Rohner, Dominic

Working Paper

Conflict

CESifo Working Paper, No. 12035

Provided in Cooperation with:
Ifo Institute – Leibniz Institute for Economic Research at the University of Munich

Suggested Citation: Rohner, Dominic (2025) : Conflict, CESifo Working Paper, No. 12035, CESifo GmbH, Munich

This Version is available at:
https://hdl.handle.net/10419/325026

CES ifo Working Papers

12035
2025

July 2025

Conflict

Dominic Rohner

CES ifo

Imprint:

CESifo Working Papers

ISSN 2364-1428 (digital)

Publisher and distributor: Munich Society for the Promotion
of Economic Research - CESifo GmbH

Poschingerstr. 5, 81679 Munich, Germany
Telephone +49 (0)89 2180-2740

Email office@cesifo.de
https://www.cesifo.org

Editor: Clemens Fuest

An electronic version of the paper may be downloaded free of charge
· from the CESifo website: www.ifo.de/en/cesifo/publications/cesifo-working-papers
· from the SSRN website: www.ssrn.com/index.cfm/en/cesifo/
· from the RePEc website: https://ideas.repec.org/s/ces/ceswps.html

Conflict*

Dominic Rohner
Geneva Graduate Institute, University of Lausanne, CEPR

July 2025
Prepared for the Handbook in Development Economics

Abstract

This handbook chapter provides a synthesis of the literature on armed conflicts, with a special focus on development economics, while covering also other disciplines. The piece starts off with a discussion of the main consequences of conflict before investigating its root causes. First, a series of theoretical approaches and results will be reviewed, before presenting major datasets and methods. As a next step, a structured analysis of key empirical findings follows. The last part of the handbook chapter is devoted to a synthesis of crucial policy lessons.

Keywords: Conflict, Civil War, Peace, Development, Poverty
JEL Codes: D74, F51, H56, H77, N40, O10, Q34.

*Email: dominic.rohner@graduateinstitute.ch.

1. Introduction

These days, sadly, writing the motivation for a (survey) article on armed conflict has become easier. If some decades back a recurrent question was "is this economics?", nowadays the sheer scale and devastating consequences of war and armed violence have made it all but obvious that armed conflict is a main factor driving and impacted by economic activity. In what follows the costs and consequences of conflict will be discussed in much more depth, but to make a long story short, currently roughly a quarter of countries worldwide experience an armed conflict (https://ucdp.uu.se/) and the costs of a given average civil or interstate war are very substantial, with a painstakingly slow recovery, taking decades (Mueller and Tobias, 2016; Federle et al., 2024), as discussed in detail below. Not only have the numbers of countries in conflict shown a worrying upward trend for over a decade now, but on top of this a series of risk factors are trending in the "wrong direction", leading to –if anything– growing risks in the near future. These include democratic backsliding, climate change and mounting geopolitical tensions, as discussed in much depth further below. Hence, sadly, studying armed conflict seems to be more salient and pressing than ever.

While there exist already some survey pieces on armed conflict, they are all either dated or focus on very specific factors. In particular, one of the arguably last attempts at a general survey of the literature is the influential article by Blattman and Miguel (2010), published over 15 years ago. Since then, a series of reviews have been published, focusing on very specific aspects related to conflicts, including climate change (Burke, Hsiang, and Miguel, 2015a), within- and between-group trust (Bauer et al., 2016), vicious conflict cycles (Rohner and Thoenig, 2021), one-sided massacres (Anderton and Brauer, 2021), foreign interventions (Rohner, 2024a), geoeconomics (Mohr and Trebesch, 2025) and nation-building (Rohner and Zhuravskaya, 2024).[1] The goal of the current article is to provide an integrated state-of-the-art synthesis of cutting-edge work and key results on the economics of conflict, providing an overview over the *whole* field. While it is of course not easy to fit this increasingly vast field into the scope of a single survey, there are great benefits of taking a *systemic*, bird eye view. Various risk factors of armed conflicts and feedback loops are connected and inter-mashed and some factors are complements and others substitutes. By focusing too narrowly on certain very specific aspects of armed conflict, we would run the risk of losing sight of the big picture and "general equilibrium" effects. Hence, fitting together again all puzzle pieces is of paramount importance.

The current survey article is structured as follows: Section 2 defines what is meant by armed conflict and distinguished major conflict types, while Section 3 reviews key costs and consequences of armed conflict. Next, Section 4 discussed the dominant theoretical explanations for armed conflict, and Section 5 is devoted to the overview of the main empirical findings. Last but not least, Section 6 provides a synthesis and conclusion of key policy lessons.

[1] There is also exists relevant recent handbook (Dube et al., 2024), most chapters of which have a key theory focus, as well as recent books aimed at popular science audiences (Blattman, 2023; Rohner, 2024b).

2. Definition and Conflict Types

A key entity for the scientific study of armed conflict is the Uppsala Conflict Data Program (UCDP) which puts together many of the most frequently used datasets. UCDP defines (State-based) armed conflict as follows: "A state-based armed conflict is a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths in one calendar year. "Armed conflict" is also referred to as "state-based conflict", as opposed to "non-state conflict", in which none of the warring parties is a government." (https://www.uu.se/en/department/peace-and-conflict-research/research/ucdp/ucdp-definitions) We will focus on this definition, and will only discuss armed conflict in the current survey, leaving non-armed types of conflict (e.g. verbal) outside the scope of the chapter.

Figure 1 plots the main types of armed conflict. To the left we have non-state based conflict that can be one-sided (e.g. when a rebel group attacks civilians) or two-sided (e.g. when two rebel groups fight against each other). Many of the works we review focus instead on state-based conflict, which can again be split in one-side violence (e.g. purges and repression) or two-sided violence. The literature distinguishes a series of types of two-sided state-based violence, ranging from extra-state conflict (colonial wars), to intrastate / civil conflict, internationalized civil conflicts (basically civil conflicts where foreign states participate) and international conflicts between states. In the Figure 1 we just focus on the key distinction between civil and inter-state conflicts. While civil conflicts are the category that is best covered in the existing literature, we will also at times discuss findings for other conflict types.

Related topics that are beyond the scope of the current survey include the literature on protests (see e.g. Cantoni et al. (2019); Enikolopov, Makarin, and Petrova (2020); Caprettini and Voth (2020); Cantoni et al. (2024)), as well as the literature on crime (see e.g. Becker (1968); Levitt (2004); Draca and Machin (2015); Britto, Pinotti, and Sampaio (2022)). A special case is organized crime (see e.g. Alesina, Piccolo, and Pinotti (2019); Sviatschi (2022a,b); Blattman et al. (2025); Melnikov, Schmidt-Padilla, and Sviatschi (2025)), which is at the fringe of the scope of the current article. While our focus lies on the main categories of Figure 1, some aspects of organized crime will be touched upon, especially when gangs gain control over vast chunks of territories and create quasi-states or when rebel groups partly fund their activities through criminal activities.

3. Costs of Conflict

In what follows, the key dimensions of costs from conflicts are discussed, starting with the obviously most salient type of cost – human death toll.

3.1 The death toll of conflict

As seen above, there are many different types of armed conflicts and for all of them estimates of death tolls have been computed. It is hence difficult to gain a big picture overview. In what follows

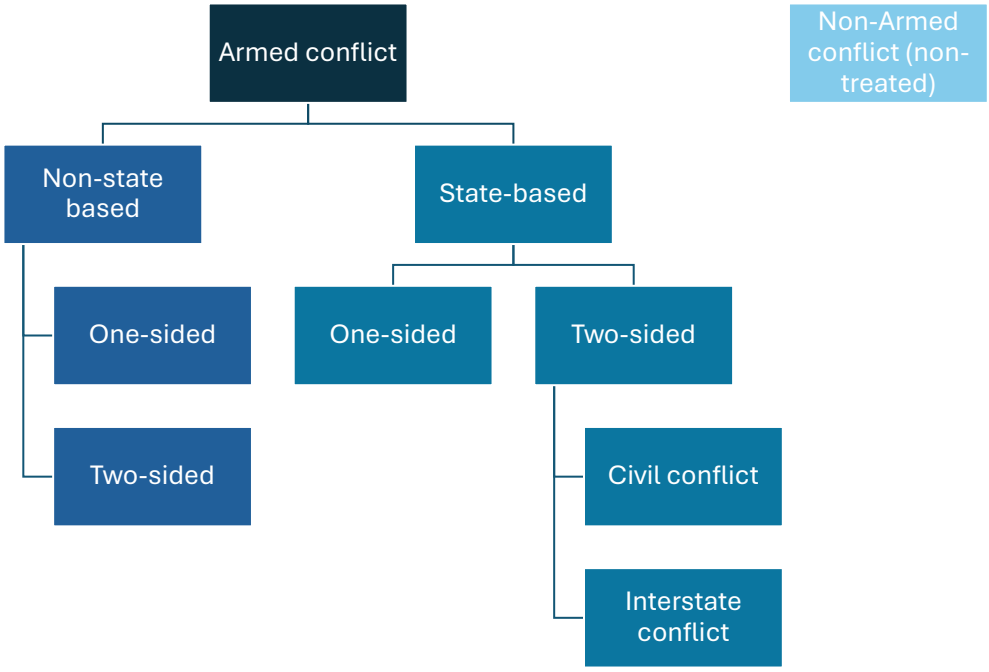

Figure 1: Types of armed conflict.

we shall focus on well-established estimates for key conflict categories. For (state-based) two-sided conflicts, an influential estimate had been put together by Fearon and Laitin (2003), according to which between 1945 and 1999 an estimated 16.2 million people have lost their lives in 127 civil wars, while an estimated 3.3 million people perished in 25 interstate wars.

When looking at one-sided killings of civilians, the estimates of death tolls are also extremely large. According to Bae and Ott (2008, p. 107) "The 20th century is replete with incidents of civilian killings by the state. Conflict-related deaths in that century were put at 109.7 million." Another number is provided by Anderton and Brauer (2021) who estimate a death count of 100 million mass atrocity–related fatalities since 1900.

Beyond the death toll of war, it is important to note that armed conflict also causes widespread human suffering, ranging, among others, from injuries and sexual violence to torture and forced displacements. Recent work studies what factors increase the risks of wartime rape and sexual violence (Cohen, 2013; Fourati et al., 2021; Guarnieri and Tur-Prats, 2023).

In terms of human suffering, we of course also need to keep in mind the hardship due to large-scale internal and international displacements (Braithwaite, Salehyan, and Savun, 2019).

3.2 The economic cost of conflict

The economic costs of conflict depend of course very much on the type and scale of armed conflict, and there is much heterogeneity. To quote some influential global estimates, Mueller and Tobias (2016) estimate that civil war leads on average to a drop in GDP of 18 percent after a civil war. Importantly, they find that the economic recovery is only very slow, taking decades.

For international wars, Federle et al. (2024) cover a long 150 year panel of more than 60 countries. They find that the country on whose territory the war is fought out experiences a drop in economic output of about 30 percent, accompanied by an inflation spike. Neighboring countries are also substantially affected, with an output fall by more than 10 percent over 5 years.

There is also a very relevant literature studying the within-country impact of conflict, contrasting places directly hit by conflict with others. For example, Abadie and Gardeazabal (2003) find for Spain that per capita GDP in the conflict-affected Basque Country declined about 10 percentage points relative to a synthetic Spanish control region without terrorism, while Pinotti (2015) finds for Italy that the presence of mafia lowers GDP per capita by 16 percent. Besley, Fetzer, and Mueller (2015) study Somali piracy and find that the increase in attacks in 2008 led to around an 8 to 12 percent increase in costs. Importantly, not only the exposure to fighting results in harmful economic effects, but also exposure to rebel governance matters: Bandiera et al. (2022) investigate the impact of territorial control by guerrillas during the Salvadoran Civil War, using a spatial regression discontinuity design. They find that areas once under guerrilla control have fared worse economically over the last two decades than adjacent areas controlled by the state.

Importantly, however, conflicts may spread throughout networks (Amarasinghe et al., 2023), and even regions not directly hit militarily suffer economically, among others due to a drop in trade (Glick and Taylor, 2010; Federle et al., 2022; Korovkin and Makarin, 2023; Couttenier, Monnet, and Piemontese, 2024). Part of the conflict-induced trade relocation persists even once the conflict is over (Korn and Stemmler, 2025).

While overall –as discussed above– conflict has very detrimental impacts, the effect is unsurprisingly heterogeneous, and there are indeed particular firms for which conflict can be lucrative, especially when evading sanctions. Guidolin and La Ferrara (2007, 2010) have developed a way to pin this down, drawing on abnormal stock market returns after unanticipated news about a given armed conflict. Studying diamond mining firms in Angola, they find that the sudden end of the conflict, marked by the death of the rebel movement leader in 2002, led to a decline in abnormal returns by 4 percentage points for companies holding concessions in Angola (while having no effect on otherwise similar diamond mining firms).

In terms of channels of transmission of how conflicts harm development, an obvious first mechanism are the many lives lost of young people of working age, as well as the destruction of important infrastructure. Beyond these general channels, conflict exposure also twists economic incentives away from productive investment, due to uncertainty. It has for example been shown that violence exposure leads to supply chain disruptions (Ksoll, Macchiavello, and Morjaria, 2023) and input misallocation (Amodio and Di Maio, 2018; Amodio, Baccini, and Di Maio, 2021), and hampers the adoption of mobile money and formal financial systems (Blumenstock et al., 2024).

In the medium and long-run, conflict may also induce the re-orientation of the economy towards illegal activities, such as coco production (Lind, Moene, and Willumsen, 2014). Even within legal economic sectors, armed conflict and generalized insecurity and instability may induce a country's economy to shy away from complex, high value added activities that are more sensitive to political instability (think of banking, pharma, high tech etc). Instead, conflict-plagued economies may become

more dependent in natural resource exports (Brunnschweiler and Bulte, 2008) and start specializing in war-resilient yet low value-added sectors of production (Collier, 1999). These long-run, "general equilibrium" effects of insecurity on the economic structure are very much understudied and deserve additional future investigations.

3.3 The impact of conflict on education

A great number of studies have shown that armed conflict exposure statistically significantly reduces the years of schooling, including evidence for Rwanda (Akresh, 2008), for Guatemala (Chamarbagwala and Morán, 2011), for Tajikistan (Shemyakina, 2011), for Peru (Leon, 2012), for Palestine (Di Maio and Nandi, 2013; Brück, Di Maio, and Miaari, 2019), for World War II (Akbulut-Yuksel, 2014), for Timor-Leste (Justino, Leone, and Salardi, 2014), for Cambodia (Islam et al., 2016), and for Nigeria (Bertoni et al., 2019). The heterogeneity of effect is of course sizeable, depending on the type and intensity of a given conflict, but the aforementioned studies often find estimates in the ball park of between a third of a year to a full year of education lost, which can be extremely impactful in countries with low average years of education to start with.

In terms of mechanism, school infrastructure destruction plays an important role (Akbulut-Yuksel, 2014; Brück, Di Maio, and Miaari, 2019), as well as teacher absentism (Monteiro and Rocha, 2017), and fear reducing enrollment rates (Alfano and Görlach, 2023).

In terms of open research questions, relevant gaps in knowledge concern the type of teaching. Having made experiences with online teaching under COVID-19, may it be that under some circumstances (e.g. general insecurity due to drone warfare, but still satellite internet working), online teaching could play a temporary role of substituting in-person classroom teaching? And if yes, how should it be most efficiently set up and managed in order to minimize any learning loss?

3.4 The impact of conflict on health

The above death toll numbers of armed conflict are likely to only be the "tip of the iceberg", as on average for every person killed in a civil war, another person dies from war-related indirect causes, including diseases, the disruption of health facilities and sanitation or food insecurity (Ghobarah, Huth, and Russett, 2003).

Beyond these "big picture" estimates, there is fine-grained work on a series of specific health outcomes and indicators (see the surveys of Betancourt et al. (2013) and Kadir, Shenoda, and Goldhagen (2019)). A very telling global quantification focusing on infant mortality has been put together by Wagner et al. (2018), who matched 15,441 armed conflict events that led to 968,444 combat-related deaths with 1.99 million births and 133,361 infant deaths in Africa, 1995-2015. The increased infant mortality ranged from a 3 percent increase for armed conflicts with one to four deaths to a 26.7 percent increase for armed conflicts with more than 1000 deaths. The cumulative increase in infant mortality is two to four times higher than the contemporaneous increase, implying that for the entire sample, the number of infant deaths related to conflict was between 3.2 to 3.6 times the number of direct deaths from armed conflicts, pointing out a massive indirect effect for infant mortality. This corresponds to

a much larger indirect effect than the one stressed in Ghobarah, Huth, and Russett (2003); yet, one methodological challenge in Wagner et al. (2018) is that of course it is not easy to disentangle which part of this infant mortality increase is *caused* by conflict, as opposed to a part of the estimated indirect effect that may be caused by root causes of conflict (think of poverty, governance, environmental degradation etc).

A series of other studies have documented negative medium- and long-run impacts of armed conflict on health outcomes, in particular child hight-per-age, including Bundervoet, Verwimp, and Akresh (2009) for Burundi, Akresh, Lucchetti, and Thirumurthy (2012) for Eritrea, and Minoiu and Shemyakina (2012) for Côte d'Ivoire. Several articles also highlight severe mental health consequences of conflict exposure / participation, including Singhal (2019) for Vietnam, Kohrt et al. (2008) for Nepal, and Di Maio and Leone Sciabolazza (2021) for Gaza. There are also indirect health impacts from political instability and conflict: Dupas and Robinson (2012) document how the political crisis and civil conflict following the December 2007 presidential election in Kenya has led to a dramatic income drop, leading women who supply transactional sex to engage in higher risk sex both during and after the crisis.

There is also a literature focusing specifically on army veterans. For example, Bruhn et al. (2024) study the causal effects of U.S. soldier combat deployments to Iraq or Afghanistan between 2001 and 2021 – compared to non-deployed army veterans. They find that deployments increase injuries, combat deaths, and disability compensation, but find limited effects on suicide, deaths of despair, financial health, incarceration, or education.

One set of open research questions concern the optimal reply to some conflict-induced health conditions, such as e.g. post-traumatic stress disorders. What types of health interventions may be best able to attenuate suffering?

3.5 The impact of conflict on social capital

The literature on the conflict impact on trust and social capital (as surveyed by Bauer et al. (2016); Verwimp et al. (2025)) finds quite contrasting results. First of all there is Charles Tilly's notion that "war makes states", applied to historical conflicts *between* different polities (Tilly, 1992). There is a series of articles that find that conflict exposure can in some situations increase social cohesion *within-groups*. In particular, conflict exposure has been found to be associated with greater community engagement and voting; see Bellows and Miguel (2009) for Sierra Leone, Blattman (2009) and Bauer, Fiala, and Levely (2018) for Uganda. Lab-in-field experiments also find that within-community war-affected people display more altruistic behavior (Voors et al., 2012; Gilligan, Pasquale, and Samii, 2014).

Another strand in the literature documents that, by contrast, *inter-group* trust and social capital is depleted by armed conflict. This has been found, among others, by Cassar, Grosjean, and Whitt (2013) for Tajikistan, by Rohner, Thoenig, and Zilibotti (2013a) for Uganda, by Besley and Reynal-Querol (2014) for historical African conflicts, by Grossman, Manekin, and Miodownik (2015); Shayo and Zussman (2017) for Israel, by Hager, Krakowski, and Schaub (2019) for Kyrgyzstan, by Tur-Prats and Valencia Caicedo (2020) for Spain, by Conzo and Salustri (2019); Vlachos (2022) for World War II, and by Godefroidt (2023) for a meta-analysis on the impact of terrorism.

One conceptual framework to make sense of these two types of results is "parochial altruism" (see Choi and Bowles (2007) and Jennings and Sanchez-Pages (2017)). This englobes the notion that from an evolutionary point of view a strategy of within-group altruism and between-group parochialism can be evolutionary stable in the face of inter-group competition.

3.6 Further impacts of conflict in the short and long-run

Beyond political attitudes and civic behavior, it has been found that conflict exposure also affects further personal attributes, such as increased religiosity (Henrich et al., 2019), higher support for redistribution (Zakharov and Chapkovski, 2025), altered risk aversion (Voors et al., 2012; Callen et al., 2014; Jakiela and Ozier, 2019) and higher discount rates (Voors et al., 2012).

There is also empirical evidence that exogenous conflict exposure makes the affected people on average more violence prone. In particular, exposure to armed conflict has been found to increase a person's propensity for (general) criminal behavior (Couttenier et al., 2019; Cesur, Sabia, and Tekin, 2022), for domestic violence (Cesur and Sabia, 2016; La Mattina, 2017; Stojetz and Brück, 2023; Cesur and Kibris, 2023), or for violent behavior on the soccer pitch (Miguel, Saiegh, and Satyanath, 2011).

One understudied dimension is the vicious cycles / war traps caused by armed conflict. As discussed in Rohner and Thoenig (2021), wars fuel poverty and jeopardize education and social captial, which in turn plants the seeds for the next conflict. The very sizeable conflict persistence and recurrence may not just be explained by persistent risk factors, but may also be fuelled by feedback loops (Rohner, Thoenig, and Zilibotti, 2013b), and we still know far too little about how one can prevent these feedback loops and turn vicious cycles into virtuous ones. Below we will discuss a set of post-conflict reconstruction policies that combat some key elements of war traps (poverty, low trust etc). What we still lack is a comprehensive, systemic understanding of how these various specific policies fit best together, deploying peace-promoting complementarities.

4. Theory

In what follows, we shall discuss various strands of the theoretical literature on armed conflicts, bridging several disciplinary modelling traditions and providing a big-picture synthesis of cutting-edge theoretical work.

4.1 Static models of conflict as bargaining failure

One important strand of the theoretical literature on conflict studies the so-called "war inefficiency" puzzle. Conflict is a costly lottery and destroys some part of disputed wealth. In such an environment one would typically expect a peaceful bargaining solution to arise, avoiding armed conflict and representing a Pareto Improvement for all parties involved. Due to the deadweight loss of conflict, there must –under some conditions– exist a bargaining range with a "peace dividend" preferred by all players to conflict. While this argument is conceptually straightforward, the harder question is why in reality sometimes the peaceful bargaining fails and "inefficient" war takes place. We can represent

the simplest possible bargaining space, as depicted in Figure 2 (drawing on Fearon, 1995). Given that conflict is costly, the shares of the "pie" appropriated by parties A and B in conflict sum up to less than 1, creating thereby a win-win bargaining range that assures a peace dividend (making both players better off under peace than under conflict).

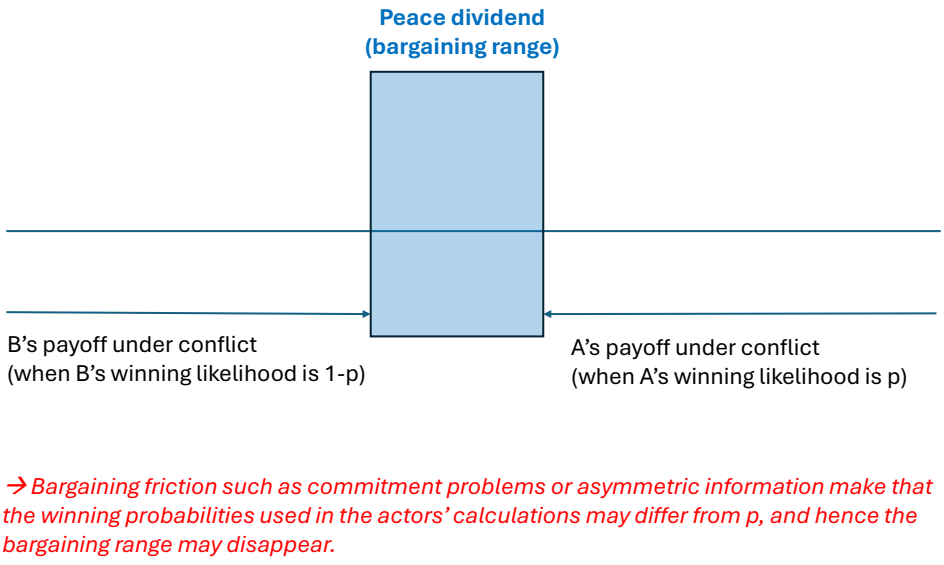

Figure 2: Bargaining models investigating conflict.

Particular bargaining frictions may reduce this space, by altering actual or perceived winning chances. The pioneering contribution by Fearon (1995) formalizes a set of major bargaining frictions being able to account for bargaining breakdown jeopardizing peaceful settlements. One first culprit is *asymmetric information*: When conflict parties disagree on the winning probabilities, such discrepancies can make the whole peaceful bargaining range disappear. Consider, for example, a situation where the actual objective winning chances are 50-50, but there is asymmetric information and both factions believe that they are bound to win with near certainty. In that case, even if war is quite destructive, the conflict parties will not be able to agree on a peaceful bargaining solution.

Other factors accounting for bargaining breakdown include e.g. issue *indivisibilities*, *risk acceptance* and *commitment problems* (which include pre-emptive wars, preventive wars and strategic territory). Commitment problems boil down to situations where factions have some strategic advantage from attacking at a particular moment in time, but cannot credibly promise to not exploit this advantage when it arises.[2] For example, consider a very sizeable first mover advantage: If the first mover wins with a probability close to 1 while the winning likelihood of the second mover is close to 0, the peaceful bargaining range would typically disappear.

[2] Powell (2006) argues that asymmetric information and commitment problems are de facto the major bargaining frictions driving the "war inefficiency puzzle", as other bargaining frictions can be seen as special cases of these fundamental frictions.

Further, Jackson and Morelli (2007) highlight a particularly relevant reason for bargaining failure and inefficient wars occurring: *Political bias*. This specific type of bias is defined as a leader's relative ratio of personal gains over losses from drawing her/his country or group into a war. The leader's individual trade-off may be more pro-war than for the average citizens, as often leaders may grab disproportionate shares of lucrative spoils from wars (such as resource rents, extraction contracts etc), and typically bear lower personal costs (as often the children of the governing elite are less likely to be drafted into war than children of an average citizen). This imbalance of benefits versus costs of war can account for the fact that some leaders may be willing to push for entring armed conflict even if for the rest of the country the war's losses substantially dominate any potential gains. As discussed in more depth below, there are good reasons to think that on average political bias is particularly severe in autocratic regimes.

One understudied question is how bargaining works out in the presence of several possible threat points / conflict types, such as e.g. centrist versus secessionist conflicts (Morelli and Rohner, 2015), or battle-field fighting versus guerrilla / terrorist warfare.

4.2 Static models of conflict as rent-seeking

One very active and influential strand of the theoretical literature on conflict are the static models of contest and rent-seeking (for an excellent survey, see Konrad, 2009). These frameworks typically feature a contest success function, which is a mapping from fighting efforts to conflict outcomes, as well as a time constraint, where players can allocate a time budget between appropriation versus productive activities. Their trade-off then becomes as follows: The more they fight, the bigger share of the disputed "pie" they capture, but the lower their productive work income. Hence, the deadweight loss of conflict in these settings corresponds to the foregone wages / the waste of productive time for appropriative activities. Similarly, in the models that feature arms investments ("guns versus butter" models), the deadweight loss of armament consists in the opportunity cost of foregone consumption.

We shall now briefly sketch the simplest possible contest workhorse model, allowing us below to point out precisely what effects particular shocks and policies can have in terms of mechanisms. Consider two risk-neutral players, i and j, fighting to appropriate a prize R. For simplicity we can think for now of R as exogenous (e.g. natural resource or political rents), but one could in an extended setting have a part or the rents depend on productive activities. Each faction faces a time constraint: $f + l = 1$, where f=fighting, l=labor. Fighting increases the winning chances, while producing results in linear wages w. Given the time constraint, the payoff function for a given player i can be written as follows (it is analogous for the opponent j).

$$\pi_i = p_i(f_i^*, f_j^*)R + w_i(1 - f_i^*) \tag{4.1}$$

We can focus on a very simple "contest success function" amounting to $p_i = \frac{\rho_i f_i^*}{\rho_i f_i^* + \rho_j f_j^*}$, where $\rho_{i,j}$ captures the fighting technology and $*$ refers to equilibrium values.

When taking the first order conditions of the two payoff functions with respect to the only choice variables, i.e. $\partial\pi_i/\partial f_i$ and $\partial\pi_j/\partial f_j$, we obtain a system of two equations and two unknowns (f_i, f_j).

The Nash Equilibrium is given by the intersection of these two best reply functions and corresponds for a given player i to the following expression (it is analogous for j):

$$f_i^* = \frac{\rho_i \rho_j w_j R}{(\rho_j w_i + \rho_i w_j)^2} \tag{4.2}$$

One can easily see that fighting efforts increase in the available "pie" of appropriation R and decrease in the general wage levels.

The winning probability of i becomes

$$p_i = \frac{\rho_i f_i^*}{\rho_i f_i^* + \rho_j f_j^*} = \frac{\rho_i w_j}{\rho_i w_j + \rho_j w_i} \tag{4.3}$$

One classic result in the literature is that when fighting technologies are similar (put $\rho_i = \rho_j$), maybe surprisingly the poorer player has better winning odds. Put differently, take $w_i < w_j$. Then, $f_i^* > f_j^*$ and $p_i = \frac{w_j}{w_j + w_i} > 0.5$. This is known in the literature as the famous "paradox of power" (Hirshleifer, 2001), which is intuitively driven by the fact that the poorer player has a lower opportunity cost of fighting and will hence fight harder. This framework has sometimes been invoked to account for "surprise victories", such as of the Bolsheviks 1917 in Russia or Fidel Castro's Cuban Revolution of 1959.

Classic work pioneering such static contest models include Hirshleifer (1989, 1991, 2001); Grossman and Kim (1995); Skaperdas (1996, 1992). More recent research by Dal Bó and Dal Bó (2011) has focused on the role of capital- vs labor-intensity in an open economy model, predicting that price spikes in capital-intensive sectors (and price drops in labor-intensive industries) fuel conflict.

Some models also specifically focus on features that are particularly salient for ethnic conflict. Esteban and Ray (1994, 1999, 2011) have built collective action models of contest where the ethnic population distribution affects fighting incentives. They have built a micro-founded ethnic polarization measure and show that in ethnically polarized environments the risks of war are greatest. They also find that the complementarity of capital and labor makes that ethnic conflict is for many parameter constellations more salient than class conflict (Esteban and Ray, 2008). Further, Rohner (2011) shows how the ethnic structure of society (fractionalization, polarization, segregation) affects information flows and reputation building, and thereby the scope for conflict. Related to this, Caselli and Coleman (2013) build a theory where ethnic markers help enforce group membership: in homogeneous societies members of the losing group can more easily pass themselves as members of the winning group, and this reduces the conflict risk compared to an ethnically divided society.

Another specific strand of static contest theory papers focuses on the nexus between conflicts and networks (Goyal and Vigier, 2014; Franke and Öztürk, 2015; Larson, 2021; Dziubiński, Goyal, and Zhou, 2024).

4.3 Dynamic conflict models and settings with incomplete information

If the classic static conflict models have been developed several decades ago, many multi-stage / dynamic conflict settings are more recent. There exists a vibrant literature on multi-battle contests

and tournaments (Konrad and Kovenock, 2009; Fu, Lu, and Pan, 2015; Klumpp, Konrad, and Solomon, 2019), which has generated a series of experimentally testable preditions (Dechenaux, Kovenock, and Sheremeta, 2015).

Further, repeated game-theoretic models with private information have been e.g. developed by Yared (2010); Rohner, Thoenig, and Zilibotti (2013b); Acemoglu and Wolitzky (2014). These settings typically feature the learning of fundamentals of the opponent, as well as a series of shocks, which can give birth to either cycles of temporary wars (Yared, 2010; Acemoglu and Wolitzky, 2014) or conflict traps where learning stops (Rohner, Thoenig, and Zilibotti, 2013b). In Rohner, Thoenig, and Zilibotti (2013b) endogenous dynamics of inter-ethnic trust and trade play a key role. During peace, agents belonging to two groups are randomly matched to trade bilaterally, which hinges on trust and cooperation. Aggression signals a low propensity to cooperate, harming future trust and trade due to more "pessimistic" beliefs. Accidental conflicts erode trust, which can plunge a society into a vicious cycle of recurrent conflicts (a war trap). This setting can provide micro foundations for the famous "contact hypothesis" (Allport, Clark, and Pettigrew, 1954) and in particular for the potential of free and fair contact building trust and peace. There are also dynamic models on related topics, namely the politics of fear and kleptocracy (Padró i Miquel, 2007) and strategic mass killings (Esteban, Morelli, and Rohner, 2015).

Last but not least, there exist also a series of static games with private information, for example capturing the risk of arms races triggered by mutual fear (Baliga and Sjöström, 2004) and for studying the impact of democracy on reducing private information and thereby fostering peace (Laurent-Lucchetti, Rohner, and Thoenig, 2024).

4.4 Structural models of conflict

While most of the above models cannot easily be estimated empirically, there is a growing number of theoretical frameworks designed to be structurally estimated. One category of structural conflict models takes as starting point the aforementioned contest success setting and extends the contest success function to allow for a series of parameters impacting fighting strength, efforts and winning chances. This approach has for example been applied in König et al. (2017) where the network of allies and enemies affects a group's fighting strength.[3] The model is estimated empirically for the Second Congo war, where exogenous meteorological shocks are exploited to estimate network externalities. This allows for a rich set of policy counterfactual experiments, including (i) dismantling specific fighting groups involved in the conflict; (ii) weapon embargoes; and (iii) interventions aimed at pacifying animosity among groups. Another, more recent structural model extends the contest success function framework by enabling remittances to foster fighting capacity, allowing to estimate the role of remittances for Sri Lanka and perform counterfactual simulations of the impact of remittance-related policies (Bonadio et al., 2024).

One strand of structural models focuses on the spatial spread of conflict. Novta (2016) sets up a model that captures the spread of fighting throughout space for the Bosnian civil war, depending on local ethnic diversity and conflict momentum in neighboring regions, while Mueller, Rohner, and

[3]For methodologies for the detection of unobserved coalitions of militants in conflict areas see Trebbi and Weese (2019).

Schönholzer (2022) build a model that allows them to estimate for two dozen countries the decay of inter-group fighting depending on geographical distance. Finally, Couttenier et al. (2024) build a quantitative spatial model of trade and conflict featuring a gravity equation of violence, applied to continental Africa.

4.5 Synthesis of key empirically testable model predictions

In what follows, we discuss how the above theoretical models fit into empirically testable predictions. The contest models surveyed above feature two very general key insights. First of all, a greater appropriable "pie" (i.e. R in the above workhorse model) increases the incentives for appropriative activities, which is sometimes referred to as *rapacity effect*. And second, a higher *opportunity cost* of fighting leads to lower conflict efforts. These two robust features are present in literally all variants of contest models. There are of course situations where a given shock may increase the value of the "pie" and at the same lead to a greater opportunity cost of fighting. Think e.g. of a price increase in timber, which may at the same time increase the returns to prduction and to appropriation, leading to countervailing forces and a potentially ambiguous effect (McGuirk and Burke, 2020). For very valuable, easily transportable and capital-intensive commodities (say, oil or diamonds), the rapacity effect may dominate, and conflict overall increase. In contrast, for commodities that are bulky, hard to steal, and intense in local labor (say, coffee or cacao), the opportunity cost effect may dominate. This is in line with the prediction of Dal Bó and Dal Bó (2011) that price increases of capital-intensive goods increase conflict, while higher prices of labor-intensive goods reduce the scope for fighting. To spell out these two major testable predictions of constest models:

Predition 1: Natural resource rents increase the risk of conflict. *This relates to high rents accruing to the production of major fossil fuels and minerals. The production of these very valuable goods is often capital-intensive, involves foreign specialists and centralized rents, with sometimes only limited benefits for the local population. Thus, in many circumstances one can expect the rapacity effect of price spikes to dominate, implying that higher prices and rents of natural commodities in many cases fuel conflict. In the coming section we shall discuss the empirical evidence on this, also presenting various interactions and heterogeneities.*[4]

Prediction 2: Averse economic shocks and lower general wage levels reduce the conflict risk. *To the extent that at least some part of appropriable rents are distinct from wage incomes, lower general wage levels (i.e. lower $w_{i,j}$ in the above workhorse model) increase in contest models the scope for appropriation, due to a lower opportunity cost of engaging in appropriative rather than productive activities. Adverse economic shocks, e.g. due to climate change, are expected to exacerbate conflict risks.*

A substantial number of the aforementioned contest models also study specifically ethnic conflict. The general conclusion drawn is that greater ethnic diversity (and in particular ethnic polarization) has been in many of these models related to a higher conflict risk (Esteban and Ray, 1994, 1999, 2008, 2011; Rohner, 2011; Caselli and Coleman, 2013; Esteban, Morelli, and Rohner, 2015), which can be summarized in the following prediction:

[4]Beyond this simple "greater pie" effect in contest models, there are a series of further mechanisms that can account for a conflict-fuelling impact of natural resource rents (Rohner, 2018), including the financing of fighting, resource inequalities, capital-intensiveness of resource extraction and local grievances, among others.

Prediction 3: Ethnic poliarization increases the risk of conflict. *In line with the predictions in the aforementioned models, we expect ethnic polarization to increase the risk of armed conflict.*

The three aforementioned factors refer to either exogenously given parameters and shocks. A further set of relevant factors refer rather to endogenously selected choice variables. These policy dimensions will be discussed in what follows. The three key dimensions of prediction 4 (democracy), prediction 5 (economic policies) and prediction 6 (state capacity) have been referred to as essential dimensions of a "peace formula" (Rohner, 2024b).

Beyond the aforementioned contest models of conflict we have above also discussed bargaining models studying the "war inefficiency puzzle". Major bargaining frictions impeding peaceful conflict resolution include commitment problems, asymmetric information and political bias. All three of them point to key role of democracy. Indeed, Acemoglu and Robinson (2006) define democracy as a "commitment device" for future redistribution, providing the population with *de jury* political power which still lasts once *de facto* power is gone. Put differently, democracy can be seen as one major way to address commitment problems in bargaining models of conflict. Further, the recent contribution of Laurent-Lucchetti, Rohner, and Thoenig (2024) builds a model of private information where democracy reduces information asymmetries and thereby fosters peace. Last but not least, it is natural to think that political bias (Jackson and Morelli, 2007) is typically smaller in democracies, which feature a larger "selectorate" (De Mesquita et al., 2005), and are hence expected to be more accountable to the needs of the many rather than of the few. In turn, lower political bias results in a larger parameter space for which peaceful bargaining solutions can be sustained. When it comes to contest models, democracy would typically lead to lower stakes of controlling power (i.e. a smaller pie to appropriate), as minority rights are typically better guaranteed. Greater accountability may also mean that democracy may foster economic development (Acemoglu et al., 2019), thereby increasing the opportunity of conflict.

Note that there is also at least one countervailing force, as democracy may involuntarily provide its foes with the tools for its demise. In particular, freedom of expression and assembly make it easier to pull off a military challenge of the state (Collier and Rohner, 2008), which in contest models could be thought of as a more powerful fighting technology, translating a given fighting time investment into a greater operational performance. It has also been argued that leaders may trigger war for electoral motives (i.e. divert from poor economic performance) (Hess and Orphanides, 2001). While the net effect may be ambiguous, the multitude of pro-peace channels makes it natural to expect that for a wide range of parameters democracy promotes peace.

Prediction 4: Democracy may in many cases foster peace. *There are countervailing forces, with on the one hand democracy acting as commitment devise, reducing asymmetric information and political bias, potentially rising the opportunity cost and decreasing the stakes of appropriation, while on the other hand it eases coordination for potential rebel "entrepreneurs" and warlords. Given the multitude of pro-peace channels, one may expect democracy to be in may circumstances peace promoting.*

If the above prediction 2 focused on averse economic shocks, the reverse side of the medal is that productivity-enhancing economic policies could achieve the inverse. If in the spirit of "reverse engineering", a series of well-designed economic and other public policies raise wages w, they increase

the opportunity cost of conflict. Take for example public education and health expenditures. They have the potential to foster human capital and enhance economic productivity, reducing thereby incentives for fighting.[5]

Prediction 5: Productivity-enhancing public policies foster peace. *To the extent that some given public policy raises the economic productivity (and hence opportunity costs of appropriative activities) of the population, the scope for armed conflict is reduced.*

An important role is also played by security guarantees and state capacity. To the extent that the state holds the Weberian "monopoly of legitimate violence" (Weber, 2010) and enjoys enough legal and fiscal capacity (Besley and Persson, 2011b) to assure an efficient provision of public services and its core functions, it is able to guarantee the security on the national territory. A strong enough state capacity implies that rebel movements have a hard time combatting state authorities (i.e. in the above workhorse model this can be represented as a very low ρ for rebel factions, reducing their incentives for fighting).

Prediction 6: State capacity and security guarantees reduce the risk of conflict. *In line with the predictions of the aforementioned contest model, a stronger state capacity (and consequently a weaker fighting technology ρ of rebel factions) results in a reduced scope for rebellion.*

After having treated these three fundamental "pillars" of sustainable peace, we will below discuss further, more specific policy dimensions related to the burgeoning field of geoeconomics. Note that the models discussed in the last Section also have implications on the role of trade. An obvious effect of trade would be through the opportunity cost channel, highlighted in contest models. If trade makes the world overall richer, then greater economic integration would –via higher wage levels– boost the perspectives for peace. Another major mechanism is that moving from autocracy to bilateral trade leads to greater interdependence and hence a greater opportunity cost of armed conflict (Martin, Mayer, and Thoenig, 2008; Rohner, Thoenig, and Zilibotti, 2013b). Note that when studying the move to multilateral trade, countervailing forces emerge, leading to a more complex picture (Martin, Mayer, and Thoenig, 2008; Thoenig, 2024).

Prediction 7: Moving from autarcy to bilateral trade reduces the bilateral conflict risk. *As discussed earlier, higher opportunity costs account for this bilateral effect, while multilateral trade leads to countervailing forces and trade-offs.*

In what follows we shall discuss the empirical evidence related to these (and further) predictions.

5. Empirics

In what follows, we shall first provide a very brief overview on the methods and data used in many empirical papers and then discuss key covariates of conflict and peace investigated in the current literature. As above, we first focus rather on socio-demographic parameters, and natural endowments and shocks, before focusing on endogenously selected policy variables.

[5] For education spending, additional channels that have been highlighted are that learning may foster tolerance and that human captial can be less easily appropriated than physical capital. Hence, transforming physical into human capital leads to a drop in appropriation incentives (De la Brière et al., 2017).

5.1 Available datasets on conflicts and main methods used

Traditionally, much of the empirical literature has focused on very aggregate country level data on war and peace. In particular, a few key sources of conflict data at the country-year level have been particularly widely used, as listed below.

UCDP/PRIO Armed Conflict Dataset: This very widely used data set is described in Gleditsch et al. (2002) and contains indicator variables at the country-year level of various types of armed conflict, including "extrasystemic" (colonial) wars, civil conflicts, internationalized civil conflicts and interstate wars. The data also contains information on the location, actors involved, and the reason for the conflict. The newest version 25.1 of the data covers the period 1946-2024. It can be downloaded on https://ucdp.uu.se/downloads/ (last accessed: 14 June 2025). Note that on the same website https://ucdp.uu.se/downloads/ a great number of more specific conflict-related datasets are available, including, among many others, on one-sided conflict, non-state conflict, peace agreements etc.

COW War Data: This dataset from the "Correlates of War" project is described in Sarkees and Wayman (2010) and covers the much longer time period of 1816-2007. It includes various war types at the country-year level, such as intrastate wars, interstate wars, extra-state wars and non-state wars. The version v4.0 of this data can be downloaded on https://correlatesofwar.org/data-sets/cow-war/ (last accessed: 14 June 2025).

Militarized Interstate Disputes (MID): This dataset, described in Jones, Bremer, and Singer (1996), focuses on disputes between states of varying intensity. It has also been put together by the "Correlates of War" project, and is a available at the monadic (country-year), as well as dyadic (country pair-year) level. These data are most widely used for papers studying inter-state conflict. Version v5.0 of the data is available under https://correlatesofwar.org/data-sets/mids/ (last accessed: 14 June 2025). Please note that the "Correlates of war" project website https://correlatesofwar.org/data-sets/ contains a substantial number of further dataset related to conflict and key covariates, including for example national capabilities.

Over the last decade, there has also been an increasing number of articles using disaggregate data at the longitude-latitude level. The primary data source used for creating these data sets are typically media and NGO reports. The logic of these data sets is very different from the aforementioned country-level data, as here the unit of analysis is not a whole war, but an individual *event*, such as e.g. a battle or attack on civilians. Note that for large wars there can be several thousand distinct events. Below I list some particularly widely used options:

UCDP Georeferenced Event Dataset (GED): This dataset is from the UCDP research institute, is described in Sundberg and Melander (2013), and contains conflict event data that is very finegrained, including for every event information on its longitude-latitude, date, groups involved, type of event, description etc. The newest global version 25.1 covers the period 1989-2024. It is available for download under https://ucdp.uu.se/downloads/ (last accessed on 14 June 2025).

Armed Conflict Location Event Data (ACLED): This is another variant of a high-quality data set, described in Raleigh et al. (2010), with fine-grained disaggregate data at the longitude-latitude-day level, containing also information on the actors and event types. While Africa has been covered since 1997, the coverage for other areas has been shorter and variable. The data can be downloaded on https://acleddata.com/ (last accessed: 14 June 2025).

Social Conflict Analysis Database (SCAD): This dataset (Salehyan et al., 2012) includes protests, riots, strikes, inter-communal conflict, government violence against civilians, and other forms of social conflict at the day and longitude-latitude level. It ranges over the years 1990-2017 and covers all of Africa and now also Mexico, Central America, and the Caribbean. It can be downloaded on https://www.strausscenter.org/ccaps-research-areas/social-conflict/database/ (last accessed: 17 June 2025)

Ethnic Power Relations (EPR): This dataset family (Vogt et al., 2015) contains panel data at the ethnic group and year level, covering conflict, ethnic groups' access to state power, their settlement patterns, links to rebel organizations, transborder ethnic kin relations, and intraethnic cleavages. It can be downloaded on https://icr.ethz.ch/data/epr/ (last accessed: 17 June 2025)

Other datasets containing conflict data include GDELT (https://gdelt.github.io/), which is algorithm-based and contains very large numbers of events of various size, as well as the Global Terrorism Database (GTD) (https://www.start.umd.edu/data-tools/GTD) which focuses on terrorist attacks. There are also several off-the-shelf interactive datasets containing key conflict variables and coverates. They include among others GROWUp (https://growup.ethz.ch/about) or PRIO-GRID (https://grid.prio.org).

In terms of methods, the range of approaches followed in the economics of conflict literature are comparable to approaches used in development economics in general, or in labor economics or public economics, for example. While many recent papers focus on applied econometric (reduced form) studies aiming at exploiting exogenous variation for causal identification (McGuirk and Burke, 2020; McGuirk and Nunn, 2025; Eberle, Rohner, and Thoenig, 2025), there are also e.g. theoretical papers (Jackson and Morelli, 2007; Laurent-Lucchetti, Rohner, and Thoenig, 2024) or structural estimations (König et al., 2017; Mueller, Rohner, and Schönholzer, 2022; Couttenier et al., 2024). Exogenous variation stems, among others, from natural experiments and exogenous shocks (Berman et al., 2017; Vanden Eynde, 2018; Harari and La Ferrara, 2018), allowing for shift-share approaches (Berlanda et al., 2024), instrumental variables (Marcucci, Rohner, and Saia, 2023), regression discontinuity design (RDD) (Lax-Martinez, Rohner, and Saia, 2022), or lab-in-field experiments (Voors et al., 2012), to just name a few.

Beyond these standard methods for investigating the causes and consequences of conflict, there is also work focusing on forecasting future conflict, which is of great salience for protecting civilian lives (Muchlinski et al., 2016; Hegre et al., 2017; Mueller and Rauh, 2018, 2022; Bazzi et al., 2022).

5.2 Natural Resources and Armed Conflict

A great number of empirical papers have shown that natural resource abundance is associated with armed conflict (Fearon and Laitin, 2003; Collier and Hoeffler, 2004; Collier, Hoeffler, and Rohner, 2009), with key resources including among others oil (Humphreys, 2005; Ross, 2006, 2012; Dube and Vargas, 2013; Lei and Michaels, 2014), diamonds (Ross, 2006; Lujala, Gleditsch, and Gilmore, 2005), minerals (Berman et al., 2017; Rigterink et al., 2025), timber (Chimeli and Soares, 2017), and narcotics (Angrist and Kugler, 2008; Mejia and Restrepo, 2013). Sonno (2025) shows also that land-intensive activities by multinationals increase local grievances, escalating to violent actions.

Regressing armed conflict on resource abundance would entail a series of identification challenges, including the fact that badly run country may become more dependent on natural resource exports than other countries (Brunnschweiler and Bulte, 2008) and that resource exploration is endogenous (Cust and Harding, 2020).

One way to tackle this is to focus on world price shocks affecting resource-rich versus resource-poor countries differentially (while still only focusing on price takers and not price makers – excluding the largest producer countries).[6] Papers exploiting natural resource shocks have shown that higher oil prices fuel conflict (Dube and Vargas, 2013), and mineral price booms can account for a fifth of armed conflict in Africa (Berman et al., 2017) and attract "stationary bandits" (De La Sierra et al., 2020). Higher mining royalties have also been found to fuel conflict in India (Shapiro and Vanden Eynde, 2023).

While in many papers the most emphasized mechanism is the aforementioned effect of greater natural resource rents increasing the "pie" (R) to be appropriated, a series of studies stress the fact that natural resource rents allow to fund fighting efforts (Collier, Hoeffler, and Rohner, 2009), which can result in spatial spillovers and esclation of fighting once a group has captured a source of resource rents (Berman et al., 2017) and to lead to longer-lasting wars (Fearon, 2004).[7]

Another interesting angle is the *distribution* of natural resources. Not just the total amount of natural resources matters, but also resource inequality is a key factor (Morelli and Rohner, 2024). It has been found that geographical asymmetries in resource holdings and mismatches between group-level resource abundance and political power lead to an increased risk of civil conflict (Morelli and Rohner, 2015), inter-state disputes (Caselli, Morelli, and Rohner, 2015) and one-sided mass killings (Esteban, Morelli, and Rohner, 2015).

As treated in more depth below in the discussion of policy recommendations, moderating factors of the natural resource conflict curse include sound institutions at the time of oil discoveries (Mehlum, Moene, and Torvik, 2006) and international transparency and traceability (Berman et al., 2017; Binzel, Fehr, and Link, 2023).[8]

[6] Another approach is to leverage oil discoveries as exogenous sources of variation, which has led to contradictory results (Cotet and Tsui, 2013; Lei and Michaels, 2014), and has been criticized for being subject to endogenous exploration choices (Cust and Harding, 2020).

[7] Further sources of funding include foreign support, e.g. in proxy wars, as discussed below.

[8] The devil is in the detail: If some certification schemes have found to work well, others have a more mixed record. Parker and Vadheim (2017), for example, finds for the U.S. 2010 Dodd-Frank Act, targeting the eastern Democratic Republic of the Congo, that it increased looting of civilians and shifted militia battles toward unregulated gold-mining territories.

5.3 Poverty, Averse Economic Shocks and Armed Conflict

One of the key points in pioneering contributions (Fearon and Laitin, 2003; Collier and Hoeffler, 2004) has been that armed conflicts take predominantly place in poor countries. As discussed, one key theoretical rationale for this is that lower wages imply lower economic opportunity costs of contest, and hence typically easier and cheaper recruitment of a rebel army (Collier, Hoeffler, and Rohner, 2009).

Of course, there are good reasons to think that the relationship between poverty and conflict is bi-directional and that there are various confounders influencing this nexus. One common approach for estimating a causal effect, is to estimate economic growth using adverse weather shocks, as championed by Miguel, Satyanath, and Sergenti (2004). Following this pioneering contribution, a series of more recent papers have found that adverse economic / weather shocks fuel armed fighting, among many others Hidalgo et al. (2010); Jia (2014); König et al. (2017); Vanden Eynde (2018); Harari and La Ferrara (2018); Waldinger (2024).

A specific form of averse economic shocks concerns the impact of climate change, which contrary to the literature on short-lived *weather* shocks, investigates longer-run *climate* trends. In particular, there is a growing literature finding that global warming severely fuels armed conflict (Hsiang, Burke, and Miguel, 2013; Burke, Hsiang, and Miguel, 2015b; Mach et al., 2019). Beyond the general, harmful effect of climate change, particularly strong detrimental impacts on peace are found in specific contexts, such as rising temperatures fuelling the economic competition between herder and settler ethnic groups (McGuirk and Nunn, 2025; Eberle, Rohner, and Thoenig, 2025).

A further specific type of shock that is related to weather conditions are epidemic shocks, which have been found to increase the risk of civil conflict (Cervellati, Sunde, and Valmori, 2017; Cervellati, Esposito, and Sunde, 2022).

Beyond weather shocks, also general commodity price shocks (covering various goods, beyond specific fossil fuels and minerals) could affect economic prospects and the incidence of conflict (Brückner and Ciccone, 2010). This being said, the nexus between overall commodity price shocks and general armed conflict is not straightfoward, as overall export prices will affect not only opportunity costs, but also other factors, such as state capacities.[9] In contrast, a more clear-cut pattern emerges when zooming in on particular conflict types. In particular, recent work has aimed at distinguishing specific price shocks in various contexts, to gain a better understanding of underlying mechanisms. McGuirk and Burke (2020) show that higher prices (and hence lower real wages) have the expected conflict-inducing effect in non-producer areas. In contrast, they find that in food-producing areas, higher prices result in two counter-vailing forces, i.e. higher opportunity costs for producers and higher appropriable rents for everybody. The relative strength of these opposing forces is such that "factor conflict" on territorial control decreases, while "output conflict" on appropriating surplus surges.

If averse economic shocks fuel conflict, we would typically hope for "reverse engineering" to work: Well-designed economic policies may foster prosperity and peace. This will discussed below.

[9] Bazzi and Blattman (2014) find that commodity price shocks have no effect on new conflict, yet weakly lead to shorter, less deadly wars, which may be related to better counter-insurgency capacities.

5.4 Ethnic Diversity, Inequalities and Armed Conflict

As discussed above, several theoretical frameworks predict ethnic diversity, and specifically ethnic polarization to increase the risk of armed conflict. Various studies have established empirically an association between ethnic polarization or fractionalization and armed conflict (Montalvo and Reynal-Querol, 2005; Field et al., 2008; Esteban, Mayoral, and Ray, 2012). Finding causal evidence on this nexus is tricky, as typically the ethnic diversity data used is time invariant or slowly moving, making it challenging to find exogenous variation. Bazzi et al. (2019); Bazzi and Gudgeon (2021) exploit a resettlement program and political boundaries redrawing in Indonesia to obtain exogenous variation in ethnic diversity indices, finding that if ethnic fractionalization–if anything– reduces the scope for conflict, ethnic polarization leads to greater conflict. Relatedly, Amodio and Chiovelli (2018) draw on migration flows following the implementation and repeal of apartheid segregation laws, inducing cross-sectional and time variation in the ethnic composition of South African districts. They find that ethnic polarization and inequality are associated with armed conflict. Also cultural distance matters: Guarnieri (2025) finds that an increase in cultural distance with respect to the government, proxied by linguistic distance, increases an ethnicity's propensity to fight over government power. Also the content of ethnic social norms matters: Moscona, Nunn, and Robinson (2020) find that segmentary lineage societies experience a greater number of conflicts, especially ones that are retaliatory, long-lasting, and large-scaled, and Heldring (2021) stress the role of culturally transmitted norms of obedience in the Rwandan genocide.

While the findings on the nexus between general inequality and conflict are contradictory (Cramer, 2003), recent work has focused on the impact of "horizontal" between-group inequality (Stewart, 2016). Drawing on satellite-based measures such as nightlight luminosity or on survey-based variables, this literature generally finds that horizontal equality is associated with a greater risk of armed conflict (Østby, 2008; Cederman, Weidmann, and Gleditsch, 2011; Cederman, Weidmann, and Bormann, 2015). Huber and Mayoral (2019) show that also within-ethnicity inequality can fuel a group's capacity for fighting, by exploiting the complementarity of labor and capital, in line with the theoretical framework of Esteban and Ray (2008).

One specific salient factor is the impact of artificial colonial borders which have led to split ethnic groups. Michalopoulos and Papaioannou (2016) have found that the incidence, severity, and duration of political violence are higher for partitioned homelands. They have also shown that split ethnic groups suffer from a greater risk of military interventions of neighboring countries and are more often entangled in a vicious circle of government-led discrimination and ethnic wars.

5.5 Democracy, Institutions and Governance

The first associations between democracy scores and conflict incidence are now several decades old. They have typically focused on conditional, non-monotonic correlations between these two variables. Hegre (2001) find that very democratic or very autocratic regimes have few civil wars, while intermediate regimes are most conflict prone, while Collier and Rohner (2008) find that democracy reduces conflict in rich countries, while having less pacifying effects in poor countries. In the literature

there has also been the notion that early democratization is often a dangerous, sometimes violent process, while mature democracies benefit from peace (Mann, 2005; Esteban, Morelli, and Rohner, 2015). One weakness of the aforementioned studies is that often their unit of analysis is quite aggregate and they lack exogenous variation.

Hence, there is a benefit of zooming in at a spatially and/or temporally more disaggregate level. Several micro-level studies have found pacifying effects of various aspects of democracy (see e.g. Fetzer and Kyburz (2024)).[10]

A first feature of inclusive and pluralistic politics is power-sharing, allowing various political factions to be politically represented. Cederman, Wimmer, and Min (2010) have shown –for global data at the ethnic group level– that political exclusion of a given group is associated with a higher conflict-proneness. An event-study analysis has also found a similar pacifying effect of power-sharing (Mueller and Rauh, 2024). Zooming in on Northern Ireland, Mueller and Rohner (2018) exploit close elections to draw on exogenous variation in power-sharing, finding a substantial conflict-reducing impact.

Another important dimension is the composition of the electorate. (Marcucci, Rohner, and Saia, 2023) exploit exogenous variation in enfranchisement rules for Britain's Second Reform Act of 1867. They find that the franchise extension has resulted in a substantial reduction in political violence. Relatedly, Lacroix (2023) finds that the enfranchisement championed by the U.S. Voting Rights Act has led to a sharp violence reduction. There is also evidence for decentralization / federalism to promote peace (Cederman et al., 2015).

Last but not least, there is strong evidence on "Democratic Peace" for interstate disputes (Maoz and Russett, 1993; Oneal and Russett, 1999). This voluminious literature, which is mostly rooted in political science, finds substantial evidence that democracies are very unlikely to attack each other, one of the key reasons being electoral accountability (Conconi, Sahuguet, and Zanardi, 2014). These results are among others consistent with the aforementioned theoretical work on political bias (Jackson and Morelli, 2007). Direct evidence on this channel of transmission is provided by McGuirk, Hilger, and Miller (2023) who study voting patterns in the U.S. Congress for 20th century wars. They find that having a draft age son reduces proconscription voting by 7–11 percentage points, which recovers as soon as a legislator's son ages out of eligibility.

While several dimensions of democracy have already been studied (enfranchisement, power-sharing), many more are still severely understudied. We don't know in enough depth how federalism, direct democracy, bicameralism, proportional representation, civic rights, freedom of expression, pluralistic politician selection etc matter for peace.

5.6 Public Policies

A series of public policy levers have been investigated. Public employment programs and labor market access have e.g. been found to reduce the scope for conflict and violent crime in Liberia (Blattman and Annan, 2016), in India (Fetzer, 2020), and in Switzerland (Couttenier et al., 2019). Blattman,

[10] There is also a literature investigating specifically electoral violence, studying its drivers and potential remedies (Dercon and Gutiérrez-Romero, 2012; Collier and Vicente, 2014; Fjelde and Höglund, 2016).

Jamison, and Sheridan (2017) also found that cognitive behavioral therapy followed by cash transfers have a powerful conflict reducing effect. In contrast, childhood exposure to illegal labor markets (coca farming) increases the risk of criminal behavior as adult (Sviatschi, 2022a).

Beyond labor markets, education spending has been associated with peace promotion (Thyne, 2006; Agarwal et al., 2023), and it has been found that better access to medical drugs reduces the conflict risk (Berlanda et al., 2024).

What about foreign aid and cash transfers?[11] While initial cross-country evidence has found that foreign aid is associated with peace (De Ree and Nillesen, 2009), recent within-country evidence is more nuanced and contradictory. One theory-based argument for which foreign aid and cash transfers may potentially increase appropriation is that they are valuable "pies" (R in the above model). In line with this logic, a series of papers find indeed that transfers sometimes –if anything– increase fighting: See Nunn and Qian (2014) for in-kind U.S. food aid, Crost, Felter, and Johnston (2014) for a community development program in the Philippines, and Premand and Rohner (2024) for a cash transfer in Niger. In these settings it has been argued that a combination of appropriation and sabotage have harmed the programs.

In contrast, to the extent that programs successfully help households to escape poverty and carry out productive activities, the aforementioned workhorse model may predict lower conflict (due to higher wages w boosting opportunity costs of contest). A series of empirical findings are in line with this. Crost, Felter, and Johnston (2016) investigate for the Philippines a conditional cash transfer program, with transfer disbursements depending on child vaccination and school attendance. They find that this program reduces the scope for armed conflict. Further, better service provision, combined with improved public security, have been found to reduce conflict risks (Berman, Shapiro, and Felter, 2011; Berman et al., 2013; Sexton, 2016).

Further, one specific financial intervention is the distribution of financial assets. Jha and Shayo (2019) randomly assigned Palestinian and Israeli financial assets to likely voters. The treatment systematically shifted vote choices toward parties more supportive of the peace process, highlighting how personal stakes may affect attitudes.

One still open question in the literature is the role of general infrastructure. While one would expect better infrastructure to improve the productivity of the economy and increase the opportunity cost of conflict, there could be counter-veiling effects both during construction and afterwards. While the construction helps peace by creating jobs (Verpoorten and Stoop, 2024), at the same time there are disruptions that create both winners and losers. Eberle (2020), for example, detects an increase in intrastate conflict in the immediate vicinity of newly-built dams, and transport infrastructure does not only foster development, but can also facilitate repression and state-led massacres (Rogall, 2021; González et al., 2025). More work on the complex impact of infrastructure on peace is encouraged.

5.7 State capacity and Security Guarantees

Weak states suffer from an increased risk of armed violence (Rohner, VandenEynde, and Verhille, 2025). A classic example to illustrate how weak states can favor violence is the rise of the mafia

[11] See the literature survey of Findley (2018).

(Buonanno et al., 2015; Acemoglu, De Feo, and De Luca, 2020). A series of work have studied both theoretically and empirically the bi-directional relationship between state capacity and peace, showcasing powerful feedback loops. As shown in Besley and Persson (2009, 2010, 2011a,b), legal and fiscal capacity, peace and prosperity co-move, not only because they have some joint determinants, but also because they mutually reinforce each other in "virtuous cycles".

Transforming a weak state into a strong state with substantial state capacity can sometimes be achieved in a "home-grown" fashion, such as e.g. with the "New Deal" in the United States, shown to have had political / civic implications (Caprettini and Voth, 2023).

In many cases, when a state suffers from severe fragility and weakness, outside help may be warrented. A quite vast literature has found that UN peace keepers have, overall, pacifying effects during conflict and during the post-conflict period (Doyle and Sambanis, 2000, 2006; Gilligan, Sergenti et al., 2008; Hultman, Kathman, and Shannon, 2013; Walter, Howard, and Fortna, 2021). While most early contributions have emphasized cross-national pooled panel correlations, more recent papers focus increasingly on causal inference. Hultman, Kathman, and Shannon (2014) combine fixed effects and matching techniques and show that UN military troop strength reduces battle deaths during civil wars (while police and observers do not have this effect). Relatedly, following a similar methodological approach, Haass and Ansorg (2018) find that UN peacekeeping troops composed of large share of troops from countries with high-quality militaries are better able to deter armed violence. Ruggeri, Dorussen, and Gizelis (2017) and Fjelde, Hultman, and Nilsson (2019) follow an instrumental variable approach and find that UN peacekeeping troops shorten conflict episodes and protect civilians against rebel but not government abuse.

5.8 Trade and Geoeconomics

Pioneering correlational evidence on trade and open markets being associated with peace ranges back more than four decades (Polachek, 1980; Oneal and Russet, 1997; Gartzke, 2007). While moving from complete autarky to some trade clearly increases interdependency and hence the opportunity cost of conflict, distinct forms of trade openness can have distinct effects. In particular, the follow-up work by Martin, Mayer, and Thoenig (2008) shows theoretically and empirically that bilateral and multilateral trade have contrasting effects on the conflict likelihood within a particular dyad. While bilateral trade increases inter-dependency and reduces conflict risks, multilateral trade openness makes a given country pair less interdependent, resulting in higher dyadic conflict risk.

Related to this, Amodio, Baccini, and Di Maio (2021) analyse the impact of security-motivated trade restrictions on economic activity în the West Bank, finding a marked increase in episodes of political violence in the most concerned municipalities.

Trade and globalization can have differential effects in different places. Gallea and Rohner (2021) study how strategically important locations are relatively likely or unlikely to experience conflict, focusing on natural choke points, canals and straights. While on average these places are over-proportionally dangerous, in periods of high globalisation they become comparatively safe.

In recent years, the emerging field of geoeconomics has become increasingly popular (Mohr and Trebesch, 2025). It studies research questions that link (international) economic factors and geopol-

itics/conflict, with a particular interest in power rivalries and trade (for quantitative frameworks / toolkits see Clayton, Maggiori, and Schreger (2023); Thoenig (2023)). Recent contributions in this field study for example the link between money and military strength (Gennaioli and Voth, 2015; Federle, Rohner, and Schularick, 2024), hegemonic globalization and financial integration (Eichengreen, Mehl, and Chitu, 2018; Pflueger and Yared, 2024; Broner et al., 2025), the nexus between political alliances, strategic trade relations and conflict (Jackson and Nei, 2015; Chen, 2021; Kleinman, Liu, and Redding, 2024), the measurement of geopolitical risk (Caldara and Iacoviello, 2022), and the economic effects of sanctions (Itskhoki and Mukhin, 2022; Draca et al., 2023; Morgan, Syropoulos, and Yotov, 2023).

5.9 Nation Building and Reconciliation

There is a growing literature on nation building (surveyed in Rohner and Zhuravskaya (2024, 2023)). One underlying premise of this literature is that by fostering (inclusive) national cohesion and inter-group trust, national building policies may be able to reduce the risk of armed conflicts. One angle of nation building that has attracted much cutting-edge work are empirical tests of the so-called "contact hypothesis", according to which greater inter-group contact may foster trust under a number of conditions, such as equal status among groups and common goals (Allport, Clark, and Pettigrew, 1954). Exploiting exogenous variation in inter-group contact (e.g. from random allocation), recent articles have found that greater interaction between different ethnic, religious or linguistic groups does on average result in a surge in inter-group trust and national cohesion (see Cáceres-Delpiano et al. (2021); Bagues and Roth (2023) for Spain, Samii (2013) for Burundi, and Grady et al. (2023); Okunogbe (2024) for Nigeria). Focusing on historical and contemporary communal relationships in India, Jha (2013) shows that inter-ethnic complementarities and repeated business contacts between Hindus and Muslims in medieval trading ports have led to a legacy of ethnic tolerance and inter-ethnic gains sharing. He documents that (ethnically mixed) medievals ports were five times less prone to Hindu-Muslim riots between 1850 and 1950 and remained half as prone between 1950 and 1995.

Specific forms of contact and reconciliation efforts in post-conflict settings have also been increasingly investigated. Cilliers, Dube, and Siddiqi (2016) have set up a randomized control trial (RCT) in post-conflict Sierra Leone, studying the impact of random exposure to reconciliation ceremonies. While they find that these ceremonies help fostering social capital and forgiveness, this comes at the cost of deteriorated psychological health. Relatedly, the RCT of Mousa (2020) in Iraq has randomized Christian Iraqi refugees to soccer teams that were composed of either all Christian players or a mixture of Christian and Muslim players. She has found that have Muslim team mates fostered pro-social inter-group behavior on the soccer pitch, but these effects did not extend to non-soccer contexts.

Note that there are some caveats concerning the contact hypothesis. First of all, it is important to keep in mind that the beneficial pro-social virtues of contact only apply to settings where contacts are fair, horizontal and non-discriminatory (Allport, Clark, and Pettigrew, 1954). If one group is at the mercy of the other and cannot flee, negative economic and political shocks can fuel inter-ethnic violence, as found for anti-Jewish pogroms in the Russian Empire (Grosfeld, Sakalli, and Zhuravskaya, 2020). Further, the ethnic population composition matters: Bazzi et al. (2019) document that inter-group contact strengthens national identity foremost in the presence of large ethnic fractionalization

(i.e. when there are many small groups), while in ethnically polarized societies (with few very large groups), contact may even backfire.

Beyond policies fostering contact, a series of further policies have been shown to matter for nation building. Namely education has been found to be able to foster national identity and cohesion (see Blanc and Kubo (2024) for France and Carlitz et al. (2024) for Tanzania), yet the devil is in the detail. Ill-designed and forced education initiatives can fuel pro-nationalist attitudes (Cinnirella and Schueler, 2018) and lead to minority group backlash (Fouka, 2020; Bazzi, Hilmy, and Marx, 2023), and the educational curriculum may reflect ideological stands of the government (Clots-Figueras and Masella, 2013; Cantoni et al., 2017; Chen, Lin, and Yang, 2023). Beyond education, various regimes have used propaganda / information campaigns, through radio and other media, not just inciting hatred (Yanagizawa-Drott, 2014; Caesmann et al., 2021), but also for counter-insurgency (Armand, Atwell, and Gomes, 2020; Sonin and Wright, 2022), for resistance activities (Gagliarducci et al., 2020), as well as for nation building and fostering inter-group reconciliation (Paluck, 2009; Blouin and Mukand, 2019), displaying often substantial persuasion.[12]

Also shared experiences, such as national soccer victories, have been found to foster national identity and attenuate inter-group conflict (Depetris-Chauvin, Durante, and Campante, 2020). In contrast, it has been found for the U.S. that citizens who have suffered from exclusion and discrimination are less keen to support the government and volunteer for army enlistment (Qian and Tabellini, 2025).

5.10 International interventions and externalities

The bandwidth of international interventions affecting the prospect of peace and conflict is enormous, as surveyed in Regan (2010); Rohner (2024a). The "least militarized" type of intervention is *mediation*, where a third-party mediator aims at establishing a ceasefire or peace settlement between rival factions in civil wars or between countries in inter-state conflict. One theoretical channel through which mediation may operate in terms of the aforementioned theoretical frameworks is the reduction of *asymmetric information*. Myerson's revelation principle (Myerson, 1979) applies, and one can restrict attention to equilibia where disputants file truthful reports fo the mediator (Hörner, Morelli, and Squintani, 2015). Given that literally hundreds of articles have been written on the nexus between mediation and conflict, mostly in political science, providing an in-depth synthesis of this literature is beyond the scope of the current contribution (for surveys see Wall and Dunne (2012); Wallensteen and Svensson (2014); Duursma (2014); Beardsley and Danneman (2015)). One challenge encountered by the large body of empirical work on mediation and conflict is that mediation efforts are by definition an endogenous choice variable. Given that it has often proven difficult to exploit exogenous variation, the often found association between mediation and peace should be interpreted rather as a correlation than as a causal relationship. Given the great potential promise of well-designed mediation, it would be of foremost importance to gain causal evidence on its working, its effectiveness and its optimal design. Future work on this is encouraged.

Beyond mediation, third-party outside interventions include a series of military actions, pursuing

[12] Related literatures study the impact of social media / mobile phone access on hate crimes (Müller and Schwarz, 2021, 2023) and on protests (Larson et al., 2019; Enikolopov, Makarin, and Petrova, 2020; Manacorda and Tesei, 2020).

diverse goals ranging from supporting a given country or regime against rivals to regime change or proxy wars. The track-record is mixed at best. Military aid has been found to–if anything– backfire. Dimant, Krieger, and Meierrieks (2024) find for a sample of 174 countries that more U.S. military aid is associated with a higher likelihood of anti-American terrorism in aid-receiving countries, which is partially explained by a rise in corruption. Zooming in on U.S. military aid on Colombia, Dube and Naidu (2015) have found that it increases paramilitary attacks and homicides but has no effect on guerilla attacks, and conclude that the selective strengthening of specific nonstate actors may undermine domestic political institutions.

Also direct battlefield involvement has been found to backfire: Dell and Querubin (2018) show that U.S. bombing in the Vietnam War increased the military and political activities of the communist insurgency, weakened local governance, reduced noncommunist civic engagement, and fuelled anti-Americanism. Related, Riano and Valencia Caicedo (2024) study the US 'Secret War' in Laos (1964–73), finding that a one-standard-deviation increase in bombing intensity is associated with a 7.1 percent decrease in GDP per capita.

Another international dimension of conflict concerns its financing. If fighting is partly domestically funded through natural resource rents (as discussed above), or domestic donations (Limodio, 2022), often international funding matters heavily, for example in the context of proxy wars (Berman and Lake, 2019) or through remittances. Bonadio et al. (2024) show that remittances to the Tamil Tigers may have prolonged the Sri Lankan civil war by as much as 14 years.

There are series of further international / transnational spillovers and externalities – sometimes unintended. DellaVigna et al. (2014) find that extreme nationalist vote and ethnically offensive graffiti are more common in Croatian villages with Serbian radio reception. International borders are also often violence-prone, among others as providing hiding groups for insurgent groups that operate transnationally (Martinez, 2017; Malik, Ali Mirza, and Rehman, 2023). Several studies also found that international inattention and distraction affects the timing of military attacks and protests (Durante and Zhuravskaya, 2018; Anderson et al., 2023).

One under-studied question is the multi-dimensional causal impact of private security companies (often linked to specific governments, such as e.g. the Wagner group liked to the Russian government). It would be useful to quantify their effects on the prospects of conflict versus peace, as well as on wider development outcomes.

5.11 Gender

There is also a growing literature studying gender dimensions in conflict (see the excellent survey of Anderson and Sviatschi (2025)). One strand studies the drivers of gender-based / domestic / intimate partner violence (Cesur and Sabia, 2016; La Mattina, 2017; González and Rodríguez-Planas, 2020; Stojetz and Brück, 2023; Cesur and Kibris, 2023; Agarwal et al., 2023; Kavanaugh, Sviatschi, and Trako, 2024; Bhalotra et al., 2025). Key findings include that these forms of violence are fuelled by conflict / combat exposure (Cesur and Sabia, 2016; La Mattina, 2017; Cesur and Kibris, 2023; Stojetz and Brück, 2023), by unemployment (Bhalotra et al., 2025), and by unequal gender norms (González and Rodríguez-Planas, 2020), among other factors. Promising approaches to reduce such types of

violence include, among others, the creation of all-women's justice centers (Kavanaugh, Sviatschi, and Trako, 2024) or education initiatives (Agarwal et al., 2023).

Another strand studies conflict-related sexual violence (Cohen, 2013; Nordås and Cohen, 2021; Fourati et al., 2021). The recent article of Guarnieri and Tur-Prats (2023) demonstrates for example the importance of ethnic-based gender norms, finding that male-dominant armed actors are more likely to be perpetrators of sexual violence, especially when clashing with groups having different gender norms.

Beyond the role of gender in victimization, a strand of the literature studies the role of women as armed actors in conflict (Haer and Böhmelt, 2018; Loken and Matfess, 2024), as well as the impact of conflict exposure on future female political involvement (Rogall and Zárate-Barrera, 2020). Eslava (2020) finds for Colombia that female FARC leadership leads to a 60 percent reduction in conflict violence and even larger reductions in violence when both a female mayor and a female guerrilla commander are present. In contrast, Dube and Harish (2020) study Europe over the fifteenth to twentieth centuries and find that polities led by queens engaged in war more than polities led by kings.

As highlighted in the survey of Anderson and Sviatschi (2025) a very relevant understudied question is the impact of female representation on the scope for peace and conflict. What will be the impact on peace of having a better female representation in governments, parliaments, peace negociations, to a name a few dimensions?

6. Synthesis of key policy recommendations – How to simultaneously foster peace and development

Below are listed key policies that foster peace (several of which have also been discussed in the recent book of Rohner (2024b)). Strikingly, we shall see that these policies in general also foster development. Hence, we are not facing a trade-off between pursuing peace versus development, but –if anything– these are complements and promoting one of these capital goals typically helps achieving the other.

Democratic / Inclusive Politics: As discussed above, various aspects of democracy have been found theoretically and empirically to reduce the risk of civil conflict. Conceptually, having a democratic voice and political representation reduces the relative payoff of seizing power by force, and greater accountability reduces grievances. Democracy also attenuates commitment problems and information asymmetries, as discussed above. Empirically, power-sharing, enfranchisement and civic rights have been found to foster peace. Also for inter-state conflict, the so-called Democratic Peace result highlights that democracies are much less likely to attack other democracies (which may be due to lower political bias). Hence, having more democracies in the internation system should typically foster peace. To the extent that sound institutions and democracy also foster economic development (Acemoglu, Johnson, and Robinson, 2001; Goldstein and Udry, 2008; Acemoglu et al., 2019; Abeberese et al., 2023; Marcucci, Rohner, and Saia, 2023), making politics more democratic / inclusive helps to both promote peace and development.

Strengthening the Economy: Conceptually, public policies that boost productivity (including education, health, labor-market policies, and well-designed infrastructure investment) increase the opportunity cost of conflict. Further, human capital is –in contrast to physical capital– not appropriable, which further reduces conflict incentives. The empirical evidence is consistent with these theoretical conjectures, highlighting the peace promoting impact of the aforementioned categories of public policies. If poverty is a major risk factor facilitating rebel recruitment, development and economic perspectives have the opposite effect of making rebellion less feasible. As discussed above, while the track record of cash transfers is mixed (as they combat poverty but at the same time constitute a valuable "prize" to capture), non-appropriable investments (e.g. in human capital) and some specific, well-designed conditional cash transfer programs have a clear-cut conflict reducing effect. In a nutshell, the aforementioned productivity-boosting policies entail the double dividend to foster development and peace.

Strengthening State Capacity: A state with enough administrative, fiscal and legal capacity is better able to guarantee the security of its citizens and avoid fragility and warlordism. Conceptually, in the above workhorse model greater state capacity would be reflected by a more powerful fighting technology of the state, thereby reducing the winning chances (and incentives for rebellion) of any challengers. As discussed above, an increase in state capacity can be home-grown or can be helped by international support, for example through UN peacekeepers. The aforementioned empirical evidence shows how fostering state capacity boosts the prospects of peace. At the same time, there is solid evidence for various forms of state capacity to foster development (Besley and Persson, 2010, 2011b; Acemoglu, García-Jimeno, and Robinson, 2015; Dincecco and Katz, 2016; Page and Pande, 2018). Thus, there is again a double dividend of investing in state capacity, which promotes both peace and development.

Moving Out of Fossil Fuels: Valuable resource rents provide an attractive "prize" to appropriate and help funding rebellion, hence unsurprisingly there is a large literature (discussed above) showing that fossil fuel extraction boosts conflict risks. By moving out of fossil fuels one can reduce these risks and weaken aggressive petro-states. Further, this obviously helps combat climate change, which is another major conflict risk multiplier. The tricky part is to avoid replacing an oil curse by a mineral curse, but this can be achieved by the right mix of decentralization, labor-intensive and locally-rooted energy production (Rohner et al., 2023). Given that faster climate action is also economically cheaper (Stern, 2015), dropping fossil fuels again entails the double benefits of fostering peace and development.

Strengthening International Coordination and a Rule-Based Multilateral Order: As discussed, international cooperation and coordination plays a key role in fostering peace, starting with the overall peace-promoting effect of (bilateral) trade, which increases interdependency and hence leads to a greater opportunity cost of fighting. International coordination also fosters sustainable peace through multilateral mineral tracing (Berman et al., 2017), refugee admissions (to tackle aforementioned vicious cycles and war traps), cattle insurance to attenuate herder-settler conflicts exacerbated by climate

change (Gehring and Schaudt, 2024), and protecting international shipping routes (Gallea and Rohner, 2021), to name just a few dimensions. At the same time, international cooperation and collaboratoin also entails economic benefits, such as the economic gains from trade (Melitz and Trefler, 2012; Costinot and Rodríguez-Clare, 2014; Feenstra, 2018). At the same time a rule-based international order reigned by multilateralism and international law does not only promote peace, but also eases predictability and planing for firms, boosting productive investment (Maskus, 2000; Navaretti, Venables, and Barry, 2004; Branstetter, Fisman, and Foley, 2006; Dunning and Lundan, 2008). As for the other policy dimensions mentioned above, a vast array of policies related to international coordination both support peace and development.

Contact and Reconciliation Policies: Fair and non-discriminatory inter-group contact and reconciliation initiatives can foster inter-group trust, which is key to sustain peace in settings with private information (Rohner, Thoenig, and Zilibotti, 2013b). As discussed above, there is growing empirical evidence on the peace-promoting effects of such policies. At the same time, there is also solid evidence that trust is key for the development of markets and for economic development in general (Temple and Johnson, 1998; Zak and Knack, 2001; Dearmon and Grier, 2009; Algan and Cahuc, 2010). Again, as before, fostering contact and reconciliation policies have the potential to both promote peace and development.

To sum up, a series of concrete policies have been shown theoretically and empirically to promote incentives for peace. At the same time, there is solid evidence that these policies support economic development, which highlights a general complementarity between peace and development. Putting in place the aforementioned mix of promising policies entails the double dividend of tackling at the same time two of humanity's greatest challenges: poverty and armed conflict.

References

Abadie, Alberto and Javier Gardeazabal. 2003. "The economic costs of conflict: A case study of the Basque Country." *American economic review* 93 (1):113–132.

Abeberese, Ama Baafra, Prabhat Barnwal, Ritam Chaurey, and Priya Mukherjee. 2023. "Democracy and firm productivity: evidence from Indonesia." *Review of Economics and Statistics* 105 (3):713–722.

Acemoglu, Daron, Giuseppe De Feo, and Giacomo Davide De Luca. 2020. "Weak states: Causes and consequences of the Sicilian Mafia." *The Review of Economic Studies* 87 (2):537–581.

Acemoglu, Daron, Camilo García-Jimeno, and James A Robinson. 2015. "State capacity and economic development: A network approach." *American Economic Review* 105 (8):2364–2409.

Acemoglu, Daron, Simon Johnson, and James A Robinson. 2001. "The colonial origins of comparative development: An empirical investigation." *American economic review* 91 (5):1369–1401.

Acemoglu, Daron, Suresh Naidu, Pascual Restrepo, and James A Robinson. 2019. "Democracy does cause growth." *Journal of political economy* 127 (1):47–100.

Acemoglu, Daron and James A Robinson. 2006. *Economic origins of dictatorship and democracy*. Cambridge university press.

Acemoglu, Daron and Alexander Wolitzky. 2014. "Cycles of conflict: An economic model." *American Economic Review* 104 (4):1350–1367.

Agarwal, Madhuri, Vikram Bahure, Katja Bergonzoli, and Souparna Maji. 2023. "Education and Domestic Violence: Evidence from a School Construction Program in India." Tech. rep.

Akbulut-Yuksel, Mevlude. 2014. "Children of war: The long-run effects of large-scale physical destruction and warfare on children." *Journal of Human resources* 49 (3):634–662.

Akresh, Richard. 2008. *Armed conflict and schooling: Evidence from the 1994 Rwandan genocide*, vol. 3516. World Bank Publications.

Akresh, Richard, Leonardo Lucchetti, and Harsha Thirumurthy. 2012. "Wars and child health: Evidence from the Eritrean–Ethiopian conflict." *Journal of development economics* 99 (2):330–340.

Alesina, Alberto, Salvatore Piccolo, and Paolo Pinotti. 2019. "Organized crime, violence, and politics." *The Review of Economic Studies* 86 (2):457–499.

Alfano, Marco and Joseph-Simon Görlach. 2023. "Terrorism, media coverage, and education: Evidence from al-Shabaab attacks in Kenya." *Journal of the European Economic Association* 21 (2):727–763.

Algan, Yann and Pierre Cahuc. 2010. "Inherited trust and growth." *American Economic Review* 100 (5):2060–2092.

Allport, Gordon Willard, Kenneth Clark, and Thomas Pettigrew. 1954. "The nature of prejudice." .

Amarasinghe, Ashani, Paul A Raschky, Yves Zenou, and Junjie Zhou. 2023. "Conflicts in Networks."

Amodio, Francesco, Leonardo Baccini, and Michele Di Maio. 2021. "Security, trade, and political violence." *Journal of the European Economic Association* 19 (1):1–37.

Amodio, Francesco and Giorgio Chiovelli. 2018. "Ethnicity and violence during democratic transitions: evidence from South Africa." *Journal of the European Economic Association* 16 (4):1234–1280.

Amodio, Francesco and Michele Di Maio. 2018. "Making do with what you have: Conflict, input misallocation and firm performance." *The Economic Journal* 128 (615):2559–2612.

Anderson, Siwan, Patrick Francois, Dominic Rohner, and Rogerio Santarrosa. 2023. "Hidden Hostility: Donor Attention and Political Violence." .

Anderson, Siwan and Maria Sviatschi. 2025. "Gender Inequality and Armed Conflict." Tech. rep., Working Paper.

Anderton, Charles H and Jurgen Brauer. 2021. "Mass atrocities and their prevention." *Journal of Economic Literature* 59 (4):1240–1292.

Angrist, Joshua D and Adriana D Kugler. 2008. "Rural windfall or a new resource curse? Coca, income, and civil conflict in Colombia." *The Review of Economics and Statistics* 90 (2):191–215.

Armand, Alex, Paul Atwell, and Joseph F Gomes. 2020. "The reach of radio: Ending civil conflict through rebel demobilization." *American economic review* 110 (5):1395–1429.

Bae, Sang Hoo and Attiat F Ott. 2008. "Predatory behavior of governments: the case of mass killing." *Defence and Peace Economics* 19 (2):107–125.

Bagues, Manuel and Christopher Roth. 2023. "Interregional contact and the formation of a shared identity." *American Economic Journal: Economic Policy* 15 (3):322–350.

Baliga, Sandeep and Tomas Sjöström. 2004. "Arms Races and Negotiations." *The Review of Economic Studies* 71 (2):351–369.

Bandiera, Antonella, Lelys I Dinarte Diaz, Juan Miguel Jimenez, Sandra V Rozo, and Maria Micaela Sviatschi. 2022. "Rebel governance and development: The persistent effects of guerrillas in El Salvador." Tech. rep., National Bureau of Economic Research.

Bauer, Michal, Christopher Blattman, Julie Chytilová, Joseph Henrich, Edward Miguel, and Tamar Mitts. 2016. "Can war foster cooperation?" *Journal of Economic Perspectives* 30 (3):249–274.

Bauer, Michal, Nathan Fiala, and Ian Levely. 2018. "Trusting former rebels: An experimental approach to understanding reintegration after civil war." *The Economic Journal* 128 (613):1786–1819.

Bazzi, Samuel, Robert A. Blair, Christopher Blattman, Oeindrila Dube, Matthew Gudgeon, and Richard Peck. 2022. "The Promise and Pitfalls of Conflict Prediction: Evidence from Colombia and Indonesia." *Review of Economics and Statistics* 104 (4):764–779.

Bazzi, Samuel and Christopher Blattman. 2014. "Economic shocks and conflict: Evidence from commodity prices." *American Economic Journal: Macroeconomics* 6 (4):1–38.

Bazzi, Samuel, Arya Gaduh, Alexander D Rothenberg, and Maisy Wong. 2019. "Unity in diversity? How intergroup contact can foster nation building." *American Economic Review* 109 (11):3978–4025.

Bazzi, Samuel and Matthew Gudgeon. 2021. "The political boundaries of ethnic divisions." *American Economic Journal: Applied Economics* 13 (1):235–266.

Bazzi, Samuel, Masyhur Hilmy, and Benjamin Marx. 2023. "Religion, Education, and the State." .

Beardsley, Kyle and Nathan Danneman. 2015. "Mediation in international conflicts." *Emerging Trends in the Social and Behavioral Sciences* :1–13.

Becker, Gary S. 1968. "Crime and punishment: An economic approach." *Journal of political economy* 76 (2):169–217.

Bellows, John and Edward Miguel. 2009. "War and local collective action in Sierra Leone." *Journal of public Economics* 93 (11-12):1144–1157.

Berlanda, Andrea, Matteo Cervellati, Elena Esposito, Dominic Rohner, and Uwe Sunde. 2024. "Medication against conflict." *Journal of Development Economics* 170:103306.

Berman, Eli, Joseph H Felter, Jacob N Shapiro, and Erin Troland. 2013. "Modest, secure, and informed: Successful development in conflict zones." *American Economic Review* 103 (3):512–517.

Berman, Eli and David A Lake. 2019. *Proxy wars: Suppressing violence through local agents*. Cornell University Press.

Berman, Eli, Jacob N Shapiro, and Joseph H Felter. 2011. "Can hearts and minds be bought? The economics of counterinsurgency in Iraq." *Journal of political Economy* 119 (4):766–819.

Berman, Nicolas, Mathieu Couttenier, Dominic Rohner, and Mathias Thoenig. 2017. "This mine is mine! How minerals fuel conflicts in Africa." *American Economic Review* 107 (6):1564–1610.

Bertoni, Eleonora, Michele Di Maio, Vasco Molini, and Roberto Nistico. 2019. "Education is forbidden: The effect of the Boko Haram conflict on education in North-East Nigeria." *Journal of Development Economics* 141:102249.

Besley, Timothy, Thiemo Fetzer, and Hannes Mueller. 2015. "The welfare cost of lawlessness: Evidence from Somali piracy." *Journal of the European Economic Association* 13 (2):203–239.

Besley, Timothy and Torsten Persson. 2009. "The origins of state capacity: Property rights, taxation, and politics." *American economic review* 99 (4):1218–1244.

———. 2010. "State capacity, conflict, and development." *Econometrica* 78 (1):1–34.

———. 2011a. "The logic of political violence." *The quarterly journal of economics* 126 (3):1411–1445.

———. 2011b. *Pillars of prosperity: The political economics of development clusters*. Princeton University Press.

Besley, Timothy and Marta Reynal-Querol. 2014. "The legacy of historical conflict: Evidence from Africa." *American Political Science Review* 108 (2):319–336.

Betancourt, Theresa S, Ivelina Borisova, Timothy P Williams, Sarah E Meyers-Ohki, Julia E Rubin-Smith, Jeannie Annan, and Brandon A Kohrt. 2013. "Research Review: Psychosocial adjustment and mental health in former child soldiers–a systematic review of the literature and recommendations for future research." *Journal of Child Psychology and Psychiatry* 54 (1):17–36.

Bhalotra, Sonia, Diogo GC Britto, Paolo Pinotti, and Breno Sampaio. 2025. "Job displacement, unemployment benefits and domestic violence." *Review of Economic Studies* :rdaf004.

Binzel, Christine, Dietmar Fehr, and Andreas Link. 2023. "Can international initiatives promote peace? Diamond certification and armed conflicts in Africa." *Diamond Certification and Armed Conflicts in Africa (September 11, 2023)* .

Blanc, Guillaume and Masahiro Kubo. 2024. "French." URL https://example.com/french-working-paper. Working Paper.

Blattman, Christopher. 2009. "From violence to voting: War and political participation in Uganda." *American political Science review* 103 (2):231–247.

———. 2023. *Why we fight: The roots of war and the paths to peace*. Penguin.

Blattman, Christopher and Jeannie Annan. 2016. "Can employment reduce lawlessness and rebellion? A field experiment with high-risk men in a fragile state." *American Political Science Review* 110 (1):1–17.

Blattman, Christopher, Gustavo Duncan, Benjamin Lessing, and Santiago Tobón. 2025. "Gang rule: Understanding and countering criminal governance." *Review of Economic Studies* 92 (3):1497–1531.

Blattman, Christopher, Julian C. Jamison, and Margaret Sheridan. 2017. "Reducing crime and violence: Experimental evidence from cognitive behavioral therapy in Liberia." *American Economic Review* 107 (4):1165–1206.

Blattman, Christopher and Edward Miguel. 2010. "Civil war." *Journal of Economic literature* 48 (1):3–57.

Blouin, Arthur and Sharun W Mukand. 2019. "Erasing ethnicity? Propaganda, nation building, and identity in Rwanda." *Journal of Political Economy* 127 (3):1008–1062.

Blumenstock, Joshua E, Michael Callen, Tarek Ghani, and Robert Gonzalez. 2024. "Violence and financial decisions: Evidence from mobile money in Afghanistan." *Review of Economics and Statistics* 106 (2):352–369.

Bonadio, Barthélémy, Andrei A Levchenko, Dominic Rohner, and Mathias Thoenig. 2024. "Feeding the Tigers: Remittances and Conflict in Sri Lanka." Tech. rep., National Bureau of Economic Research.

Braithwaite, Alex, Idean Salehyan, and Burcu Savun. 2019. "Refugees, forced migration, and conflict: Introduction to the special issue."

Branstetter, Lee G, Raymond Fisman, and C Fritz Foley. 2006. "Do stronger intellectual property rights increase international technology transfer? Empirical evidence from US firm-level panel data." *The Quarterly journal of economics* 121 (1):321–349.

Britto, Diogo GC, Paolo Pinotti, and Breno Sampaio. 2022. "The effect of job loss and unemployment insurance on crime in Brazil." *Econometrica* 90 (4):1393–1423.

Broner, Fernando, Alberto Martin, Josefin Meyer, and Christoph Trebesch. 2025. "Hegemonic globalization." .

Brück, Tilman, Michele Di Maio, and Sami H Miaari. 2019. "Learning the hard way: The effect of violent conflict on student academic achievement." *Journal of the European Economic Association* 17 (5):1502–1537.

Brückner, Markus and Antonio Ciccone. 2010. "International commodity prices, growth and the outbreak of civil war in Sub-Saharan Africa." *The Economic Journal* 120 (544):519–534.

Bruhn, Jesse, Kyle Greenberg, Matthew Gudgeon, Evan K Rose, and Yotam Shem-Tov. 2024. "The effects of combat deployments on veterans' outcomes." *Journal of Political Economy* 132 (8):2830–2879.

Brunnschweiler, Christa N and Erwin H Bulte. 2008. "The resource curse revisited and revised: A tale of paradoxes and red herrings." *Journal of environmental economics and management* 55 (3):248–264.

Bundervoet, Tom, Philip Verwimp, and Richard Akresh. 2009. "Health and civil war in rural Burundi." *Journal of human Resources* 44 (2):536–563.

Buonanno, Paolo, Ruben Durante, Giovanni Prarolo, and Paolo Vanin. 2015. "Poor institutions, rich mines: Resource curse in the origins of the sicilian mafia." *The Economic Journal* 125 (586):F175–F202.

Burke, Marshall, Solomon M Hsiang, and Edward Miguel. 2015a. "Climate and conflict." *Annu. Rev. Econ.* 7 (1):577–617.

Burke, Marshall, Solomon M. Hsiang, and Edward Miguel. 2015b. "Climate and conflict." *Annual Review of Economics* 7 (1):577–617.

Cáceres-Delpiano, Julio, Antoni-Italo De Moragas, Gabriel Facchini, and Ignacio González. 2021. "Intergroup contact and nation building: Evidence from military service in Spain." *Journal of Public Economics* 201:104477.

Caesmann, Marcel Jochen, Bruno Caprettini, Hans-Joachim Voth, and David Yanagizawa-Drott. 2021. "Going viral: Propaganda, persuasion and polarization in 1932 Hamburg." *Centre for Economic Policy Research Discussion Paper Series* (16356).

Caldara, Dario and Matteo Iacoviello. 2022. "Measuring geopolitical risk." *American economic review* 112 (4):1194–1225.

Callen, Michael, Mohammad Isaqzadeh, James D Long, and Charles Sprenger. 2014. "Violence and risk preference: Experimental evidence from Afghanistan." *American Economic Review* 104 (1):123–148.

Cantoni, Davide, Yuyu Chen, David Y Yang, Noam Yuchtman, and Y Jane Zhang. 2017. "Curriculum and ideology." *Journal of political economy* 125 (2):338–392.

Cantoni, Davide, Andrew Kao, David Y Yang, and Noam Yuchtman. 2024. "Protests." *Annual Review of Economics* 16.

Cantoni, Davide, David Y Yang, Noam Yuchtman, and Y Jane Zhang. 2019. "Protests as strategic games: experimental evidence from Hong Kong's antiauthoritarian movement." *The Quarterly Journal of Economics* 134 (2):1021–1077.

Caprettini, Bruno and Hans-Joachim Voth. 2020. "Rage against the machines: Labor-saving technology and unrest in industrializing England." *American Economic Review: Insights* 2 (3):305–320.

———. 2023. "New deal, new patriots: How 1930s government spending boosted patriotism during world war ii." *The Quarterly Journal of Economics* 138 (1):465–513.

Carlitz, Ruth, Ameet Morjaria, Joris Mueller, and Philip Osafo-Kwaako. 2024. "State Building in a Diverse Society." *Review of Economic Studies* :rdae116.

Caselli, Francesco and Wilbur John Coleman. 2013. "On the theory of ethnic conflict." *Journal of the European Economic Association* 11 (suppl_1):161–192.

Caselli, Francesco, Massimo Morelli, and Dominic Rohner. 2015. "The geography of interstate resource wars." *The Quarterly Journal of Economics* 130 (1):267–315.

Cassar, Alessandra, Pauline Grosjean, and Sam Whitt. 2013. "Legacies of violence: trust and market development." *Journal of Economic Growth* 18:285–318.

Cederman, Lars-Erik, Simon Hug, Andreas Schädel, and Julian Wucherpfennig. 2015. "Territorial autonomy in the shadow of conflict: Too little, too late?" *American Political Science Review* 109 (2):354–370.

Cederman, Lars-Erik, Nils B Weidmann, and Nils-Christian Bormann. 2015. "Triangulating horizontal inequality: Toward improved conflict analysis." *Journal of Peace Research* 52 (6):806–821.

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):478–495.

Cederman, Lars-Erik, Andreas Wimmer, and Brian Min. 2010. "Why do ethnic groups rebel? New data and analysis." *World politics* 62 (1):87–119.

Cervellati, Matteo, Elena Esposito, and Uwe Sunde. 2022. "Epidemic shocks and civil violence: Evidence from malaria outbreaks in Africa." *Review of Economics and Statistics* 104 (4):780–796.

Cervellati, Matteo, Uwe Sunde, and Simona Valmori. 2017. "Pathogens, weather shocks and civil conflicts." *The Economic Journal* 127 (607):2581–2616.

Cesur, Resul and Arzu Kibris. 2023. "Subjecting the 'average joe'to war theatre triggers intimate partner violence." Tech. rep., National Bureau of Economic Research.

Cesur, Resul and Joseph J Sabia. 2016. "When war comes home: The effect of combat service on domestic violence." *Review of Economics and Statistics* 98 (2):209–225.

Cesur, Resul, Joseph J Sabia, and Erdal Tekin. 2022. "Post–September 11 war deployments and crime among veterans." *The Journal of Law and Economics* 65 (2):279–310.

Chamarbagwala, Rubiana and Hilcías E Morán. 2011. "The human capital consequences of civil war: Evidence from Guatemala." *Journal of development economics* 94 (1):41–61.

Chen, Frederick R. 2021. "Extended dependence: Trade, alliances, and peace." *The Journal of Politics* 83 (1):246–259.

Chen, Wei-Lin, Ming-Jen Lin, and Tzu-Ting Yang. 2023. "Curriculum and national identity: Evidence from the 1997 curriculum reform in Taiwan." *Journal of Development Economics* 163:103078.

Chimeli, Ariaster B and Rodrigo R Soares. 2017. "The use of violence in illegal markets: Evidence from mahogany trade in the Brazilian Amazon." *American Economic Journal: Applied Economics* 9 (4):30–57.

Choi, Jung-Kyoo and Samuel Bowles. 2007. "The coevolution of parochial altruism and war." *science* 318 (5850):636–640.

Cilliers, Jacobus, Oeindrila Dube, and Bilal Siddiqi. 2016. "Reconciling after civil conflict increases social capital but decreases individual well-being." *Science* 352 (6287):787–794.

Cinnirella, Francesco and Ruth Schueler. 2018. "Nation building: The role of central spending in education." *Explorations in Economic History* 67:18–39.

Clayton, Christopher, Matteo Maggiori, and Jesse Schreger. 2023. "A framework for geoeconomics." Tech. rep., National Bureau of Economic Research.

Clots-Figueras, Irma and Paolo Masella. 2013. "Education, language and identity." *The Economic Journal* 123 (570):F332–F357.

Cohen, Dara Kay. 2013. "Explaining rape during civil war: Cross-national evidence (1980–2009)." *American Political Science Review* 107 (3):461–477.

Collier, Paul. 1999. "On the economic consequences of civil war." *Oxford economic papers* 51 (1):168–183.

Collier, Paul and Anke Hoeffler. 2004. "Greed and grievance in civil war." *Oxford economic papers* 56 (4):563–595.

Collier, Paul, Anke Hoeffler, and Dominic Rohner. 2009. "Beyond greed and grievance: feasibility and civil war." *Oxford Economic Papers* 61 (1):1–27.

Collier, Paul and Dominic Rohner. 2008. "Democracy, development, and conflict." *Journal of the European Economic Association* 6 (2-3):531–540.

Collier, Paul and Pedro C Vicente. 2014. "Votes and violence: Evidence from a field experiment in Nigeria." *The economic journal* 124 (574):F327–F355.

Conconi, Paola, Nicolas Sahuguet, and Maurizio Zanardi. 2014. "Democratic peace and electoral accountability." *Journal of the European Economic Association* 12 (4):997–1028.

Conzo, Pierluigi and Francesco Salustri. 2019. "A war is forever: The long-run effects of early exposure to World War II on trust." *European Economic Review* 120:103313.

Costinot, Arnaud and Andrés Rodríguez-Clare. 2014. "Trade theory with numbers: Quantifying the consequences of globalization." In *Handbook of international economics*, vol. 4. Elsevier, 197–261.

Cotet, Anca M and Kevin K Tsui. 2013. "Oil and conflict: What does the cross country evidence really show?" *American economic journal: Macroeconomics* 5 (1):49–80.

Couttenier, Mathieu, Julian Marcoux, Thierry Mayer, and Mathias Thoenig. 2024. "The gravity of violence." .

Couttenier, Mathieu, Nathalie Monnet, and Lavinia Piemontese. 2024. "The economic costs of conflict: A production network approach." .

Couttenier, Mathieu, Veronica Petrencu, Dominic Rohner, and Mathias Thoenig. 2019. "The violent legacy of conflict: evidence on asylum seekers, crime, and public policy in Switzerland." *American Economic Review* 109 (12):4378–4425.

Cramer, Christopher. 2003. "Does inequality cause conflict?" *Journal of International Development: The Journal of the Development Studies Association* 15 (4):397–412.

Crost, Benjamin, Joseph Felter, and Patrick Johnston. 2014. "Aid under fire: Development projects and civil conflict." *American Economic Review* 104 (6):1833–1856.

Crost, Benjamin, Joseph H Felter, and Patrick B Johnston. 2016. "Conditional cash transfers, civil conflict and insurgent influence: Experimental evidence from the Philippines." *Journal of Development Economics* 118:171–182.

Cust, James and Torfinn Harding. 2020. "Institutions and the location of oil exploration." *Journal of the European Economic Association* 18 (3):1321–1350.

Dal Bó, Ernesto and Pedro Dal Bó. 2011. "Workers, warriors, and criminals: social conflict in general equilibrium." *Journal of the European Economic Association* 9 (4):646–677.

De la Brière, Bénédicte, Deon Filmer, Dena Ringold, Dominic Rohner, and Anastasiya Denisova. 2017. *From mines and wells to well-built minds: turning Sub-Saharan Africa's natural resource wealth into human capital*. World Bank Publications.

De La Sierra, Raúl Sánchez et al. 2020. "On the origin of states: Stationary bandits and taxation in Eastern Congo." *Journal of Political Economy* 128 (1):32–74.

De Mesquita, Bruce Bueno, Alastair Smith, Randolph M Siverson, and James D Morrow. 2005. *The logic of political survival*. MIT press.

De Ree, Joppe and Eleonora Nillesen. 2009. "Aiding violence or peace? The impact of foreign aid on the risk of civil conflict in sub-Saharan Africa." *Journal of Development Economics* 88 (2):301–313.

Dearmon, Jacob and Kevin Grier. 2009. "Trust and development." *Journal of Economic Behavior & Organization* 71 (2):210–220.

Dechenaux, Emmanuel, Dan Kovenock, and Roman M Sheremeta. 2015. "A survey of experimental research on contests, all-pay auctions and tournaments." *Experimental Economics* 18 (4):609–669.

Dell, Melissa and Pablo Querubin. 2018. "Nation building through foreign intervention: Evidence from discontinuities in military strategies." *The Quarterly Journal of Economics* 133 (2):701–764.

DellaVigna, Stefano, Ruben Enikolopov, Vera Mironova, Maria Petrova, and Ekaterina Zhuravskaya. 2014. "Cross-border media and nationalism: Evidence from Serbian radio in Croatia." *American Economic Journal: Applied Economics* 6 (3):103–132.

Depetris-Chauvin, Emilio, Ruben Durante, and Filipe Campante. 2020. "Building nations through shared experiences: Evidence from African football." *American Economic Review* 110 (5):1572–1602.

Dercon, Stefan and Roxana Gutiérrez-Romero. 2012. "Triggers and characteristics of the 2007 Kenyan electoral violence." *World Development* 40 (4):731–744.

Di Maio, Michele and Valerio Leone Sciabolazza. 2021. "Conflict exposure and health: Evidence from the Gaza Strip." *Health Economics* 30 (9):2287–2295.

Di Maio, Michele and Tushar K Nandi. 2013. "The effect of the Israeli–Palestinian conflict on child labor and school attendance in the West Bank." *Journal of Development Economics* 100 (1):107–116.

Dimant, Eugen, Tim Krieger, and Daniel Meierrieks. 2024. "Paying them to hate US: The effect of US military aid on anti-American terrorism, 1968–2018." *The Economic Journal* 134 (663):2772–2802.

Dincecco, Mark and Gabriel Katz. 2016. "State capacity and long-run economic performance." *The Economic Journal* 126 (590):189–218.

Doyle, Michael W and Nicholas Sambanis. 2000. "International peacebuilding: A theoretical and quantitative analysis." *American political science review* 94 (4):779–801.

———. 2006. *Making war and building peace: United Nations peace operations*. Princeton University Press.

Draca, Mirko, Jason Garred, Leanne Stickland, and Nele Warrinnier. 2023. "On target? Sanctions and the economic interests of elite policymakers in Iran." *The Economic Journal* 133 (649):159–200.

Draca, Mirko and Stephen Machin. 2015. "Crime and economic incentives." *Annual Review of Economics* 7 (1):389–408.

Dube, Oeindrila and SP Harish. 2020. "Queens." *Journal of Political Economy* 128 (7):2579–2652.

Dube, Oeindrila, Massimo Morelli, Debraj Ray et al. 2024. "Handbook of the Economics of Conflict. Vol. 1." .

Dube, Oeindrila and Suresh Naidu. 2015. "Bases, bullets, and ballots: The effect of US military aid on political conflict in Colombia." *The Journal of Politics* 77 (1):249–267.

Dube, Oeindrila and Juan F Vargas. 2013. "Commodity price shocks and civil conflict: Evidence from Colombia." *Review of Economic studies* 80 (4):1384–1421.

Dunning, John H and Sarianna M Lundan. 2008. *Multinational enterprises and the global economy*. Edward Elgar Publishing.

Dupas, Pascaline and Jonathan Robinson. 2012. "The (hidden) costs of political instability: Evidence from Kenya's 2007 election crisis." *Journal of Development Economics* 99 (2):314–329.

Durante, Ruben and Ekaterina Zhuravskaya. 2018. "Attack when the world is not watching? US news and the Israeli-Palestinian conflict." *Journal of Political Economy* 126 (3):1085–1133.

Duursma, Allard. 2014. "A current literature review of international mediation." *International Journal of Conflict Management* 25 (1):81–98.

Dziubiński, Marcin, Sanjeev Goyal, and Junjie Zhou. 2024. "Interconnected Conflict." .

Eberle, Ulrich. 2020. "Damned by dams? Infrastructure and conflict." .

Eberle, Ulrich J., Dominic Rohner, and Mathias Thoenig. 2025. "Heat and Hate: Climate Security and Farmer-Herder Conflicts in Africa." *Review of Economics and Statistics* :1–47Forthcoming.

Eichengreen, Barry, Arnaud Mehl, and Livia Chitu. 2018. *How global currencies work: past, present, and future*. Princeton University Press.

Enikolopov, Ruben, Alexey Makarin, and Maria Petrova. 2020. "Social Media and Protest Participation: Evidence from Russia." *Econometrica* 88 (4):1479–1514.

Eslava, Francisco. 2020. "Conflict and gender leadership: female mayors in Colombia." *Available at SSRN 3690085* .

Esteban, Joan, Laura Mayoral, and Debraj Ray. 2012. "Ethnicity and conflict: An empirical study." *American Economic Review* 102 (4):1310–1342.

Esteban, Joan, Massimo Morelli, and Dominic Rohner. 2015. "Strategic mass killings." *Journal of Political Economy* 123 (5):1087–1132.

Esteban, Joan and Debraj Ray. 1999. "Conflict and distribution." *Journal of Economic Theory* 87 (2):379–415.

———. 2008. "On the salience of ethnic conflict." *American Economic Review* 98 (5):2185–2202.

———. 2011. "Linking conflict to inequality and polarization." *American Economic Review* 101 (4):1345–1374.

Esteban, Joan-Maria and Debraj Ray. 1994. "On the measurement of polarization." *Econometrica: Journal of the Econometric Society* :819–851.

Fearon, James D. 1995. "Rationalist explanations for war." *International organization* 49 (3):379–414.

———. 2004. "Why do some civil wars last so much longer than others?" *Journal of Peace Research* 41 (3):275–301.

Fearon, James D and David D Laitin. 2003. "Ethnicity, insurgency, and civil war." *American political science review* 97 (1):75–90.

Federle, Jonathan, André Meier, Gernot J Müller, Willi Mutschler, and Moritz Schularick. 2024. "The price of war." Tech. rep., Kiel Working Paper.

Federle, Jonathan, Andre Meier, Gernot J Müller, and Victor Sehn. 2022. "Proximity to War: The stock market response to the Russian invasion of Ukraine." *Journal of Money, Credit and Banking* .

Federle, Jonathan, Dominic Rohner, and Moritz Schularick. 2024. "Who wins wars?" *Available at SSRN 5093393* .

Feenstra, Robert C. 2018. "Alternative sources of the gains from international trade: Variety, creative destruction, and markups." *Journal of Economic Perspectives* 32 (2):25–46.

Fetzer, Thiemo. 2020. "Can workfare programs moderate conflict? Evidence from India." *Journal of the European Economic Association* 18 (6):3337–3375.

Fetzer, Thiemo and Stephan Kyburz. 2024. "Cohesive Institutions and Political Violence." *Review of Economics and Statistics* 106 (1):133–150.

Field, Erica, Matthew Levinson, Rohini Pande, and Sujata Visaria. 2008. "Segregation, rent control, and riots: The economics of religious conflict in an Indian city." *American Economic Review* 98 (2):505–510.

Findley, Michael G. 2018. "Does foreign aid build peace?" *Annual Review of Political Science* 21 (1):359–384.

Fjelde, Hanne and Kristine Höglund. 2016. "Electoral institutions and electoral violence in sub-Saharan Africa." *British Journal of Political Science* 46 (2):297–320.

Fjelde, Hanne, Lisa Hultman, and Desirée Nilsson. 2019. "Protection through presence: UN peacekeeping and the costs of targeting civilians." *International Organization* 73 (1):103–131.

Fouka, Vasiliki. 2020. "Backlash: The unintended effects of language prohibition in US schools after World War I." *The Review of Economic Studies* 87 (1):204–239.

Fourati, Maleke, Victoire Girard, Jeremy Laurent-Lucchetti et al. 2021. "Sexual violence as a weapon of war." *Universidade Nova de Lisboa, Faculdade de Economia, NOVAFRICA Technical Report* .

Franke, Jörg and Tahir Öztürk. 2015. "Conflict networks." *Journal of Public Economics* 126:104–113.

Fu, Qiang, Jingfeng Lu, and Yue Pan. 2015. "Team contests with multiple pairwise battles." *American Economic Review* 105 (7):2120–2140.

Gagliarducci, Stefano, Massimiliano Gaetano Onorato, Francesco Sobbrio, and Guido Tabellini. 2020. "War of the waves: Radio and resistance during World War II." *American Economic Journal: Applied Economics* 12 (4):1–38.

Gallea, Quentin and Dominic Rohner. 2021. "Globalization mitigates the risk of conflict caused by strategic territory." *Proceedings of the National Academy of Sciences* 118 (39):e2105624118.

Gartzke, Erik. 2007. "The capitalist peace." *American journal of political science* 51 (1):166–191.

Gehring, Kai and Paul Schaudt. 2024. "Insuring peace: index-based livestock insurance, droughts, and conflict." .

Gennaioli, Nicola and Hans-Joachim Voth. 2015. "State capacity and military conflict." *The Review of Economic Studies* 82 (4):1409–1448.

Ghobarah, Hazem Adam, Paul Huth, and Bruce Russett. 2003. "Civil wars kill and maim people—long after the shooting stops." *American Political Science Review* 97 (2):189–202.

Gilligan, Michael J, Benjamin J Pasquale, and Cyrus Samii. 2014. "Civil war and social cohesion: Lab-in-the-field evidence from Nepal." *American Journal of Political Science* 58 (3):604–619.

Gilligan, Michael J, Ernest J Sergenti et al. 2008. "Do UN interventions cause peace? Using matching to improve causal inference." *Quarterly Journal of Political Science* 3 (2):89–122.

Gleditsch, Nils Petter, Peter Wallensteen, Mikael Eriksson, Margareta Sollenberg, and Håvard Strand. 2002. "Armed conflict 1946-2001: A new dataset." *Journal of peace research* 39 (5):615–637.

Glick, Reuven and Alan M Taylor. 2010. "Collateral damage: Trade disruption and the economic impact of war." *The Review of Economics and Statistics* 92 (1):102–127.

Godefroidt, Amélie. 2023. "How terrorism does (and does not) affect citizens' political attitudes: a meta-analysis." *American Journal of Political Science* 67 (1):22–38.

Goldstein, Markus and Christopher Udry. 2008. "The profits of power: Land rights and agricultural investment in Ghana." *Journal of political Economy* 116 (6):981–1022.

González, Felipe, Josepa Miquel-Florensa, Mounu Prem, and Stéphane Straub. 2025. "The Dark Side of Infrastructure: Roads, Repression and Land in Authoritarian Paraguay." *The Economic Journal* 135 (666):653–669.

González, Libertad and Núria Rodríguez-Planas. 2020. "Gender norms and intimate partner violence." *Journal of Economic Behavior & Organization* 178:223–248.

Goyal, Sanjeev and Adrien Vigier. 2014. "Attack, defence, and contagion in networks." *The Review of Economic Studies* 81 (4):1518–1542.

Grady, Christopher, Rebecca Wolfe, Danjuma Dawop, and Lisa Inks. 2023. "How contact can promote societal change amid conflict: An intergroup contact field experiment in Nigeria." *Proceedings of the National Academy of Sciences* 120 (43):e2304882120.

Grosfeld, Irena, Seyhun Orcan Sakalli, and Ekaterina Zhuravskaya. 2020. "Middleman minorities and ethnic violence: anti-Jewish pogroms in the Russian empire." *The Review of Economic Studies* 87 (1):289–342.

Grossman, Guy, Devorah Manekin, and Dan Miodownik. 2015. "The political legacies of combat: Attitudes toward war and peace among Israeli ex-combatants." *International Organization* 69 (4):981–1009.

Grossman, Herschel I and Minseong Kim. 1995. "Swords or plowshares? A theory of the security of claims to property." *Journal of Political Economy* 103 (6):1275–1288.

Guarnieri, Eleonora. 2025. "Cultural Distance and Ethnic Civil Conflict." *American Economic Review* 115 (4):1338–1368.

Guarnieri, Eleonora and Ana Tur-Prats. 2023. "Cultural distance and conflict-related sexual violence." *The Quarterly Journal of Economics* 138 (3):1817–1861.

Guidolin, Massimo and Eliana La Ferrara. 2007. "Diamonds are forever, wars are not: Is conflict bad for private firms?" *American Economic Review* 97 (5):1978–1993.

———. 2010. "The economic effects of violent conflict: Evidence from asset market reactions." *Journal of peace research* 47 (6):671–684.

Haass, Felix and Nadine Ansorg. 2018. "Better peacekeepers, better protection? Troop quality of United Nations peace operations and violence against civilians." *Journal of Peace Research* 55 (6):742–758.

Haer, Roos and Tobias Böhmelt. 2018. "Girl soldiering in rebel groups, 1989–2013: Introducing a new dataset." *Journal of Peace Research* 55 (3):395–403.

Hager, Anselm, Krzysztof Krakowski, and Max Schaub. 2019. "Ethnic riots and prosocial behavior: Evidence from Kyrgyzstan." *American Political Science Review* 113 (4):1029–1044.

Harari, Mariaflavia and Eliana La Ferrara. 2018. "Conflict, climate, and cells: a disaggregated analysis." *Review of Economics and Statistics* 100 (4):594–608.

Hegre, Håvard. 2001. "Toward a democratic civil peace? Democracy, political change, and civil war, 1816–1992." *American political science review* 95 (1):33–48.

Hegre, Håvard, Nils W. Metternich, Håvard Mokleiv Nygård, and Julian Wucherpfennig. 2017. "Introduction: Forecasting in Peace Research." *Journal of Peace Research* 54 (2):113–124.

Heldring, Leander. 2021. "The Origins of Violence in Rwanda." *The Review of Economic Studies* 88 (2):730–763.

Henrich, Joseph, Michal Bauer, Alessandra Cassar, Julie Chytilová, and Benjamin Grant Purzycki. 2019. "War increases religiosity." *Nature human behaviour* 3 (2):129–135.

Hess, Gregory D and Athanasios Orphanides. 2001. "War and democracy." *Journal of Political Economy* 109 (4):776–810.

Hidalgo, F Daniel, Suresh Naidu, Simeon Nichter, and Neal Richardson. 2010. "Economic determinants of land invasions." *The Review of Economics and Statistics* 92 (3):505–523.

Hirshleifer, Jack. 1989. "Conflict and rent-seeking success functions: Ratio vs. difference models of relative success." *Public choice* 63 (2):101–112.

———. 1991. "The technology of conflict as an economic activity." *The American Economic Review* 81 (2):130–134.

———. 2001. *The dark side of the force: Economic foundations of conflict theory*. Cambridge University Press.

Hörner, Johannes, Massimo Morelli, and Francesco Squintani. 2015. "Mediation and peace." *The Review of Economic Studies* 82 (4):1483–1501.

Hsiang, Solomon M., Marshall Burke, and Edward Miguel. 2013. "Quantifying the influence of climate on human conflict." *Science* 341 (6151):1235367.

Huber, John D. and Laura Mayoral. 2019. "Group inequality and the severity of civil conflict." *Journal of Economic Growth* 24 (1):1–41.

Hultman, Lisa, Jacob Kathman, and Megan Shannon. 2013. "United Nations peacekeeping and civilian protection in civil war." *American Journal of Political Science* 57 (4):875–891.

———. 2014. "Beyond keeping peace: United Nations effectiveness in the midst of fighting." *American Political Science Review* 108 (4):737–753.

Humphreys, Macartan. 2005. "Natural resources, conflict, and conflict resolution: Uncovering the mechanisms." *Journal of conflict resolution* 49 (4):508–537.

Islam, Asadul, Chandarany Ouch, Russell Smyth, and Liang Choon Wang. 2016. "The long-term effects of civil conflicts on education, earnings, and fertility: Evidence from Cambodia." *Journal of Comparative Economics* 44 (3):800–820.

Itskhoki, Oleg and Dmitry Mukhin. 2022. "Sanctions and the exchange rate." Tech. rep., National Bureau of Economic Research.

Jackson, Matthew O and Massimo Morelli. 2007. "Political bias and war." *American Economic Review* 97 (4):1353–1373.

Jackson, Matthew O and Stephen Nei. 2015. "Networks of military alliances, wars, and international trade." *Proceedings of the National Academy of Sciences* 112 (50):15277–15284.

Jakiela, Pamela and Owen Ozier. 2019. "The impact of violence on individual risk preferences: Evidence from a natural experiment." *Review of Economics and Statistics* 101 (3):547–559.

Jennings, Colin and Santiago Sanchez-Pages. 2017. "Social capital, conflict and welfare." *Journal of Development Economics* 124:157–167.

Jha, Saumitra. 2013. "Trade, institutions, and ethnic tolerance: Evidence from South Asia." *American political Science review* 107 (4):806–832.

Jha, Saumitra and Moses Shayo. 2019. "Valuing peace: The effects of financial market exposure on votes and political attitudes." *Econometrica* 87 (5):1561–1588.

Jia, Ruixue. 2014. "Weather shocks, sweet potatoes and peasant revolts in historical China." *The Economic Journal* 124 (575):92–118.

Jones, Daniel M, Stuart A Bremer, and J David Singer. 1996. "Militarized interstate disputes, 1816–1992: Rationale, coding rules, and empirical patterns." *Conflict Management and Peace Science* 15 (2):163–213.

Justino, Patricia, Marinella Leone, and Paola Salardi. 2014. "Short-and long-term impact of violence on education: The case of Timor Leste." *The World Bank Economic Review* 28 (2):320–353.

Kadir, Ayesha, Sherry Shenoda, and Jeffrey Goldhagen. 2019. "Effects of armed conflict on child health and development: a systematic review." *PloS one* 14 (1):e0210071.

Kavanaugh, Guadalupe, Maria Micaela Sviatschi, and Iva Trako. 2024. "Gender violence, enforcement, and human capital: Evidence from all-women's justice centers in peru." *Journal of Development Economics* .

Kleinman, Benny, Ernest Liu, and Stephen J Redding. 2024. "International friends and enemies." *American Economic Journal: Macroeconomics* 16 (4):350–385.

Klumpp, Tilman, Kai A Konrad, and Adam Solomon. 2019. "The dynamics of majoritarian Blotto games." *Games and Economic Behavior* 117:402–419.

Kohrt, Brandon A, Mark JD Jordans, Wietse A Tol, Rebecca A Speckman, Sujen M Maharjan, Carol M Worthman, and Ivan H Komproe. 2008. "Comparison of mental health between former child soldiers and children never conscripted by armed groups in Nepal." *Jama* 300 (6):691–702.

König, Michael D, Dominic Rohner, Mathias Thoenig, and Fabrizio Zilibotti. 2017. "Networks in conflict: Theory and evidence from the great war of africa." *Econometrica* 85 (4):1093–1132.

Konrad, Kai A. 2009. *Strategy and dynamics in contests*. Oxford University Press.

Konrad, Kai A and Dan Kovenock. 2009. "Multi-battle contests." *Games and Economic Behavior* 66 (1):256–274.

Korn, Tobias and Henry Stemmler. 2025. "The persistence of trade relocation from civil conflict." *Journal of Development Economics* 172:103376.

Korovkin, Vasily and Alexey Makarin. 2023. "Conflict and intergroup trade: Evidence from the 2014 Russia-Ukraine crisis." *American Economic Review* 113 (1):34–70.

Ksoll, Christopher, Rocco Macchiavello, and Ameet Morjaria. 2023. "Electoral violence and supply chain disruptions in Kenya's floriculture industry." *Review of economics and statistics* 105 (6):1335–1351.

La Mattina, Giulia. 2017. "Civil conflict, domestic violence and intra-household bargaining in post-genocide Rwanda." *Journal of Development Economics* 124:168–198.

Lacroix, Jean. 2023. "Ballots instead of bullets? The effect of the voting rights act on political violence." *Journal of the European Economic Association* 21 (2):764–813.

Larson, Jennifer M. 2021. "Networks of conflict and cooperation." *Annual Review of Political Science* 24 (1):89–107.

Larson, Jennifer M., Jonathan Nagler, Jonathan Ronen, and Joshua A. Tucker. 2019. "Social Networks and Protest Participation: Evidence from 130 Million Twitter Users." *American Journal of Political Science* 63 (3):690–705.

Laurent-Lucchetti, Jérémy, Dominic Rohner, and Mathias Thoenig. 2024. "Ethnic Conflict and the Informational Dividend of Democracy." *Journal of the European Economic Association* 22 (1):73–116.

Lax-Martinez, Gema, Dominic Rohner, and Alessandro Saia. 2022. "Threat of taxation, stagnation and social unrest: Evidence from 19th century sicily." *Journal of Economic Behavior & Organization* 202:361–371.

Lei, Yu-Hsiang and Guy Michaels. 2014. "Do giant oilfield discoveries fuel internal armed conflicts?" *Journal of Development Economics* 110:139–157.

Leon, Gianmarco. 2012. "Civil conflict and human capital accumulation: The long-term effects of political violence in Perú." *Journal of Human Resources* 47 (4):991–1022.

Levitt, Steven D. 2004. "Understanding why crime fell in the 1990s: Four factors that explain the decline and six that do not." *Journal of Economic perspectives* 18 (1):163–190.

Limodio, Nicola. 2022. "Terrorism financing, recruitment, and attacks." *Econometrica* 90 (4):1711–1742.

Lind, Jo Thori, Karl Ove Moene, and Fredrik Willumsen. 2014. "Opium for the masses? Conflict-induced narcotics production in Afghanistan." *Review of Economics and Statistics* 96 (5):949–966.

Loken, Meredith and Hilary Matfess. 2024. "Introducing the women's activities in armed rebellion (WAAR) project, 1946–2015." *Journal of Peace Research* 61 (3):489–499.

Lujala, Päivi, Nils Petter Gleditsch, and Elisabeth Gilmore. 2005. "A diamond curse? Civil war and a lootable resource." *Journal of conflict resolution* 49 (4):538–562.

Mach, Katharine J., Caroline M. Kraan, W. Neil Adger, Halvard Buhaug, Marshall Burke, James D. Fearon, Christopher B. Field, Cullen S. Hendrix, Jean-François Maystadt, John O'Loughlin, Philip Roessler, Jürgen Scheffran, Kenneth A. Schultz, and Nina von Uexkull. 2019. "Climate as a risk factor for armed conflict." *Nature* 571 (7764):193–197.

Malik, Muhammad Adeel, Rinchan Ali Mirza, and Faiz Ur Rehman. 2023. *Frontier governmentality*. 2023/42. WIDER Working Paper.

Manacorda, Marco and Andrea Tesei. 2020. "Liberation Technology: Mobile Phones and Political Mobilization in Africa." *Econometrica* 88 (2):533–567.

Mann, Michael. 2005. *The dark side of democracy: Explaining ethnic cleansing*. Cambridge University Press.

Maoz, Zeev and Bruce Russett. 1993. "Normative and structural causes of democratic peace, 1946–1986." *American political science review* 87 (3):624–638.

Marcucci, Andrea, Dominic Rohner, and Alessandro Saia. 2023. "Ballot or bullet: The impact of the uk's representation of the people act on peace and prosperity." *The Economic Journal* 133 (652):1510–1536.

Martin, Philippe, Thierry Mayer, and Mathias Thoenig. 2008. "Make trade not war?" *The Review of Economic Studies* 75 (3):865–900.

Martinez, Luis R. 2017. "Transnational insurgents: Evidence from Colombia's FARC at the border with Chávez's Venezuela." *Journal of Development Economics* 126:138–153.

Maskus, Keith Eugene. 2000. *Intellectual property rights in the global economy*. Peterson Institute.

McGuirk, Eoin and Marshall Burke. 2020. "The economic origins of conflict in Africa." *Journal of Political Economy* 128 (10):3940–3997.

McGuirk, Eoin F, Nathaniel Hilger, and Nicholas Miller. 2023. "No kin in the game: moral hazard and war in the us congress." *Journal of Political Economy* 131 (9):2370–2401.

McGuirk, Eoin F. and Nathan Nunn. 2025. "Transhumant pastoralism, climate change, and conflict in Africa." *Review of Economic Studies* 92 (1):404–441.

Mehlum, Halvor, Karl Moene, and Ragnar Torvik. 2006. "Institutions and the resource curse." *The economic journal* 116 (508):1–20.

Mejia, Daniel and Pascual Restrepo. 2013. "Bushes and bullets: Illegal cocaine markets and violence in Colombia." *Documento CEDE* (2013-53).

Melitz, Marc J and Daniel Trefler. 2012. "Gains from trade when firms matter." *Journal of Economic Perspectives* 26 (2):91–118.

Melnikov, Nikita, Carlos Schmidt-Padilla, and Maria Micaela Sviatschi. 2025. "Gangs, labor mobility and development." *Forthcoming Econometrica* .

Michalopoulos, Stelios and Elias Papaioannou. 2016. "The long-run effects of the scramble for Africa." *American Economic Review* 106 (7):1802–1848.

Miguel, Edward, Sebastián M Saiegh, and Shanker Satyanath. 2011. "Civil war exposure and violence." *Economics & Politics* 23 (1):59–73.

Miguel, Edward, Shanker Satyanath, and Ernest Sergenti. 2004. "Economic shocks and civil conflict: An instrumental variables approach." *Journal of political Economy* 112 (4):725–753.

Minoiu, Camelia and Olga Shemyakina. 2012. "Child health and conflict in Côte d'Ivoire." *American Economic Review* 102 (3):294–299.

Mohr, Cathrin and Christoph Trebesch. 2025. "Geoeconomics." *Annual Review of Economics* 17.

Montalvo, José G and Marta Reynal-Querol. 2005. "Ethnic polarization, potential conflict, and civil wars." *American economic review* 95 (3):796–816.

Monteiro, Joana and Rudi Rocha. 2017. "Drug battles and school achievement: evidence from Rio de Janeiro's favelas." *Review of Economics and Statistics* 99 (2):213–228.

Morelli, Massimo and Dominic Rohner. 2015. "Resource concentration and civil wars." *Journal of Development Economics* 117:32–47.

———. 2024. "Natural resources and conflict: The crucial role of power mismatch and geographic asymmetries." In *Handbook of the Economics of Conflict*, vol. 1. Elsevier, 307–323.

Morgan, T Clifton, Constantinos Syropoulos, and Yoto V Yotov. 2023. "Economic sanctions: Evolution, consequences, and challenges." *Journal of Economic Perspectives* 37 (1):3–29.

Moscona, Jacob, Nathan Nunn, and James A. Robinson. 2020. "Segmentary Lineage Organization and Conflict in Sub-Saharan Africa." *Econometrica* 88 (5):1999–2036.

Mousa, Salma. 2020. "Building social cohesion between Christians and Muslims through soccer in post-ISIS Iraq." *Science* 369 (6505):866–870.

Muchlinski, David, David Siroky, Jingrui He, and Matthew Kocher. 2016. "Comparing Random Forest with Logistic Regression for Predicting Class-Imbalanced Civil War Onset Data." *Political Analysis* 24 (1):87–103.

Mueller, Hannes and Christopher Rauh. 2018. "Reading Between the Lines: Prediction of Political Violence Using Newspaper Text." *American Political Science Review* 112 (2):358–375.

———. 2022. "The Hard Problem of Prediction for Conflict Prevention." *Journal of the European Economic Association* 20 (6):2440–2467.

———. 2024. "Building bridges to peace: a quantitative evaluation of power-sharing agreements." *Economic Policy* 39 (118):411–467.

Mueller, Hannes and Dominic Rohner. 2018. "Can power-sharing foster peace? Evidence from Northern Ireland." *Economic Policy* 33 (95):447–484.

Mueller, Hannes, Dominic Rohner, and David Schönholzer. 2022. "Ethnic violence across space." *The Economic Journal* 132 (642):709–740.

Mueller, Hannes and Julia Tobias. 2016. "The cost of violence: Estimating the economic impact of conflict." *International Growth Centre* .

Müller, Karsten and Carlo Schwarz. 2021. "Fanning the flames of hate: Social media and hate crime." *Journal of the European Economic Association* 19 (4):2131–2167.

———. 2023. "From hashtag to hate crime: Twitter and antiminority sentiment." *American Economic Journal: Applied Economics* 15 (3):270–312.

Myerson, Roger B. 1979. "Incentive compatibility and the bargaining problem." *Econometrica* :61–73.

Navaretti, Giorgio Barba, Anthony Venables, and Frank Barry. 2004. *Multinational Firms in the World Economy*. Princeton University Press.

Nordås, Ragnhild and Dara Kay Cohen. 2021. "Conflict-related sexual violence." *Annual Review of Political Science* 24 (1):193–211.

Novta, Natalija. 2016. "Ethnic diversity and the spread of civil war." *Journal of the European Economic Association* 14 (5):1074–1100.

Nunn, Nathan and Nancy Qian. 2014. "US food aid and civil conflict." *American Economic Review* 104 (6):1630–1666.

Okunogbe, Oyebola. 2024. "Does exposure to other ethnic regions promote national integration? Evidence from Nigeria." *American Economic Journal: Applied Economics* 16 (1):157–192.

Oneal, John R and Bruce M Russet. 1997. "The classical liberals were right: Democracy, interdependence, and conflict, 1950–1985." *International studies quarterly* 41 (2):267–293.

Oneal, John R and Bruce Russett. 1999. "The Kantian peace: The pacific benefits of democracy, interdependence, and international organizations, 1885–1992." *World politics* 52 (1):1–37.

Østby, Gudrun. 2008. "Polarization, horizontal inequalities and violent civil conflict." *Journal of Peace Research* 45 (2):143–162.

Padró i Miquel, Gerard. 2007. "The Control of Politicians in Divided Societies: The Politics of Fear." *The Review of Economic Studies* 74 (4):1259–1274.

Page, Lucy and Rohini Pande. 2018. "Ending global poverty: Why money isn't enough." *Journal of Economic Perspectives* 32 (4):173–200.

Paluck, Elizabeth Levy. 2009. "Reducing intergroup prejudice and conflict using the media: A field experiment in Rwanda." *Journal of personality and social psychology* 96 (3):574.

Parker, Dominic P and Bryan Vadheim. 2017. "Resource cursed or policy cursed? US regulation of conflict minerals and violence in the Congo." *Journal of the Association of Environmental and Resource Economists* 4 (1):1–49.

Pflueger, Carolin and Pierre Yared. 2024. "Global hegemony and exorbitant privilege." Tech. rep., National Bureau of Economic Research.

Pinotti, Paolo. 2015. "The economic costs of organised crime: Evidence from Southern Italy." *The Economic Journal* 125 (586):F203–F232.

Polachek, Solomon William. 1980. "Conflict and trade." *Journal of conflict resolution* 24 (1):55–78.

Powell, Robert. 2006. "War as a commitment problem." *International organization* 60 (1):169–203.

Premand, Patrick and Dominic Rohner. 2024. "Cash and conflict: Large-scale experimental evidence from Niger." *American Economic Review: Insights* 6 (1):137–153.

Qian, Nancy and Marco Tabellini. 2025. "Racial discrimination and the social contract: Evidence from US Army enlistment during WWII." *Review of Economic Studies* :rdaf038.

Raleigh, Clionadh, Rew Linke, Håvard Hegre, and Joakim Karlsen. 2010. "Introducing ACLED: An armed conflict location and event dataset." *Journal of peace research* 47 (5):651–660.

Regan, Patrick M. 2010. "Interventions into civil wars: A retrospective survey with prospective ideas." *Civil Wars* 12 (4):456–476.

Riano, Juan Felipe and Felipe Valencia Caicedo. 2024. "Collateral damage: the legacy of the secret war in Laos." *The Economic Journal* 134 (661):2101–2140.

Rigterink, Anouk S., Tarek Ghani, Juan S. Lozano, and Jacob N. Shapiro. 2025. "Mining Competition and Violent Conflict in Africa: Pitting Against Each Other." *The Journal of Politics* 87 (1):000–000.

Rogall, Thorsten. 2021. "Mobilizing the masses for genocide." *American Economic Review* 111 (1):41–72.

Rogall, Thorsten and Tatiana Zárate-Barrera. 2020. "Yes they can: genocide, political participation, and female empowerment." *Households in Conflict Network Working Paper* 338.

Rohner, Dominic. 2011. "Reputation, group structure and social tensions." *Journal of Development Economics* 96 (2):188–199.

———. 2018. "Natural resources and conflict." *The new palgrave dictionary of economics* :1–8.

———. 2024a. "Mediation, military, and money: The promises and pitfalls of outside interventions to end armed conflicts." *Journal of Economic Literature* 62 (1):155–195.

———. 2024b. "The Peace Formula." *Cambridge Books* .

Rohner, Dominic, Michael Lehning, Julia Steinberger, Nicolas Tetreault, and Evelina Trutnevyte. 2023. "Decentralized green energy transition promotes peace." *Frontiers in Environmental Science* 11:1118987.

Rohner, Dominic and Mathias Thoenig. 2021. "The elusive peace dividend of development policy: From war traps to macro complementarities." *Annual Review of Economics* 13:111–131.

Rohner, Dominic, Mathias Thoenig, and Fabrizio Zilibotti. 2013a. "Seeds of distrust: Conflict in Uganda." *Journal of Economic Growth* 18:217–252.

———. 2013b. "War signals: A theory of trade, trust, and conflict." *Review of Economic Studies* 80 (3):1114–1147.

Rohner, Dominic, Oliver VandenEynde, and Emma Verhille. 2025. "Variants of Violence: Classifying Conflict Types and Policies for Peace." Tech. rep., Working Paper.

Rohner, Dominic and Ekaterina Zhuravskaya. 2023. *Nation building: Big lessons from successes and failures*. CEPR Press London.

———. 2024. "The Economics of Nation-Building: Methodological Tool Kit and Policy Lessons." *Annual Review of Economics* 17.

Ross, Michael. 2006. "A closer look at oil, diamonds, and civil war." *Annu. Rev. Polit. Sci.* 9 (1):265–300.

Ross, Michael L. 2012. *The oil curse: How petroleum wealth shapes the development of nations*. Princeton University Press.

Ruggeri, Andrea, Han Dorussen, and Theodora-Ismene Gizelis. 2017. "Winning the peace locally: UN peacekeeping and local conflict." *International organization* 71 (1):163–185.

Salehyan, Idean, Cullen S Hendrix, Jesse Hamner, Christina Case, Christopher Linebarger, Emily Stull, and Jennifer Williams. 2012. "Social conflict in Africa: A new database." *International Interactions* 38 (4):503–511.

Samii, Cyrus. 2013. "Perils or promise of ethnic integration? Evidence from a hard case in Burundi." *American Political Science Review* 107 (3):558–573.

Sarkees, Meredith and Frank Wayman. 2010. *Resort to war, 1816-2007*. cq Press.

Sexton, Renard. 2016. "Aid as a tool against insurgency: Evidence from contested and controlled territory in Afghanistan." *American Political Science Review* 110 (4):731–749.

Shapiro, Jacob N. and Oliver Vanden Eynde. 2023. "Fiscal Incentives for Conflict: Evidence from India's Red Corridor." *Review of Economics and Statistics* 105 (1):217–225.

Shayo, Moses and Asaf Zussman. 2017. "Conflict and the persistence of ethnic bias." *American Economic Journal: Applied Economics* 9 (4):137–165.

Shemyakina, Olga. 2011. "The effect of armed conflict on accumulation of schooling: Results from Tajikistan." *Journal of Development Economics* 95 (2):186–200.

Singhal, Saurabh. 2019. "Early life shocks and mental health: The long-term effect of war in Vietnam." *Journal of Development Economics* 141:102244.

Skaperdas, Stergios. 1992. "Cooperation, conflict, and power in the absence of property rights." *The American Economic Review* :720–739.

———. 1996. "Contest success functions." *Economic theory* 7:283–290.

Sonin, Konstantin and Austin L Wright. 2022. "Information operations increase civilian security cooperation." *The Economic Journal* 132 (643):1179–1199.

Sonno, Tommaso. 2025. "Globalization and Conflicts: the Good, the Bad, and the Ugly of Corporations in Africa." *The Economic Journal* 135 (668):1108–1140.

Stern, Nicholas. 2015. *Why are we waiting?: The logic, urgency, and promise of tackling climate change*. MIT press.

Stewart, Frances. 2016. *Horizontal inequalities and conflict: Understanding group violence in multiethnic societies*. Springer.

Stojetz, Wolfgang and Tilman Brück. 2023. "Exposure to collective gender-based violence causes intimate partner violence." *Journal of Development Economics* 164:103054.

Sundberg, Ralph and Erik Melander. 2013. "Introducing the UCDP georeferenced event dataset." *Journal of peace research* 50 (4):523–532.

Sviatschi, Maria Micaela. 2022a. "Making a narco: Childhood exposure to illegal labor markets and criminal life paths." *Econometrica* 90 (4):1835–1878.

———. 2022b. "Spreading gangs: Exporting US criminal capital to El Salvador." *American Economic Review* 112 (6):1985–2024.

Temple, Jonathan and Paul A Johnson. 1998. "Social capability and economic growth." *The Quarterly Journal of Economics* 113 (3):965–990.

Thoenig, Mathias. 2023. "Trade policy in the shadow of war: A quantitative toolkit for geoeconomics." Tech. rep., CEPR Discussion Papers.

———. 2024. "Trade in the shadow of war: A quantitative toolkit for geoeconomics." In *Handbook of the Economics of Conflict*, vol. 1. Elsevier, 325–380.

Thyne, Clayton L. 2006. "ABC's, 123's, and the golden rule: The pacifying effect of education on civil war, 1980–1999." *International Studies Quarterly* 50 (4):733–754.

Tilly, Charles. 1992. *Coercion, Capital, and European States, AD 990–1990*. Cambridge, MA: Blackwell.

Trebbi, Francesco and Eric Weese. 2019. "Insurgency and Small Wars: Estimation of Unobserved Coalition Structures." *Econometrica* 87 (2):463–496.

Tur-Prats, Ana and Felipe Valencia Caicedo. 2020. "The long shadow of the spanish civil war." *Available at SSRN 3659549* .

Vanden Eynde, Oliver. 2018. "Targets of violence: Evidence from india's naxalite conflict." *The Economic Journal* 128 (609):887–916.

Verpoorten, Marijke and Nik Stoop. 2024. "Jobs and violence: evidence from a policy experiment in DR Congo." .

Verwimp, Philip, Silke Goubin, Patricia Justino, and Tilman Brück. 2025. "Trust and Development in Conflict-Affected Countries: Introduction to a Special Feature." *Journal of Development Economics* :103552.

Vlachos, Stephanos. 2022. "On war and political radicalization: Evidence from forced conscription into the Wehrmacht." *European Economic Review* 144:104086.

Vogt, Manuel, Nils-Christian Bormann, Seraina Rüegger, Lars-Erik Cederman, Philipp Hunziker, and Luc Girardin. 2015. "Integrating data on ethnicity, geography, and conflict: The ethnic power relations data set family." *Journal of Conflict Resolution* 59 (7):1327–1342.

Voors, Maarten J, Eleonora E M Nillesen, Philip Verwimp, Erwin H Bulte, Robert Lensink, and Daan P Van Soest. 2012. "Violent conflict and behavior: a field experiment in Burundi." *American economic review* 102 (2):941–964.

Wagner, Zachary, Sam Heft-Neal, Zulfiqar A Bhutta, Robert E Black, Marshall Burke, and Eran Bendavid. 2018. "Armed conflict and child mortality in Africa: a geospatial analysis." *The Lancet* 392 (10150):857–865.

Waldinger, Maria. 2024. ""Let them eat cake": drought, peasant uprisings, and demand for institutional change in the French Revolution." *Journal of Economic Growth* 29 (1):41–77.

Wall, James A and Timothy C Dunne. 2012. "Mediation research: A current review." *Negotiation Journal* 28 (2):217–244.

Wallensteen, Peter and Isak Svensson. 2014. "Talking peace: International mediation in armed conflicts." *Journal of peace research* 51 (2):315–327.

Walter, Barbara F, Lise Morje Howard, and V Page Fortna. 2021. "The extraordinary relationship between peacekeeping and peace." *British Journal of Political Science* 51 (4):1705–1722.

Weber, Max. 2010. "Politik als Beruf." .

Yanagizawa-Drott, David. 2014. "Propaganda and conflict: Evidence from the Rwandan genocide." *The Quarterly Journal of Economics* 129 (4):1947–1994.

Yared, Pierre. 2010. "A dynamic theory of war and peace." *Journal of Economic Theory* 145 (5):1921–1950.

Zak, Paul J and Stephen Knack. 2001. "Trust and growth." *The economic journal* 111 (470):295–321.

Zakharov, Alexei and Philipp Chapkovski. 2025. "The effect of war on redistribution preferences." *Journal of Public Economics* 241:105284.