formatted in dyads.Maoz also corrects for coding errors in the MID 2.1 dataset.39 Key Independent Variables • Democracy: Researchers differ over how to measure democracy, both monadically and dyadically. I rely on three different datasets and three variable constructions to represent dyadic democracy. The standard in democratic peace research is the Gurr Polity IV data (Jaggers and Gurr 1995). I first prepared monadic values by combining Polity democracy (DEMOC) and autocracy (AUTOC) scales as follows: [(DEMOCi – AUTOCi ) + 10]/2, (where i ∈ [A,B]). The variable differs modestly from Oneal and Russett in that I add 10 so that all values are nonnegative and divide by 2 to yield the 0–10 range of Polity variables. DEMOCRACY (LOW) and DEMOCRACY (HIGH), respectively, report the lower and higher of democracy values in the dyad. DEMOCRACY A×B is the product of monadic values. BOTH DEMOC. (≥7) equals one (“1”) if each dyad member has a monadic score of at least seven and zero (“0”) otherwise. . • Markets: Democratic peace research examines trade interdependence (Oneal et al. 1996, 2003; Oneal and Russett 1997, 1999a, 1999b, 1999c; Russett and Oneal 2001). Capital and monetary integration may be more relevant to conflict than trade (Gartzke and Li 2003; Gartzke, Li, and Boehmer 2001). Liberalization creates valuable linkages and institutional constraints on a state’s ability to intervene in market processes. Because states may be tempted to interfere with market responses to interstate crises, both robust markets and laissez-faire policies matter. The International Monetary Fund (IMF) provides several indicators of market size, robustness, and liberalization. The IMF publication Annual Reports on Exchange Arrangements and Exchange Restrictions (AREAER) lists a series of variables measuring economic openness. I use an index evaluated in previous studies that takes the difference between eight and the sum of eight types of government restrictions on foreign exchange, current, and capital accounts (Gartzke and Li 2003; Gartzke, Li, and Boehmer 2001). IMF FIN. OPEN. (LOW) reports the lower monadic score in the dyad.40 High values of IMF FIN. OPEN. (LOW) are thus expected to reduce the likelihood of militarized disputes. The IMF only reports data on member countries, systematically reducing variance and biasing against statistical significance. I also include indicators of trade to assess whether trade influences militarized disputes independent of capital liberalization. I use both the trade data provided by Oneal and Russett, and data from Gleditsch (2002).41 Again, I follow the Oneal and Russett operationalization. Monadic values are first constructed using a ratio of bilateral trade over GDP to measure the importance of trade relative to a state’s total economy. TRADE DEP. (LOW) denotes the lower trade dependence statistic in the dyad (Bliss and Russett 1998; Oneal and Russett 1997, 1999a, 1999b). Trade interdependence is expected to modestly decrease MID propensity. • Development: Economic development leads to a secular decline in the valuation of conquerable resources while intellectual and financial capital critical to productivity in modern economies must be enticed rather than coerced. Conversely, wealth and the technology effect allow for greater power projection. Poor countries seldom fight abroad because they cannot, and because 40Bilateral dataonfinancial openness is not available for a large sample of countries. Signaling should occur monadically, though two integrated economies probably increase the effect. Unlike democracy, economic freedom has a monadic effect (Gartzke 2005a). 41Oneal,Russett, and Berbaum (2003) advocate use of the Gleditsch (2002) data since these data contain fewer missing observations. CAPITALIST PEACE 175 their governments are preoccupied with existing territory. Development brings with it the ability to project power, encouraging contests over both policy and resources, while the richest states losemuch of their willingness to steal resources associated with territory. Early quantitative studies of the democratic peace included GDP/pop (the consensus measure of development), but the variable was not found to be significant (Maoz and Russett 1992). I argue that per capita GDP has contrasting effects on disputes. Gartzke andRohner (2006b) examine this argument directly by splitting the sample of disputes between territorial and nonterritorial conflicts, and by looking at initiators and targets. Here, however, I need to adhere to an established research design. To parse out the contrasting effects of development on war and peace, I include two variables. GDPPC (LOW) measures the lower of the twomonadic population weighted gross domestic product statistics for a given dyad (Gleditsch 2002). I also examine the natural log of GDPPC (LOW) to limit multicollinearity among variables.42 A second variable isolates the effect of wealth on likely subjects of territorial aggression. GDPPC × CONTIG (LOW) interacts contiguity and the development variable. It is most likely that a decline in the value of conquest will manifest itself in relations with neighbors, where territorial claims are most common and aggression most practical.43 • Interest Similarity: Many students of international relations reject as excessively narrow the realist emphasis on uniform, monolithic interests and argue instead that state objectives vary with a complex variety of factors (cf. Moravcsik 1997). Relations between the United States and Israel, and between the United States and India have been quite different in the post–World War II period, even accounting for capabilities, geography, regime type, and so on. National interests also change over time; elections in Bolivia and Germany resulted in two very different leaders, one who is moving her country closer to the United States, and one who is moving farther away. Ideally, researchers ininternational relationswould possess a model of state interests that would estimate the effects of a number of relevant causal variables. The same could be said for democracy, however, and for measures of national capabilities, economic development, alliance ties, and so on.There exists no consen- 42None of the key variables correlates at above 0.38 (Democracy [Low] and GDP per capita). Results are available from the author. 43See Vasquez (1993) for a discussion of the close relationship between contiguity and territorial disputes or wars. Data measuring territorial conflict cannot be used in the research design required to replicate existing democratic peace research (Tir et al. 1998). sus theory of national preferences, nor is one likely to be constructed in a reasonable time. Empirical research on conflictmust thus choose between measuring interests imperfectly, and not measuring them at all. I have chosen the former, while being mindful of the many potential pitfalls involved in this approach. The argument supplied here is consistent with other research in arguing that variable state interests are an important indicator of foreign policy behavior (cf. Bueno de Mesquita 1981; Voeten 2000). If we cannot know the myriad causes of preferences, we can at least go some way in measuring their manifestation and their effects. Measuring interests provides a number of empirical challenges. Preferences are not directly observable, so one must identify conditions that appear to reflect state preferences. Using data on United Nations General Assembly voting available for the period covered by the Oneal and Russett (1999a) data (1946–96), I construct an AFFINITY index. Data on “revealed” preferences are an imperfect representation of an actor’s real ranking over outcomes. Still, UN voting arguably distorts preferences less than available alternatives such as alliance portfolios (Gartzke 1998, 2000). I examine other indicators in the appendix (I also use the residuals of AFFINITY as a proxy, after regressing the interest variable on democracy and other variables, and show that the residuals have similar effects). The Affinity index reports the similarity of dyadicUNvoting patterns, using the “S” coding (Signorino and Ritter 2001). Values range between one, “most similar,” and negative one, “least similar.” I expect a threshold effect of interests. AFFINITY should be negatively associated with disputes, with the more dissimilar values (closer to −1) being disproportionately likely to fight.44 Additional Variables I include the same “control” variables as Oneal andRussett (1999a) to facilitate comparison of results.45 • Geographic Contiguity and Distance: Distance may not make the heart grow fonder, but it does appear to discourage interstate disputes. The contiguity dummy is a dichotomous variable coded “1” for dyadic partners that share a land border or that are separatedby less than 150 miles of water. CONTIGUITY is expected to increase MID likelihood. I also include a variable measuring the natural logarithm of the great circle distance between national capitals (with some large countries these data use the nearest major city to the appropriate border). DISTANCE should decrease militarized disputes. • Major Power Status: Major powers are arguably more than just capable states. Powerful countries are more active internationally, leading more often to warfare. MAJOR POWER is a dummy variable coded “1” if at least one state in a dyad is one of the five post–World War II major powers (China, France, United States, United Kingdom, and USSR) and “0” otherwise. • Military Alliances: Alliances are intended to affect interstate conflict, both by deterring aggression and by encouraging intervention. Previous studies include a measure for alliance ties within a dyad (Oneal and Russett 1997;Russett and Oneal 2001).ALLIANCE is a dichotomous variable for the presence of a defense pact, neutrality pact, or entente in the dyad based on the Correlates ofWar (COW) Alliance Dataset (Singer and Small 1966; Small and Singer 1990). • Capabilities: CAPABILITY RATIO equals the natural log of the ratio of the stronger state’s COW capabilities index (CINC) to that of the weaker dyadic state. CINC is constructed as the weighted average of a state’s share of total system population, urban population, energy consumption, iron and steel production, military personnel, and military expenditures. • Regions: Several scholars identify regional variability in interstate conflict (Bennett and Stam 1999; Lemke 2002, 2003a, 2003b). Controlling for sample heterogeneity is important on both econometric and substantive grounds. Indeed, the problem appears particularly relevant in the context of the democratic peace (Henderson 2002). I prepare six dummy variables for the respective regions (Asia,Europe,NorthAfrica, theMiddle East, North America, South America, Sub-Saharan Africa), coded “1” if both states are in the region and “0” otherwise.46 Adopting a standard democratic peace model also ensures that I have not chosen control variables that favormy hypotheses.Acheck using just the democracy and market variables, with and without temporal splines, yields the same substantive result. 46Unlike COW, I divide the Americas at the Isthmus of Panama, including Panama in South America. I also drop theWest Pacific as a category to avoid a dummy variable trap. The region experiences Results The trend in democratic peace research has been to narrow the scope of claims to conformto an evolving understanding of the empirical relationship, from monadic to dyadic processes, and from all democracies to just those with developed economies. Advanced democracies differ from developing democracies in their wealth, integration into the global economy, and in their post–World War II preference convergence. Below, I assess the effects of variables representing markets, development, and interests. I conducted many tests, but to save space, I report only representative examples of the results. Additional analysis is summarized in an appendix to this study. Basic Analysis Table 1 lists five regressions. Model 1 is a baseline representing work by Oneal and Russett and other democratic peace researchers.47 Consistent with conventional wisdom, DEMOCRACY (LOW) is significant and negative (reducing dispute likelihood), while DEMOCRACY (HIGH) increases the odds of a MID. Except for the Africa and North America dummies, and the intercept, all variables are significant at or above the 5% level, with signs that are consistent with conventional expectations. In Models 2 to 5 in Table 1, I sequentially add liberal economic variables, first examining the impact of markets on disputes, then adding the more complex influence of development, and finally adding interests. Introducing an indicator that captures the broader effects of capitalism causes the democracy variables to become insignificant, while IMF FIN. OPEN. (LOW) is statistically significant at the 0.1% level, and in the expected direction. Notice that TRADE DEP. (LOW) and also the ALLIANCE dummy are no longer statistically significant. A broader measure of global capitalism accounts for the apparent impact of trade and alliances on disputes. Similarly, several of the regional dummies are now insignificant (Asia, Europe), or are significant at a lower critical level (South America). Only conflict behavior in the Middle East remains robustly different from conflict in other regions. The theory proposed here argues that development imposes contrasting effects on conflict.Model 3 adds the linear development variable. Results are as reported in other studies. The effect of development on disputes is not statistically significant. Other key variables remain substantially the same as in Model 2. Model 4 introduces an interaction variable between per capitaGDPand contiguity. Estimating both the linear effect of average national income and the interaction term shows both variables to be significant in opposite directions. GDPPC (LOW) increases the dispute propensityof dyads, even as it decreases the tendency of states to fightwith their neighbors. Finally, I introduce the indicator of interest similarity based on UnitedNations voting. States with similar interests, or integrated markets, ormutual development and an absence of policy differences are less likely to fight. Model 5 also drops the regional dummies to show that the combined influence of liberal economic variables does not depend on the presence of controls for regional heterogeneity. Readers should ask some probing questions before accepting these findings (additional tests appear in an empirical appendix). One source of discrepancy between the results reported here and those of other studies could be sample size. The reported sample drops from 282,287 in Model 1 to 166,140 in Model 5.48 To check whether sample size explains the insignificance of democracy, I reran Model 1 using the sample from Model 5. DEMOCRACY (LOW) is again statistically significant in the expected direction, though at a lower critical level (p = 0.012). Standard errors for DEMOCRACY (LOW) in both models are about the same, but the estimated coefficient in the sample forModel 5 is about half the size of that inModel 1. DEMOCRACY (HIGH) is not statistically significant, but this is often also found to be the case in studies supporting the democratic peace. The trade variable, TRADE DEP. (LOW), has lower standard errors and thus is significant at a higher critical level. Finally, the alliance variable is not statistically significant, thought the standard errors for ALLIANCE are almost the same as inModel 1. The findings inModels 2 to 5 do not appear to result from listwise deletion of cases. Another possibility is that democracy is insignificant due to multicollinearity. This is not the case. Multicollinearity is a problem of estimation that occurs when two or more independent variables covary at such a high level that almost none of the variance in these variables can be shown to have an independent statistical effect on the dependent variable (Kmenta 1986, 430–42). IMF FIN. 48IMF data on liberalization underrepresents the effect of economic freedom, since missing values are far more common among less integrated countries. Imputation (King et al. 2001)would thus tend to favor the hypotheses. OPEN. (LOW) correlates withDEMOCRACY (LOW) at 0.1451, with DEMOCRACY (HIGH) at 0.1556, and with TRADE DEP. (LOW) at 0.1517.AFFINITY correlateswith these variables at −0.1053,−0.2915, and 0.0023, respectively. Itmay be that the covariance between the democracy variables and the dependent variable is captured by IMF FIN. OPEN. (LOW), AFFINITY, and other variables, but this is preciselywhat the theory predicts, and what excess empirical content entails. Still another concern involves appropriate estimation method. In some studies, Oneal and Russett (1999b, 1999c) advocate the use of the general estimating equation (GEE). Theremay be reason to debateOneal and Russett’s choice of GEE, particularly their assumption that temporal dependence is capturedby anAR1process (Beck 2003). However, it is useful in this instance to simply adopt the data, variables,andmethods preferredby thosewhoanticipate contrasting results. Findings using GEE are substantially the same, and often present substantively stronger evidence for a capitalist peace than results presented here using logit. Figure 1 plots the relative risk ratios for DEMOCRACY (LOW),IMFFIN.OPEN. (LOW), the combined development variables, and AFFINITY fromModel 5. Values for each key variable represent probabilities of a MID, weighted by maximum variable values. Initial probabilities of a MID are calculated using the method of recycled predictions, running the actual data back throughModel 5, but replacing one of the key variables with a standard value such as the mean, minimum, etc. This process is repeated for several standard values and then the original values of the variable are replaced and another key variable is assessed. The relative impact of key variables differs substantially. Dyads with the least integrated markets or the most dissimilar interests are about five times as likely to experience a MID as dyads with globalized markets or very similar interests. The effect of interests on disputes also appears nonlinear. Values of AFFINITY above the mean show little change in dispute probability, but values below the mean (states with dissimilar interests) produce major changes in the probability of a dispute. I combine the effect of GDPPC (LOW) and GDPPC × CONTIG. (LOW) to assess the overall impact of development on conflict. A change from the maximum to the minimum value of development increases the likelihood of a dispute by roughly 2.5 times.49 The development variables also appear to have a graduated effect on conflict,with the greatest reduction in dispute propensity occurring among the most developed states. Comparing the most democratic and most autocratic dyads, the latter is only slightly more likely to fight. While analysis of militarized dispute data has become widespread in the study of the democraticpeace,MIDsusage is not ubiquitous. Other researchers emphasize the effect of joint democracy on wars (Ray 1993, 2000; Rummel 1979, 1983; Small and Singer 1976). Militarized disputes have a number of advantages as an indicator of conflict behavior, not the least of which is their greater frequency. Wars are such rare events that their nonoccurrance in a given context may or may not be indicative of a qualitative change in the conflict tendency of countries or dyads. Still, the most intuitive, widely articulated, and in some respects robust formulation of the democratic peace involves wars, not MIDs. “Democracies very rarely, if ever, make war on each other” (Russett and Oneal 2001, 43).50 The results detailed in Table 1 (and in the appendix) seem to indicate that liberal peace is a product of capital and de- velopment rather than democracy. The majority of MIDs involve little or no actual bloodshed, however. The factors said to make democracies peaceful are arguably most potent when dealing with large-scale contests. A thorough assessment of the determinants of liberal peace should thus examine wars as (Small and Singer 1976, 1982). By any standard, wars between democracies are rare. If we define democracy as a state that scores above seven on the Polity democracy scale then, out of 222 category five MIDs (wars), there are no observations of war in a democratic dyad in the postwar sample (\_2 = 17.27, Pr = 0.001). The result seems pretty compelling. Yet, democratic dyads constitute only about 7.2% of the observations. Many other things could be happening that are ignored in such a simple test. Howmany wars occur between “capitalist” countries? It is not obvious how to condense the bundle of factors discussed above into a single variable. Still,IMFFIN.OPEN. (LOW) is probably the best candidate for such a test. Let me arbitrarily define capitalist dyads as those where the lower IMF FIN. OPEN score is at least six. This is the closest ordinal value on the scale to a value at least two standard deviations above themean(3.006+2×(1.627)=6.26). It also produces a subsample of capitalist dyads that is about 6.9% of the available sample of observations, not much different from that for democratic dyads (R = 0.1491 for the two dummy variables). Interestingly, there are no wars in the capitalist dyads either, though the smaller sample of cases for which data on financial openness are available means that only about a quarter of the wars are accounted for inthe sample (54 wars,\_2=4.0, Pr=0.045).Toextend this very crude test a bit further, I add zeros to round out missing observations so that the capitalist and democracy samples are the same size and all 222 wars appear in the sample.When I do this, the capitalist dyads again contain no wars and the relationship is highly significant (0.1%). Thus, both democracies and capitalist dyads appear never to fight wars. Still, determiningmore about these relationships, and their relative impact on war, requires that we move beyond cross tabs. Table 2 lists four regressions that are similar in most respects to those reported in Table 1. The main differences involve the dependent variable. Rather than coding for the presence or absence of MIDs, the first two columns of coefficients and standard errors (Models 6 and 7) represent the estimated probability of a war between pairs of countries in the post–WorldWar II period. The second pair of columns (Models 8 and 9) report estimated coefficients and standard errors for fatal MIDs (militarized disputes with at least one battle casualty reported). The first and third columns (Models 6 and 8) include democracy and other variables but omit the capitalist peace variables. The second and fourth columns (Models 7 and 9) again introduce indicators for market integration, economic development, and the interaction between development and contiguity. I omit the interest variable because it is not statistically significant in these regressions. This makes sense as fatal conflicts and wars disproportionately involve resource competition (Senese 2005; Vasquez 1993), rather than the policy disputes captured by the interest variable (Gartzke 2005b).Most of the militarized disputes accounted for by policy differences in the sample do not involve fatalities. Model 6 in Table 2 replicates the first model in Table 1, but estimates the determinants of wars rather than militarized disputes. Democracies are much less likely to experience wars. Distance mitigates warfare, but contiguity appears insignificant. Alliance ties and power disparity are also associatedwith a lower likelihood of war. Interestingly, there are major regional differences in war propensity (Bennett and Stam 2003). Some, but not all, of these differences are subsumed by the capitalist variables introduced inModel 7. Asia no longer appearsmore war prone, but theMiddle East, where per capita incomes are high due to resource wealth rather than manufacturing or industry, and where markets are largely state controlled, remains atypically hostile.51 Europe drops out of the analysis because there are no European wars in the 51The association between oil and autocracy (Dunning 2005; Ross 2001), and civil warfare (De Soysa 2000; Fearon 2005), and the sample. Contiguity becomes statistically significant and positive, but now distance is not a significant predictor of warfare, perhaps because armies that fight major wars, ceteris paribus, are also more willing to travel. Similarly, major power status and alliance ties appear irrelevant to whether states go to war with each other in this analysis. The biggest change inModel 7, however, is that the introduction of measures of economic development and market integration leads democracy to become insignificant, while the capital and development variables are all statistically significant.We see a repeat of the effects of the capitalist peace variables on wars that was previously reported for MIDs. Development discourages fighting among contiguous states, but makes wars far from home more likely, while free markets lead to less violent dyads. A similar story is told by comparing Models 8 and 9, each estimating the probability of deadly MIDs, with each other and with previous regressions. One difference in Model 8 is that the threshold democracy score is just short of standard levels of statistical significance (DEMOCRACY (LOW) is statistically significant at the 10% level). A second difference is that trade ties are associated with a decrease in conflict in Model 8, as they were in Table 1, Model 1.Contiguity matters for deadly MIDs, presumably because many states that will fight small conflicts, but not wars, are also unwilling or unlikely to travel far distances. Both South America and Europe return as independent variables, as the lower conflict threshold ensures that there are for observations in both regions. The Middle East is again unusually dispute prone, as is Asia, while Europe is atypically peaceful only when the effects of capitalism are ignored. Africa and the Americas are not different in their dispute behavior from overall trends, once we measure capitalist peace. Again, we find that free markets and development diminish disputes and war,while democracy has no effect on whether dyads fight. Conclusion: The (Other) Liberal Peace This study offers evidence suggesting that capitalism, and not democracy, leads to peace.