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THE REPUTATIONAL EFFECTS OF WAR OUTCOMES

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INTRODUCTION

In 1965, President Johnson and his closest advisors debated whether or not to increase America's commitment to Vietnam in order to counter the Vietcong's advances in the South. Undersecretary of State George Ball was one of the staunchest opponents of escalation within the administration. He argued that the U.S. would not be able to secure victory in Indochina and that the reputational consequences of defeat would be worse than the reputational consequences of backing down without a fight.

> *Ball: I think a long protracted war will disclose our weakness, not our strength. . .*
> *President: But George, wouldn't all these countries say that Uncle Sam was a paper tiger, wouldn't we lose credibility breaking the word of three presidents, if we did as you have proposed? It would seem to be an irreparable blow. But I gather you don't think so.*
> *Ball: No, sir. The worse blow would be that the mightiest power on earth is unable to defeat a handful of guerillas(Khong 1992)*

Later, during the Nixon administration, similar reasoning was used to justify maintaining America's commitment to Vietnam. Nixon argued that the U.S. had to stay in Vietnam because "the cause of peace might not survive the damage that would be done to other nations' confidence in our reliability." (Press 2005) Although America had shown its willingness to fight to stop communism in South East Asia, if it did not secure victory there its allies and enemies would doubt its willingness and ability to fight elsewhere. Similar arguments have been made about staying in Iraq. *The 2005 National Strategy for Victory in Iraq* stated that failure in Iraq will call "into question American credibility and commitment in the region and the world. Our friends and foes alike would doubt our staying power, and this would damage our efforts to counter other security threats and to advance other economic and political interests worldwide."(National Security Council 2005)

Both the Nixon and Bush administrations assumed that defeat would have reputational consequences. Losing in Iraq and Vietnam would endanger the United State's ability to deter threats and pursue our national interests because America's opponents would see it as unresolved. There is also an

implicit assumption that if the United States could achieve victory, even if it was a costly victory, it could salvage its reputation. The goal of this paper is to assess the reputational effects of war outcomes by answering two questions: 1) When do third party observers change their beliefs about the military effectiveness or resolve of war participants based on information revealed during the course of a war and it resolution? 2) Under what conditions will these altered beliefs make them more or less likely to challenge the combatants militarily?

Answering these questions will help leaders weigh the reputational costs of backing down during a crisis with the costs of possibly exposing their military ineffectiveness. Schelling argues that a reputation for resolve is "one of the few things worth fighting over. Few parts of the world are intrinsically worth the risk of serious war by themselves . . . but defending them or running risks to protect them may preserve one's commitments to action in other parts of the world and at later times."(Schelling 1966) America did not lose 58,209 of its men to save South Vietnam but to convince the Soviets that the United States was willing to fight to stop communism in other parts of the world. Under this logic, states should never back down once a threat has been issued. The cost of appearing unresolved is greater than the risk of war, because it invites future challenges. If fighting demonstrates resolve regardless of war outcome, it may be worth fighting under trying conditions in order to deter future challenges. But if losing a war or fighting a costly war encourages future challenges, then fighting to save "face" or to enhance your reputation does not make sense.

Knowing the reputational effects of war losses will also inform debates about whether countries should stay the course when they are involved in a costly war. The quotes above suggest that leaders often remain committed to winning a war, even after the costs of the war have exceeded the benefits, because they are concerned about their country's reputation. If losses encourage future challenges, then a sustained commitment or even escalation is a wise policy. However, if other states do not change their behavior after observing a loss, then under some circumstances it might be better to cut one's losses. Alternatively, if staying the course in the face of high costs demonstrates resolve, it might be better to remain committed even if the prospects for victory are slim.

Understanding the reputational consequences of war outcomes will also contribute to the international relations literature on reputation. Most of the literature focuses on whether having a reputation for resolve increases a state's coercive leverage (Huth 1984, Huth and Russet 1988; Mercer 1996; Press 2005; Crescenzi 2007; Sechser 2007; Wolford 2007). These studies are devoted to understanding whether threats issued by states that have backed down in the past are discounted, making potential adversaries more willing to challenge states that have a reputation for lacking resolve. Threats are credible when the adversary believes that their opponent has the will to carry out the threat and the ability to do so. The literature on resolve links a state's past actions to the first requirement. A new type of reputation is needed to connect prior behavior to adversary beliefs about the second requirement: a state's military capability. I call this a state's reputation for effectiveness. The relevant information is gleaned, not from prior bargaining behavior, but from the outcomes of wars that the state has previously fought. Although this type of reputation has received much less scholarly attention, it is necessary to understanding how a state's prior behavior influences the credibility of its threats. Having a reputation for resolve may increase the probability that a deterrent or compellent threat will succeed, but if a state does not have a reputation for being able to fight effectively, even believable threats may be ignored.

For this second type of reputation, the relevant information is generated during wars, not during the crisis bargaining that precedes wars. Thus, we must evaluate whether the outcomes of past wars influence the efficacy military threats. Focusing on this new independent variable will push our understanding of reputation and coercion in a number of ways. Most obviously, it will enable us to evaluate whether having a reputation for military effectiveness matters. Does abysmal performance on the battlefield invite challenges by potential adversaries?

Analyzing the effect of war outcomes on crisis bargaining will also solve two problems that complicate current studies of resolve. In many studies, and especially those utilizing game theory, resolve is treated as a dichotomous variable. Countries are either a highly resolved type or a weakly resolved type. I think it is more useful to think about resolve as a continuous variable that measures a state's willingness to suffer costs in pursuit of its political aims. Some states, like the United States in Somalia,

might be cost averse—unwilling to tolerate any loss of life to accomplish their goals. Others, like Japan during WWII, might by cost acceptant—willing to endure huge losses to achieve their objectives. Most states in most situations fall somewhere in the middle of this continuum: they are willing to suffer some costs but their tolerance is not unlimited. Studies acknowledge that, theoretically, resolve is a continuous variable, but they are forced to treat it as a dichotomous variable in their empirical analysis because they focus on crisis behavior. States either back down when they are threatened or they stand firm. While it is possible to infer that standing firm signals a willingness to suffer at least some costs and backing down signals reluctance to even risk suffering costs, these actions provide no information about the location of each states' cost tolerance threshold. The highly resolved state might be standing its ground because it believes that its adversary can only inflict limited costs. This "resolved" state might be cost sensitive but have a low estimate for the costs involved. Similarly the "weak" state might be willing to tolerate some costs to achieve their aims but they believe that the damage their adversary would inflict on them is very high. Looking at war outcomes, rather than crisis behavior, partially resolves this problem. States engaged in war actually suffer costs in pursuit of their war aims. The state's decision to continue fighting as costs accumulate generates information about their cost threshold. Leaders who lose a war after suffering low losses of life reveal a high sensitivity to costs while leaders who fight on despite rising costs demonstrate that they are more willing to suffer in order to achieve their preferred outcome. Analyzing the effect of past war outcomes on crisis bargaining provides a number of continuous variables (the duration of the war, the casualties suffered, the amount of money spent) that more closely capture the way in which resolve can vary theoretically.

Using crisis behavior to analyze resolve is also complicated by the fact that bluffing is prevalent in crisis situations (Guisinger and Smith 2002; Sartori 2002). If a country backs down when threatened, inferring that they have weak resolve is probably valid. Alternatively, if a country stands firm when they are threatened and war ensues because the adversary carries out its threat, inferring that they have high resolve is probably valid. The problem arises when a country stands firm in the face of a threat and its adversary backs down. It is unclear whether the country was highly resolved or just bluffing. Should

other states update their beliefs about that county's resolve? Looking at war outcomes rather than crisis behavior circumvents this problem because it is very difficult to bluff during a war. A state can either win battles or it cannot; it either suffers casualties or it does not. The state cannot pretend to be effective militarily when it does not have the ability to win battles, and because the state is actually suffering costs in pursuit of its aims, the resolve it demonstrates by fighting cannot be a bluff.

Thus, using war outcomes as an independent variable to assess whether reputation matters in military crises has the potential to improve our understanding of reputation and to inform policy debates about whether to get involved in or stay committed to wars for reputational reasons. This paper proceeds as follows: in the first section I develop a theory of reputational effects that emphasizes how specific information interacts with the characteristics of third party states to determine when war outcomes will prompt behavioral change in potential challengers. I then outline the competing explanations found in current literature on reputation, deterrence, and compellence. Second, I describe the statistical methods and data I will use to test these hypotheses. This is followed by a summary of the results of the statistical tests. I will conclude with a discussion of the theoretical and practical implications of my findings.

CONTEXTUAL EXPECTATIONS THEORY

Consider the situation in which two states fight a war and a third state observes the outcome of that war and decides whether to challenge either of the combatants. The key question of this dissertation is whether the information generated during the war about the military effectiveness and resolve of the combatants influences the third state's decision to challenge the combatants after the war is over. My theory, which I refer to as Contextual Expectations Theory, posits that information that contradicts prior beliefs and is relevant to the issues at stake for third parties will influence behavior. The type of information generated during the war interacts with the balance of power, the type of war the third party expects to fight, and the issues at stake to determine the relevance of that information. Expectations are important because information that reinforces previously held beliefs will not prompt challengers to change their beliefs and thus will not lead to behavioral change. Context is important because the

relevance of new information depends on the relationship between the combatant and would be challengers.

Contextual Expectations Theory conceives of reputational effects as the result of a four stage process that links war outcomes to third party decisions. Figure 1 models the basic process:

Insert Figure 1

State A and B fight a war. This generates information about States A and B. Under certain conditions, third party states use this information to update their beliefs about State A and State B. In some situations these new beliefs prompt the third party state to alter its behavior.

Contextual Expectations Theory links war outcomes to challenger behavior by answering the following questions about each step in the process. First, what information is generated during the course of a war and its resolution? Second, when will this information change the beliefs of third parties? Finally, when will changed beliefs prompt behavioral changes? The remainder of this section is devoted to answering each of these questions.

WAR OUTCOMES AND INFORMATION

Wars generate information about both the military effectiveness and the resolve of the combatants. Specifically, fighting reveals information about the skill at which the respective militaries use their material capabilities to achieve favorable battle outcomes and the willingness of the two nations to suffer costs in pursuit of their war aims. All of these things contribute to the ultimate outcome of the war and all of these things are important dimensions of military power that are not easily observable outside of war.

In the statistical literature on conflict, material capability is usually measured by looking at the number of soldiers a country has, its military spending, and occasionally the economic resources it can bring to bear during wartime. These proxies only capture one dimension of military power: the quantity of material resources a country has at its disposal. This is obviously an important dimension. The number of soldiers, tanks, planes, guns, and bombs a country has can provide them with a military

advantage.(Mearshimer 2001; Desch 2002) This dimension of military power also has the added benefit of being relatively easy to observe during peacetime.

Although fighting a war might provide some additional information on the quantity of a state's material power, this is less important than the information it can provide on how how effectively a state uses its material capabilities—a dimension of military power that is not observable during peacetime. I refer to this type of information as skill. At the most basic level, skill refers to the ability of the military to use their weapons. Can they effectively fly their planes, shoot their missiles, and fire their guns. Skill also refers to the way in which states fight and the effectiveness of their tactics and operational concepts.

In conventional wars, fighting can reveal the ability of both sides to implement modern system tactics and operations. Stephen Biddle (2004) argues that force employment rather than material capability is the most important determinant of war outcome. Modern system tactics include cover, concealment, dispersion, small unit independent maneuver, and combined arms. These tactics make it possible for combatants to avoid the firepower that their enemy can bring to bear on massed concentrations of troops. At the operational level, the modern system enables armies to take advantage of depth, reserves, and differential concentration of troops. This makes it possible for attackers to take advantage of the varying levels of local force concentration to breakthrough enemy lines while buying time for defenders to respond to these types of attacks. He argues that an army employing the modern system will almost always defeat a non-modern opponent.(Biddle 2004) Knowing whether a country can implement the modern system would be integral in assessing their military effectiveness.

The skills required to successfully fight a guerrilla war are very different from those required to prevail in conventional wars because guerrillas often avoid direct confrontations with enemy forces. Defeating guerrillas requires the military to adopt a two pronged approach aimed at preventing the local population from actively supporting the guerrillas by protecting them from retaliation and by engaging in a psychological front to win hearts and minds while actively pursuing guerillas. (Metz and Millen 2004; Nagl 2005) At the tactical level, the counterinsurgent must be able to successfully train local police forces. (Metz and Millen 2004; Hoffman 2005) In addition, population security and the destruction of the

guerilla network requires sophisticated intelligence capabilities in order to discover the identities of guerrillas and to prevent them from carrying out attacks on the civilian population. (Hoffman 2004) They must also be able to successfully conduct a public affairs campaign, aimed at convincing the population of their ability to win and their benign intentions. At the operational level, combatants must be skilled at integrating the civilian and military components of their counterinsurgency strategy. They must have, in COIN jargon, unity of effort. (Metz and Millen 2004; Nagl 2005) Finally, combatants engaged in guerrilla warfare must be willing to learn from their mistakes and to change their strategy, operational concepts, and tactics in response to the ever changing threat. (Hoffman 2005) At the strategic level, they must be willing to abandon conventional war because when combatants employ a direct approach, like conventional war, against an indirect approach, like guerrilla war, the direct approach will fail. (Arreguin-Toft 2005) Combatants must also be able to adapt at the operational and tactical level as guerrillas shift their tactics to exploit emerging weaknesses of their foe .(Metz and Millen 2004; Nagl 2005) At the end of a guerrilla war, third party observers may be better able to assess the combatants' military's skill at providing population security, their intelligence capabilities, their ability to integrate military and civilian missions, their proficiency at conducting public affairs operations, and their capacity to constantly update their tactics during the course of the war.

The second type of information that is revealed during a war is information on the willingness of a country to suffer costs in pursuit of their goals. I refer to this cost sensitivity as will. Will refers to the decision made by a country's political leaders about whether or not to continue the war. Regardless of the outcome, being involved in a war demonstrates that the leaders of a nation are willing to at least risk suffering costs in achieving their goals. The progression of the war and its ultimate outcome reveal information about their willingness to suffer actual costs. Leaders who lose a war after suffering low costs reveal a high sensitivity to those costs while leaders who fight on despite rising costs (whether they ultimately win or lose) demonstrate that they are willing to suffer in order to achieve their preferred outcome. Cost sensitivity may be a function of an individual leader's cost tolerance, the broader society's willingness to bear the costs, or some combination of both. Gil Merom argues that democracies lose

small wars because their society is unwilling to stomach the costs of protracted conflict or to acquiesce to escalating levels of violence. Although leaders with high cost tolerance might be able to ignore society in the short term, in the long term democratic leaders take into account society's preferences and are thus forced to end the war without securing victory. (Merom 2003) Whether cost tolerance is a function of society, state leaders, or both it plays an important role in war outcomes.

Thus, the process of fighting and the ultimate outcome of the war provide information on how skillfully a state employs its military resources which has bearing on how militarily effective that state is. It also provides information on the willingness of a nation to stomach the costs of war, which has bearing on the resolve of a state.

CHANGING PERCEPTIONS: INFORMATION AND PRIOR EXPECTATIONS

When will third party states actually use this information to update their beliefs about the combatant's effectiveness and resolve? Contextual Expectations Theory claims that information will only prompt third party states to change their beliefs if that information is unexpected. Losing a war or suffering high costs will not necessarily change challenger's beliefs. If a weak country loses to a powerful country or suffers high costs during the war, this generates no new information. Other South American countries probably did change their beliefs about Panama's military effectiveness after it was defeated by the United States because no one expected Panama to win. On the other hand, if a powerful country loses a war to much weaker foe or suffers higher costs than expected, other states might downgrade their perceptions of that country's ability to fight effectively.

The logic is similar to the argument made by Michael Tomz in the context of international finance. He claims that reputations only form when states act contrary to their perceived type. If a country always pays back its loans, continuing to make timely payments does not generate new information and creditors will not change the way they treat that state. They will only alter their behavior and the terms of their loans if the country defaults. Alternatively, if a country is usually delinquent on its payments, defaulting on its loans will not hurt the country's reputation but timely repayment will improve it. (Tomz 2007) The same is probably true of perceived military effectiveness. Information generated

during the course of a war and its outcome will only lead to changed perceptions if that information runs contrary to prior expectations. Because changed perceptions are a prerequisite for behavioral change, only unexpected information will have behavioral implications. This leads to our first set of hypotheses:

> *H1A: If the information generated over the course reveals that a combatant is more (less) skilled at fighting or is more (less) willing to suffer costs than expected, prospective challengers will consider the combatant more (less) militarily effective or resolved.*
> *H1B: Any information generated over the course of*

EHAVIORAL CHANGE

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involved guerrilla warfare. This suggests that information about the combatant's skill at fighting a guerrilla war would be more relevant to non-state actors and their skill at fighting a conventional war would be most relevant to state actors.

> *HS1: Unexpected information about combatant's skill in a conventional war will be more likely to influence behavior of state actors. Unexpected information about a combatant's skill in a guerrilla war will be more likely to influence behavior of non-state actors. Challenges by the relevant actor should decrease if the combatant performs better than expected and should increase if the combatant performs worse than expected.*

On the other hand, the relevance of information about the willingness of combatants to suffer costs in pursuit of their goals depends in part on the issues involved. Issue contingency takes into account that fact that resolve is in part issue specific. A given country may be willing to suffer an incredible amount of costs in the pursuit of some goals and less willing to suffer costs in the pursuit of others. If the issue in dispute between the potential challenger and the combatant is similar to the issue over which the war was fought, updated beliefs about the combatant's will to fight will prompt behavioral change.

> *HW1: Unexpected information about will should be more likely to lead to behavioral change if the issues in dispute are similar to issues over which the war was fought. Information about a lack of will should increase the likelihood of a challenge in these situations while information revealing a high cost tolerance should decrease the likelihood of a challenge.*

The relevance of information about the political and military will of the combatants should also be a function of the relative power and skill of the challenger compared to the combatant. When the challenger is weak relative to the combatant, information about the will of the combatant will be especially relevant. Weak challengers rarely expect to defeat more powerful adversaries militarily. Rather they opt for strategies that inflict costs on their more powerful foes in the hope that they can outlast them in a coercive contest. Their only hope of victory is their ability to inflict more costs on the opponent than it can tolerate. Thus, the will of the combatant becomes decisive. As the challenger becomes stronger relative to the combatant, will becomes less decisive because the challenger can hope to gain a decisive victory on the battlefield. Thus, information about the combatants cost sensitivity becomes less relevant.

> *HW2: Unexpected information about will should be more likely to lead to behavioral change as the challenger becomes weaker relative to the combatant. Information about a lack of will should*

increase the likelihood of a challenge in these situations while information revealing a high cost tolerance should decrease the likelihood of a challenge.

Figure 2 summarizes the main arguments made by Contextual Expectations Theory about the process by which war fighting and war outcomes can influence the behavior of third party states that might consider challenging the combatants in the future.

Figure 2

COMPETING HYPOTHESES

Although no one has looked specifically at the question of whether war outcomes influence the decision of third party states to challenge the combatants, the literature on cognitive bias, rationalist explanations of war, and reputation suggest a number of alternative hypotheses.

The political psychology literature on cognitive and motivated biases suggests that new information is unlikely to change the preexisting beliefs of third parties, and thus is unlikely to lead to behavioral change. In his discussion of the cognitive bias literature, Jervis explains that "international experiences do not affect statesmen's perceptions. Instead analogies are seized upon only to bolster pre-existing beliefs and preferences."(Jervis 1976) People see what they expect to see and thus when they are faced with new information that seems to contradict their earlier beliefs they engage in a variety of defensive measures that make it unnecessary for them to change their beliefs. They ignore information, they discredit its source, and they seek out new information to provide additional support for their pre-existing beliefs. They also divide their belief system into small components so that when they accept the new information they only have to update peripheral beliefs. The take away from this literature is that "people change as little of their attitude structure as possible." (Jervis 1976)

The literature on learning in international relations also suggests that the beliefs of third parties are unlikely to change because vicarious learning rarely occurs. (Levy 1994) Dan Reiter's analysis of learning in the context of alliances leads him to the conclusion that "while states draw heavily on their own individual experiences, they pay little attention to those of other states." (Reiter 1996) Yuen Foong Kong finds that the decision makers in the United States paid little attention to the lessons that could be

drawn from the French experience in Vietnam despite the fact that the French Indochina War yielded valuable information about the resources, tactics, and resolve of the North Vietnamese. He claims that few policy makers had knowledge of or took in an interest in the French experience. One exception was George Ball who lamented, "It was useless for me to point out the meaning of the French experience; they thought that experience without relevance."(Khong 1992) Thus the political psychology and learning literature suggest our first alternative hypothesis.

> *H2: The information generated over the course of the war about the combatants will have no impact on prospective challenger's assessment of either combatants' military capability or resolve. Thus it will not influence the likelihood of future challenges.*

An alternative view is offered by the literature on deterrence and compellence. This literature implies that the information revealed during the course of a war will be used by prospective challengers in evaluating the credibility of implicit and explicit threats. When deciding whether to ignore an adversary's threats, the challenger considers whether their adversary will be willing to carry out the threat. One of the things challengers consider is whether their adversary has a reputation for carrying out threats. Schelling (66) argues that all commitments are interdependent and that carrying through on one threat enhances the credibility of future threats. Huth claims, "The potential attacker, however, may also draw on the past behavior of the defender in international confrontations to help determine the defender's willingness to risk armed conflict or to concede under coercive pressure." (Huth 88) These studies primarily focuse on the past behavior of defenders in crisis bargaining: i.e. whether they carried out their threats. However, the same logic should apply to information revealed in the defender's past wars.

Todd Sechser argues that a state's involvement in past wars will increase the prospective challenger's assessment of that state's resolve. By fighting, a state demonstrates it's "general value for the costs of war—namely, its tolerance for casualties, wartime expenditures, and perhaps the destruction of civilian assets. . . This information [is] applicable to future crises in which military options are considered, even if those crises center around different issues." (Sechser 2007) Sechser maintains that this is the reason that weak states often fight much stronger opponents. Their hope is that by fighting they will demonstrate their resolve and thus deter future incursions. While Sechser focuses on dyadic

relationships, Crescenski argues that states can learn about the resolve of their opponents by observing their interactions with others. He explains that extra-dyadic events are "a valuable source of information about intentions, reputation, and credibility of one's dyadic counterpart. States use other states as proxies to get a sense of what their dyadic partner would do in situations such as a crisis." (Crescenzi 2007) Being willing to fight in one situation generates information about a state's willingness to fight more generally.

Although the deterrence and compellence literature focuses on how challengers use the past behavior of their opponents to update their beliefs about the resolve of their opponents, the logic should also apply to information about the military effectiveness of their opponents. The exclusive focus on resolve is probably due to the fact that the literature has focused only on past crisis bargaining behavior which does not involve actual fighting and thus can not reveal information about military effectiveness. However, the literature suggests that the military capabilities of the defending state are associated with general deterrence success. (Huth and Russett 1984; Huth 1988; Fearon 1994) As the defending state gets more powerful, the costs of war for the challenger increase. If war occurs, the defender is better able to punish the challenger and to deny the challenger the ability to achieve its aims on the battlefield. In statistical tests military capability is normally proxied by the quantity of military resources a state possesses, but there is nothing in the literature that suggests that this is the only relevant information. It would seem that if challenger's beliefs about the defender's ability to implement punishment and denial strategies are an important part of their decision. Since these models assume that challengers look at the past actions of the defender to evaluate resolve it seems logical that they would also use the defender's past wartime experiences to evaluate capability. This leads to a second competing hypothesis:

> *H3: If the information generated over the course reveals that a combatant is unskilled at fighting or is not willing to suffer costs, prospective challengers will consider the combatant less militarily effective or resolved, which will make them more likely to issues a challenge.*

A third argument is offered by Daryl Press's Current Calculus Theory, which suggests that other nations will use wartime information to update their beliefs about a country's military capability but that they will not use the past behavior of a county to inform their beliefs about that country's resolve. He

argues that we should not conflate "keeping commitments with fighting effectively: if the United States undermined perceptions of its power in Vietnam, Lebanon or Somalia it did so by fighting ineffectively." (Press 2005) Past actions do not provide information on resolve because every issue is different and in high stakes situations decision makers forgo heuristic shortcuts that use past behavior to gauge resolve in favor of evaluating the interests at stake in the current situation. This is consistent with Ann Sartori's argument about the importance of honesty in diplomatic transactions: "The crucial information—how much the state values the disputed issue—varies from one dispute to the next. Whether or not a state has the will to fight depends on what the issues are and so must be communicated anew through the use of diplomacy."(Sartori 2002) Since a state's willingness to fight is issue contingent, being willing to fight or suffer costs over issue X and losing has no bearing on a state's willingness to fight or suffer costs over issue Y. Military skill has direct bearing on battlefield effectives while information about a combatant's willingness to suffer costs has bearing on that state's resolve. Thus, Current Calculus theory suggests that challengers should only update their beliefs about combatants when faced with information about skill. No changes are expected if the war reveals information about the combatants' will.

> *H4: If the information generated over the course reveals that a is (un)skilled at fighting, prospective challengers will consider the combatant more (less) militarily effective, and will be less (more) willing to issue a challenge. Information regarding willingness to suffer costs will have no bearing on beliefs about the combatants resolve and will thus have no effect on the likelihood of a challenge.*

Mercer makes a different conditional argument. He draws on the motivated bias and in-group out-group literature to argue that whether new information will be used to update challenger's beliefs depends on whether that information is viewed favorably or unfavorably. He argues that outcomes only lead to belief change if the third party state attributes that outcome to the dispositional characteristics of the combatants rather than to situational factors. The type of attribution made depends on ones desires and whether the combatants are part of the third party state's in-group. People use dispositional attributions to interpret undesirable out-group behavior and situational attributions to interpret desirable out-group behavior. Because potential adversaries are in the out-group, information about weak resolve and ineffectiveness is desirable and the opposite is undesirable. Thus, when the information generated by

a war suggests that a potential foe is an effective or resolved fighter this information is used to update their beliefs. Conversely information that reflects poorly on the competency or resolve of a potential foe will be attributed to the situation and beliefs will not change. He explains, "We are likely to think that our adversary's retreats reflect not an irresolute character, but an untenable situation." Conversely, an adversary's success will reflect its power, not the favorable situation in which it was fighting. (Mercer 1996) His attributional theory of reputation formation suggests our final competing hypothesis:

> *H5: If the information generated over the course of the war reveals a combatant is skilled at fighting, or is willing to suffer costs, prospective challengers will consider the combatant more militarily effective or resolved and will be less likely to issue a challenge. Information that reveals a lack of skill at fighting or an unwillingness to suffer costs will have no impact on the prospective challenger's assessment of the combatant's military capability or resolve.*

Table 1 summarizes the hypotheses from the Contextual Expecations Theory and the alternative explanations.

Insert Table 1

RESEARCH DESIGN

In order to test Contextual Expectations Theory and the competing theories, I employ a directed-dyad research design using a logit estimator to test whether the outcomes of previous wars influence the probability that the combatants will be targeted in a militarized dispute using data from 1816 to 2001.

DEPENDENT VARIABLE

The dependent variable, *Dispute Initiation,* is a dummy variable which indicates whether State A initiated a militarized dispute against State B in a given year. A militarized dispute is defined as dispute in which at least one state threatened to use force, made a show of force, or actually used force to achieve its political aims. This data is taken from the Militarized Interstate Dispute (MIDs) Dataset. (Ghosen and Bennet 2003; Ghosen, Palmer et al. 2004)

EXPLANATORY VARIABLES: WAR OUTCOMES

I use a series of explanatory variables that focus on State B's previous performance in war. Data on war participation and war outcome are derived from the Correlates of War Interstate Wars dataset

(Sarkees 2000), supplemented with data from Reiter and Stam (2002) and Downes and Cochran(forthcoming). My first set of explanatory variables focuses on war outcome. Using the data described above, I include three dummy variables which signify whether State B won, lost, or ended its most recent war in a draw. In the analyses that include these dummies, the excluded variable is a *No War* dummy which is coded as one if State B has not participated in a war. If wars have reputational consequences, states who were victorious in their most recent war should be less likely to be targeted in a MID while states that lost their most recent war should be more likely to be targeted in a MID. Thus, *Win* should have a negative effect on dispute initiation and *Lose* should have a positive effect on dispute initiation. I do not have a concrete prediction about the sign or significance of the *Draw* dummy.

Because looking at the overall outcome of a war does not specify what type of information was revealed during the war, I also look at two additional variables to measure information revealed during the war about skill and will. I use the Loss Exchange Ratio (*LER*) as my primary indicator of skill. LER is the ratio of friendly forces killed to enemy forces killed. A 1:4 ratio signifies that for every soldier lost during the war, the military was able to kill four enemy combatants. Conversely a ratio of 4:1 signifies that the military was only able to kill one enemy combatant for every four casualties it suffered. Militaries that are able to destroy enemy forces while protecting their own are considered more skilled than militaries who destroy enemy forces but at a high cost to themselves or to militaries that cannot destroy enemy forces. LER is a direct measure of this ability—which should be correlated with skill, particularly in conventional wars where adoption of the modern system enables combatants to reduce their exposure to the enemy's firepower while achieving battlefield objectives. In the model LER is defines as Combatants Casualties/Enemy's Casualties.[1] Low LERs reveal a high level of skill, while high LERs

[1] Unfortunately COW data has information on the total number of casualties suffered by each nation involved in the war. For bilateral wars—computing LER is simple. We just need to divide the casualties of A by the casualties of the other state. For multilateral wars, computing LER is much more difficult because COW only includes the aggregate numbers of casualties for each nation, not how many casualties were inflicted on that nation by each of its enemies. For example, in the Vietnam War, COW has data on the total casualties suffered by the United States, South Vietnam, and North Vietnam. The LER computed from these values for the US is partially skewed because its casualties are divided by the North Vietnamese casualties including those inflicted by the South. The LER for the South is similarly skewed. For North Vietnam, it is possible to compute an overall LER by dividing its

reveal a low level of skill. Thus increasing LER (decreasing skill) should increase the probability that a State is targeted in a MID. The coefficient for LER should be positive and statistically significant. Because LER is a ratio and is not distributed normally—with roughly half the observations falling between 0 and 1 and the other half ranging from 1to 500, I take the log of LER. This creates a normally distributed variable which ranges from -6.35 to 6.35. The positive association between LER and dispute initiation should be unaffected by this transformation. For situations in which state B has not fought a war I code LER as 0 and then include the *No War* dummy to account for the fact that in these wars no information on LER is available.

I use the log of *Casualties* suffered in State B's most recent war as a proxy for will. Contextual Expectations Theory defines will as a states sensitivity to costs. Casualties are perhaps the most tangible cost nations suffer during war. In executing a war, political leaders must decide whether their war aims are worth the lives of the servicemen and women who are fighting for their country. Counties that suffer high casualties during the course of a war, reveal a high cost tolerance. This tolerance should signal a high level of resolve. Thus an increase in casualties suffered (increasing resolve) should decrease the probability of being targeted in a dispute. The coefficient for casualties should be negative and significant. As with the LER variable, I take the log of casualties to make the distribution more normal. This transformation should not affect the sign of the coefficient. Using casualties as a measure of cost tolerance is complicated by the fact that this information can be censored depending on the outcome of the war. If a state suffers high casualties—it reveals a high level of resolve regardless of the outcome. However, if a state suffers low casualties—the inference made regarding the resolve or cost tolerance of the state depends on the outcome. States who lose wars or settle for a draw despite suffering low casualties reveal a high sensitivity to cost. In these cases, suffering small numbers of casualties should be associated with an increased probability of being targeted in a MID. However victorious states might

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casualties by the sum of US and South Vietnamese casualties but this aggregation might mask differences in how well the North fought the U.S. and the South respectively. I am currently engaged in a data collection project with Stephen Long to update the COW casualty figures to fix this problem. I plan to rerun this analysis once that project has been completed.

suffer low casualties because they were very effective militarily or because their foe was weakly resolved. They might have been willing to suffer more costs but they did not need to. In these cases—low levels of casualties should not be associated with an increased likelihood of being targeted in a dispute. To deal with this complication, I interact the casualty variable with the outcome dummies discussed above.[2] Increasing casualties should be associated with a decline in the probability of being targeted in a MID although the effect should be most pronounced with regards to losses. The effect may be statistically insignificant in cases where the state was victorious because of the censorship problem discussed above.

EXPLANATORY VARIABLES: OUTCOMES RELATIVE TO EXPECTATIONS

Contextual Expectations Theory posits that information generated during wartime is only relevant if that information is unexpected. However, the variables identified above do not take into account prior expectations. To remedy this and to evaluate whether war outcomes matter when they contradict prior information I use war outcome models from the international relations literature to predict the three key variables—outcome, LER, and casualties—and compare these predictions with the actual outcomes. I then generate a series of new variables which measure the differences between the predictions and the outcomes.

I begin by modeling war outcomes, the log of LER, and the log of casualties using the independent variables identified in the literature as being important predictors. The most important variable is the material resources available to each combatant.(Mearshimer 2001; Desch 2002) *MilPower* is constructed using COW's National Military Capabilities Dataset version 3.02. (Singer, Bremer et al. 1972) In particular, the CINC scores, which aggregate the power resources of a state including military spending, military personnel, population, iron and steel production, and energy consumption to create a power index, are used to create a variable which measures the relative power of each combatant. The combatant's CINC score is divided by the sum of the CINC scores for all war participants. A second

[2] In these analyses, I do not include a casualties base term because it is 0 when there has not been a war and so is perfectly collinear with the *No War* dummy and cannot be included when the other three war dummies are included in the model. Furthermore, including the *Casualties* variable by itself would be nonsensical since it would be measuring the effect of casualties when no war has occurred and no casualties have been suffered.

power variable, *AllyMilPower,* which measures the CINC scores of the combatants allies divided by the CINC score of all war participants, is also included. Because war initiators are more likely to win than targets, I also include a dummy variable—*Initiation*—which is coded as one if the state initiated the war. This data on war initiation is taken from COW, Reiter and Stam (2002), and Downes and Cochran (forthcoming). Finally, the regime type of the combatant is included in these models. A number of studies have shown that democracies are particularly likely to win the wars they fight because they are better at selecting winnable wars, bring more resources to bear during wartime, have superior morale and leadership on the battlefield, and make attractive allies. (Lake 1992; Reiter and Stam 2002; Choi 2004) Therefore, I include a *Regime* variable, using the POLITY DATASET, which ranges from 1 to 21 with 21 being the most democratic and 1 being the most autocratic. The *Regime* variable is equivalent to the polity variables, which subtracts a state's autocracy score from its democracy score yielding a variable that ranges from -10 to 10. (Jaggers and Marshal 2009) I merely add 11 to this variable to make it positive. I also include an interactive term which multiplies *Regime* by *Initiation* to account for the fact that democratic initiators are particularly likely to win due to their ability to select wars wisely. (Reiter and Stam 2002) I use these variables to predict the outcome, the log of the LER, and the log of casualties for each participant in all the interstate wars from 1816 to 2001.[3]

Because outcome is a trichotomous indicator, I use ordinal logit to predict whether a participant won, lost or agreed to a draw. I use regression to model the log of LER and casualties. The results of these models are available below:

Table 2

[3] I also used more extensive models that looked at civil military relations, measured by the number of coups each participant had suffered in the past five years, and the level of education in each country. Both factors are thought to improve a state's ability to fight effectively. (Biddle and Zirkle 1996; Biddle and Long 2004; Biddle 2004) This data was not available for all wars and so I was unable to create expectations variables for all the wars. When these alternative models are used to create the expectations variables, and the cases with missing data excluded, the results are not substantively effected. In this paper I only include results from the baseline model but the other results are available from the author by request.

Using these models I created a series of variables which measure the difference between expectations and outcomes. First, I created three dummy variables which compare the expected outcome using the outcome model with the actual outcome. After running the ordinal logit model I generated new variables for each participant in each war which are equal to the probability of that the participant would win, lose, or end the war in a draw. I then assigned each war participant a prediction which was equal to the outcome with the highest probability of occurring, given the above model. *Better* is a variable coded as one if the model predicted lose or draw and the participant won or if the model predicted lose and the participant ended the war in a draw. *Worse* is a dummy variable coded as one if the model predicted win or draw and the participant lost or if the model predicted win and the participant agreed to a draw. *Expected* is a variable coded as one if the prediction matched the actual outcome. According to the model described above, 50 war participants did worse than expected, 43 did better, and 166 performed as expected. As with the outcome dummy variables, when these three variables are included in the models below the excluded variable is the *NoWar* dummy. If this information has reputational effects as predicted by the theories discussed above *Better* should reduce the likelihood of a being targeted, *Worse* should increase the likelihood of being targeted, and *Expected* should have no effect.

For the loss exchange ratio variable—*LERdif*—I use the regression model to predict the log of LER for each combatant.[4] I then take the log of the expected LER and subtract the log of the actual LER. Within this context, negative numbers mean that the combatant had a worse LER than expected because the ratio of the actual LER was higher than the expected LER and positive numbers mean the combatant did better than expected—in other words had a lower LER. Thus as the difference in LER increases—which means that the combatant did better relative to initial expectations—which should see a decrease in the probability of being targeted. Thus, unlike the raw LER, which should be positively associated with the probability of a challenge, the differenced LER variable should be negatively associated with the initiation of challenges.

[4] There are a number of participants in which the LER is not available because casualty figures for all participants were not available. In most of these cases I was able to predict the LER of one of the participants. By taking the inverse of this number I predicted the LER of those participants since LER should be reciprocal.

I use the same procedure to create the casualties variable, *Casualtiesdif.* The regression model is used to predict the log of casualties for each combatant. The log of the actual number of casualties suffered is then subtracted from this value. Negative numbers mean that the combatants suffered more casualties than expected and positive numbers mean you suffered fewer casualties than expected. This variable should vary directly with the probability of being targeting in a MID. Suffering more casualties than expected (the difference is smaller or more negative) should decrease the probability of being targeted because the combatant is demonstrating a higher resolve than expected. As with the raw casualties variable—the difference in the logs is interacted with war outcomes.

EXPLANATORY VARIABLES: INTERACTIVE EFFECTS

Contextual Expectations Theory predicts that information generated during wartime interacts with context to determine whether potential challengers alter their behavior. The relevant contextual variables depend on the type of information that is generated. Information regarding skill should only influence the behavior of challengers who expect to fight the type of war that the combatant just fought. In particular, state actors should be more likely to alter their behavior when information about a combatant's skill at fighting a conventional war is revealed. Non-state actors should be more likely to alter their behavior when information about a combatant's skill at fighting a guerrilla war is revealed. Because we are only looking at the behavior of state actors in this analysis, the key contextual variable is whether the past war involved conventional conflict or not. I thus interact my two skill variables, *LER* and *LERdif*, with a dummy variable which is coded as one if the most recent war that State B fought involved conventional conflict. All of the COW wars are coded as involving conventional, guerrilla, or a mixture of tactics. Wars are coded as conventional if they are characterized by battles fought between belligerent armies. Wars are coded as guerrilla if one of both sides adopted tactics that avoided battles, relying instead on hit and run tactics and terrorism against the civilian population. Wars are coded as involving both war types if both types of tactics are widely employed. This dataset builds on a similar dataset developed by Huth, Valentino and Balch-Lindsey which covered the period from 1945-2000. (Huth, Valentino et al. 2007) This new dataset extends their data temporally and adds the mixed category to include wars that involved

both conventional and guerrilla combat.[5] For the purposes of this project, *Conventional* is coded as one if the war was either purely conventional or involved both types of combat. This dummy variable is interacted with the two LER variables to determine whether the impact of information about skill varies across war types. If the model is correct, LER should have a positive effect on the probability of being targeted if the most recent war State B fought was conventional. There may also be a positive effect for guerrilla wars but the effect should be less pronounced. Conversely, the negative effect of *LERdif* should be more pronounced when the most recent war involved conventional combat.

Two contextual variables are identified by Contextual Expectations Theory as making information about will relevant to potential challengers: issue similarity and relative power. Measuring the similarity of the issues over which past wars were fought with issues that potential challengers are considering fighting over is particularly difficult because in cases where no threat was issued there is no indicator what a potential conflict might be fought over. To deal with this, I use a very rough proxy of issue similarity that is available and observable during peacetime for all dyads: region. The issues at stake in a given war might be in part driven by the geo-political importance of that region for the combatants. If this is so, information about a state's willingness to suffer costs in pursuit of its aims in that region might not be relevant to its willingness to suffer costs in pursuit of its aims in other regions where the geo-political context is different. To test this prediction, I create a dummy variable—*Same Region*--which is coded as one if the war was fought in a region that is relevant to each dyad. The COW dataset includes information on the location of the war and the MIDs dataset includes information on which region is relevant to each dyad.[6] This dummy variable is interacted with the casualty variables discussed above. According to Contextual Expectations Theory, *Casualties* should have a negative effect in the same region in which the war was fought and no effect (or a smaller one) in different regions.

[5] This data was coded for interstate, extra-systemic, and civil wars. A full bibliography and coding rules are available from the author by request.

[6] There are five regions—Europe, the Middle East, Asia, Africa, and the Americas. The relevant region is the location of the countries if they are adjacent. If the dyad involves a great power, the relevant region is the location of the non-great power since only the more powerful state has power projection capabilities.

Casualtiesdif should have a positive effect in the same region and a less pronounced or insignificant effect in different regions.

The second contextual variable relevant to information about will is the relative power of the potential challenger vis-à-vis the combatants. Information about will should be particularly relevant to challengers who are weaker than the combatants because they must rely soley on the balance of resolve to prevail in wartime because the balance of capabilities is tilted so heavily against them. The *Military Balance* is a continuous variable which is the CINC score of the potential challenger (State A) divided by the CINC score of the potential challenger and target (State A + State B). Low numbers correspond to challengers that are weaker than the target and high numbers correspond to challengers that are stronger than the target. This variable is multiplied by the *Casualties* variables to assess whether the balance of power influences the effect of the revealed cost tolerance of the combatants on the probability that they are targeted in a MID. Rising Casualties—demonstrating greater resolve—should have a negative effect for weak challengers but no effect (or a less negative effect) for challengers who are equal to or stronger than the target state. An increase in the casualties difference variable—signifying that the combatant suffered fewer casualties than expected and thus demonstrated weakened resolve—should have a positive effect for weak challengers but no effect or a smaller effect for stronger challengers.

Because I interact LER, Casualties, and the differences between the log of LER and the log of casualties with dummy variables, I add a constant to them to make them all positive. This prevents cases where these variables are coded as 0 (for example when LER equals 1or Casualties/LER match expectations) from being pooled with cases where the dummy variable is 0—such as when the war did not involve conventional conflict or the region differs from the region in which the most recent war was fought. For the discussion of substantive results, I translate the numbers back to their original format. For *LER* and *Casualties*, but not the differenced variables, I also compute the actual loss exchange ratio and casualty figures rather than keeping them in their log forms. This merely aids in interpreting the substantive effects of these variables.

Because of the difficulty of interpreting the coefficients and statistical significance of interactive terms,(Braumoeller 2004; Brambor, Clark et al. 2006) I rely on CLARIFY to estimate how variation in the will, skill, and outcome variables change the probability of dispute initiation under a variety of conditions. In particular, CLARIFY is used to generate the first differences with the appropriate confidence interval for the requisite changes in the explanatory and conditioning variables. I also use CLARIFY to analyze the substantive effects of these variables to show how the probability of being targeted changes as the explanatory variables change under different conditions. (Tomz, Wittenberg et al. 2001)

CONTROL VARIABLES

In addition to the explanatory variables discussed above, I include a number of control variables that are associated with MID initiation. First, I include the *Military Balance* variable discussed above which is defined as the CINC score of the initiator divided by the sum of the CINC score of the initiator and target. This variable should be positively associated with dispute initiation because countries that are stronger than their dyadic partner should be better able to make a challenge. Second, I include the *Distance* between the two countries in the dyad. Countries that are closer together are more likely to have serious disputes and are also better able to issue military challenges.(Bremer 1992) This variable should also be positively associated with dispute initiation. *Joint Democracy*—which is the product of the POLITY scores of both countries in the dyad plus a constant to make the variable positive—is included to control for the fact that democracies rarely fight each other.(Maoz and Russett 1993; Rousseau, Gelpi et al. 1996) This variable should decrease the probability of dispute initiation. I also include the square of this variable, *Joint Democracy Squared,* to account for a potential curvilinear relationship between conflict initiation and regime type due to the fact that anocracies may be particularly likely to initiate MIDS. (Mansfield and Snyder 1995; Goemans 2000) A dummy variable which measures whether the two countries are involved in an *Alliance* is also included with the expectation that allies will rarely initiate MIDS against one another.(Leeds 2003) This data is taken from the Alliance Treaty Obligations and Provisions (ATOP) Dataset.(Leeds, Ritter et al. 2002) An additional variable is included which measures

how similar the alliance portfolios of the two states are. *Similar Alliance Portfolios* might signify common interests between the states which would make dispute initiation less likely. The total flow of *Trade* between the two countries is also controlled for because trade flows are thought to make interstate disputes less likely. (Oneal and Russett 1999) Data on trade flows is taken from Barbieri's Bilateral Trade dataset. (Barbieri, Keshk et al. 2009) This variable should be negatively correlated with dispute initiation. Finally, I include the spline of *Peace Years* with five knots. These variables should also be negatively correlated with dispute initiation because the longer two countries have been at peace the more likely they are to remain at peace. I experimented with a number of transformations of the *Peace Years* variable and the five knot spline yielded the best predictions.

STATISTICAL RESULTS

I begin by looking at the results of the aggregate models, examining how aggregate outcomes of previous wars influence the probability of being targeted in a militarized dispute. I then conduct a more detailed analysis to determine the conditions under which information about skill and will change the likelihood that a state will be targeted.

AGGREGATE OUTCOMES

My analysis of aggregate outcomes does not provide much evidence of reputational effects. Looking at the outcomes model in Table 3 we see that, as predicted by the theory, losing a war increases the likelihood of being targeted in a militarized dispute. However, so does winning a war and fighting a war that ends in a draw.

Table 3

If a reputational mechanism was driving these results, we would expect the *Win* dummy variable to have a negative effect on dispute initiation. While all of the outcomes increase the probability of being targeted by a statistically significant amount the difference between them is not statistically significant. Table 4 reports the estimated change in probability of dispute initiation comparing each outcome to a situation in which there was no war and comparing a situation where the defender recently won a war to a situation in which the defender recently lost a war.

Table 4

While all of the outcomes increase the probability of a war compared to no war from between .2 to .4 percent, the difference between winning and losing is substantively small and statistically insignificant. This suggests that war participation and not war outcome is the primary driver of the increase in probability. Nations that fight wars are more likely to be targeted in a MID than nations who do not fight wars, regardless of the outcome.

This result might have been a consequence of failing to account for expectations in the outcome model. However, when we look at the expectations model in Table 3 and the substantive effects in Table 4, a similar pattern emerges. Doing better than expected, worse than expected, and as expected in war all increase the probability of being targeted in a Militarized Dispute. Just as in our analysis of outcomes, the difference between doing better than expected and worse than expected is not statistically significant.

SKILL

Looking at outcomes, even relative to expectations, might yield inconclusive results because the drivers of those outcomes are heterogeneous. Some states might have done worse than expected because they lacked skill while others did better because they demonstrated an unexpectedly high cost tolerance. Some combatants may have achieved victory by outfighting their opponents on the battlefield while others merely outlasted their foes. Aggregating these outcomes might bias our results. One way of resolving this problem is to disaggregate the effects of skill and will. By focusing on each separately, it becomes possible to isolate the reputational effects of different types of information generated during the war. It also enables us to test the contextual hypotheses predicted by Contextual Expectations Theory.

Table 5 reports the results of my analysis of the effect of skill, proxied by LER, on the probability of being targeted in a militarized dispute.

Table 5

As expected, a rising LER which corresponds to declining level of skill, increases the likelihood of being targeted in a dispute. When we look at the substantive effects in Table 6, we see that going from no war to any LER increases the probability of being targeted. This buttresses the early finding that participation

in war makes challenges more likely. However, unlike outcomes the differences between wars which reveal that the combatants are highly skilled compared to wars which reveal a lack of skill are statistically significant and in the expected direction.

Table 6

A state that performed poorly in the last war, suffering an LER of 4, is .2% more likely to be targeted in a MID than a state achieved an LER of .25 (1:4).[7] In addition, although fighting increases the likelihood of being targeted for everyone the effect is more pronounced for states that performed poorly compared to states that performed well on the battlefield. Fighting a war in which the combatant achieved an LER of .25 increases the probability of being targeted by .18% while fighting a war in which the combatant suffered and LER of 4 increases the probability of being targeted by .43%.

The relationship between skill and the probability of a MID is shown graphically in Figure 3. The probability of being targeted rises as LER rises. Combatants that are able to protect their own forces while destroying the enemy are less likely to be challenged than combatants who are unable to destroy their foes or pay a high price for doing so.

Figure 3

Referring back to Table 5 and looking at the effect of LER relative to expectations (Column 3), we find evidence that information interacts with expectations in the way predicted by Contextual Expectations Theory. As the difference in LER rises (the combatant does better than expected), the probability of being targeted in a dispute decreases by a statistically significant amount. Table 7 details the substantive effects of changes in LER relative to expectations.

Table 7

A combatant that performed better than expected on the battlefield in their last war was .5% less likely to be targeted in a militarized dispute than a combatant that performed worse than expected. As before, fighting generally increases the probability of being targeted regardless of the skill at which the

[7] Two tenths of a percent may seem substantively small, but the baseline probability of being targeted is only 1.22%. An increase of .2% is equivalent to raising the probability of dispute initiation by 16% relative to the baseline.

combatants fought. However, the extent of the increase is a function of how well they performed relative to expectations. Combatants that did worse than expected were .57% more likely to be targeted while those who performed as expected were .28% more likely to be targeted. Those who did better than expected were only .08% more likely to be targeted, and this change was not statistically significant. Again, a graphical depiction of this relationship is useful.

Figure 4

In Figure 4, we see how the probability of being targeted in a dispute declines as combatants perform better than expected in terms of LER. Zero marks the case where combatants perform as expected. Negative numbers represent LERs that are worse than expected while positive numbers represent LERs that were better than expected. The further away from 0 on the horizontal axis, the larger the discrepancy between the actual LER and the expected LER. Combatants that did much worse than expected have a relatively high probability of being targeted while those that did worse than expected but not my much are less likely to be targeted. Conversely states that did much better than expected have a lower probability of being targeted compared to those that only did slightly better. The difference in magnitude seems to be more pronounced for combatants that did worse than expected relative to those who did better than expected.

The conditional hypothesis posited by Contextual Expectations Theory is tested by interacting *LER* (Column 2 in Table 5) and *LERdif* (Column 4 in Table 5) with the conventional dummy variable. The results of these models suggest that the type of war fought does not matter. Increasing *LER* by performing poorly on the battlefield increases the likelihood of a challenge by state actors regardless of whether the war involved conventional combat. Going from an LER of .25 to an LER of 4 in a conventional war increases the probability of being targeted by .25% while the same increase in LER in a guerrilla war increase the probability of being targeted by .2%. Although the change in LER is statistically significant in both scenarios the difference between the two increases is not. Similarly, increasing *LERdif* by doing better than expected during the war decreases the probability of being targeted in all types of war. Combatants who do better than expected during conventional wars are .492%

less likely to be targeted than those who do worse than expected (a change in LERdif from -2 to 2). In guerrilla wars the same change in performance relative to expectations increases the probability of being targeted by .495%. Figures 5 and 6 show the similarity in the two war types graphically.

Figure 5 and 6

The impact of LER and LER relative to expectations is nearly identically for both conventional and guerrilla wars. This suggests that the reputational effects of information about skill are not dependent on the type of war fought.

WILL

If wars reveal information about the cost tolerance of the combatants as predicted by Contextual Expectations Theory then an increase in casualties should actually decrease the likelihood of being targeted in a militarized dispute. Looking at the first column in Table 8, we see that this relationship only holds in cases where the combatant won the war. In cases where the combatant lost the war or where the combatant agreed to a draw, a rise in casualties actually increased the likelihood of a challenge.

Table 8

Suffering 10,000 casualties compared to 1,000 casualties in a winning war decreases the probability of being targeted by .08%. Combatants suffering the same increase in a losing war are .1% more likely to be targeted and those combatants. The corresponding rise in casualties in a stalemated war is .26%. All of these changes are statistically significant, but it appears that only victorious states benefit from revealing their cost tolerance. Suffering high costs in a losing war—or even a war that ends in a draw—does not decrease the probability of future challenges by impressing third party states with the resolve of the combatant. Figure 7 plots the relationship between rising casualties and the probability of being targeted in a MID for each war outcome.

Figure 7

As casualties rise the probability of being targeted declines for combatants who won, as evidence by the negative slope of the red line. The positive trends for the blue and green lines show how an increase in casualties for combatants that lose or agree to a draw actually increase. It appears that revealed cost

tolerance only matters if the state ultimately wins the war. Suffering casualties in a losing war has no reputational benefits.

A similar pattern emerges when expectations are taken into account. Looking at column 4 of Table 8, we see that as *CasualtiesDif* rises and states suffer fewer casualties than expected, the probability of being targeted in a MID declines if the combatant lost the war or agreed to a draw despite the fact that their revealed cost tolerance was lower than expected. The opposite occurs if they reveal a higher cost tolerance than expected. The impact of suffering an order of magnitude more casualties than expected increases the likelihood of being targeted by .3% in draws and .1% in losses. A comparable increase in casualties for combatants who win the war does not have a statistically significant effect on the probability of a dispute. Figure 8 depicts this relationship graphically:

Figure 8

Negative numbers represent situations in which the combatant suffered more casualties than expected while positive numbers represent situations in which the combatant suffered fewer casualties than expected. Movement away from 0 in either direction represents a larger discrepancy between the expected number of casualties and the actual number of casualties suffered. When combatants lose or agree to a draw, suffering fewer casualties than expected decreases the probability of being targeted while suffering more casualties than expected increases the probability of being targeted. This pattern is the opposite of what Contextual Expectations Theory would predict since suffering more casualties than expected reveals a high cost tolerance.

When the region variable is included in the model (columns 2 and 5 of Table 8) no concrete pattern emerges. Because of the triple interaction effects in these models I rely on simulated first differences to assess whether changes in the number of casualties or the difference between expected and actual casualties have a statistically significant effect on the probability of being targeted in a dispute. Tables 9 looks at the change in the probability of being targeted after suffering 10,000 casualties compared to 1,000 casualties in a variety of scenarios using the model in column 2 of Table 8. Table 10,

focuses on expectations, and looks at the change in the probability of being targeted after suffering an order of magnitude more casualties than expected using the model in column 5 of table 8.

Table 9 and Table 10

No discernable pattern emerges in either table. Increasing casualties in a winning war decreases the probability of being targeted regardless of region although the effect is more pronounced in the same region that the war was fought. This is consistent with Contextual Expectations Theory. However, increasing casualties in a war that ends in a draw only has a statistically significant effect in regions outside of the one in which the war was fought. The effect is positive, increasing the likelihood of a challenge by .28%. In wars where the combatant lost, increasing casualties increases the probability of being targeted in the region in which the war was fought but decreases the probability in other regions. Similar results are seen in Table 10 which looks at the cases in which combatants suffer an order of magnitude more casualties than expected. While the differences across regions are consistent with HW1 in the context of combatants who won, the differences across regions for combatants who lost or agreed to a draw are not. For draws, it is unclear why the casualties would only have a significant effect outside the region where the war was fought. It is even more surprising that the effect of rising casualties on war losers would be the opposite inside and outside of the region in which the war was fought.

HW2 is tested by interacting the casualties and war outcome variables with the *Military Balance* variable to assess whether information about will has a more pronounced effect on weaker actors (see columns 3 and column 6 of Table 8). As with regional interactions, I rely on simulated first differences to assess how the relative power of the challenger alters the effect of increasing the number of casualties (and casualties relative to expectations) on the probability of being targeted in a MID. Table 11 reports how increasing the number of casualties from 1,000 to 10,000 changes the probability of dispute initiation depending on war outcome and the relative power of the challengers. Weak challengers account for 10% of the military power in the dyadic relationship; Equal challengers account for 50% of the military power in the dyadic relationship; Strong challengers account for 90% of the military power in the dyadic relationship.

Table 11

As predicted by Contextual Expectations Theory, information about will has the expected effect on weak challengers for combatants who lost a war. Suffering higher costs in pursuit of their war aims makes it less likely that weak challengers will initiate a militarized dispute against them. Figure 9 represents the relationship between the relative capability of the challenger and the change in the probability of being targeted caused by increasing the casualties suffered from 1,000 to 10,000.

Figure 9

When the challenger is very weak, accounting for less than 15% of military power in the dyadic relationship, this increased willingness to suffer costs makes it less likely that the challenger will initiate a conflict. The effect becomes less pronounced as the challenger becomes stronger relative to the combatant, ultimately reversing signs. Challengers who are equal to the target or stronger are actually more likely to target the combatant, despite the fact that the combatant revealed a willingness to suffer high costs.

Another way to visualize the relationship is to examine how the probability of dispute initiation by a weak challenger changes as casualties rise. Figure 10 depicts this relationship graphically for combatants who recently lost a war.

Figure 10

Combatants that lost despite suffering low casualties had a fairly high likelihood of being challenged by weaker states—1 to 1.5% if less than 1000 casualties were suffered. By giving up, despite suffering low costs, these combatants revealed that they had a fairly low cost tolerance. This information about will influenced the behavior of weak challengers—precisely those challengers for whom will is most decisive. As the combatant suffers more casualties the probability of being targeted by weaker opponents decreases, presumably because the combatant reveals a higher cost threshold. This pattern does not hold for combatants that won or agreed to a draw. This may be due to the fact that in these situations casualties only provide a floor estimate about cost tolerance because of the censorship problem discussed

earlier. Suffering low numbers of casualties in these situations does not provide any information on whether the combatant would have been willing to suffer more.

When prior expectations are taken into account the relationship between casualties, the relative power of the challenger, and the probability of being targeted in a MID persists. Table 12 details how suffering an order of magnitude more casualties than expected changes the probability of being targeted by different types of challengers depending on war outcomes.

Table 12

Suffering more casualties than expected in a losing war, thereby revealing a cost tolerance that was higher than expected reduces the number of challenges issued by weaker states. Figure 11 depicts this relationship graphically for combatants who suffer an order of magnitude more casualties than expected in losing wars.

Figure 11

When the challenger is very weak relative to the combatant, suffering more casualties than expected reduces the probability of being targeted. This effect diminishes as the challenger becomes stronger and eventually reverses signs.

The reputational effect of revealed cost tolerance is most apparent when the relationship between dispute initiation and the difference in expected casualties compared to actual casualties is examined. Figure 12 details this relationship for weak challengers and combatants who have recently lose a war.

Figure 12

Combatants who lost despite suffering fewer casualties than expected (positive numbers on the horizontal scale) are more likely to be challenged compared to those who lost but suffered more casualties than expected. This is consistent with a reputational effect since combatants who give up while suffering fewer casualties reveal a low cost tolerance while those that suffer more reveal a higher cost tolerance even if they do not ultimately win the war. Since weak challengers rely almost entirely on the balance of resolve to achieve their political goals this information about willingness to suffer costs is particularly relevant to them.

CONCLUSION

The results of the statistical tests provide some support for Contextual Expectations Theory. First, they suggest that the type of information generated during wartime matters. Aggregate outcomes, such as whether the combatant won or lost the war, do not provide much explanatory leverage. Combatants who lost wars were neither more nor less likely to be challenged than combatants that won wars. When outcomes are disaggregated to reflect the skill at which the combatants employed their militaries and their willingness to suffer costs, the reputational effects of war fighting become more apparent. Countries that perform poorly on the battlefield, as evidenced by a high LER, are more likely to be challenged than those that perform well. Under some conditions, countries that exhibit a high tolerance for casualties and thus a high level of resolve are less likely to be challenged than those who reveal sensitivity to casualties.

Second, I find that prior expectations matter. Those states that perform better on the battlefield than expected are less likely to be challenged that those that do worse than expected, regardless of how well they performed in absolute terms. The same holds for revealed cost tolerance, although under more limiting conditions. However, contrary to the predictions of the theory outcomes matter even when expectations are not controlled for. In fact results from the models that included information on skill and will yielded results that were very similar to the models that controlled for prior expectations.

In terms of the way in which information and context interact, my findings provide limited support for Contextual Expectations Theory. Contrary to the predictions of the theory, information on skill does not seem to be context dependent. Suffering a high LER increases the likelihood of a challenge regardless of whether the war involved conventional combat or not. This may be due to the fact that very few interstate wars involve guerrilla tactics—looking at other types of conflict such as extra-systemic and intrastate wars might provide more leverage on this question. Information about will does not vary by region. This could be due to the fact that region is to rough a proxy for interest but it might also be reflective of the fact that cost tolerance is not issue specific, as some scholars have claimed. Consistent with the predictions of the theory, information on will does depend on the strength of the challenger.

Combatants who suffer low numbers of casualties or fewer casualties than expected in a losing war are more likely to be targeted by weaker actors than those who reveal a high cost tolerance by suffering higher casualties in pursuit of their war aims. This relationship does not hold for challengers who are more evenly matched or stronger than the combatants in terms of material power. It also does not hold for combatants who were victorious or who agreed to end the war in a draw.

In terms of the competing explanations, my findings provide some support for the rationalist model and Current Calculus Theory but run contrary to the predictions of the bias and learning literature and Mercer's attributional theory. The bias and learning literature predicts that change is unlikely because people rarely update their beliefs or engage in vicarious learning. My initial analysis of aggregate outcomes seemed to support this contention—it did not matter whether a country won, lost, or agreed to a draw, all of these outcomes increased the likelihood of a challenge. However, when I examined the impact of skill and will by looking at the effect that the LER and casualty rate of a state's most recent war had on challenger behavior, I found that information generated during wartime did influence the behavior of third parties.

The rationalist literature predicted that information about both will and skill would influence challenger behavior, regardless of prior expectations or context. Consistent with the predictions of this group of theories, I found outcomes matter even when expectations are not accounted for. The fact that information about skill is not context dependent provides further support for these theories. On the other hand, these theories cannot account for the fact that the reputational effects of will only emerged in a small number of scenarios—when combatants were victorious and when a weak actors considered challenging combatants who had lost.

My findings also provide partial support for current calculus theory. Information about skill had the predicted effect. Combatants that performed poorly or worse than expected were more likely to be challenged. In most situations, information about will did not behave as expected by reputational models. In cases where combatants agreed to a draw, revealing a high cost tolerance by suffering more casualties actually increased the probability that they would be challenged. The same pattern emerged for

combatants that lost a war when the relative power of the challenger was not accounted for. This may suggest that information about skill generated during wartime has reputational effects, while information about cost tolerance does not. However, the fact that weak challengers did consider information revealed about the losing combatants will suggests that there are some circumstances under which information about resolve has reputational effects. It also suggests that there may be a flaw in Press's research design. The case studies Press employs to test whether past actions influence crisis behavior all look at countries that are relatively equal in terms of their material resources. If information about cost tolerance is most relevant to weaker actors who rely solely on the balance of resolve to prevail in disputes, omitting asymmetric cases from his analysis might bias his results.

Mercer's attributional theory is not confirmed by my analysis. His theory predicts that information about a high level of skill or will should make challenges less likely but that information about a lack of skill or will should have no effect. Revealing a high level of skill does make challenges less likely but revealing a lack of skill makes them more likely suggesting that both positive and negative information influence challenger behavior. In addition, revealing a high cost tolerance actually increases the probability of a challenge in most circumstances. This relationship is not consistent with the predictions of the attributional model.

My statistical analysis generated a number of surprising results that deserve further theoretical and empirical attention. First, going to war—regardless of the outcome or the information generated—increases the probability of being challenged in the future. The way the war unfolds can exacerbate or lessen this tendency but in almost all cases countries that have been involved in a war are more likely to be targeted. Even countries that emerge victorious, achieve favorable loss exchange ratios, and reveal high cost tolerance are at increased risk. One possible explanation might be that wars generate information, which reduces uncertainty making challengers more likely to act. Observing a state's fighting tactics and operational concepts enable future challengers to adapt their own tactics in ways that either take advantage or revealed weakness or neutralize revealed strengths. This knowledge might embolden challengers even if the state performed well in the war or revealed a high cost tolerance.

Alternatively, war participants may be more likely to be targeted because wars weaken the combatants. All wars involve the destruction of material and human resources and so all states are weaker in the aftermath of a war than they would have been if they had avoided conflict. Potential challengers may act to take advantage of this weakness. This explanation would be consistent with the second anomalous finding I uncovered. In most situations, the accumulation of casualties increases the likelihood of a challenge despite the fact that states that suffer high casualties reveal a willingness to suffer high costs in pursuit of their aims. This suggests that potential challengers may be less concerned with the reputational effects of revealed cost tolerance than with the destruction of the combatants' resources. Future research should focus on distinguishing the conditions under which the reputational effects of war outcomes outweigh behavioral changes induced by post war shifts in the balance of power

The policy implications of my findings suggest that leaders should consider the potential reputational effects of war outcomes when deciding whether to get involved in a war and whether to remain committed to ongoing wars. However, the ultimate outcome of the war is less important than the information the war reveals (or potentially reveals) about the military effectiveness and cost tolerance of nation. Because winning, losing, and agreeing to a draw all increase the likelihood of a challenge, losing a war may not necessarily entail the reputational costs that war critics allege. In particular, if a nation fights skillfully and demonstrates a willingness to suffer costs in pursuit of their war aims the reputational effects of losing can be largely mitigated. On the other hand, securing victory may not necessarily yield reputational advantages. If a nation has to rely on its superior resource base to prevail in a dispute with a more skilled, but materially weaker, opponent that nation's reputation for effectiveness will probably suffer even if it ultimately wins the war. When deciding whether to get involved in a war, leaders should consider more than just their likelihood of winning but also what information the potential war will generate about their military effectiveness and cost tolerance.

The question of whether to remain committed to a costly war is more complex. On the one hand, skill matters. If a country has performed poorly on the battlefield, renewing its commitment to the war might make sense if changes are made at the tactical, operational, and strategic level to improve the

nation's ability to successfully prosecute the war. Even if the country ultimately loses, improving its battlefield performance may alleviate some of the negative reputational consequences that accrue to combatants that reveal a lack of skill. For the most part, it does not make sense to remain committed to a costly war without an accompanying shift in strategy or tactics. Continuing to suffer costs in pursuit of wartime goals does reduce the likelihood of being targeted militarily but only by very weak actors. Potential challengers that have the material strength to threaten tvital interests will not be dissuaded from acting. Cutting ones losses in a losing war can be a valid strategic move, particularly if the nation is unable to improve its military effectiveness or if it is losing despite being militarily effective.

In conclusion, my analysis suggests that wars do have reputational effects. Wars generate information about the combatants' military skill and their willingness to suffer costs. The former information has far reaching reputational consequences. Combatants that perform poorly on the battlefield are more likely to be challenged by third party states in the aftermath of those wars regardless of whether they win or lose. On the hand, information generated about the cost tolerance of those states has more limited consequences. States that reveal a high sensitivity to costs are more likely to be challenged by weak actors if they lose the war. These findings suggest that reputation matters in international politics and that a states reputation for military effectiveness is particularly important. This type of reputation has largely been ignored in the international relations literature on reputation and deserves more attention. These findings also suggest that policy makers should consider the potential reputational costs of war and the situations in which those costs will be salient when deciding whether to commit their nations to armed conflict.

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TABLES AND FIGURES

Figure 1: Basic Process

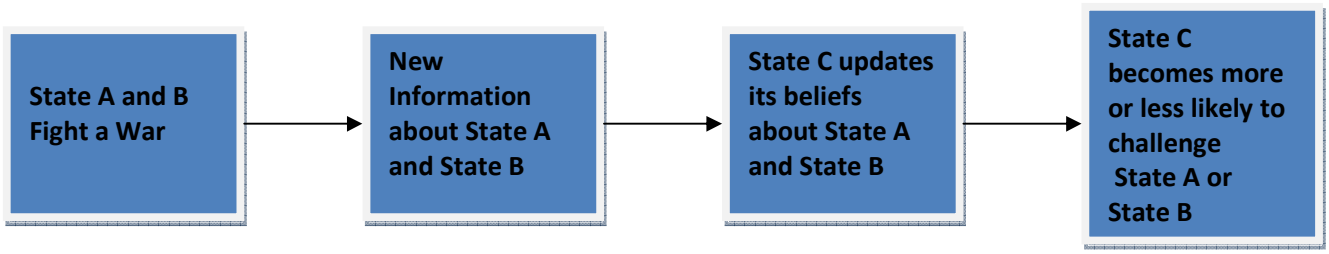

Figure 2: Contextual Expectations Theory

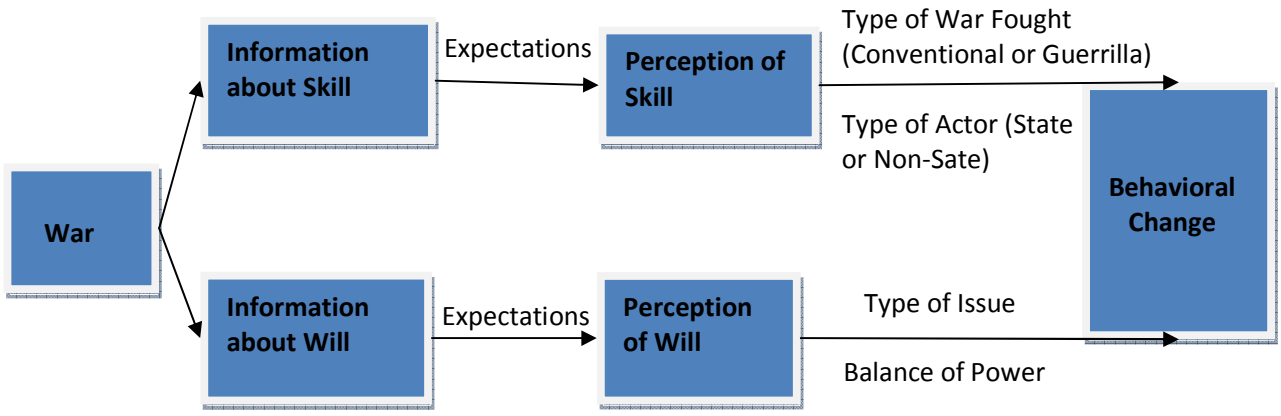

Table 1: Competing Hypotheses on Whether War Outcomes Will Influence Challenger Behavior by Type of Information Revealed

Type of Information	Contextual Expectations Theory	Bias and Learning	Rationalist	Current Calculus	Attributional
Skill	IF: Contrary to Prior Expectations(H1) Type of War Expected Matches Type of War Fought (HS1)	No (H2)	Yes (H3)	Yes (H4)	High Skill (H5)
Will	IF: Contrary to Prior Expectations (H1) Issues are Similar(HW1) Challengers are Weaker (HW2)	No (H2)	Yes (H3)	No (H4)	High Will (H5)

Table 2: War Outcomes			
	Outcomes	**Log(LER)**	**Log(Casualties)**
MilBal	3.183*** 0.702	-0.739 0.449	-0.452*** 0.195
AllyMilBal	3.274*** 1.090	-0.338 0.490	-0.492 0.313
Initiator	0.987* 0.554	-0.857*** 0.303	0.367* 0.210
Regime	0.065 0.040	-0.052** 0.022	0.013 0.018
Regime* Initiator	-0.046 0.047	-0.002 0.028	-0.072*** 0.024
Constant		1.186*** 0.306	3.922*** 0.176
N	259.000	240.000	252.000
R2	0.150	0.220	0.098

Standard errors below coefficient; * p<.1 **p<.05 ***p<.001

Table 3: The Effect of War Outcomes on the Probability of Being Targeted in a Militarized Dispute		
	Outcomes	**Expectations**
Win	0.495*** 0.081	
Draw	0.731*** 0.099	
Lose	0.494*** 0.072	
Better		0.522*** 0.106
As Expected		0.567*** 0.070
Worse		0.401*** 0.088

Military Balance	0.903*** 0.087	0.833*** 0.083
Distance	-0.0002*** 0.000	-0.0002*** 0.000
Allies	0.216*** 0.063	0.219*** 0.063
Similarity of Alliance Portfolios	-0.044 0.164	-0.112 0.165
Joint Dem	0.004*** 0.001	0.004*** 0.001
Joint Dem Squared	-0.00001*** 0.000	-0.00001*** 0.000
Trade	0.003** 0.001	0.003** 0.001
Peace Years 1	-0.420*** 0.020	-0.421*** 0.020
Peace Years 2	-0.036** 0.018	-0.037** 0.018
Peace Years 3	-0.051*** 0.016	-0.050*** 0.016
Peace Years 4	-0.002 0.010	-0.003 0.010
Peace Years 5	-0.003 0.003	-0.003 0.003
Constant	-2.800*** 0.183	-2.697*** 0.182
N	112062	112062
Psuedo R2	0.185	0.184

Standard errors below coefficient; * p<.1 **p<.05 ***p<.001

Table 4: Substantive Effects of War Outcomes on Probability of Dispute Initiation	
Outcome	**Change in Probability**
No War to Lose	0.0024**
No War to Draw	0.0040**
No War to Win	0.0024**
Win to Lose	0.00002
No War to Worse	0.0020**
No War to Expected	0.0030**
No War to Better	0.0027**
Better to Worse	-0.0007

Table 5: Impact of Skill in Previous War on Likelihood of Being Targeted in a Militarized Dispute				
	Outcomes		**Expectations**	
	LER	**LER*War Type**	**LER**	**LER*War Type**
No War	0.268 *0.170*	0.267 *0.231*	-1.493*** *0.157*	-1.509*** *0.226*
Conventional		0.007 *0.175*		-0.017 *0.176*
LER	0.124*** *0.023*	0.106** *0.048*	-0.176*** *0.028*	-0.203*** *0.053*
LER*Conventional		0.018 *0.041*		0.028 *0.046*
Military Balance	0.755*** *0.086*	0.756*** *0.086*	0.803*** *0.084*	0.803*** *0.084*
Distance	-0.0002*** *0.00002*	-0.0002*** *0.00002*	-0.0003*** *0.00002*	-0.0002*** *0.00002*
Allies	0.220*** *0.063*	0.217*** *0.063*	0.217*** *0.063*	0.214*** *0.063*
Similarity of Alliance Portfolios	-0.170 *0.163*	-0.168 *0.164*	-0.158 *0.163*	-0.157 *0.163*
Joint Dem	0.004*** *0.001*	0.004*** *0.001*	0.004*** *0.001*	0.004*** *0.001*
Joint Dem Squared	-0.00001*** *0.000002*	-0.00001*** *0.000002*	-0.00001*** *0.000002*	-0.00001*** *0.000002*
Trade	0.003** *0.001*	0.003** *0.001*	0.003** *0.001*	0.003** *0.001*
Peace Years 1	-0.417*** *0.020*	-0.417*** *0.020*	-0.416*** *0.020*	-0.416*** *0.020*

Peace Years 2	-0.0342* *0.018*	-0.034* *0.018*	-0.035* *0.018*	-0.035* *0.018*
Peace Years 3	-0.050 *0.016*	-0.050*** *0.016*	-0.050*** *0.016*	-0.0495*** *0.016*
Peace Years 4	-0.003 *0.010*	-0.003 *0.010*	-0.003 *0.010*	-0.003 *0.010*
Peace Years 5	-0.003 *0.003*	-0.003 *0.003*	-0.003 *0.003*	-0.003 *0.003*
Constant	-2.890*** 0.211	-2.892*** 0.278	-1.156*** 0.229	-1.140*** 0.296
N	112062	112062	112062	112062
Psuedo R2	0.187	0.187	0.187	0.187

Standard errors below coefficient; * p<.1 **p<.05 ***p<.001

Table 6: Impact of LER on Probability of Challenge	
Change in LER	**Change in Pr(Challenge)**
No War to .25	0.0018**
No War to 1	0.0029**
No War to 4	0.0043**
.25 to 1	0.0011**
1 to 4	0.0013**
.25 to 4	0.0025**

Figure 3:Impact of Previous LER on Probability of Being Targeted in a MID

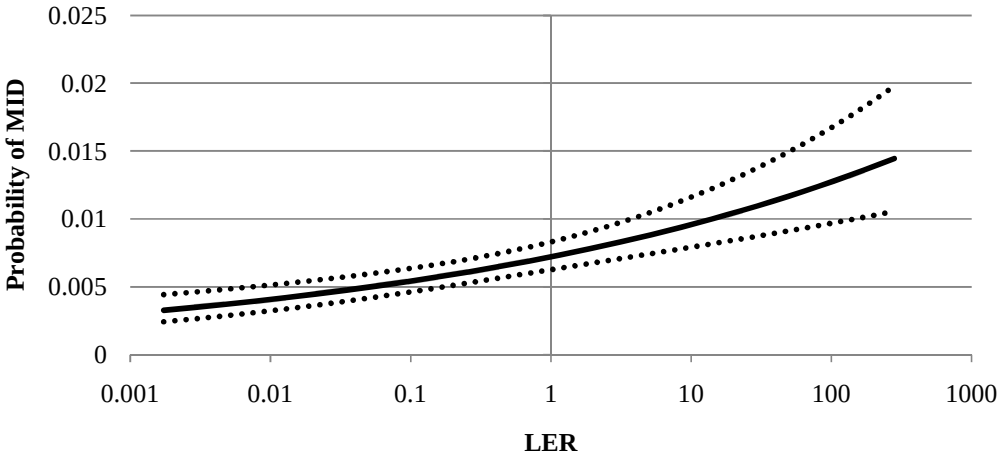

Table 7: Impact of LERdif on Probability of Challenge	
Change in LER	**Change in Pr(Challenge)**
No War to -2 (Worse)	0.0057**
No War to 0 (As Expected)	0.0028**
No War to 2 (Better)	0.0008
-2 to 0 (Worse to Expected)	-0.0029***
0 to 2 (Expected to Better)	-0.0020***
-2 to 2 (Worse to Better)	-0.0050***

Figure 4: Impact of LER of Previous War Relative to Expectations on Probability of Being Targeted in a MID

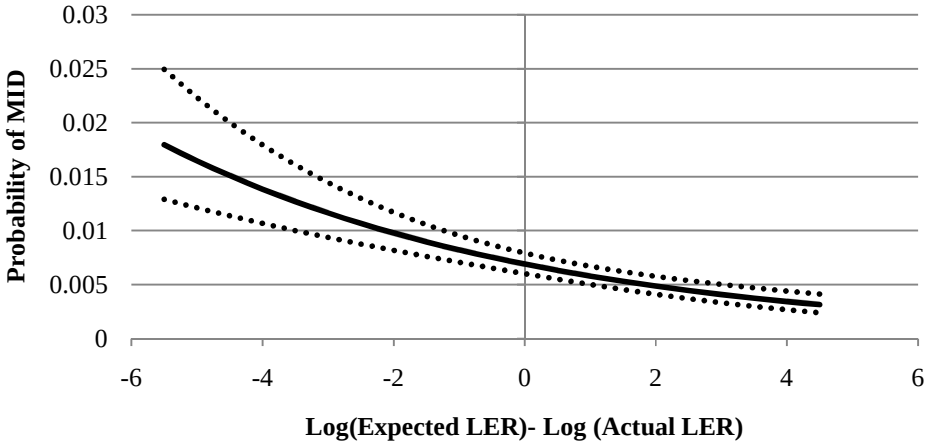

Figure 5: Impact of LER on Probability of Being Targeted in a MID by War Type

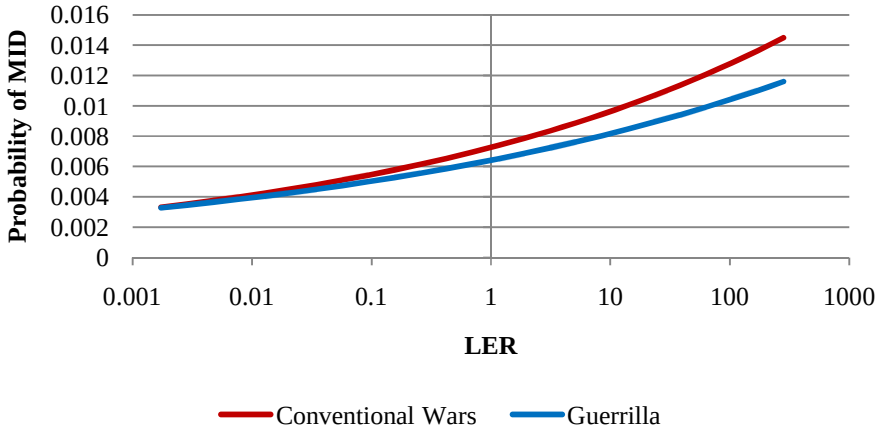

Figure 6: Impact of LER Relative to Expectations on Probability of Being Targeted in a MID by War Type

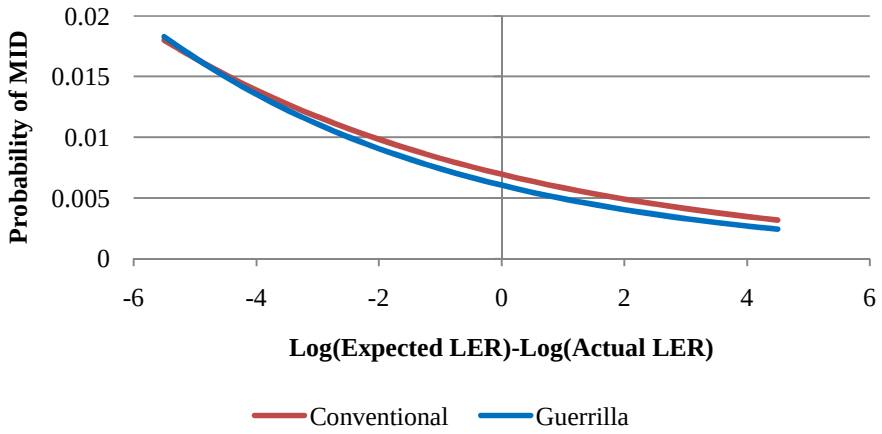

Table 8: Impact of Cost Tolerance in Past War on Probability of Being Targeted in a Militarized Dispute

	Outcomes			Relative to Expectations (M1)		
	Casualties	**Casualties *Region**	**Casualties *Power**	**CasualtiesDif**	**CasualtiesDif *Region**	**CasualtiesDif *Power**
Win	0.864*** 0.1796866	0.519* 0.314	0.185 0.287	0.316* 0.183	0.601 0.370	-0.454 0.303
Draw	-0.2271517 0.2024223	-0.885*** 0.299	-1.199*** 0.303	1.671*** 0.170	1.928*** 0.251	1.345*** 0.258
Lose	-0.0771996 0.1897359	1.816*** 0.542	1.202*** 0.416	0.967*** 0.146	-0.615 0.441	-0.358 0.281
Win*Casualties	-0.106** 0.0482423	-0.067 0.099	-0.113 0.072	0.063 0.050	-0.076 0.101	0.082 0.076
Draw*Casualties	0.271*** 0.0445711	0.405*** 0.069	0.379*** 0.063	-0.313*** 0.052	-0.504*** 0.079	-0.423*** 0.071
Lose*Casualties	0.147*** 0.044282	-0.3892144*** 0.144	-0.226** 0.088	-0.155*** 0.044	0.327** 0.133	0.233*** 0.089
Same Region		0.148 0.251			0.151 0.251	
Win*Region		0.459 0.451			-0.597 0.482	
Draw*Region		1.179*** 0.461			-0.835** 0.413	
Lose*Region		-2.318*** 0.627			1.652*** 0.518	
Win*Casualties*		-0.098			0.199*	

Region		0.115			0.116	
Draw*Casualties* Region		-0.284*** 0.093			0.390*** 0.107	
Lose*Casualties* Region		0.614*** 0.151			-0.549*** 0.139	
Win*Power			1.153** 0.562			1.256** 0.561
Draw*Power			2.214*** 0.581			0.007 0.506
Lose*Power			-2.302*** 0.618			2.268*** 0.451
Win*Casualties* Power			-0.004 0.153			-0.040 0.154
Draw*Casualties* Power			-0.355* 0.135			0.350** 0.150
Lose*Casualties* Power			0.658*** 0.140			-0.673*** 0.140
Military Balance (Power)	0.936*** 0.090	0.858*** 0.095	0.303* 0.172	0.974*** 0.090	0.878*** 0.095	0.310* 0.173
Distance	-0.0003*** 0.00002	-0.0003*** 0.00002	-0.0003*** 0.00002	-0.0002*** 0.00002	-0.0003*** 0.00002	-0.0003*** 0.00002
Allies	0.239*** 0.063	0.208*** 0.064	0.209*** 0.063	0.233*** 0.063	0.206*** 0.064	0.202*** 0.063
Similarity of Alliance Portfolios	-0.156 0.162	-0.136 0.166	-0.196 0.164	-0.100 0.163	-0.099 0.166	-0.152 0.165
Joint Dem	0.004*** 0.001	0.004*** 0.001	0.004*** 0.001	0.004*** 0.001	0.004*** 0.001	0.004*** 0.001
Joint Dem Squared	-0.00001*** 0.000002	-0.00001*** 0.000002	-0.00002*** 0.000002	-0.00001*** 0.000002	-0.00001*** 0.000002	-0.00001*** 0.000002
Trade	0.003** 0.002	0.003* 0.002	0.003** 0.002	0.003** 0.002	0.003* 0.002	0.003** 0.002
Peace Years 1	-0.417*** 0.020	-0.412*** 0.020	-0.412*** 0.020	-0.417*** 0.020	-0.411*** 0.020	-0.411*** 0.020
Peace Years 2	-0.033* 0.018	-0.036** 0.018	-0.035* 0.018	-0.034* 0.018	-0.037* 0.018	-0.036* 0.018
Peace Years 3	-0.049*** 0.016	-0.048*** 0.016	-0.047*** 0.016	-0.049*** 0.016	-0.049*** 0.016	-0.047*** 0.016
Peace Years 4	-0.003 0.010	-0.003 0.010	-0.005 0.010	-0.003 0.010	-0.002 0.010	-0.004 0.010
Peace Years 5	-0.003 0.003	-0.003 0.003	-0.003 0.003	-0.003 0.003	-0.003 0.003	-0.003 0.003

Constant	-2.753*** 0.181	-2.738978*** 0.186	-2.286*** 0.210	-2.821*** 0.181	-2.784*** 0.186	-2.327*** 0.211
N	112062	112062	112062	112062	112062	112062
Psuedo R2	0.188	0.191	0.192	0.188	0.191	0.192

Standard errors below coefficient; * p<.1 **p<.05 ***p<.001

Figure 7:Impact of Revealed Cost Tolerance on Probability of Being Targeted in a MID by War Outcome

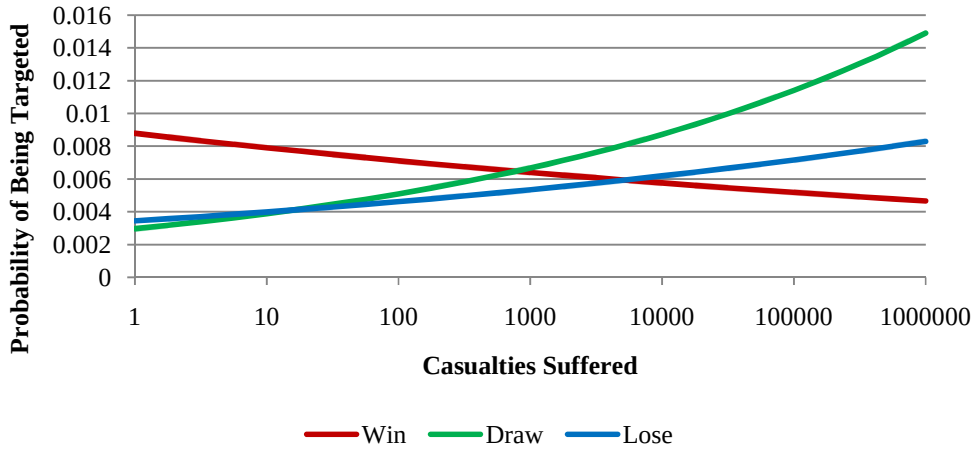

Figure 8: Impact of Revealed Cost Tolerance Relative to Expectations on Probability of Being Targeted in a MID by War Outcome

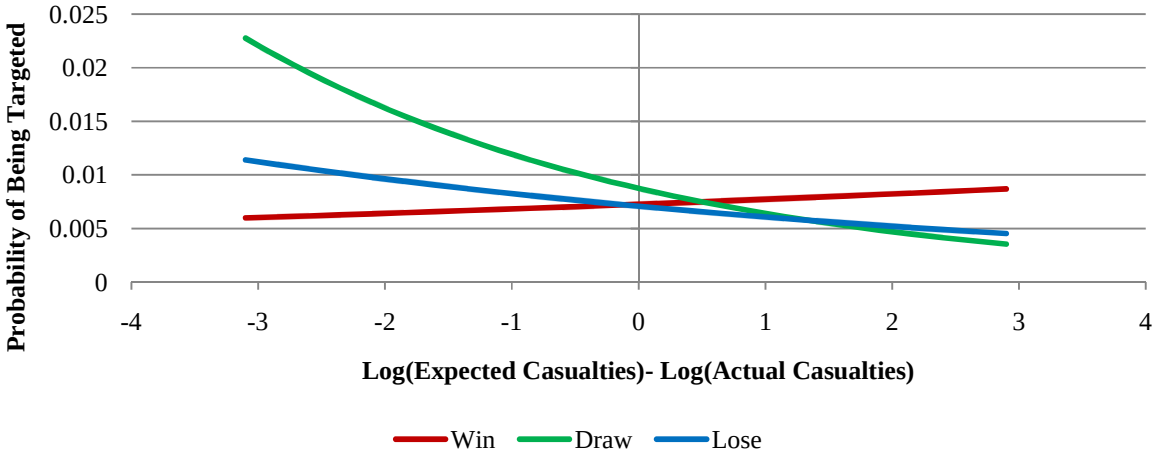

Table 9: Impact of Suffering 10,000 Casualties Compared to 1,000 Casualties on Probability of Being Targeted Depending on War Outcome and Region		
Outcome	**Region**	**Change in Probability**
Win	**Same**	-0.0011**
	Different	-0.0003**
Draw	**Same**	0.0011462
	Different	0.0028**
Lose	**Same**	0.0014**
	Different	-0.0025**

Table 10: Impact of Suffering an Order of Magnitude More Casualties than Expected Depending on War Outcome and Region		
Outcome	Region	Change in Probability
Win	**Same**	-0.0009**
	Different	0.0062
Draw	**Same**	0.0014
	Different	0.0045**
Lose	**Same**	0.0020**
	Different	-0.0020**

Table 11: Impact of Suffering 10,000 Casualties Compared to 1,000 Casualties on Probability of Being Targeted in a MID by Challenger Power and War Outcome		
Outcome	**Relative Power of Challenger**	**Change in Probability**
Win	**Weaker**	-0.0006
	Equal	-0.0011**
	Stronger	-0.0020
Draw	**Weaker**	0.0025**
	Equal	0.0024**
	Stronger	0.0010
Lose	**Weaker**	-0.0014**
	Equal	0.0010**
	Stronger	0.0041**

Figure 9: Impact of Suffering 10,000 Casualties in a Losing War Compared to 1,000 on Probability of Being Targeted in MID by Relative Power of Challenger

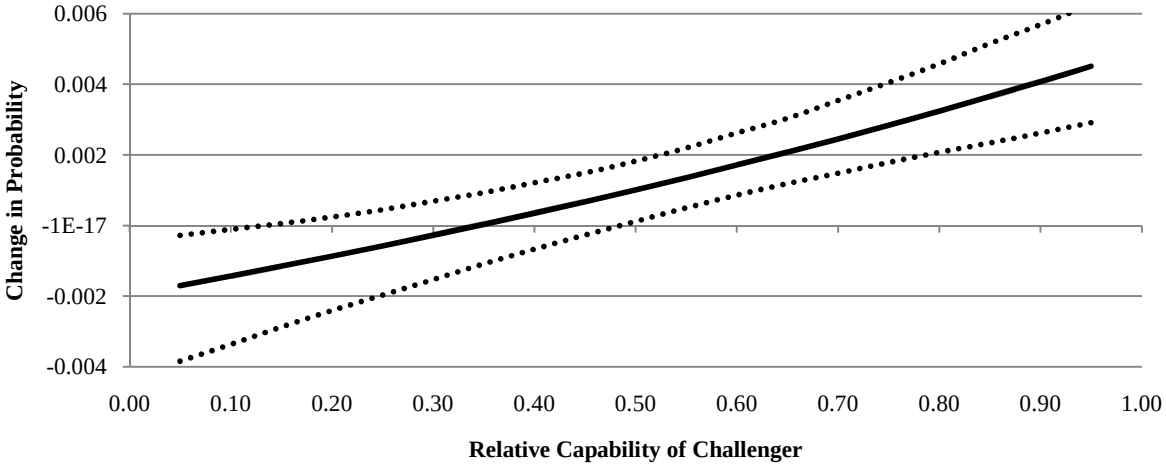

Figure 10: Impact of Suffering Casualties in a Losing War on the Probability of Being Targeted by a Weak Challenger

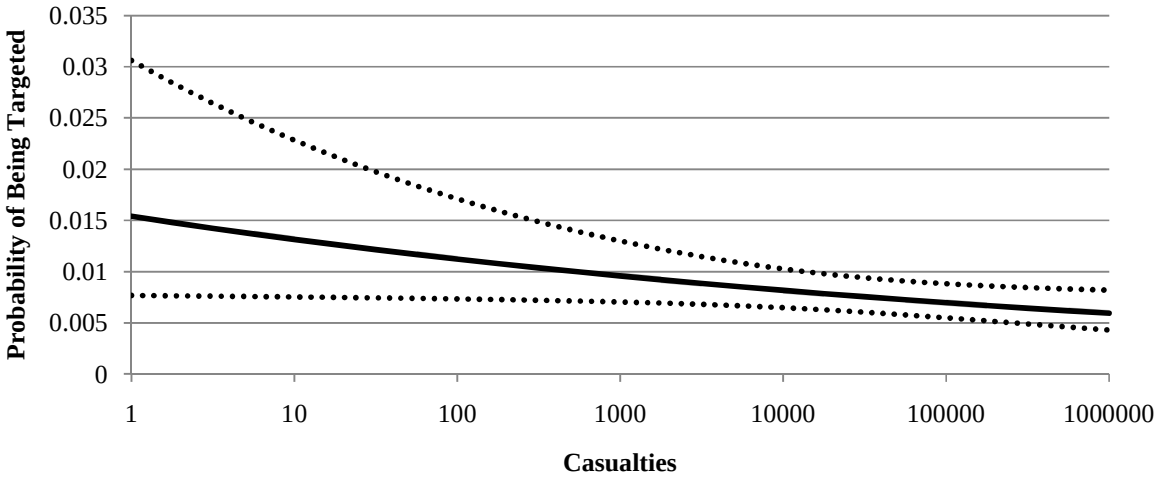

Table 12: Impact of Suffering an Order of Magnitude More Casualties than Expected on Probability of Being Targeted in a MID by Outcome and Challenger Power		
Outcome	**Relative Power of Challenger**	**Change in Probability**
Win	**Weaker**	-0.0004
	Equal	-0.0006
	Stronger	-0.0007
Draw	**Weaker**	0.0032**
	Equal	0.0033**
	Stronger	0.0023
Lose	**Weaker**	-0.0013**
	Equal	0.0011**
	Stronger	0.0057**

Figure 11: Impact of Suffering an Order of Magnituted More Casualties than Expected in a Losing War on Probability of Being Targeted in a MID by Relative Power of Challenger

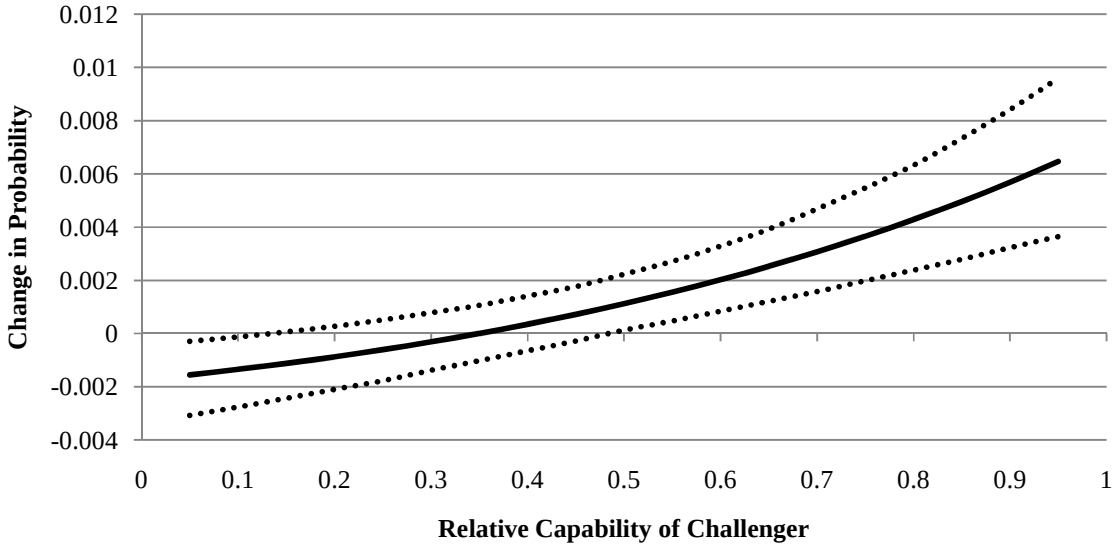

Figure 12: Impact of Casualties Relative to Expectations in a Losing War and the Probability of Being Targeted by a Weak Challenger