Lecture 5: The Determinants of Conflict

- Have looked at the determinants of military spending and seen there is quite a complex picture. With economic political and international factors potentially important.
- Interesting to consider what is the relation between military spending and conflict. Just because you spend more on milex doesn’t mean will end up in conflict, but it could
- Worth bearing in mind that conflict is pervasive and while we mean armed, violent conflict – or the threat thereof– it could be defined much more broadly
- Have seen some general theories of conflict – mercantilist, realist tec
- Decline in conflict between state since end of cold war but increase in civil wars
- What role doe economics play – some would say little others a lot

But in fact interstate wars are much less than intrastate and have declined markedly since the end of the Cold War

![Graph showing number of wars by period](image-url)
Conflict

- In each year of the 1980s and 1990s decades there have been between thirty and forty major armed conflicts in progress.
- Over the past decade active major armed conflicts has declined.
- In 2007, 14 major armed conflicts were active in 13 locations around the world.
- Nearly all were internal or interstate disputes over government or territory – civil wars
- Wide variation in the intensity of these conflicts, from ‘low intensity’ guerrilla-government conflicts, to conflicts between relatively large and well-equipped armies.

Wars less but longer…
Asia and Africa dominate...

Range from ideological struggles (Mozambique, Eritrea, Nicaragua), to more fragmented decentralised conflicts (Somalia and Rwanda).

- With many conflicts a mixture of both at any particular time
- Nature of war has changed:
  - increasing role for less formal armies
  - lack of battlefield engagement
  - increased involvement of civilians as victims
Militarised interstate disputes. More state more disputes but still relatively few lead to war ...

- The causes of conflict are as varied as the nature of conflict and the roots of war are multifaceted, with important historical contexts.

- There are a number of potential factor that can be identified including:
  - Colonial legacy:
  - Military governments and militaristic cultures:
  - Ethnicity and religion:
  - Unequal development:
  - Inequality and poverty:
  - Bad leadership and/or polity frailties and inadequacies
  - External influences:

- Very few conflicts are simple -often a combination

- So empirical question, but complex one
Economic theories

Inter state conflicts - general perspectives

• Neo realist perspective: neo mercantilist perspective: linked with realist perspective on international relations –countries motivated by need for power or security rather than ideals or ethics; conflict inevitable unless some hegemonic force. Expect conflict and war as way nations do business.

• Liberal perspective: liberal realist or rationalist perspective; trade not zero sum game and laissez faire capitalism and global division of labour ; war costly and unlikely; democratic peace; international institutions; more recently US pursuing and protecting democracy

Developing literature

• Can also see analysis of military spending as the economics of war and the preparation for war. Defensive if a particular country is not actively engaged in conflict, or offensive if it is engaged in war or preparing for military operations. (Sandler and Hartley, 2007). But tends to be a rather different literature in practise


• Trade and conflict – see EPSJ Vol 2.1

• Asymmetric conflict and terrorism–changing nature of conflict
As have seen its intra state conflicts that became more important after the Cold War

Intra state conflict –general perspectives

- Theories emphasising the impact of modernisation on conflict. Social and economic change causes the break up of cohesion and mobilisation of groups for conflict.
  - economic and social change alters perceptions
  - social change can lead to threatened people identifying with ethnic group – ignite old hatreds
  - ethnic networks for entrepreneurs lead to growth mainly in one group

- Political rational choice theories
  - Grievance part of ‘greed grievance’ debate
  - Focus on political repression; failing institutions; transitions; informational problems; redress grievances, economic or political

- International relations theories
  - Neo realism
    - Changes in systemic variables – eg end CW lead to increased probability of violence.
    - Groups increase in own security become threat to other groups
    - Little evidence suggests tell us much – few studies link international and internal war
  - Neo liberalism
    - Cane explain why wars occur and how can be prevented
    - Explain role of state actors and ethnic networks and ideology

- Constructivist
  - Try to explain link between social construction of identity ad political mobilisation and civil violence
  - Premordialist; clash of civilisations; ethnic identity; ‘bad leaders’; elites etc

- Theories based on rational choice and economic theories of appropriation
  - Greed part of what has been called ‘greed versus’ grievance debate
  - Grossman models rebellion as industry, get profits from looting, insurgents no different to bandits. Incidence rebellion explained by atypical circumstances that generate profitable opportunities.
  - Hirschleifer: fighting pareto sub optimal so why occur? Preferences; opportunities; perceptions. Possibility opportunities and grievances wrongly perceived. Divergent preferences and capabilities can lead to opportunities for conflict – information issues
• Theories based on rational choice and economic theories of appropriation
  o Competition for resources-lawless setting where predation and defence are 
    alternatives to directly productive activities; property rights not well defined; 
    contracts can't be enforced; rulers can be replaced forcibly
  o Contest model rebel group and incumbent allocate resources to production or 
    appropriation –production function, but also contest success function where 
    probability of success depends on proportion of arms you have and 
    effectiveness of technology
  o Informational asymmetry –problem with contest is always get fighting
  o Commitment problems
  o Participation problems
  o Competing coalition
  o Ethnic groups

Gred vs Grievance: Collier and Hoeffler/Fearon and Laitin:

C&H:

• Political grievances universal economic incentives are not and often decisive.
• Use Hirschleifer type framework where rebellion is outcome of rational decision making 
  subject to constraints of rebel labour market.
• Prob of rebel victory depend on ability govt to defend –technology open to rebels limited-
  govt depends on milex –rebels do not. So taxable base measure how strong govt is. Also 
  measure of potential gains rebels can get. Population measure of rebels desire for 
  secession
• Costs of rebellion –opportunity costs and economic disruption costs –increase with pc 
  income and duration of conflict; costs of coordination (not single agent) measured 
  cultural –ethnolinguistic fractionalisation
• So expected utility function of probability of victory, taxable base of country/ GDP pc. 
  More tax means more to capture, but also more to spend on defence. Expected gain from 
  rebellion increasing function of size of population –more sub groups. Prob war decreases 
  with gdp pc and expected duration. Transaction and coordination costs to a rebellion 
  approx by ethic fractionalisation
• Proxies for opportunity G&G
  • Extortion of natural resources
  • Donations from diasporas
  • Subventions from hostile govts
  • Foregone income low –cost recruits low –growth/income/schooling
  • Military equipment cheap –time since previous conflict
  • Weak govt military capability –terrain, popn distribution
- Social cohesion –ethnic fract
- Objective grievances in G&G paper
  - measures of polarisation –ethnic religious differences
  - political repression using Polity III dataset
  - political exclusion –ethnic dominance
  - economic inequality
- See Table 3 in G&G paper for Opportunity Model
- Argue greed and misperceived grievance important similarities –opportunity and viability provide common conditions for profit or non profit rebel organisations –but observationally equivalent
- Estimate models for opportunity and grievance –opportunity seems to works best –then combine the two
  - Slow growth - increase
  - Prop of natural resources - increase
  - Secondary school attainment –reduce
  - Ethnic fractionalisation; inequality; democracy –not sig
  - Also apply models to explain duration.

Conclude:

- factors that influence opportunity –finance; cost of rebellion; military advantage. Most proxies grievance insignificant;
- risk conflict depends on population
- Time heals
- Opportunity as an explanation of conflict risk is consistent with economic interpretation of rebellion as greed motivated

Fearon and Laitin

- F&L one shot reduced form game of insurgency –size rebellion influence by govt effort and scale initial rebellion
  - Find political grievance little explanatory power, but state institutional capacity sig –wars caused by weak institutions
  - Differ from C&H in interpret of GDP pc opportunity cost versus state capacity; differ in how code civil wars; differ in form 5 yr avs versus panel ; estimates sensitive to conditioning variables
- But major impact on research and debate led to large literature that has advanced understanding –what we don’t know as well as what know.
- Clear not enough to assume grievance drive conflicts -opportunity
Developments

- Improving causal identification
  - Rainfall
  - Price shocks/trade shocks
- Improved measurement
  - Natural resource literature conclave/better data on resources
  - Measurement of grievance
  - Measure inequality –horizontal inequality
  - Measurement of weak institutions
- Case studies that allow focus on particular aspects and easy causal identification –new hypotheses
- Investigating causes beyond nation state -sometimes feedback from refugees etc
- Considering heterogeneity of conflicts –why treat civil wars diff from other forms of violence
- Consider duration and terminations
- Big growth in micro analysis –won’t consider ere

Conclusions

- Economics of conflict is clearly important, though thankfully less so than it was
- Vibrant area of research on civil wars
- Greed versus grievance debate has become more sensible and starting to understand better
- Still plenty of potential to develop research –especially micro level
- Important to keep seeing economic contributions in context and importance of developing sensible policy options

Civil wars and legacy remain important

- Civil wars often lack a clear military goal and are difficult to bring to an end by military or political means.
- The characteristics of a civil war economy and polity makes reversion to peaceful existence extremely difficult.
  - Easy availability of weapons,
  - Fragmented polity,
  - The alienated young, the problems of demobilisation,
  - The shattered infrastructure and the elites dependent on military rather than civil actions for their power and legitimacy.
- All such factors make it little surprise when civil wars restart.
- Next consider costs of conflict –which can be large
- All of which leads to consider post conflict reconstruction and as shall see vital to understand conflicts to be able to move to peace –though not straightforward..
Data sources

Wars

- **Correlates of War (COW) Wars**: Interstate war - combat between states involving a minimum of 1,000 battle deaths (military only) for the whole war among all states involved (Sarkees 2000).

- **Uppsala Conflict Data Program/Peace Research Institute, Oslo (UCDP/PRIØ) Wars**: Interstate war - combat between states leading to a minimum of 1,000 battle-related deaths (military and civilian) per year among all states involved (Gleditsch et al. 2002, UCDP/PRIØ Codebook Version 4-2006). => Just changed!

- **Uppsala Conflict Data Program/Peace Research Institute, Oslo (UCDP/PRIØ) Armed Conflicts**: Apply PRIØ’s interstate war definition, but with battle-related deaths (military and civilian) between 25 and 999 (Gleditsch et al. 2002, UCDP/PRIØ Codebook version 4-2006).

- **COW Militarized Interstate Disputes (MIDs)**: Militarized interstate dispute - united historical case in which the “threat, display or use of military force short of war by one member state is explicitly directed towards the government, official representatives, official forces, property, or territory of another state” (Jones, Bremer, and Singer 1996, p. 168).

- **International Crisis Behavior (ICB) Crises**: Interstate crisis - a state’s foreign policy leaders perceive a threat to basic values, a finite time for response, and a heightened probability of military hostilities (International Crisis Behavior Project at www.cidcm.umd.edu/icb).

Civil wars

- **Uppsala Conflict Data Program/Peace Research Institute, Oslo (UCDP/PRIØ) Armed Conflict Dataset – Civil Wars**:  
  - Combat between a state and one or more internal opposition groups leading to a minimum of 1,000 battle-related deaths (military and civilian) per year among the parties involved (Gleditsch et al. 2002, UCDP/PRIØ Codebook version 4-2006).

- **Uppsala Conflict Data Program/Peace Research Institute, Oslo (UCDP/PRIØ) Armed Conflict Dataset – Sub-War Civil Conflicts**:  
  - Apply UCDP/PRIØ’s civil war definition, but with battle-related deaths (military and civilian) between 25 and 999 (Gleditsch et al. 2002, UCDP/PRIØ Codebook version 4-2006).

- **Correlates of War (COW) Intrastate Wars**:  
  - Combat between the central government and one or more intrastate groups (excluding massacres) leading to 1,000 battle deaths (military fatalities only) for the whole war. Data for inter-communal wars (between two or more groups, none of which is the state) is under development (Sarkees 2000).

- **Political Instability Task Force (PITF) Revolutionary/Ethnic Civil Wars**:  
  - Conflict between a government and a politically organized group or communal minority leading to a minimum of 1,000 direct conflict-related deaths (military and civilian) for the whole war among the parties involved. In addition, each party mobilizes at least 1,000 people in the conflict and there must be at least one year when the annual conflict-related deaths exceed 100 (Marshall, Gurr, and Harff 2001, p. 5).

- **Fearon and Laitin Civil Wars**:  
  - Conflict between agents of a state and nonstate groups with at least 1,000 fatalities for the whole war, a yearly average of at least 100 fatalities, and at least 100 killed on both sides (including civilians killed by rebels) (Fearon and Laitin 2003, p. 76)

- **Sambanis Civil Wars**:  

Conflict between a government and one or more internal insurgent organizations characterized by a high level of initial violence (at least 500 deaths caused by conflict in the first year or 1,000 cumulative deaths in the initial three-year period) as well as sustained violence (no three-year period with fewer than 500 deaths caused by conflict) and substantial resistance by the weaker party (Sambanis 2004b, pp. 829-830).

Minorities at Risk (MAR) Intrastate Conflicts:
- Three types of intrastate conflict are considered: conflict within a communal group (factional or intra-communal conflict), between communal groups (inter-communal conflict), and between one or more communal groups and a regime (civil conflict). Conflict severity ranges from acts of harassment and sporadic violence to protracted warfare (Minorities at Risk Project 2005).

Political Instability Task Force (PITF) Genocides/Politicides:
- “The promotion, execution, and/or implied consent of sustained policies by governing elites or their agents - or in the case of civil war, either of the contending authorities - that result in the deaths of a substantial portion of a communal group or politicized non-communal group” (Marshall, Gurr, and Harff 2001, p. 12).
Selected **interstate** conflict datasets

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Fatalities:
- 25
- 1,000