

# **The Political Economy of Armed Conflict**

April 23, 2018

Instructor: Joshua Alley  
E-mail: jkalley14@tamu.edu  
Office: Allen 2087  
Office hours: Mon., 3:30 pm - 5:00 pm;  
Thurs., 1:30-3:30 pm; and by appointment

## **Course Description**

War is a form of organized social activity. Engaging in this activity requires resources. This course will explore why states and non-state actors opt to devote scarce resources to fighting wars, and how they allocate those resources. We will examine the economic motivations that actors have for engaging in political violence, economic and other costs of conducting war, and the consequences that follow for states and societies of having participated in armed conflict.

This course employs a political economy approach to study both interstate and intrastate conflicts. Our examination of the relationship between war and economics will take us from the role that these factors played in the development of the modern nation-state to civil wars and the virtual collapse of the state in some contemporary civil conflicts.

## **Course Objectives**

By the end of the semester, students in this course should be able to do the following:

1. Employ a political economy approach to the study of interstate and intrastate conflict.
2. Distinguish among different political economy explanations for the causes and outcomes of armed conflict.
3. Critically read and dissect peer-reviewed literature on the political economy of armed conflict.
4. Find and use data relevant to the study of armed conflict.
5. Frame research questions and conduct research relevant to an analysis of conflict.
6. Convey information and research regarding the economic motivations, costs, and consequences of armed conflict in an effective manner, both in writing and orally.
7. Recognize and articulate public policy issues pertaining to the conduct of armed conflict and, as engaged and knowledgeable citizens, participate with others in addressing those issues.

## Course Readings

Most of the required readings are from academic journal articles, and will be provided through the course library site. I require two books, which can be purchased from the College Bookstore or other retailers. You should skim Beah's book in the first week of class.

- Robert Bates. 2001. *Prosperity and Violence: The Political Economy of Development*.
- Ishmael Beah. 2007. *A Long Way Gone: Memoirs of a Boy Soldier*.
- E.B. Sledge. 1981. *With the Old Breed*. (Optional)

## Grading

This course will be run as a modified seminar with some lectures by the instructor. Student participation, which is an essential part of the modified seminar format, will take the form of small-group activities, student-led discussion of readings and course themes, and student presentations.

- Three-page prospectus of Research paper: 10%
- Research paper: 20%
- Class Attendance: 10%
- Quizzes, 25% (5 x 5 points each):
- Mid-term Exam: 15%
- Final exam: 20%

The following grading scale will be used in this course:

- **A** [90-100): Outstanding and original work; well argued, well organized, without significant error or omission.
- **B** [80-90): Very good work; reasonably argued, clearly organized, with only slight error or omission; clearly well above the average.
- **C** [70-80): Solid work; clear evidence of engagement and comprehension but with some organizational, factual, or interpretive errors or omissions.
- **D** [60-70): Passing but only marginally acceptable work with clear deficiencies of fact, organization, interpretation, or length; incomplete work. Immediate conference with me is strongly suggested.
- **F** [0-60): Unacceptable work submitted with such significant deficiencies that no credit can be awarded. Immediate conference with me is required!

## Assignments

1. Research paper: Each student will write his or her own research paper. The research paper must focus on a theme relevant to the political economy of armed conflict. You must formulate a central research question and hypothesis that you will then use one of several data sets that will be provided to the class to test. You might, for example, be interested in the impact that political and/or economic liberalization

has on whether countries experience certain forms of armed conflict. Accordingly, you might hypothesize that countries in the midst of a rapid process of economic liberalization have a higher likelihood of experiencing armed conflict than those countries not involved in such a process.

The first stage of the research paper assignment is a three-page prospectus in which you do the following: make your first effort to identify the question that you will focus on for your research project; discuss why your question is important and how it relates to the political economy of armed conflict; state the hypothesis related to your question that you will seek to test; make clear how you will operationalize your independent and dependent variables; identify the data that you will use to test your hypothesis; and identify 5-10 works related to the topic at hand. The prospectus is due on February 17.

Your research paper should resemble a social science journal article on the political economy of armed conflict. It should consist of an introduction, a literature review, and explanation of your theory and central hypothesis, an overview of the data, a brief discussion of the testing of your hypothesis, an overview of your results, and a conclusion. Your paper should be double-spaced and the pages should be numbered. You must attach your R or STATA output to the paper. The paper should be approximately 20 pages in length. The research paper is due on April 28.

2. Class preparation: Attendance and quizzes will be used during the course of the semester to ensure that you are preparing for class discussion each week. Each week when I have noted that there will be a quiz, the quiz will be given at the beginning of class.

## **Course Policies**

### **Honor Code**

“An Aggie does not lie, cheat or steal, or tolerate those who do.” I expect that all work represented as your own throughout the semester be your own. Any work done with the help of others should clearly indicate such. The Aggie Honor Code is available at <https://aggiehonor.tamu.edu>.

## **Class Attendance**

I will take attendance at the beginning of each class. You have two free absences. After two absences, I will deduct one point from the 10 possible attendance points for each absence. Excused absences do not deduct from your free absences: see Student Rule 7 for a summary of excused absences. If you have more than 15 unexcused absences, then you will receive an F in the course.

Also, laptops will not be allowed in the classroom, unless we have a day in the computer lab to work on your research papers. A large body of research suggests that laptops are a distraction, including for students who are not using them. If you believe you require an exception, please contact me within the first week of class.

Please make sure your cell phones are on silent mode and refrain from using them during class time. If you are repeatedly on your phone, I may deduct points from your participation/attendance grade.

## **Late Assignments**

I will accept assignments turned in late, but only for a one-week period following the date that they were due. During the one-week period, assignments will be penalized by the loss of five points per day for each day they are late. After the one-week period, missing assignments will receive a grade of 0. Note that this policy does not apply to the quizzes, which may not be turned in late nor made up.

## **ADA Policy Statement**

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact Disability Services, in Cain Hall, Room B118, or call 845-1637. For additional information visit <http://disability.tamu.edu>.

## Extra Credit

Unless I decide that the whole class merits an opportunity for extra credit, I will not offer extra credit.

## Communication

The best place to ask questions is in the classroom. If your question is not related to class material or relevant to other students, we can discuss it after class. I encourage you to visit my office hours to discuss any difficulties with the readings or homework. You should at least attempt to solve the problem on your own first.

You can expect me to reply to emails in 24–48 hours during the work week. I will not reply to emails on the weekend. As with all business related correspondence, please include an appropriate salutation, identify yourself, and write in complete sentences.

## Course Schedule

- Week 1: Overview and organizational issues.  
Overview of syllabus and assignments. Why study armed conflict?
  - Lave and March: *An Introduction to Models in the Social Sciences*.  
Provided on ECampus
  - Ishmael Beah. *A Long Way Gone*.
- Week 2: Studying armed conflict through a political economy lens.  
States, markets, and war.
  - Robert Bates. *Prosperity and Violence*.
- Week 3: Monday, February 3: Conflict Overview  
[Quiz 1]
  - James D. Fearon. Rationalist explanations for war. *International Organization*, 49(3):379–414, 1995

- Christopher Blattman and Edward Miguel. Civil war. *Journal of Economic Literature*, pages 3–57, 2010
- Eric Gartzke. War is in the error term. *International Organization*, 53(3):567–87, 1999
- Week 4: Monday, February 10: Political Economy Explanations for Civil Conflict: Inequality, greed, and the resource curse.  
[Quiz 2]
  - Carles Boix. Economic roots of civil wars and revolutions in the contemporary world. *World Politics*, 60(03):390–437, 2008
  - Gudrun Østby. Polarization, horizontal inequalities and violent civil conflict. *Journal of Peace Research*, 45(2):143–162, 2008
  - Michael L Ross. How do natural resources influence civil war? evidence from thirteen cases. *International organization*, 58(01): 35–67, 2004
- Week 5: Monday, February 17: Political Economy Explanations for Civil Conflict: State Weakness.  
Research Paper Prospectus due.
  - Matthew R DiGiuseppe, Colin M Barry, and Richard W Frank. Good for the money international finance, state capacity, and internal armed conflict. *Journal of Peace Research*, 49(3):391–405, 2012
  - James D Fearon and David D Laitin. Ethnicity, insurgency, and civil war. *American political science review*, 97(01):75–90, 2003
  - Hanne Fjelde and Indra De Soysa. Coercion, co-optation, or cooperation? state capacity and the risk of civil war, 19612004. *Conflict Management and Peace Science*, 26(1):5–25, 2009
- Week 6: Monday, February 24: Political Economy Explanations for Civil Conflict Part IV: Liberalism, globalization, and liberalization.  
[Quiz 3]
  - Katherine Barbieri and Rafael Reuveny. Economic globalization and civil war. *Journal of Politics*, 67(4):1228–1247, 2005

- Caroline A Hartzell, Matthew Hoddie, and Molly Bauer. Economic liberalization via imf structural adjustment: Sowing the seeds of civil war? *International Organization*, 64(02):339–356, 2010
- Margit Bussmann and Gerald Schneider. When globalization discontent turns violent: foreign economic liberalization and internal war. *International Studies Quarterly*, 51(1):79–97, 2007
- Week 7: Monday, March 3: Individual Participation in Civil War
  - Scott Gates. Recruitment and allegiance the microfoundations of rebellion. *Journal of Conflict Resolution*, 46(1):111–130, 2002
  - Macartan Humphreys and Jeremy M Weinstein. Who fights? the determinants of participation in civil war. *American Journal of Political Science*, 52(2):436–455, 2008
  - Ben Oppenheim, Abbey Steele, Juan F Vargas, and Michael Weintraub. True believers, deserters, and traitors who leaves insurgent groups and why. *Journal of Conflict Resolution*, pages 794–823, 2015
- Week 8: SPRING BREAK
- Week 9: Monday, March 17: Midterm Exam.
- Week 10: Monday, March 24: The Consequences of Armed Conflict and Military Spending: Part I: The Economy.
  - Seonjou Kang and James Meernik. Civil war destruction and the prospects for economic growth. *Journal of Politics*, 67(1):88–109, 2005
  - James C Murdoch and Todd Sandler. Economic growth, civil wars, and spatial spillovers. *Journal of conflict resolution*, 46(1):91–110, 2002
  - Gianmarco Leon. Civil conflict and human capital accumulation the long-term effects of political violence in perú. *Journal of Human Resources*, 47(4):991–1022, 2012



- Week 11: Monday, March 31: Economic Causes of International Conflict

[Quiz 4]

- Nuno Montiero and Alexandre Debs. An economic theory of war. Unpublished Working Paper, 2016
- Alexandre Debs and Nuno P Monteiro. Known unknowns: Power shifts, uncertainty, and war. *International Organization*, 68(01): 1–31, 2014
- Douglas M Gibling. State development, parity, and international conflict. *American Political Science Review*, 111(1):21–38, 2017

- Week 12: Paying for International Conflict.

[Quiz 5]

- Kenneth A Schultz and Barry R Weingast. The democratic advantage: institutional foundations of financial power in international competition. *International Organization*, 57(01):3–42, 2003
- Paul Poast. Central banks at war. *International Organization*, 69(1):63–95, 2015
- Gustavo A Flores-Macias and Sarah E Kreps. Political parties at war: A study of american war finance, 1789–2010. *American Political Science Review*, 107(4):833–848, 2013

- Week 13: Monday, April 14: The Arms-Alliances Tradeoff

- Mancur Olson and Richard Zeckhauser. An economic theory of alliances. *The Review of Economics and Statistics*, 48(3):266–279, 1966
- Matthew DiGiuseppe. Guns, butter, and debt: Sovereign creditworthiness and military expenditure. *Journal of Peace Research*, 52(5):680–693, 2015
- Gerald L Sorokin. Arms, alliances, and security tradeoffs in enduring rivalries. *International Studies Quarterly*, 38(3):421–446, 1994

- Week 14: Monday, April 21: Economic Consequences of International Competition and Conflict:
  - Kenneth Scheve and David Stasavage. Democracy, war, and wealth: lessons from two centuries of inheritance taxation. *American Political Science Review*, 106(01):81–102, 2012
  - Daniel W Drezner. Military primacy doesn’t pay (nearly as much as you think). *International Security*, 38(1):52–79, 2013
  - Joanne Gowa and Edward D. Mansfield. Alliances, imperfect markets, and major-power trade. *International Organization*, 58(4):775–805, 2004
- Week 15: Monday, April 28: The Liberal Peace Thesis  
Research Paper due.
  - Erik Gartzke, Quan Li, and Charles Boehmer. Investing in the peace: Economic interdependence and international conflict. *International Organization*, 55(02):391–438, 2001
  - John R. Oneal and Bruce M. Russett. The kantian peace: The pacific benefits of democracy, interdependence, and international organizations, 1885-1992. *World Politics*, 52(1):1–37, 1999
  - Michael D Ward, Randolph M Siverson, and Xun Cao. Disputes, democracies, and dependencies: A reexamination of the kantian peace. *American Journal of Political Science*, 51(3):583–601, 2007