

IIPS 60103 • Political Economy of War & Peace Spring 2009 • David F. Ruccio

revised: 27 February 2009

office: 410 Decio

tel: 1-6434

email: Ruccio.1@nd.edu

hours: Wednesdays, 3-5 pm & by appointment

web: www.nd.edu/~druccio/IIPS-S09.html

What is the role of the military-industrial complex and the arms trade? What are the economic causes and consequences of civil wars and international conflicts? What are the economic conditions for resolving wars and building and maintaining peace?

There are many different economic theories used to examine the problems of war and peace-building in the world today, and thus to answer such questions. In this course, we begin by surveying the historical and current debates concerning the economic and noneconomic conditions and consequences of war. Then, we study the main concepts of neoclassical economics (the predominant economic theory in the United States and around the world), the Marxian critique of political economy, and the different approaches to international trade and development utilized by neoclassical and Marxian economists. Finally, in the remainder of the course, we turn to a series key topics in the political economy of war and peace, especially the economic causes and consequences of national and international conflicts and the conditions that need to be in place to end such wars.

COURSE REQUIREMENTS

All students are expected to complete the assigned readings, before the material is covered in class, and to participate in classroom discussions. Grading will, in addition, be based on weekly essays and a final research paper. The weekly essays, each approximately 500-750 words, are due each Wednesday in class. The purpose of the essays is to “grapple” with the readings—to formulate the main themes, to raise the interesting issues, to pose the key questions—in preparation for the classroom discussions. I will be looking for serious, thoughtful, and well-written critical engagements with the readings. The other assignment is a research paper, 3750-5000 words, on a specific topic in the political economy of war and peace. You need to submit an abstract and reading list by 8 April. The final research paper is due by 5 pm on Wednesday, 6 May.

TEXTS AND READINGS

Four books have been ordered for the course: Mary Kaldor’s *New and Old Wars: Organized Violence in a Global Era* (2d ed.); Richard D. Wolff and Stephen A. Resnick’s *Economics: Marxian versus Neoclassical*; *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, edited by Cynthia J. Arnson and I. William Zartman; and *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, edited by Karen Ballentine and Jake Sherman. They can be purchased at the campus bookstore. All other readings are available on electronic reserve.

INTRODUCTION [14 January]

Mary Kaldor, *New and Old Wars: Organized Violence in a Global Era*, 2d ed. (Palo Alto: Stanford University Press, 2007)

IT'S NOT (ONLY) ECONOMICS [21 January]

Michael E. Brown, "The Causes of Internal Conflict: An Overview," in *Nationalism and Ethnic Conflict*, ed. Michael E. Brown et al., 4-12 (Cambridge, MA: MIT Press, 1997)

Benjamin Valentino, "Final Solutions: The Causes of Mass Killing and Genocide," *Security Studies* 9 (Spring 2000): 1-59

Halvard Buhaug and Scott Gates, "The Geography of Civil War," *Journal of Peace Research* 39 (2002): 417-33

James A. Piazza, "Rooted in Poverty? Terrorism, Poor Economic Development, and Social Cleavages," *Terrorism and Political Violence* 18 (March 2006): 159-77

Jack S. Levy, "International Sources of Interstate and Intrastate War" in Crocker, *Leashing the Dogs of War: Conflict Management in a Divided World*, ed. Chester A. Crocker et al., 17-39 (Washington, D.C. : United States Institute of Peace Press, 2007)

Amartya Sen, "Violence, Identity, and Poverty," *Journal of Peace Research* 45 (2008): 5-15

HISTORY & OVERVIEW OF THE DEBATES [28 January]

David M. Rowe, "The Tragedy of Liberalism: How Globalization Caused the First World War," *Security Studies* 14 (July-September 2005): 407-47

Macartan Humphreys, *Economics and Violent Conflict* (Cambridge: Harvard College, 2002)

Fanny Coulomb and Jacques Fontanel, "Disarmament: A Century of Economic Thought," *Defence and Peace Economics* 14 (2003): 193-208

Charles Anderton, "Economic Theorizing of Conflict: Historical Contributions, Future Possibilities," *Defence and Peace Economics* 14 (2003): 209-22

David M. Malone and Heiko Nitzschke, "Economic Agendas in Civil Wars: What We Know, What We Need to Know," Discussion Paper No. 2005/07 (Helsinki: UNU-World Institute for Development Economics Research, 2005)

Christopher Cramer, "War, Peace and Capitalism: Is Capitalism the Harbinger of Peace or the Greatest Threat to World Peace?" in *Anti-Capitalism: A Marxist Introduction*, ed. Alfredo Saad-Filho, 152-63 (London: Pluto Press, 2003)

Martha Starr, "Growth and Conflict in the Developing World: Neo-liberal Narratives and Social-Economy Alternatives," *Review of Social Economy* 64 (June 2006): 205-24

Karen Ballentine and Jake Sherman, "Introduction," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, 1-15 (Boulder: Lynne Rienner, 2003)

Cynthia J. Arnson, "The Political Economy of War: Situating the Debate," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 1-22 (Baltimore: Johns Hopkins University Press, 2005)

AT THE MOVIES [4 February]

Eugene Jarecki, *Why We Fight* (Culver City, CA: Sony Pictures Home Entertainment, 2006)

NEOCLASSICAL ECONOMIC THEORY [11 & 18 February]

Richard D. Wolff and Stephen A. Resnick, *Economics: Marxian versus Neoclassical* (Baltimore: Johns Hopkins University Press, 1987), chaps 1 & 2

Halvor Mehlum and Karl Moene, "Battlefields and Marketplaces," *Defence and Peace Economics* 13 (2002): 485-96

Scott Gates, "Recruitment and Allegiance: The Microfoundations of Rebellion," *Journal of Conflict Resolution* 46 (February 2002): 111-30

cases:

Paul Collier, "Doing Well out of War: An Economic Perspective," in *Greed and Grievance: Economic Agendas in Civil Wars*, ed. Mats Berdal and David M. Malone, 91-111 (Boulder: Lynne Rienner, 2000)

Christopher J. Coyne, "From Conflict to Cooperation," in *After War: The Political Economy of Exporting Democracy*, 30-44 (Stanford: Stanford University Press, 2008)

MARXIAN CRITIQUE OF POLITICAL ECONOMY [25 February]

Richard D. Wolff and Stephen A. Resnick, *Economics: Marxian versus Neoclassical* (Baltimore: Johns Hopkins University Press, 1987), chaps 3 & 4

case:

Christopher Cramer, "Does Inequality Cause Conflict?" *Journal of International Development* 15 (2003): 397-412

GLOBALIZATION & DEVELOPMENT [4 March]

Paul A. Samuelson and William D. Nordhaus, *Economics*, 18th ed. (New York: McGraw-Hill, 2005), chaps. 15 & 28 (on international trade and development)

Prabhat Patnaik, "Karl Marx as a Development Economist," in *The Pioneers of Development Economics: Great Economists on Development*, ed. Jomo Ks, 62-73 (London: Zed Books, 2005)

Elizabeth Dore, "Understanding Capitalism in the Third World," in *Anti-Capitalism: A Marxist Introduction*, ed. Alfredo Saad-Filho, 164-74 (London: Pluto Press, 2003)

Sarah Bracking, "Regulating Capital in Accumulation: Negotiating the Imperial 'Frontier'," *Review of African Political Economy* 30 (March 2003): 11-32

Anjan Chakrabarti and Stephen Cullenberg, "Class and Need: An Alternative Political Economy of Development," in *Transition and Development in India, 197-234* (New York: Routledge, 2003)

cases:

Cynthia McClintock, "The Evolution of Internal War in Peru: The Conjunction of Need, Creed, and Organizational Finance," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 52-83 (Baltimore: Johns Hopkins University Press, 2005)

Elizabeth Picard, "Trafficking, Rents, and Diaspora in the Lebanese War," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 23-51 (Baltimore: Johns Hopkins University Press, 2005)

CAUSES OF WAR

- Imperialism, Trade & the Military-Industrial Complex [18 March]

Heikki Patomäki, "Global Insecurity in the Early Twenty-First Century: Neoliberalization and the Rise of New Imperialism," in *The Political Economy of Global Security: War, Future Crises and Changes in Global Governance*, 124-55, 257-61 (New York: Routledge, 2008)

Katherine Barbieri and Gerald Schneider, "Assessing New Directions in the Study of Trade and Conflict" *Journal of Peace Research* 36 (1999): 387-404

Stephen G. Brooks, "The Globalization of Production and the Changing Benefits of Conquest." *Journal of Conflict Resolution* 43 (October 1999): 646-70

Shimshorn Bichler and Jonathan Nitzan, "Dominant Capital and the New Wars," *Journal of World-Systems Research* 10 (Summer 2004): 255-327

P. W. Singer, "Outsourcing War," *Foreign Affairs* 84 (2005): 119-32

Harry W. Isaac and Daniel M. Harrison, "Corporate Warriors: The State and Changing Forms of Private Armed Force in America," in *Globalization Between the Cold War and Neo-Imperialism*, Volume 24, ed. Jennifer M. Lehmann, 153-88 (Stamford, CT: JAI Press, 2006)

cases:

Erik Kennes, "The Democratic Republic of the Congo: Structures of Greed, Networks of Need," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 140-77 (Baltimore: Johns Hopkins University Press, 2005)

Paula R. Newberg, "Surviving State Failure: Internal War and Regional Conflict in Afghanistan's Neighborhood," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 206-33 (Baltimore: Johns Hopkins University Press, 2005)

Rohan Gunaratina, "Sri Lanka: Feeding the Tamil Tigers," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 197-223 (Boulder: Lynne Rienner, 2003)

- Poverty, Inequality & Underdevelopment [25 March]

Patricia Justino, *Carrot or Stick? Redistributive Transfers versus Policing in Contexts of Civil Unrest*. MICROECON Research Working Paper 3. Brighton, 2007

V. Spike Peterson, "'New Wars' and Gendered Economies," *Feminist Review* 88 (2008): 7-20

Dietrich Jung, "A Political Economy of Intra-State War: Confronting a Paradox," in Dietrich Jung, ed., *Shadow Globalization, Ethnic Conflicts and New Wars: A Political Economy of Intra-State War* (New York: Routledge, 2003), pp. 9-26.

S. Brock Blomberg and Gregory D. Hess, "The Temporal Links Between Conflict and Economic Activity," *Journal of Conflict Resolution* 46 (February 2002): 74-90

Siddharta Mitra, "Poverty and Terrorism," *Economics of Peace and Security Journal* 3 (2008): 57-61

cases:

John Bray, Leiv Lunde, and S. Mansoob Murshed, "Nepal: Economic Drivers of the Maoist Insurgency," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 107-32 (Boulder: Lynne Rienner, 2003)

Anthony J. Regan, "The Bourgainville Conflict: Political and Economic Agendas," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 133-66 (Boulder: Lynne Rienner, 2003)

- Resources [1 April]

Michael T. Klare, "Oil, Geography, and War: The Competitive Pursuit of Petroleum Plenty," in *Resource Wars: The New Landscape of Global Conflict*, 27-50 (New York: Henry Holt & Company, 2001)

Michael L. Ross, "Oil, Drugs, and Diamonds: The Varying Roles of Natural Resources in Civil War," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 47-70 (Boulder: Lynne Rienner, 2003)

Scott Pegg, "Globalization and Natural-Resource Conflicts," *Naval War College Review* 56 (Autumn 2003): 82-96

cases:

Michael T. Klare, "Water Conflict in the Nile Basin," in *Resource Wars: The New Landscape of Global Conflict*, 138-60 (New York: Henry Holt & Company, 2001)

Philippe Le Billon, "Resource Wealth and Angola's Uncivil Wars," Jimmy D. Kandeh, "The Criminalization of the RUF Insurgency in Sierra Leone," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 107-39 (Baltimore: Johns Hopkins University Press, 2005)

Alexandra Guáqueta, "The Colombian Conflict: Political and Economic Dimensions," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 73-106 (Boulder: Lynne Rienner, 2003)

Marc Chernick, "Economic Resources and Internal Armed Conflicts: Lessons from the Colombian Case," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 178-205 (Baltimore: Johns Hopkins University Press, 2005)

CONDITIONS AND CONSEQUENCES OF WAR [8 April]

- Conditions of War

Valpy Fitzgerald, "Paying for the War: Economic Policy in Poor Countries Under Conflict Conditions," in *War and Underdevelopment*, vol. 1, *The Economic and Social Consequences of Conflict*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 21-38 (New York: Oxford University Press, 2001)

Jean-Paul Azam, "Looting and Conflict between Ethnoregional Groups: Lessons for State Formation in Africa," *Journal of Conflict Resolution* 46 (February 2002): 131-53

cases:

A. B. Zack-Williams, "Child Soldiers in the Civil War in Sierra Leone," *Review of African Political Economy* 28 (March 2001): 73-82

Jake Sherman, "Burma: Lessons from the Cease-Fires," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 225-55 (Boulder: Lynne Rienner, 2003)

Atif Kubursi and Fadle Naqib, "The Palestinian Economy Under Occupation: Economicide," *Economics of Peace and Security Journal* 3 (2008): 16-24

- Consequences of War

Frances Stewart, Cindy Huang, and Michael Wang, "Internal Wars: An Empirical Overview of the Economic and Social Consequences," in *War and Underdevelopment*, vol. 1, *The Economic and Social Consequences of Conflict*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 67-103 (New York: Oxford University Press, 2001)

Paul Collier, "On the Economic Consequences of Civil War," *Oxford Economic Papers* 51 (1999): 168-83

cases:

Joseph E. Stiglitz and Linda J. Bilmes, "The \$3 Trillion Dollar War," *Vanity Fair* (April 2008)

Alexandros Yannis, "Kosovo: The Political Economy of Conflict and Peacebuilding," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 167-95 (Boulder: Lynne Rienner, 2003)

Meghan O'Sullivan, "Sri Lanka: Civil Strife, and the State 1983-1995," in *War and Underdevelopment*, vol. 2, *Country Experiences*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 176-219 (New York: Oxford University Press, 2001)

PREVENTING WAR/BUILDING PEACE

- Sanctions & International Institutions [15 April]

Jean-Marc F. Blanchard and Norrin M. Ripsman, "Asking the Right Question: *When Do Economic Sanctions Work Best?*" *Security Studies* 9 (Autumn 1999): 228-64

David Cortright and George A. Lopez, "Introduction: Assessing Smart Sanctions: Lessons from the 1990s," in *Smart Sanctions: Targeting Economic Statecraft*, 1-22 (Lanham, MD: Rowman & Littlefield, 2002)

T. Clifton Morgan and Navin A. Bapat, "Imposing Sanctions: States, Firms, and Economic Coercion," *International Studies Review* 5 (December 2003): 65- 79

Valpy Fitzgerald, "The International Political Economy of Conflict in Poor Countries," in in *War and Underdevelopment*, vol. 1, *The Economic and Social Consequences of Conflict*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 204-24 (New York: Oxford University Press, 2001)

Philippe Le Billon, "Getting It Done: Instruments of Enforcement," in *Natural Resources and Violent Conflict: Options and Actions*, ed. Ian Bannon and Paul Collier, 215-86 (Washington, D.C.: World Bank, 2003)

David M. Malone and Jake Sherman, "Economic Factors in Civil Wars: Policy Considerations," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 234-55 (Baltimore: Johns Hopkins University Press, 2005)

cases:

Charles Carter, "The Political Economy of Conflict and UN Intervention: Rethinking the Critical Cases of Africa," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, ed. Karen Ballentine and Jake Sherman, 19-45 (Boulder: Lynne Rienner, 2003)

John Dunne, "After the Slaughter: Reconstructing Mozambique and Rwanda," *Economics of Peace and Security Journal* 1 (2006): 39-46

- Development, Aid & NGOs [22 April]

Pieter van Houten, "The World Bank's (Post-)Conflict Agenda: The Challenge of Integrating Development and Security," *Cambridge Review of International Affairs* 20 (2007): 639-57

Janine Aron, "Building Institutions in Post-Conflict African Economies," *Journal of International Development* 15 (2003): 471-85

Frances Stewart and Emma Samman, "Food Aid During Civil War: Conflicting Conclusions Derives from Alternative Approaches," in *War and Underdevelopment*, vol. 1, *The Economic and Social Consequences of Conflict*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 168-203 (New York: Oxford University Press, 2001)

James K. Boyce and Manuel Pastor, Jr., "Aid for Peace: Can International Financial Institutions Help Prevent Conflict?" *World Policy Journal* 15 (Summer 1998): 42-50

David Shearer, "Aiding or Abetting? Humanitarian Aid and Its Economic Role in Civil War," in Mats Berdal and David M. Malone, eds., *Greed and Grievance: Economic Agendas in Civil Wars*, 189-203 (Boulder: Lynne Rienner, 2000)

Joanna Macrae, "Aid Beyond the State: The Emergence of a 'New' Aid Orthodoxy," in *Aiding Recovery? The Crisis of Aid in Chronic Political Emergencies*, 24-47 (New York: Zed Books, 2001)

Jane Nelson, "Operating in Insecure Environments," in *Too Poor for Peace? Global Poverty, Conflict, and Security in the 21st Century*, ed. Lael Brainard and Derek Chollet, 128-52 (Washington, D.C.: Brookings Institution, 2007)

cases:

Valpy Fitzgerald and Arturo Grigsby, "Nicaragua: The Political Economy of Social Reform and Armed Conflict," in *War and Underdevelopment*, vol. 2, *Country Experiences*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 119-54 (New York: Oxford University Press, 2001)

Tilman Brück, "War and Reconstruction in Northern Mozambique," *Economics of Peace and Security Journal* 1 (2006): 30-39

Peter Marsden and Emma Samman, "Afghanistan: The Economic and Social Impact of Conflict," in *War and Underdevelopment*, vol. 2, *Country Experiences*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 21-55 (New York: Oxford University Press, 2001)

Numan Kanafani and Samia Al-Botmeh, "The Political Economy of Food Aid to Palestine," *Economics of Peace and Security Journal* 3 (2008): 39-48

IN LIEU OF A CONCLUSION [29 April]

Frances Stewart and Valpy Fitzgerald, "The Costs of War in Poor Countries: Conclusions and Policy Recommendations," in *War and Underdevelopment*, vol. 1, *The Economic and Social Consequences of Conflict*, ed. Frances Stewart, Valpy Fitzgerald, and associates, 225-45 (New York: Oxford University Press, 2001)

Karen Ballentine, "Beyond Greed and Grievance: Reconsidering the Economic Dynamics of Armed Conflict," in *The Political Economy of Armed Conflict: Beyond Greed and Grievance*, 259-83 (Boulder: Lynne Rienner, 2003)

I. William Zartman, "Need, Creed, and Greed in Interstate Conflict," in *Rethinking the Economics of War: The Intersection of Need, Creed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman, 256-84 (Baltimore: Johns Hopkins University Press, 2005)

Neil Cooper, "Peaceful Warriors and Warring Peacemakers," *Economics of Peace and Security Journal* 1 (2006): 20-24