

CESPIC Summer School

War, reconstruction and establishment of peace
from the roots of war to the establishment of a lasting Peace

September, 19-23, 2016

Università Cattolica Nostra Signora del Buon Consiglio
Tirana

SUMMER SCHOOL PROGRAM

Peace Economics and Peace Science

Raul Caruso, *Catholic University of the Sacred Heart*

Schedule (Monday, September, 19th, 2016, h. 13.00)

COURSE DESCRIPTION

In this short course, the pillars of peace economics and peace science will be presented. First, the classical theoretical distinction between productive and unproductive activities (that dates back to Physiocrats and also to Adam Smith) will be taken into account. Eventually, the second aim of this short course is to provide elements for a general discussion on peace economics and its potential contribution to economics and economic policy. I first present a discussion on deterrence equilibria and consequent allocation of resources. Eventually I expound five economic channels through which military expenditures turn to be detrimental for economic development. Finally some elements to build a framework for a peaceful economic policy are presented.

COURSE READINGS AND MATERIALS

Baumol, William J. (1990). "Entrepreneurship: Productive, Unproductive, and Destructive." *The Journal of Political Economy*. Vol. 98, No. 5, Part 1 (October), pp. 893-921.

Brauer, Jurgen and Raul Caruso. (2012). "Economists and Peacebuilding." In Roger MacGinty (ed.), *Handbook on Peacebuilding*. London: Routledge.

Caruso R., (2015), Beyond Deterrence and Decline, Towards a General Understanding of Peace Economics, *Rivista Internazionale di Scienze Sociali*, vol. 128, n.1, pp. 57-74

Caruso R., (2010), On the nature of Peace Economics, *Peace Economics, Peace Science and Public Policy*, vol. 16, n.2, art.1

Isard, Walter. (1992). *Understanding Conflict and the Science of Peace*. Cambridge, MA: Blackwell.

Raul Caruso, educated in Naples (MA), Leuven (Msc) and Milan (PhD), is currently affiliated at the Catholic University of the Sacred Heart where he is serving as adjunct

professor of International Economics and Economic Policy. He is editor in chief of Peace Economics, Peace Science and Public Policy (USA) and he is also in the editorial board of Defence and Peace Economics (USA) and of Economics of Peace and security Journal (USA). He is the executive director of Network of European Peace Scientists and head of the Italian Chapter of Economists for Peace and Security. He has been awarded with the Stuart Bremer Award in 2004, with Premio Isimbardi in 2011, with the Emerald Outstanding Author Contribution in 2012 and with Manas Chatterji Award for excellence in Peace Economics and Peace Science in 2014.

Inter-ethnic and inter-religious conflicts

Scott Gates, *University of Oslo and Peace Research Institute Oslo (PRIO)*

Schedule (Tuesday, September, 20th, 2016, h. 9.00)

COURSE DESCRIPTION

These lectures will examine the nature and causes of inter-ethnic and inter-religious conflict. We will survey different theoretical approaches regarding ethno-nationalism and religious nationalism. We will more generally study how the relationship between group identity and inequality affects a group's ability to mobilize and organize. These relationships, in turn, will be examined to better understand patterns of violence and escalation processes. In particular we will examine political and economic exclusion at the group level, and show that these exert strong effects on the risk of civil conflict and inter-communal violence. Group identity is critical to recruitment and maintaining allegiance to a military organization or a political movement. Hence, we will focus our attention on the most relevant form of inequality — horizontal inequalities — the inequality between groups. We will examine inter-ethnic and inter-religious conflicts across different forms of organized violence. Civil wars involving an insurgent army engaged in armed conflict with the state will constitute one of the principal types of armed conflict. We will examine civil wars across the globe, but with special attention given to sub-Saharan Africa and Nepal. In addition, we will examine the nature and causes of Hindu-Muslim communal violence in India. We will also study the conflictive interactions between western European states and domestic dissident immigrant Muslim minority groups as a means to better understand the recent upsurge in terrorist attacks in Europe. We will employ micro-economic models and econometric analyses to help us better understand the underlying motivations of individuals and groups affecting their relationships with one another and with respect to members of other groups or representatives of the state.

COURSE READINGS AND MATERIALS

Østby, Gudrun. (2013) "Inequality and political violence: A review of the literature", *International Area Studies Review* 16.2: 206-231.

Cederman, Lars-Erik, Nils B. Weidmann, and Kristian Skrede Gleditsch. (2011) "Horizontal inequalities and ethnonationalist civil war: A global comparison", *American Political Science Review* 105.03: 478-495.

Murshed, S. Mansoob, and Scott Gates. (2005) "Spatial–horizontal inequality and the Maoist insurgency in Nepal", *Review of Development Economics* 9.1: 121-134.

**Murshed, Syed Mansoob. (2011) "The Clash of Civilizations and the Interaction between Fear and Hatred", *International Area Studies Review* 14.1: 31-48.

**Mitra, Anirban, and Debraj Ray. (2014) "Implications of an economic theory of conflict: Hindu-Muslim violence in India", *Journal of Political Economy* 122.4: 719-765.

Gates, Scott, Benjamin A.T. Graham, Yonatan Lupu, Håvard Strand, and Kaare W. Strøm. (2016) "Power Sharing, Protection, and Peace", *The Journal of Politics* 78.2: 512-526.

**more mathematical readings

Recommended:

Cederman, Lars-Erik, Kristian Skrede Gleditsch, and Halvard Buhaug. (2013) *Inequality, grievances, and civil war*. Cambridge: Cambridge University Press.

Scott Gates, Research Professor at the Peace Research Institute Oslo (PRIO); Professor of Political Science and Guest Researcher, Economics Department at the University of Oslo. He was Director of the Center for the Study of Civil War (CSCW) at PRIO, 2002-2013. PhD Political Science, University of Michigan; MS Applied Economics, University of Minnesota. Gates has published ten books including: *War and State building in Afghanistan* (Bloomsbury, 2014). He has also published in the *American Political Science Review*, *American Journal of Political Science*, *Journal of Conflict Resolution*, *Journal of Peace Research*, *Journal of Environmental Economics and Management*, *World Development*, inter alia. He is Associate Editor at the *Journal of Peace Research* and Editor-in-Chief, *International Area Studies Review*. He is the co-recipient of the 2014 Herbert Simon Award for research on bureaucratic politics. Gates' current research interests include: democratization, bureaucratic politics, the consequences of warfare, and the organizational basis of rebellion and non-violent resistance.

International Mediation and Third-Party Intervention

Tobias Böhmelt, *University of Essex*

Schedule (Tuesday, September, 20th, 2016, h. 14.00)

COURSE DESCRIPTION

What is international mediation? Under what circumstances do we see this kind of non-violent third-party intervention? And is mediation effective? This course will deal with these and similar questions in order to provide students with a thorough overview of international mediation. The course will be theory-driven and empirics-oriented: we will thus look systematically at the theoretical mechanisms behind mediation onset and effectiveness, before confronting these claims with the empirical evidence. The course is divided into three main sections. First, there is a background overview and we will look at key definitions and concepts (e.g., conflict, violence, negotiation, bargaining, mediation, etc.). Second, we study one of the most general and important theoretical concepts in the conflict literature: the bargaining model of war. Finally, we examine international mediation in depth, both theoretically and empirically.

COURSE READINGS AND MATERIALS

Basic:

Beardsley, Kyle, David Quinn, Bidisha Biswas and Jonathan Wilkenfeld. 2006. Mediation Style and Crisis Outcomes. *Journal of Conflict Resolution* 50 (1): 58-86.

Beardsley, Kyle. 2008. Agreement without Peace? International Mediation and Time Inconsistency Problems. *American Journal of Political Science* 52 (4): 723-740

Dixon, William J. 1996. Third-Party Techniques for Preventing Conflict Escalation and Promoting Peaceful Settlement. *International Organization* 50 (4): 653-681.

Gartner, Scott S., and Jacob Bercovitch. 2006. Overcoming Obstacles to Peace: The Contribution of Mediation to Short-Lived Conflict Settlements. *International Studies Quarterly* 50 (4): 819-840.

Greig, J. Michael. 2005. Stepping into the Fray: When Do Mediators Mediate? *American Journal of Political Science* 49 (2): 249-266.

Rauchhaus, Robert. 2006. Asymmetric Information, Mediation and Conflict Management. *World Politics* 58 (2): 207-241.

More advanced list of readings:

For my own publications on international mediation, check out my website:
<https://www.essex.ac.uk/government/staff/profile.aspx?ID=3279>

Beardsley, Kyle, David Quinn, Bidisha Biswas and Jonathan Wilkenfeld. 2006. Mediation Style and Crisis Outcomes. *Journal of Conflict Resolution* 50 (1): 58-86.

Beardsley, Kyle. 2008. Agreement without Peace? International Mediation and Time Inconsistency Problems. *American Journal of Political Science* 52 (4): 723-740

Dixon, William J. 1996. Third-Party Techniques for Preventing Conflict Escalation and Promoting Peaceful Settlement. *International Organization* 50 (4): 653-681.

Fey, Mark, and Kristopher W. Ramsay. 2010. When is Shuttle Diplomacy worth the Commute? Information Sharing through Mediation. *World Politics* 62 (4): 529-560.

Gartner, Scott S., and Jacob Bercovitch. 2006. Overcoming Obstacles to Peace: The Contribution of Mediation to Short-Lived Conflict Settlements. *International Studies Quarterly* 50 (4): 819-840.

Greig, J. Michael. 2001. Moments of Opportunity. *Journal of Conflict Resolution* 45(6): 691-718.

Greig, J. Michael. 2005. Stepping into the Fray: When Do Mediators Mediate? *American Journal of Political Science* 49 (2): 249-266.

Kydd, Andrew. 2003. When Can Mediators Build Trust? *American Political Science Review* 100 (3): 449-462.

Kydd, Andrew. 2003. Which Side Are You On? Bias, Credibility, and Mediation. *American Journal of Political Science* 47 (4): 597-611.

Mitchell, Sara McLaughlin. 2002. A Kantian System? Democracy and Third-Party Conflict Resolution. *American Journal of Political Science* 46 (4): 749-759.

Rauchhaus, Robert. 2006. Asymmetric Information, Mediation and Conflict Management. *World Politics* 58 (2): 207-241.

Regan, Patrick, and Allan C. Stam. 2000. In the Nick of Time: Conflict Management, Mediation Timing, and the Duration of Interstate Disputes. *International Studies Quarterly* 44 (2): 239-260.

Smith, Alistair, and Allan C. Stam. 2003. Mediation and Peacekeeping in a Random Walk Model of Civil and Interstate War. *International Studies Review* 5 (4): 115-135.

Terris, Lesley G., and Zeev Maoz. 2005. Rational Mediation: A Theory and a Test. *Journal of Peace Research* 42 (5): 563-583.

Walter, Barbara F. 1997. The Critical Barrier to Civil War Settlement. *International Organization* 51 (3): 335-364.

Tobias Böhmelt is a Reader (Associate Professor) in the Department of Government at the University of Essex (UK) and a Research Associate of the International Political Economy Group at the Center for Comparative and International Studies (CIS) as well as the Institute for Environmental Decisions (IED). His main research and teaching interests are the quantitative analysis of conflict and cooperation, environmental politics, international mediation, military effectiveness, and network analysis.

Peacekeeping

Vincenzo Bove, *University of Warwick*

Schedule (Wednesday, September, 21st, 2016, h. 9.00)

COURSE DESCRIPTION

This short course will provide an overview and basic framework for studying peacekeeping operations, one the instruments available to the international community to deal with civil wars. We will cover crucial issues such as why the UN intervenes in some countries and not in others, what are the determinants of a country's voluntary contributions to peacekeeping, and the effect of third party intervention in civil wars on outcomes and duration. A key objective is to improve the students' ability to clearly understand the material in scientific journals and to identify the contributions as well as the potential flaws in the main arguments. Another key goal is to expose students to a variety of research designs which are widely used in economics and political science to investigate the causes and consequences of military intervention.

COURSE READINGS AND MATERIALS

Basic:

Aydin, A. (2008). Choosing sides: Economic interdependence and interstate disputes. *The Journal of Politics*, 70(04), 1098-1108.

Bove, V., & Elia, L. (2011). Supplying peace: Participation in and troop contribution to peacekeeping missions. *Journal of Peace Research*, 48(6), 699-714.

Fortna, V. P. (2004). Does peacekeeping keep peace? International intervention and the duration of peace after civil war. *International Studies Quarterly*, 48(2), 269-292.

Hultman, L., Kathman, J., & Shannon, M. (2013). United Nations Peacekeeping and Civilian Protection in Civil War. *American Journal of Political Science*, 57(4)

Kathman, J. D. (2011). Civil War Diffusion and Regional Motivations for Intervention. *Journal of Conflict Resolution*, 55(6), 847-876

Regan, P. M. (2002). Third-party interventions and the duration of intrastate conflicts. *Journal of Conflict Resolution*, 46(1), 55-73.

Ruggeri, A., Gizelis, T. I., & Dorussen, H. (2013). Managing Mistrust. An Analysis of Cooperation with UN Peacekeeping in Africa. *Journal of Conflict Resolution*, 57(3), 387-409.

Smith, R. P., & Bove, V. (2011). The economics of peacekeeping. Chapter 10 in the *Handbook on the Economics of Conflict*. Eds. D. Braddon and K. Hartley. Edward Elgar.

Additional reading:

Beber, B., Gilligan, M. J., Guardado, J., & Karim, S. (2016). Peacekeeping, international norms, and transactional sex in Monrovia, Liberia. *International Organization*.

Berger, D., Easterly, W., Nunn, N., & Satyanath, S. (2013). Commercial Imperialism? Political Influence and Trade During the Cold War. *The American Economic Review*, 103(2), 863-896.

Bove, V., & Ruggeri, A. (2016). Kinds of blue: diversity in UN peacekeeping missions and civilian protection. *British Journal of Political Science*, 60(3).

Bove, V., Gleditsch, K. S., & Sekeris, P. G. (2015). "Oil above Water" Economic Interdependence and Third-party Intervention. *Journal of Conflict Resolution*, 60(7)

Gilligan, M. J., & Sergenti, E. J. (2008). Do UN interventions cause peace? Using matching to improve causal inference. *Quarterly Journal of Political Science*, 3(2), 89-122.

Hultman, L., Kathman, J., & Shannon, M. (2014). Beyond keeping peace: United Nations effectiveness in the midst of fighting. *American Political Science Review*, 108(04), 737-753.

Vincenzo Bove is Associate Professor of Politics and International Studies at the University of Warwick. He received a PhD in Economics from Birkbeck College, University of London, in 2011; an MSc in Economics from Birkbeck in 2007; and a Laurea in Political Science from the University of Florence in 2003. He has held teaching and research appointments at the University of Essex, the University of Genoa, IMT Lucca and Sciences Po, Paris. His research expertise lies in the fields of Political Economy and Conflict Resolution, and he specializes in the application of statistical methods to answer substantive questions in these topic areas. His current

research focuses on the arms trade, civil-military relations, international migration, terrorism and third party intervention in civil wars.

Institutions and Peace Building

Han Dorussen, *University of Essex*

Schedule (Wednesday, September, 21st, 2016, h. 14.00)

COURSE DESCRIPTION

Post-conflict countries have to deal with the legacy of conflict. Peacemaking, peacekeeping and peacebuilding can all be seen as essential elements of transitioning from war to peace. Further, reconstructing (or re-imagining) political and economic institutions is often a central part of the transition process. We will focus on lingering hostilities, local capacity as well as international capacity to evaluate the opportunities for successful transition. We will consider the factors that lead to success or failure of peace agreements and the role that institutional arrangements play in the longevity of peace. We will also look at the role and evolution of peacekeeping operations from peacekeeping to peacebuilding. Finally, we will pay attention to the importance of local, indigenous processes, such as reconciliation and transitional justice, and other critiques of the liberal interventionism model.

COURSE READINGS AND MATERIALS

Core Readings

Doyle, M. and N. Sambanis (2000). International Peacebuilding: A Theoretical and Quantitative Analysis. *American Political Science Review* 92(4): 779–801.

Walter, B.F. (1997). The Critical Barrier to Civil War Settlement. *International Organizations* 51(3): 335-64.

Paris, R. (1997) Peace-building and the Limits of Liberal Internationalism. *International Security*, 22(2): 54-89.

Hartzell, Caroline A., and Matthew Hoddie. 2003. "Institutionalizing Peace: Power Sharing and Post-Civil War Conflict Management." *American Journal of Political Science* 47 (2): 318–32.

Autessere, S. (2008). The Trouble with Congo - How Local Disputes Fuel Regional Conflict. *Foreign Affairs* 87(3): 94-110.

Dorussen, H. and T-I Gizelis (2013). Into the Lion's Den: The Reception of UN Peacekeeping Efforts. *Journal of Peace Research* 50(6): 691-706.

Gizelis, T-I (2009). Female Status and Post-conflict Reconstruction in War Torn Societies. *Journal of Peace Research*, Vol. 46(4): 505-523.

Fortna, Virginia Page. 2003. "Scraps of Paper? Agreements and the Durability of Peace." *International Organization* 57 (1): 337-72.

Glasius, M. (2009) What is Global Justice and Who Decides? Civil Society and Victim Responses to the International Criminal Court's First Investigations. *Human Rights Quarterly* 31 (2): 496-520.

Advanced Readings

Ruggeri, Andrea, Han Dorussen and Ismene Gizelis (2016). "Winning the Peace Locally: UN Peacekeeping and Local Conflict", *International Organization*, forthcoming.

Cederman, Lars-Erik, Nils B. Weidmann, and Kristian Skrede Gleditsch. 2011. "Horizontal Inequalities and Ethnonationalist Civil War: A Global Comparison." *American Political Science Review* 105 (3): 478-95.

Chapman, Thomas, and Philip G. Roeder. 2007. "Partition as a Solution to Wars of Nationalism: The Importance of Institutions." *American Political Science Review* 101 (4): 677-91.

Scott Gates, Benjamin A. T. Graham, Yonatan Lupu, Håvard Strand, Kaare W. Strøm (2016). "Power Sharing, Protection, and Peace", *The Journal of Politics*, 78(2), <http://dx.doi.org/10.1086/684366>

Further readings

Dorussen, Han (2014). "Peacekeeping Works, or Does It?", *Peace Economics, Peace Science and Public Policy*, 20(4): 527-538, doi: 10.1515/peps-2014-0039.

Gizelis, T-I., H. Dorussen and M. Petrova (2016). 'Research Findings on the Evolution of Peacekeeping', *Oxford Research Encyclopedia of Politics* (<http://politics.oxfordre.com/>).

Howard, L. M. (2002). UN Peace Implementation in Namibia: The Causes of Success, *International Peacekeeping* 9(1):99-132.

Sisk, Timothy D. 1996. *Power Sharing and International Mediation in Ethnic Conflicts*. New York: Carnegie.

Stedman, S. (2001) Implementing Peace Agreements in Civil Wars: Lessons and Recommendations for Policymakers.
http://www.peacedividendtrust.org/EIPdata/Library/Post-Conflict Development/IPA_Implementing_Peace_Agmts.pdf

Professor Han Dorussen received his MA in political science from the University of Nijmegen and his Ph.D. in government for the University of Texas at Austin. He has been a lecturer at the Norwegian University of Science and Technology (NTNU) in Trondheim. Since 2001, he has taught at the University of Essex. Between 2008 and 2011 and in 2013-4, he was Head of Department of Government at the University of Essex. He is associate editor for the Journal of Peace Research, and a member of the Michael Nicholson Centre of Conflict and Cooperation. His research focus is on international relations, international and comparative political economy and applied game theory. Current research interests include the relationship between trade and conflict, the use of economic policies in international politics, peacekeeping operations and the governance of post-conflict societies, and policy convergence in the European Union. Co-editor (with Emil Kirchner and Thomas Christiansen) of Security Relations between China and the European Union: From Convergence to Cooperation (Cambridge University Press 2016), and (with Michael Taylor) of Economic Voting (Routledge 2002). Published articles in Public Choice, International Organization, World Politics, Journal of Peace Research, Journal of Conflict Resolution, International Peacekeeping, International Interactions, European Union Politics, World Development, and Electoral Studies.

State Capacity and Conflict

Roberto Ricciuti, *University of Verona*

Schedule (Thursday, September, 22nd, 2016, h. 9.00)

COURSE DESCRIPTION

The lecture will introduce the notion of state capacity with particular emphasis on fiscal capacity, the ability of the government to raise taxes and provide some redistribution, and legal capacity, the ability of the state to protect property rights, and therefore act as a productive factor in the economy. We will discuss the link between state capacity and conflict, in particular in economies that are rich in natural resources. This will lead to the introduction of econometric analyses on the effects of oil abundance on conflict and democracy.

COURSE READINGS AND MATERIALS

Compulsory reading:

T. Besley & T. Persson (2011). *Pillars of Prosperity: The Political Economics of Development Clusters*, Princeton University Press (Chapter 1).

Cotet, A., and K.K. Tsui (2013). Oil and Conflict: What Does the Cross Country Evidence Really Show? *American Economic Journal: Macroeconomics*, 5(1): 49–80.

Lei, Y-H., and G. Michaels (2014). Do Giant Oilfield Discoveries Fuel Internal Armed Conflicts? *Journal of Development Economics*, 110: 139–157.

T. Masi & R. Ricciuti (2016). Oil discoveries and democracy, *WIDER Working Paper* 57/2016.

Further reading:

Brautigam, D., O-H. Fjeldstad, M. Moore (2008). *Taxation and State-Building in Developing Countries: Capacity and Consent*. New York: Cambridge Univ. Press

Mehlum, H., K. Moene, and R. Torvik (2006). Institutions and the Resource Curse. *Economic Journal*, 116(508): 1–20.

Robinson, J., R. Torvik, and T. Verdier (2006). Political Foundations of the Resource Curse. *Journal of Development Economics*, 79(2): 447–68.

Ross M.L. (2015). What Have We Learned about the Resource Curse? *Annual Review of Political Science*, 18: 239–59.

van der Ploeg, F. (2011). Natural Resources: Curse or Blessing? *Journal of Economic Literature*, 49(2): 366–420.

Wright, J., E. Frantz, and B. Geddes (2015). Oil and Autocratic Regime Survival. *British Journal of Political Science*, 45: 287–306.

Roberto Ricciuti is Associate Professor of Economic Policy at the University of Verona. He received an MSc in Economics from the University of Exeter and a PhD in Economics from the University of Siena. He previously taught at Royal Holloway, University of London and at the University of Florence. He is a Research Fellow at CESifo (Munich), and an Honorary Professorial Fellow at the Global Development Institute (University of Manchester). During the academic year 2007/2008 a Jean Monnet Fellow at the Robert Schuman Centre for Advanced Studies of the European University Institute. He published refereed papers in political economy, conflict, and cliometrics. His work has been published, among others, by the *European Journal of Political Economy*, *Public Choice*, *Journal of Economic Behavior and Organization*, *Journal of Economic Surveys*, *Cliometrica*, *Journal of Peace Research*, and *Physica A*.

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Military Expenditures and Economic Development

Christos Kollias, *University of Thessaly*

Schedule (Thursday, September, 22nd, 2016, h. 14.00)

COURSE DESCRIPTION

World military expenditure in 2015 is estimated at around \$1.7 billion, roughly 2.3% of global GDP. Fifteen countries account for more than 80% of global spending on defence. The lecture will look briefly into the trends and regional distribution of military expenditures globally during both the Cold and post-Cold war periods before turning to present and discuss the economic effects of defence spending and its nexus with development. Military expenditures represent a country's outlays in order to purchase the inputs used for the production of military capabilities and strength. The allocation of resources to national defence has important economic ramifications usually encapsulated by the guns vs butter dilemma that is especially applicable for developing countries endowed with comparatively less resources vis-à-vis developed economies. However, the channels through which the economy and defence are interlinked extend well beyond the guns vs butter type of opportunity cost. On the one hand, defence spending can have growth enhancing effects through a) increased employment of idle or underemployed resources, b) positive externalities such as technological advances from R&D that spill-over to other sectors of the economy thus increasing productivity, c) infrastructure creation and human capital formation. To these effects, one must also add the economic benefits stemming from the increased national security that such spending contributes to, especially for countries faced with acute external security challenges. On the other hand, such spending can prove to be growth retarding through the crowding-out of other, more productive forms of public spending as well as investment. The empirical assessment of the economic effects of military spending is a contentious theme that has attracted considerable attention with mixed findings but with the scales apparently tilting in favor of a growth retarding effect especially in the case of developing countries. Following a brief review of the accumulated empirical findings, the lecture will present some further results for different income groups of countries – high, middle and low income - using the new consistent dataset by SIPRI

that is due to be released for public use in the next few months. The dataset spans over a longer time period and thus it allows for more robust inferences to be drawn.

COURSE READINGS AND MATERIALS

On global military spending:

Arvanitidis, P. & C. Kollias (2016) Zipf's Law and World Military Expenditures. *Peace Economics, Peace Science and Public Policy* 22(1): 41–71

Arvanitidis, P., C. Kollias & K. Anastasopoulos (2014) Is There an International Convergence in Defence Burdens? Some Initial Findings. *Peace Economics, Peace Science and Public Policy* 20(4):611-620

Caruso, R. & M. Di Domizio (2016) Interdependence between US and European military spending: a panel cointegration analysis (1988-2013). *Applied Economics Letters*, 23(4): 302-305

Lau, C., K. Marco, E. Demir & M. Bilgin (2016) A Nonlinear Model of Military Expenditure Convergence: evidence from Estar Nonlinear Unit Root Test, *Defence and Peace Economics*, 27(3), 392-403

Sandler, T. & J. George (2016) Military expenditure trends for 1960–2014 and what they reveal, *Global Policy* 7(2): 174–184

On the military spending-economic growth nexus:

Aizenman, J. & R. Glick (2006). Military expenditure, threats, and growth. *Journal of International Trade and Economic Development* 15(2): 129-155

Dunne, J. P., Smith, R. & D. Willenbockel (2005). Models of military expenditure and growth: a critical review. *Defence and Peace Economics*, 16(6): 449-461

Dunne, J. P. & Tian, N. (2013) Military expenditure and economic growth: A survey. *Economics of Peace and Security Journal*, 8(1): 5-11

Heo, U. & M. Ye (2016) Defense spending and economic growth around the globe: the direct and indirect link, *International Interactions*, DOI:10.1080/03050629.2016.1149067

Hou, N., & B. Chen (2013) Military expenditure and economic growth in developing countries: Evidence from system GMM estimates. *Defence and Peace Economics* 24(3): 183-193

- Kollias, C. & Paleologou, S.M. (2013) Guns, highways and economic growth in the United States, *Economic Modelling* 30, 449–455
- Kollias, C. & Paleologou, S.M. (2010) Growth, investment and military expenditure in the European Union-15. *Journal of Economic Studies*, 37(2): 228-240
- Malizard, J. (2015) Does military expenditure crowd out private investment? A disaggregated perspective for the case of France, *Economic Modelling*, 46: 44-52
- Seiglie, C. (2016) Openness of the economy, terms of trade and arms, *Southern Economic Journal* 82(3), 748–759

Christos Kollias is Professor of Applied Economics with the Department of Economics, University of Thessaly, Editor of *Defence & Peace Economics*; member of the Editorial Board of *Peace Economics, Peace Science and Public Policy*; Associate Editor of *The Economics of Peace & Security Journal* and Research Associate with the Hellenic Foundation for European & Foreign Policy (ELIAMEP). His research interests include defence economics, terrorism, international political economy, public sector economics and macroeconomic policy. He is the author of three books, co-editor of three collective volumes and has published over one hundred papers in peer-reviewed journals, collective volumes and conference proceedings.

Understanding Terrorism

Raul Caruso, Catholic University of the Sacred Heart

Schedule (Friday, September, 23rd, 2016, h. 9.00)

COURSE DESCRIPTION

The focus of this short course will be on the recent research on terrorism. In particular, it will focus on determinants and correlates of terrorism. In particular the course will be split into the following areas: (i) Definition of terrorism; (ii) Measures of terrorism; (iii) some economic correlates of terrorism; (iv) empirical evidence. In particular, the relationship between economic cycles, democracy and terrorism will be explained. In addition dynamics of terrorism will be analyzed. That is, terrorism has no clear-cut dynamics and competition between extremist groups also plays a role. In particular brutality and emergence of terrorist attacks could reflect a contest between groups rather than a detailed strategy to challenge the legitimate government. In order to explain this idea, the economic theory of contests is expounded. Eventually some empirical evidence will be provided. Lastly some insights on terrorism financing will be explained.

COURSE READINGS AND MATERIALS

Caruso R., Schneider F., (2011), The Socio-Economic determinants of terrorism and political violence in Western Europe (1994-2007). *European Journal of Political Economy*. Vol.27, S1, s37-s49

Caruso R., Schneider F., (2013) Brutality of Jihadist Terrorism. A contest theory perspective and empirical evidence in the period 2002-2010, *Journal of Policy Modeling*, vol. 35, n.5, pp. 685-696

Caruso R., Gavrilova E., (2012), Youth Unemployment and Political Violence, Evidence from Israeli/Palestinian Conflict (1997-2007), *Peace Economics, Peace Science and Public Policy*, vol.18,n.2, art. 2

Further Reading

Boehmer C., Daube M. (2013) The Curvilinear Effects of Economic Development on Domestic Terrorism. *Peace Economics Peace Science and Public Policy* 19: 359–368

- Enders W., Hoover G.A., Sandler T. (2016). The Changing Nonlinear Relationship between Income and Terrorism. *Journal of Conflict Resolution* 60: 195–225
- Fielding D., Shortland A. (2010) An eye for an eye, a tooth for a tooth, political violence and counter-insurgency in Egypt. *Journal of Peace Research* 47: 433–447.
- Freytag A., Kruger J., Meierrieks D., Schneider F. (2011) The origins of terrorism: Cross-country estimates of socio-economic determinants of terrorism. *European Journal of Political Economy* 27: S1, S5–S16
- Benmelech E, Berrebi C, Klor EF (2012) Economic Conditions and the Quality of Suicide Terrorism. *J of Polit* 74:115–128.
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