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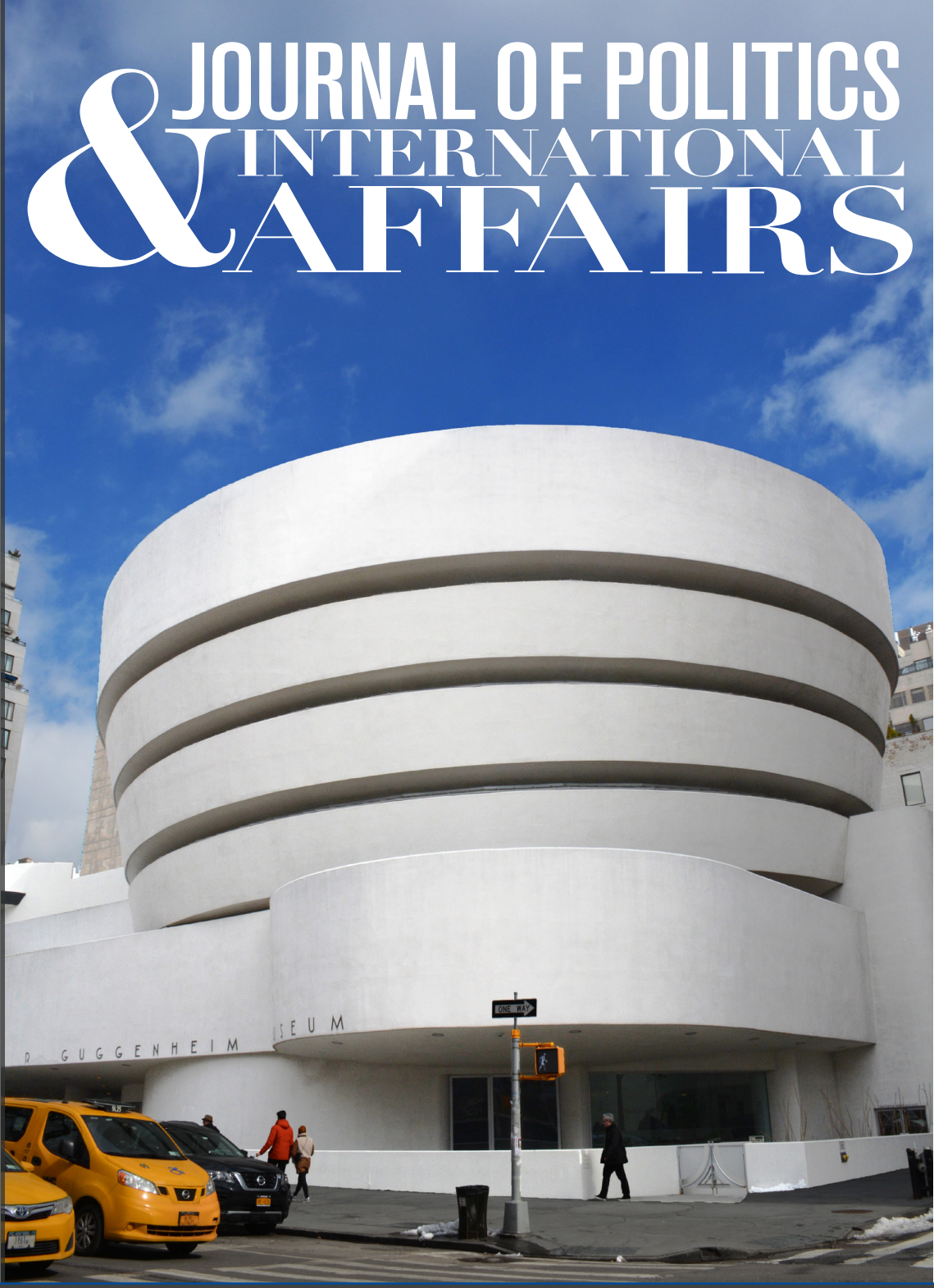

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STATEMENT OF PURPOSE

The Journal of Politics & International Affairs at New York University is a student-run publication that provides a forum for outstanding student work on relevant, thought-provoking topics in the domestic and international landscape, including research in political science, economics, history, and regional studies.

We believe that the student theses published biannually in the Journal—chosen and edited rigorously by our editorial staff—are legitimate and valuable examples of the intellectual growth of politically-minded students and writers at New York University.

NOTES

Articles published in the Journal of Politics & International Affairs do not represent an agreement of beliefs or methodology, and readers are not expected to concur with all the opinions and research expressed in these pages. Instead, we hope that these pieces are able to inform and inspire dialogue in the NYU community by addressing a wide variety of topics and opinions.

Archival volumes of the journal may be found online at

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A Note From The Editors

Once a semester, our Journal publishes the most excellent submissions from student writers across the University. The pieces consistently reflect the unique perspectives held by NYU students on the most salient events of our times, as well as previously-examined issues that require a new critical lens.

This semester, we are publishing analyses of the tragedy of the commons, democracy and quality of governance, ceasefires mediated by third parties, and the Colombian armed conflict. The Journal also features a piece by NYU Professor of Public Policy Meredith Hahn, who shares her thoughts on the evolution of corporate social responsibility during the current presidential administration. We hope you enjoy reading these brilliant pieces as much as we enjoyed selecting, discussing, and editing them.

To keep up with the Journal or get involved, we hope you will follow us on our website (jpianyu.org), Twitter, Facebook, and Instagram. As always, we encourage you to send us your incredible research, papers, and theses. We will be waiting to see what you write next.

Alaina Haworth, Editor-in-Chief
Isa Spoerry, Print Managing Editor

Want to Write for the Journal?

Our editorial staff accepts submissions for consideration throughout the year. To submit your work, or to inquire about being published on our website, email jpia.club@nyu.edu.

Pitch the print Journal with your original essay or thesis:

Works that are published by the print Journal tend to be longer than 5,000 words or 20 pages, double spaced. Submissions are vetted based on their originality, academic strength, and syntax. Works that are chosen are then polished by several staff editors. The Journal is published every December and May. Submissions from NYU students of any school are welcome.

Pitch JPIA's online editorial forum:

Our website publishes short blogs that are often around 500 words and feature unique, and creative insights into political issues, current events, and international affairs. We also welcome long-form, reported pieces. These are typically 1,000-2,000 words, allowing writers to explore more complex topics with a heavier research component than the blogs. When pitching please keep your idea to a general abstract, and offer us an example of your written work.

NOTES ON CONTRIBUTORS

PROFESSOR MEREDITH HAHN

Meredith Hahn is an adjunct assistant professor at NYU Wagner and a social responsibility, philanthropy, marketing, and communications professional. As a Vice President of Corporate Social Responsibility at American Express, she led the company's global strategy for philanthropic investments and directed its programs to engage the company's 50,000 employees in charitable causes worldwide. Prior to her tenure American Express, Meredith was the Associate Director of Marketing at the American Museum of Natural History where she created marketing programs to promote the Museum and its educational, scientific research and exhibition programs.

RYAN J. FISHER

Ryan J. Fisher—a native New Yorker and San Francisco resident—is a 2015 graduate of NYU's Gallatin School of Individualized Study (Race, Justice, and Statecraft in America, with a cross-school minor in Politics); a May 2018 JD candidate at UC Hastings College of the Law (social justice); and, beginning next fall, a PhD candidate at UC Santa Barbara (Sociology). His research interests are counter-hegemonic (particularly Marxist theory and dialectics) and interdisciplinary: race, politics, and climate change. He is an acolyte of Paulo Freire's critical pedagogy, a player of saxophone and basketball, and an aficionado of free time.

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PAULA SEVILLA NÚÑEZ

Paula Sevilla Núñez graduated with a double degree in International Relations and Public Policy from New York University, where she is currently pursuing a Master's in Urban Planning, focusing on International Development. While at NYU, she received the Youssef Cohen College Prize in Politics, was part of the Executive Board of the Politics Society at NYU and co-director of its annual Policy Case Competition, and is now the Chair of the Urban Planning Student Association. She is originally from Spain, but has specialized in Latin America, as well as the Middle East. Her professional experience includes working with Central American refugees at the International Rescue Committee and conducting research on youth, peace and security at the United Nations Peacebuilding Support Office. She is most recently focusing on issues around conflict prevention, resilience, and local governance.

Corporate Social Responsibility in the Trump Era

Meredith Hahn

Meredith Hahn is an adjunct assistant professor at NYU Wagner with extensive professional experience in social responsibility, philanthropy, marketing, and communications. Previously, she worked as the Vice President of Corporate Social Responsibility at American Express and the Associate Director of Marketing at the American Museum of Natural History. In an original piece written for the Journal of Politics & International Affairs, Professor Hahn shares her thoughts on the intersection of the current presidential administration and the shifting landscape of corporate social responsibility amidst the influence of shareholder initiatives, social media, and the millennial workforce.

Introduction

The election of Donald Trump, and the subsequent pro-business policies from his administration and a Republican-controlled Congress, have delivered "bigly" (as Trump would say) for corporate America. With the passage of the Tax Cut and Jobs Act of 2017, U.S. corporations saw their tax rate cut from 35 percent to 21 percent, saving them an estimated $2 trillion in taxes over the next ten years.[1] This financial windfall set off a historic round of corporate stock buybacks that financial analysts at JPMorgan Chase & Co. estimate will reach a record of $800 billion, up from $530 billion in 2017.[2] Add this to an already supercharged stock market—publicly traded American corporations are sitting pretty in the Trump era.

While U.S. taxpayers, politicians and economists continue to debate the merits of the tax package, and its harshest critics draw a direct line between this economic

1 Corporate Tax Cuts Mainly Benefit Shareholders and CEOs, Not Workers Report. Center on Budget and Policy Priorities Report. October 2017.

2 Bloomberg Wire, "U.S. companies are plowing a record amount of money into buying back stock." Los Angeles Times, March 2, 2018

policy and growing income equality in the United States, corporations are downright jubilant. Why would they not be? A publicly traded corporation's first obligation is to deliver returns to their shareholders. If lower corporate taxes improve company profits, increase stock value, and deliver higher shareholder dividends, corporations are simply doing what is expected of them.

To anyone paying attention to Trump's campaign promises and those familiar with Republican orthodoxy on tax policy, it comes as no surprise that corporations are faring well with this GOP majority. It is easy to conjure an image of corporate boardrooms full of gleeful executives celebrating the prospect of generous corporate economic policy and a favorable deregulation regime. It is harder to envision corporate leaders creating detailed response plans to an engaged coalition of citizen activists, opposition politicians, and social justice organizations mobilized in reaction to Muslim travel bans, roll backs on environmental protections, assaults on healthcare and women's reproductive rights, and the plague of mass shootings. If corporate leaders hoped they might be able to sit back and count their earnings from the sidelines, they should consider asking the corporate partners of the National Rifle Association (NRA), retailers of Trump-branded merchandise, and Fox News advertisers, how that is working out for them.

Shareholder Power

Building over the last few decades, a coalition of investors, consumers, business partners, and corporate employees have decided that they can–and will–hold American corporations accountable for social, environmental and ethical ills.

America's CEOs increasingly face shareholder resolutions focused on environmental, social, and governance ("ESG") issues. These resolutions use shareholder voting power to push corporations to adopt policies on climate change, workforce diversity and gender pay parity, transparency on political contributions and lobbying, and human rights. In acknowledgement of this reality, a group of executives from leading public corporations, including Jamie Dimon, chairman and CEO of J.P. Morgan Chase & Co., Warren E. Buffett, chairman and CEO of Berkshire Hathaway Inc., and Mary Barra, CEO of General Motors, recently released the COMMONSENSE PRINCIPLES OF CORPORATE GOVERNANCE.[3] Their shared vision took the bold step of naming "material corporate responsibility matters" as a necessary topic on any corporate governance agenda. This acknowledgement, endorsed by a broad constituency of the corporate world's most powerful executives and financiers, provides significant validation to the argument that corporations must

3 Open Letter "COMMONSENSE PRINCIPLES OF CORPORATE GOVERNANCE." 2016

consider their role in society as they work to deliver profitable products and services. The proof is in the numbers; according to the Interfaith Center for Corporate Responsibility, an organization that monitors and advocates for ESG shareholder resolutions, the number of 2017 shareholder resolutions marks an increase of 77 percent since 2011. Of the 283 shareholder resolutions proposed in 2017, the top five categories focused on Climate Change, Lobbying/Political Contributions, Inclusiveness/Diversity, Corporate Governance and Environment & Sustainability.[4]

While shareholders use resolutions to prod corporations to address social responsibility from within, the DIVEST movement is taking a more aggressive tact: starving "socially irresponsible" industries of funding. Taking its pitch directly to institutional investors, pension and retirement fund managers, and charitable and university endowments, the DIVEST movement asks investors to remove (divest) fossil fuel stocks from its portfolio and to reinvest those resources in sustainable energy solutions. The DIVEST movement has racked up some impressive wins of late; New York City plans to divest its $189 billion in pension funds from fossil fuel companies within five years, and more than 40 Catholic institutions around the world announced their commitment to completely divest of fossil fuels stocks. According to 350.org, a nonprofit organization that "uses online campaigns, grassroots organizing, and mass public actions to oppose new coal, oil and gas projects and take money out of the companies that are heating up the planet," a total of 815 institutions have divested $6.09 trillion in fossil fuel assets.[5] If Trump's decision to exit the U.S. from the Paris Climate Agreement did not yield a direct boost to the DIVEST movement's relevance, it certainly provided a compelling talking point.

While the fossil fuel industry has been the primary target of the DIVEST movement, the gun industry would be wise to batten down the hatches. In the wake of public outrage and spurred by the movement created by student survivors of a mass shooting at Marjory Stoneman Douglas High School in Parkland, Florida, BlackRock, an institutional investor with trillions of assets under management and a major stakeholder in the country's largest gun makers, announced it will start offering clients the option to invest in funds that exclude firearm manufacturers and retailers. BlackRock also promised to more actively engage with gun manufacturers, and may use its shareholder voting power to oppose company management.

Socially responsible investors are not content to just take their funds out of industries they find socially objectionable; they are increasingly seeking socially responsible funds to support. According to an April 2018 Bloomberg Intelligence report, interest in ESG funds, alongside market appreciation, drove a 37 percent annual increase

4 Interfaith Center for Corporate Responsibility, website. Shareholder Resolutions, 2017.

5 350.org, website. Fossil Fuel Divestment commitments, 2018.

in assets to $445 billion. This same report identifies that "the rising clout of millennials and female investors may boost emphasis on companies' sustainability performance, given the stated concerns of both demographics. Of all groups, millennials lead in terms of social-impact investing interest (80 percent)."[6]

The ESG expectations of millennial shareholders, who Pew Research projects will overtake Baby Boomers as the largest adult population in the U.S. by 2019,[7] and this generation's growing economic and political clout, presents an ideological shift that corporate America would be foolish to ignore.

#GrabYourWallet

While shareholder advocacy and the DIVEST movement have gained momentum over the last few decades, Americans have used their purchasing power as a tool of dissent ever since a group of colonists dumped East India Company tea into the Boston Harbor, an act of defiance that led to the birth of a nation. Inspired, and perhaps defined by, this moment in the country's collective consciousness, Americans have long demonstrated their willingness to exert economic and reputational pressure on corporate America in service of racial, gender, labor, LGBTQ+, and economic equality. As today's progressive movement embraces a sweeping agenda of environmental, social and economic justice concerns, two powerful forces combined to accelerate the intensity of consumer activism: Trumpism and the ubiquity of social media.

Not seen in scale and intensity since the civil rights and anti-Vietnam War movements, the election of Donald Trump ushered in a new age of progressive activism. While public policy disputes are at the center of many "resistance" campaigns, and elected officials the primary target of activists' ire, corporations have found themselves riding shotgun with policy makers in debates on climate change, immigration, healthcare, gun control, women's rights, and internet privacy.

Though corporations may have hoped to keep Trump era political and social issues at an arm's-length, they face American consumers willing to use their purchasing power to drive increased corporate responsibility. According to a 2017 study by Cone Communications: 87 percent of consumers will purchase a product because a company advocated for an issue they cared about, and 76 percent will refuse to purchase a company's products or services upon learning it supported an issue contrary to their

6 "Sustainable investing grows on pensions, millennials' Research Report. Report, Bloomberg Intelligence, April 4, 2018

7 "Millennials projected to overtake Baby Boomers as America's largest generation" Research Report. Report, Pew Research, 2018

beliefs.[8]

Looking to beat back an assault on existing progressive policies, or frustrated by the pace of legislative change on key issues, consumers have taken their fight to corporations who are directly, or by association, connected to specific causes. A primary battleground has been social media–an easy, cheap, and powerful environment in which to exert influence. With the potential to reach hundreds, thousands, and even millions, for the price of a 280-character tweet, social media offers online activists a reach that is unfathomable to the organizers of yesteryear. The online protester's tactic of choice, referred to as 'hashtag activism,' uses social networking sites as the public square to relay ideas, and to name and shame any targets. Corporations, who exist on social media to advance their marketing and customer outreach strategy, have little cover to protect them against an all-out assault from a motivated consumer constituency. Once a campaign starts trending, it tends to attract the attention of the news media, who legitimize and amplify a campaign's message. The tipping point comes when reporters start lighting up the corporate switchboard with requests for comment, forcing companies into the position of putting up or shutting up. Even for those companies who have refused to act, hashtag activism has forced many to put their position on the record and accept the consequences that follow. Critics of hashtag activism argue it has been more successful at causing headaches for companies' customer service and public relations teams than at impacting a company's bottom line. That is cold comfort for companies seeking to avoid a blow to their corporate reputation, which could damage consumer confidence, erode brand preference, and deflate employee morale.

"It takes many good deeds to build a good reputation, and only one bad one to lose it."

–Benjamin Franklin

No company in America wants to find itself on Grab Your Wallet's low-tech, high-impact online Google Doc of consumer boycott campaigns. The #GrabYourWallet movement began in the wake of the Access Hollywood tape which revealed then-presidential candidate Donald Trump making derogatory comments about women. Two women–who had never met–simultaneously realized they could no longer in good conscience associate with companies doing business with Trump family businesses. In October 2016, these two women, Shannon Coulter and Sue Atencio, joined forces and announced on Twitter they would be boycotting any retailer selling Trump-branded products.

Inviting others to join them, they posted online a list of targeted retailers and introduced the #GrabYourWallet hashtag. The hashtag exploded on social media and has been viewed over a billion times. Since the boycott began, more than 35 companies,

8 2017 Cone Communications CSR Study. Report, Cone Communications, 2017.

including Nordstrom, Neiman Marcus, and Carnival Cruise Lines, have severed ties with Trump brands. Building on this success, the #GrabYourWallet campaign has become a centralized hub for citizens who want to use their purchasing power "in favor of a safer, more respectful, more inclusive society" through corporate boycott campaigns.[9]

Following closely on the heels of the one-year anniversary of Donald Trump's inauguration, a growing coalition of aggrieved progressives were inspired and mobilized by the Parkland students and their #NeverAgain movement to end gun violence. Following the lead of the student organizers, millions of Americans launched a re-energized assault on America's gun violence epidemic and its enablers. In less than 60 days, the movement generated substantial progress on Florida's gun laws, increased public opinion in favor of reasonable gun policy, organized 800+ March for Our Lives mass protests across the globe, and motivated a significant corporate response. Major retails chains—Dick's Sporting Goods and Walmart—announced significant changes to their gun sale policies, and financial powerhouse Citibank announced new gun policies for its credit card, banking, and capital investment businesses. On social media, mass action campaigns convinced companies like Delta Airlines, Hertz and MetLife to discontinue their marketing partnerships with the NRA, and compelled over a dozen major consumer brands to pull their advertising from Laura Ingraham's Fox News program after she mocked a Parkland student on Twitter.

Facing an engaged constituency eager to defend progressive values in the Trump era, no brand is safe. In an unexpected turn of events, Facebook–previously perceived as an ally–has become the target of its very own boycott campaign. #DeleteFacebook launched in the wake of revelations that personal Facebook data of 87 million Americans was illegally obtained by Cambridge Analytica, the data and marketing firm that credits its Facebook ad targeting efforts for helping drive Donald Trump's election win. According to RiteTag, a website that tracks hashtag usage, the #DeleteFacebook tag is currently used on Twitter nearly 90,000 times per hour. On Facebook itself, a search shows over 20 groups and pages providing instructions or encouragement to drive users to delete their Facebook accounts. Facebook CEO Mark Zuckerberg, on a recent call with media and financial analysts, downplayed the impact of the #DeleteFacebook campaign noting that the company has not noticed a 'significant number' of users leaving the platform. Only Facebook has the real numbers on closed accounts, but its loss of $80 billion in stock value, and with several high-profile companies (Tesla, Playboy, Sonos) and celebrities (Will Ferrell, Jim Carrey, Cher) jumping on the #DeleteFacebook bandwagon, Zuckerberg is staring down a long road to wining back the public's trust.

9 GrabYourWallet.org website. About Us, 2018.

The Power of Employees

A shifting workforce demographic, now dominated by the millennial generation, has ramped up the pressure on companies to pursue responsible ESG strategies. According to Pew Research, the majority (59 percent) of millennials lean Democrat.[10] Shaping their worldview beyond the ballot box, progressive beliefs also influence millennials expectations of employers. The 2016 Cone Communications Millennial Employee Engagement Study found that 76 percent of millennials consider a company's social and environmental commitments when deciding where to work, and three out of four millennials reported they would take a pay cut to work for a responsible company.[11] Driven by their political and personal beliefs, millennials may prove to be the generation that codifies environmental, social, and governmental responsibility as a requirement for corporate America.

These trends likely contributed to the uncharacteristically vocal position taken by corporate CEOs in response to President Trump's January 2017 executive order halting refugee resettlement and restricting U.S. travel from seven Muslim-majority countries. The announcement of this controversial policy prompted a wave of executives from companies ranging from Nike to Goldman Sachs to immediately voice their opposition, and to directly reaffirm their commitment to diversity and inclusion with employees. One would be hard-pressed to find examples of pre-Trump era executive orders prompting so many corporate leaders to put their disapproval so publicly on the record, particularly when the policy was not targeted at their specific industry and no organized public pressure campaign motivated them to do so. This bold demonstration of values by an impressive cross section of American business leaders gives rise to the hope that rather than being an isolated moment of corporate courage, we may be witnessing a fundamental sea change in corporate social responsibility.

Conclusion

It is clear that the fever pitch of social and political debate in the Trump era is forcing companies to back up their stated 'corporate values' with responsible behavior. While each powerful constituency—shareholders, consumers, business partners and employees—uses a variety of tactics to influence corporate behavior, they are united in the fundamental belief that a 'social contract' exists between companies and the communities where they operate. By using the power of their voices and their wallets, concerned citizens have demonstrated that to earn their support, corporations must first prove themselves worthy of the public trust.

10 "Trends in party affiliation among demographic groups" Research Report. Report, Pew Research, 2018

11 2016 Cone Communications Millennial Employee Engagement Study. Report, Cone Communications, 2016.

The Cotillion on the Commons

Ryan J. Fisher

When Garrett Hardin published his paper in SCIENCE in 1968 on
The Tragedy of the Commons,
I thought, "Gee, he has just made this up" . . .
I was mystified later when all of a sudden
The Tragedy of the Commons became the way everyone looked at [human coordination].[1]

—Elinor Ostrom: the only woman to win
Nobel Memorial Prize in Economic Science

Introduction

Thinking about Garrett Hardin's article *The Tragedy of the Commons*[2] evokes George Orwell's observation that "Political language . . . is designed to make lies sound truthful and murder respectable, and to give an appearance of solidity to pure wind."[3] Like compassionate conservatism, neoliberalism, and last week's Tax Cuts and Jobs Act, Hardin's catchy title wraps right-wing ideology in a benign—or even empathetic—sounding package.

Reader beware, however: Hardin's "commons" refers not to common *people* but rather to a mythical common *space*—a "pasture open to all"[4]—being fought over

1 AMARTYA SEN AND ELINOR OSTROM—A DISCUSSION ON GLOBAL JUSTICE (YouTube 2011) (Fonna Forman-Barzilai moderates a discussion between Nobel Laureates as part of New Frontiers in Global Justice Conference at UC San Diego), beginning at approximately 33 minutes 30 seconds, (Dec. 20, 2017, 6:20 PM), https://www.youtube.com/watch?v=VQlXwE-0um0.

2 Garrett Hardin, *The Tragedy of the Commons*, 162 SCI. 1243-48 (1968), (Dec. 14, 2017, 4:30 AM), http://science.sciencemag.org/content/162/3859/1243/tab-pdf.

3 George Orwell, *Politics and the English Language*, in ESSAYS 348-60 (Penguin Books 2000) at 359.

4 Hardin, *Ibid*. at 1244.

by capitalists in their singular pursuit of what capitalists usually pursue: profits.[5] Were Hardin's reference to the former kind of commons, his article would not be even mildly controversial: after all, it is obvious that common *people* live in tragedy.[6]

On Hardin's commons, each herdsperson—acting as a rational economic actor—is motivated to maximize the number of his or her cattle's grazing in order to receive the full benefit of selling each additional animal while incurring only a fraction of the marginal cost from the resulting harm to the pasture. Hardin concludes "Freedom in a commons brings ruin to all."[7] He then describes each of various pollution problems, including greenhouse gas emissions ("GHGs"), as a "reverse" tragedy of the commons:

> Here it is not a question of taking something out of the commons, but of putting something in . . . The rational man finds that his share of the cost of the wastes he discharges into the commons is less than the cost of purifying his wastes before releasing them. Since this is true for everyone, we are locked into a system of "fouling our own nest," *so long as we behave only as independent, rational, free-enterprisers*.[8]

The above italicized words evidence perhaps the three most glaring fallacies of Hardin's pessimistic article, rendering his argument circular. Hardin presupposes "independent," "rational," and "free-enterpris[ing]" human behavior on the commons. By "rational," Hardin refers to Adam Smith's economic idea that "decisions reached individually will, in fact, be the best decisions for an entire society."[9] This assumption, however, is inherently contradictory in *The Tragedy of the Commons* since Hardin argues that each individual herdsperson's acting "rationally"—by maximizing the number of his or her cattle's grazing on the pasture—will not be the best decision for the entire society. By additionally positing "independen[ce]" and "free enterprise," Hardin eschews the mitigating alternatives of human cooperation and socialism.

Subsequent scholarship has addressed each of human cooperation and socialism as potential solutions to the tragedy of the commons. For example, McMaster University Professor David Feeny and his co-authors extend Hardin's myth thus: "[A]fter several years of declining yields, the herdsmen are likely to get together to seek

5 Expressed more simply, "L'individualisme égoïste est la présupposition centrale qui étaie l'analyse de Hardin" ("Individual selfishness is the central assumption underpinning Hardin's analysis"). Ugo Mattei, *The State, the Market, and Some Preliminary Question About the Commons (French and English Version)*, Mar. 18, 2011, (Dec. 14, 2017, 6 AM), https://works.bepress.com/ugo_mattei/40/.

6 70 percent of the world's adult population holds only 3 percent of global wealth. GLOBAL INEQUALITY (Inst. for Policy Studies 2017), (Dec. 20, 2017, 1:25 AM), https://inequality.org/facts/global-inequality/.

7 Hardin, *Ibid.*

8 *Ibid.* at 1245.

9 *Ibid.* at 1244.

ways to (1) control access to the pasture, and (2) agree upon a set of rules of conduct, perhaps including stinting, that effectively limits exploitation."[10] And University of Michigan Professor John Vandermeer writes the following about socialism as a potential solution:

> Eliminating the system of competition and private property would obviously be the ultimate solution . . . [I]magine a future socio-political system in which social contracts are established democratically with the participation of all members in delimiting what should be done with all of the commons, the natural ones and the socially constructed ones . . . [S]uch a proposition requires radical political restructuring.[11]

City University of New York Professor David Harvey points out two additional fallacies in the article: "[Hardin] uses a small-scale example to explicate a global problem"[12] and "Not all forms of the commons are open access."[13] So, we have already five fallacies in—when *one* would suffice to undermine—Hardin's logic.

UC Berkeley Law Professor Daniel Farber and UCLA Law Professor Ann Carlson apply Hardin's tragedy of the commons argument explicitly to "rational" climate change policy for a hypothetical average country they christen Freedonia:

> If the rest of the world fails to address the greenhouse effect, Freedonia can do little on its own, and therefore shouldn't bother. If everyone else does take action to control the greenhouse effect, Freedonia can contribute only slight additional help but will have to spend a lot of money to do so. So if everyone else "does the right thing," Freedonia should take a "free ride" on their efforts rather than wasting its own resources to minimal effect. Thus, no matter what the rest of the world does, Freedonia is better off to do nothing. Reasoning the same way, every country in the world decides to take no action.[14]

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10 David Feeny et al., *The Tragedy of the Commons: Twenty-Two Years Later*, 18 HUM. ECOLOGY 1-19 (1990), (Dec. 14, 2017, 6:15 AM), http://www.jstor.org/stable/4602950, at 12.

11 John Vandermeer, *Tragedy of the Commons: The Meaning of the Metaphor*, 60 SCI. & SOC'Y MARXISM & ECOLOGY 290-306 (1996), (Dec. 14, 2017, 6:35 AM), http://www.jstor.org/stable/40403573, at 305.

12 David Harvey, *The Future of the Commons*, 109 RADICAL HIST. REV. 101-07 (2011), (Dec. 14, 2017, 4:20 AM), https://read.dukeupress.edu/radical-history-review/article-abstract/2011/109/101/75136/The-Future-of-the-Commons, at 102.

13 *Ibid*. at 103.

14 Farber and Carlson characterize the tragedy of the commons as "a special case of what game theorists call a prisoner's dilemma." DANIEL A FARBER & ANN E CARLSON, CASES AND MATERIALS ON ENVIRONMENTAL LAW (Ninth ed. W. Academic Publ'g 2014) (in subsection entitled "The Environment as Commons") at 21.

Notwithstanding the above Hardin-pessimistic prediction, countries in the world *have* cooperated for more than two decades to address GHGs, although certainly not to a sufficient degree.[15]

Climate change is an exigent issue for humankind. No longer the exclusive purview of scientists, it has emerged into the mainstream media, political debate, and real lives of those suffering periodic climatic catastrophes such as floods, hurricanes, droughts, and wildfires. Climate change resonates with not only Generation Z and Millennials—who are on a collision path with its future consequences[16]—but also Generation X and the author's parents' generation as well as, arguably, at least five *past* generations before them. Karl Marx (1818-83), for example, offers this topical vision for society's ecological responsibility to the planet: "Even a whole society, a nation, or even all simultaneously existing societies taken together, are not the owners of the globe. They are only its possessors, its usufructuaries, and, like *boni patres familias*, they must hand it down to succeeding generations in an improved condition."[17]

One much debated "solution" to climate change is the carbon tax, arguably a progeny of Hardin's logic. For example, Wilfrid Laurier University Professor Alex Latta observed in 2009, "Recent efforts to extend the discipline of the market to influence individual decisions that affect common resources such as the atmosphere—using such tools as 'green' taxes or emissions trading—can also be considered offspring of Hardin's

15 For example, the ACCORD DE PARIS is a 2015 agreement within the United Nations Framework Convention on Climate Change dealing with mitigation of GHGs. *See, e.g.*, Jessica Durney, *Defining the Paris Agreement: A Study of Executive Power and Political Commitments*, 11 CARBON & CLIMATE L. REV. 234-42 (2017), (Dec. 20, 2017, 2:50 PM), https://cclr.lexxion.eu/article/CCLR/2017/3/16. *See, also,* Shahzad (Shaz) Ansari, Frank Wijen & Barbara Gray, *Constructing a Climate Change Logic: An Institutional Perspective on the "Tragedy of the Commons"*, 24 ORG. SCI. 1014-40 (2013), (Dec. 21, 2017, 10:50 PM), http://dx.doi.org/10.1287/orsc.1120.0799.

16 See, e.g., *Juliana v. United States*, 217 F. Supp. 3d 1224 (D. Or. 2016), in which plaintiffs (a group of young people aged between eight and nineteen) assert there is a very short window in which defendants could act to phase out fossil fuel exploitation and avert environmental catastrophe and seek (1) a declaration their constitutional and public trust rights have been violated and (2) an order enjoining defendants from violating those rights and directing defendants to develop a plan to reduce CO2 emissions.

17 KARL MARX, CAPITAL: A CRITIQUE OF POLITICAL ECONOMY, VOLUME III (Friedrich Engels ed., 1883), (Dec. 5, 2017, 1:35 PM), https://www.marxists.org/archive/marx/works/download/pdf/Capital-Volume-III.pdf, at 567.

thesis."[18] The intersection of *The Tragedy of the Commons*, GHGs, and the carbon tax has even been argued before the Supreme Court of the United States:

> The case of GHG emissions presents a tragedy-of-the-commons if individuals and firms are not appropriately charged the full social cost that their emissions imposes on others. Appropriate charges for GHG-emissions, and subsidies for actions that reduce such emissions, can help achieve the economically efficient level of GHGs—that is, the level at which the marginal benefit of reducing an additional increment of GHG emissions just equals the marginal cost of reducing that increment.
>
> Like other tragedy-of-the-commons problems, GHG emissions are not efficiently solved in a piecemeal fashion . . . EPA properly recognized that an efficient solution to a GHG emissions problem must involve other major emissions-producing countries, and not just the United States . . .[19]

The United States does not yet have a carbon tax, although the Canadian province of British Columbia *does*.

This paper critiques Hardin's article: while it acknowledges the essay's celebration by the mainstream and particular role in the so-called fight against global climate change, it concludes that the article is essentially ideology rather than science.[20] The paper views Hardin's work through a Marxist lens, applying the tools of Marxist dialectics, and analyzes the carbon tax and its mirror image Social Cost of Carbon ("SCC"), arguably a manifestation of the article's ideology.

Capitalism *requires* an ideology: it lulls human masses into an acceptance of the current economic order and bamboozles them into fearing the prospect of changing that order. Ideology generally causes people to concentrate on the surface appearances

18 P. Alexander Latta, *"The Tragedy of the Commons" by Garrett Hardin*, 1968, 98-110 (EOLSS Publications 2009) (chapter in INTRODUCTION TO SUSTAINABLE DEVELOPMENT, edited by David V J Bell and Y A Cheung) at 102. *See, e.g.*, Joseph E Aldy & Robert N Stavins, *Using the Market to Address Climate Change: Insights from Theory & Experience*, 141 DÆDALUS 45-60 (2012), (Dec. 20, 2017, 1:35 PM), https://dash.harvard.edu/bitstream/handle/1/10605425/Aldy-Stavins-UsingMarkets.pdf?sequence=1.

19 BRIEF OF WILLIAM J BAUMOL, ROBERT W CRANDALL, ROBERT W HAHN, PAUL L JOSKOW, ROBERT E LITAN, AND RICHARD L SCHMALENSEE AS AMICI CURIAE IN SUPPORT OF RESPONDENTS, 2006 WL 3043972 (U.S.) (Appellate Brief), *Massachusetts v. EPA*, 549 U.S. 497 (2007), No. 05-1120, October 24, 2006, https://1.next.westlaw.com/Document/I69409e6f65da11dbb29ecfd71e79cb92/View/FullText.html?listSource=Foldering&originationContext=MyResearchHistoryRecents&transitionType=MyResearchHistoryItem&contextData=%28oc.Search%29&VR=3.0&RS=cblt1.0#, at 8-9.

20 Ironically, Hardin was a scientist: his Stanford University PhD (1941) was in microbial ecology.

of things and eschews the bigger picture. This leads to the distorted way of thinking desirable to the ideology's proponents.

The Tragedy of the Commons presents the mainstream with a passive explication of poverty and inequality. Rather than identifying the capitalist mode of production as the root cause for these problems, Hardin blames population growth: in effect, he blames the poor for their own condition and exonerates capitalism—what he later calls "the privatism of free enterprise."[21] His article's 50-year-old ideology is alive and well in the discourse on climate change. It fuels a burgeoning "green" capitalism as the imagined way out of the exigent ecological crisis, when there is limited time for such a risky distraction.

Only a few weeks ago, while participating in an invitational mini-conference entitled "Radical Climate Justice and the Humanities," the author listened to activist and University of California Santa Barbara Professor John Foran warn, "[W]e have less than nine years left till the planet runs the risk of passing the tipping point that may trigger runaway climate chaos."[22]

Social Cost of Carbon and Carbon Tax

The SCC is an estimate of how much carbon pollution costs society via climate change damages: the standard metric is the cost of emitting one additional ton of carbon dioxide.[23] Another way to think about the SCC, which is not purely in monetary terms, is, "How much is future climate change mitigation worth to us today?"[24] The SCC, therefore, can also be considered the optimal basis for a carbon tax price.[25]

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21 Garrett Hardin, *Extensions of "The Tragedy of the Commons,"* 280 SCI. 682-83 (1998), (Dec. 14, 2017, 6:45 AM), http://www.jstor.org/stable/2895325.

22 JOHN FORAN'S LORAS COLLEGE TALK NOVEMBER 26, 2017 (YouTube 2017), at 6 minutes, (Dec. 5, 2017, 12:55 PM), https://www.youtube.com/watch?v=FHZNwA_2fXU.

23 Such costs include, for example, reduced economic productivity, increased damages from climatic catastrophes, deteriorating health, and increased mortality. *See, e.g.*, Jason Bordoff, *Trump vs. Obama on the Social Cost of Carbon–and Why It Matters*, THE WALL STREET J., Nov. 15, 2017, (Dec. 5, 2017, 12:10 PM), https://blogs.wsj.com/experts/2017/11/15/trump-vs-obama-on-the-social-cost-of-carbon-and-why-it-matters/.

24 David Roberts, *Discount Rates: A Boring Thing You Should Know About (With Otters!)*, GRIST, Sep. 24, 2012, (Nov. 21, 2017, 11:55 AM), http://grist.org/article/discount-rates-a-boring-thing-you-should-know-about-with-otters/.

25 Dana Nuccitelli, *Republican Hearing Calls for a Lower Carbon Pollution Price. It Should Be Much Higher*, THE GUARDIAN, Mar. 1, 2017, (Nov. 21, 2017, 11:55 AM), https://www.theguardian.com/environment/climate-consensus-97-per-cent/2017/mar/01/republican-hearing-calls-for-a-lower-carbon-pollution-price-it-should-be-much-higher.

In 2010 the Obama Administration assembled a group of government officials to calculate the SCC. The group used three computer models to estimate the economic impacts of climate change using different discount rates.[26] Before being rescinded by President Trump, the US Federal SCC estimate was $37 per ton of carbon dioxide pollution.[27] Based on a recent report, however, it is currently in the range of $1-$6.[28]

There has been much political, scientific, academic, and business debate surrounding what the SCC should be. On one hand, Democrats, climate scientists, and climate economists argue that the estimate should be higher; on the other hand, Republicans and the fossil-fuel industry argue that the estimate should be lower.[29]

In February 2017 the US House of Representatives Subcommittees on Environment and Oversight held a hearing on the SCC. The Republicans and their witnesses argued that the SCC was too high. In their view, the estimate should have been based on domestic, rather than global, climate impacts and a higher discount rate should have been used (which would yield a lower SCC estimate). Republican Chairman and Arizona Senator Andy Biggs made the Hardinesque argument: "It is simply not right for Americans to be bearing the brunt of costs when the majority of benefits will be conferred away from home." This conflicts with the view of many climate economists that the SCC should be *much* higher, as high as $200 or more.[30]

Could the SCC and the carbon tax propose a solution to climate change? Is this arithmetic debate over the SCC far too narrow and ultimately missing the point that it is our *economic system* that is the problem?

University of Chicago Law School Professor Eric Posner has labeled the SCC a "Pigouvian tax"—after English economist Arthur Cecil Pigou (1877-1959)—a tax levied on a market activity that generates negative externalities.[31] According to activist and former Massachusetts Institute of Technology Professor Noam Chomsky, a fundamental flaw of market systems is they largely ignore externalities (*i.e.*, the effect of economic transactions on others). Chomsky invokes the example of a new car sale:

26 Eric Posner, *Wrong Number: Obama's New Climate Plan is Based on a Dubious Calculation and Falls Woefully Short*, SLATE, Jul. 9, 2013, (Nov. 21, 2017, 10:15 PM), http://www.slate.com/articles/news_and_politics/view_from_chicago/2013/07/obama_s_climate_action_plan_how_it_miscalculates_the_social_cost_of_carbon.html.

27 Nuccitelli.

28 REGULATORY IMPACT ANALYSIS FOR THE REVIEW OF THE CLEAN POWER PLAN: PROPOSAL (United States Envtl. Prot. Agency 2017) (Office of Air and Radiation, Office of Air Quality Planning and Standards, Research Triangle Park), https://www.epa.gov/sites/production/files/2017-10/documents/ria_proposed-cpp-repeal_2017-10.pdf, at 44.

29 Nuccitelli.

30 *Ibid*.

31 Posner.

consideration of the resulting increases in the number of cars, congestion, accidents, and pollution is left out. Chomsky observes that climate change is an "externality which is going to destroy us unless something is done."[32] Pigouvian taxes are, in theory, intended to internalize externalities.[33]

In Posner's view, the U.S. has been reticent to enact Piguovian taxes and instead has used the SCC's foundational calculations as a guide to various regulations, such as the National Highway Traffic Safety Administration's fuel economy standards. There, the intended result is for the cost of cars to increase, ideally leading to fewer cars being sold and the leveling off of carbon emissions.

Central to Posner's criticism of the SCC is its calculation.[34] According to Posner, the problem stems from the difficulty in estimating the precise economic impact of climate change. According to the three models, if average global temperatures increase by 2.5 degrees, global gross domestic product will decline by 1.8 percent. However, these models do not accommodate the cataclysmic effect of extreme temperature increases on long-term economic growth. Posner expresses doubts about these calculations and their economic implications and then summarizes, "The current SCC calculation embodies the worst of both worlds: too low from the standpoint of global well-being, too high from the standpoint of law." The former is problematic because most climate economists believe the SCC should be around $200 per ton rather than $37. The latter is problematic as induced increases in the SCC could spell major economic challenges that will, in Posner's view, not pass judicial scrutiny.[35]

The U.S. does not yet have a carbon tax; it would benefit us to examine how a carbon tax has fared elsewhere. Doing so can give us a better idea of its effectiveness and what its likely implications would be. Accordingly, consider the case of the Canadian province of British Columbia's carbon tax.

In 2008 the BC government introduced a carbon tax on the purchase and use of fuels. The tax is intended to cover approximately 70 percent of BC's total greenhouse gas emissions. The tax started out at C$10 per ton in 2008, increasing by C$5 per ton each year until reaching its current rate of C$30 per ton beginning in 2012. The tax

32 ON CONTACT: NOAM CHOMSKY—PART ONE (YouTube 2017) (Interviewed on RT America by Chris Hedges), at 22 minutes, (Dec. 4, 2017, 11:45 PM), https://www.youtube.com/watch?v=0YdBzwJCpo8.

33 *See, e.g., Pigouvian Taxes*, ECONOMIST, Aug. 19, 2017, (Nov. 21, 2017, 11:20 PM), https://www.economist.com/news/economics-brief/21726709-what-do-when-interests-individuals-and-society-do-not-coincide-fourth.

34 Posner.

35 *Ibid.*

translates to a C7¢ per liter surcharge on gasoline in BC.[36]

The rationale behind BC's carbon tax was that its cost would spur individuals and businesses—as rational consumers in a market economy—to embrace cost-efficient decisions, thereby lowering emissions and increasing demand for clean solutions. As a result, businesses would be encouraged to innovate and develop new climate-friendly technologies.[37] From 2007 to 2014, BC reportedly saw a 5.5 percent decrease in emissions.[38] This reduction is far lower than what is needed to stop the worst effects of climate change.[39]

From a critical perspective, BC's carbon tax has allowed industry to profess a green shift in the economy and to propagate the ideology that the interests of the environment and the interests of business are one in the same. Along this vein, *The Economist* referred to BC as "the land of green and money" and several environmental groups have also lauded BC's efforts. This reaction masks the fact that the majority of the carbon tax costs have fallen on the working class, while industry has received the majority of related benefits.[40]

From the vantage point of mainstream economics, BC's carbon tax is a regressive consumption tax in that it is a *flat* tax: the poor pay a disproportionate share of their income relative to the rich. The production logic of our current economic system—capitalism—is profit maximization. Accordingly, increases in the costs of production will ultimately be passed on to consumers, theoretically incentivizing them to make green decisions to ease the burden on their wallets.[41]

However, many people do not have the requisite funds to make these environmentally friendly decisions. As a result, working people are taxed for meeting their basic needs such as heating their homes and commuting to work. This financial burden is exacerbated by the fact that real wages have continued to stagnate, resulting in even less discretionary resources in the face of the rising costs of necessities. It is notwithstanding that many people *want* to make green decisions; however—as is often the case with neoliberalism—this is not a viable option because there have not been the

36 BRITISH COLUMBIA'S REVENUE-NEUTRAL CARBON TAX, Gov't of British Columbia, (Nov. 21, 2017, 6:30 PM), https://www2.gov.bc.ca/gov/content/environment/climate-change/planning-and-action/carbon-tax.

37 Robert Fajber, *Carbon Taxes: A Solution to the Environmental Crisis?*, IN DEFENCE OF MARXISM, Oct. 7, 2013, (Dec. 5, 2017, 1:00 PM), http://www.marxist.com/carbon-taxes-a-solution-to-environmental-crisis.htm.

38 BRITISH COLUMBIA'S REVENUE-NEUTRAL CARBON TAX.

39 Fajber.

40 *Ibid.*

41 *Ibid.*

requisite investments in alternatives such as public transit.[42]

In the wake of BC's carbon tax adoption, the provincial government became concerned that BC's industries would no longer be competitive in the global marketplace. Because of this worry, the government rewarded industry with what is referred to as "corporate welfare" or government tax breaks and subsidies to offset increases in the costs of production. This scheme has effectively contravened the purported benefits of the carbon tax. In the end, industry has minimal incentive to make the green shift. In the contest between profits and green decisions, profits generally win.[43]

The Canadian Centre for Policy Alternatives estimates BC's carbon tax needs to increase to C$200 by 2020 in order to spur the industry to make the green shift.[44] This amount is evocative of what many US climate economists believe the SCC should be. However, the C$200 is seven times the current BC carbon tax rate and we're already in 2018: a sudden tax increase is unlikely to happen, considering the extensive work done to make these rates "optimal", or, favorable to industry.[45] However, even if this C$200 rate was achieved and industry was not receiving corporate welfare, the costs would be placed eventually on the shoulders of working people.[46]

Another proposed market-based remedy for global climate change is "cap and trade"—also known as "emissions trading"—in which governments create markets for carbon trading and "offsets."[47] Countries are first given a CO_2 cap; if they exceed their limit, they may "offset" their emissions by buying "carbon credits" from a country below its cap. The rationale behind cap and trade is to put a price on CO_2 emissions and encourage industry to invest in low-carbon technologies.[48] In its goal to reduce GHGs, however, cap and trade has fallen short: offsets allow trading that does not affect emissions. On the other hand, cap and trade has been successful in increasing profits to large corporations and gamblers. It has also been reported that cap and trade could bring about another financial crash. Director of NASA's Goddard Institute for Space Studies James Hansen labels cap and trade "the temple of doom" and predicts it locks in "disasters for our children and grandchildren."[49]

42 *Ibid.*

43 *Ibid.*

44 *Ibid.*

45 Nuccitelli.

46 Fajber.

47 John Bellamy Foster, *Why Ecological Revolution?*, 2010 MONTHLY REV., Feb. 3, 2010, (Dec. 22, 2017, 2:20 PM), https://monthlyreview.org/2010/01/01/why-ecological-revolution/.

48 Adam Booth, *Capitalism, Carbon Trading and Copenhagen*, IN DEFENCE OF MARXISM, Dec. 7, 2009, (Dec. 22, 2017, 2:25 PM), http://www.marxist.com/capitalism-carbon-trading-copenhagen.htm.

49 Foster, *Ibid.*

U.S. cap and trade is covered with the fingerprints of industry campaign contributions. As in the case of BC's carbon tax, industries have been granted carve outs and subsidies. Simply put, government has not evidenced that it can regulate industry effectively to achieve necessary reductions in GHGs.

One cap and trade plan, Reducing Emissions from Deforestation and Degradation ("REDD"), permits wealthy countries to offset their emissions by paying poorer tree-rich countries to reduce deforestation.[50] Under this scheme, Chevron—with its 16 refineries in California—can continue to pollute by buying offsets.[51] Tom Goldtooth, executive director of the Indigenous Environmental Network, warns:

> Chevron does operate a carbon offset project called REDD in the Atlantic Forest of Brazil. And they have the green police, the green force, that is a police system that basically has a history of shooting at local forest-dependent communities that try to come into their forest for subsistence. So there's human rights with these issues that we're trying to lift up.[52]

REDD also wreaks havoc here in California. Richmond resident Isabella Zizi observes, "[T]he Chevron refinery actually does extract oil from the crude down in the Amazon and also tar sands up in Canada . . . [But] they're continuing to extract and emit fossil fuels in our towns, and it's directly impacting us as indigenous peoples, people of color, low-income communities . . ."[53]

Carbon taxes and cap and trade are Pigouvian attempts to internalize the externality of climate change. They do not, however, adequately address the economic system that creates this externality. Each "solution" is essentially, in the words of Marxian economist and The New School Professor Richard Wolff, "a quick fix, . . . a marginal adjustment."[54] These attempts can be analogized to placing a Band-Aid on a hemophiliac: sooner or later, that Band-Aid will wear off and blood will come spurting out.

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50 Booth, *Ibid*.

51 Adam Scow, *Forget Cap-and-Trade—Require Pollution Reductions*, SAN FRANCISCO CHRON., May 31, 2017, (Dec. 22, 2017, 2:40 PM), http://www.sfchronicle.com/opinion/openforum/article/Forget-cap-and-trade-require-pollution-11186682.php.

52 TOM GOLDTOOTH: CARBON TRADING IS "FRAUDULENT" SCHEME TO PRIVATIZE AIR & FORESTS TO PERMIT POLLUTION (Democracy Now! 2017) (interview by Amy Goodman, from transcript of November 17, 2017 show), (Dec. 22, 2017, 2:50 PM), https://www.democracynow.org/2017/11/17/tom_goldtooth_carbon_trading_is_fraudulent.

53 TOM GOLDTOOTH, *Ibid*., (interview of Isabella Zizi by Amy Goodman).

54 MARXISM 101: HOW CAPITALISM IS KILLING ITSELF WITH DR. RICHARD WOLFF (YouTube 2016) (Interviewed by Abigail "Abby" Martin), at approximately 4 minutes, (Nov. 21, 2017, 8:05 PM), https://www.youtube.com/watch?v=6P97r9Ci5Kg.

Introduction to Marxist Dialectics and Their Application to Hardin's Article

Marx's dialectic method is mystifying to most Americans. Such confusion is partly due to the negative associations many Americans have with Marx. These preconceptions have been informed by propaganda for over almost a century, seeking to pit capitalism, the American way of life against communism, the perceived Soviet and allied way of life. This propaganda infuses cycles of fear and stifles substantive American debate on Marx's writings. Intellectual and popular confusion have also reigned because of a lack of understanding about how Marx expected his theories to be executed.

Even among Marxists, there is controversy over dialectics. At certain institutions (*e.g.*, Yale University and New York University) this methodology is almost radioactive; at others, it is almost revered [*e.g.*, UC Berkeley, UC Santa Barbara, York (Toronto), and Oregon]. This tension over thought is a tale of two cities: one populated by the so-called "analytical" Marxists, and the other by the disciples of dialectics. However, unlike Paris and London in Charles Dickens's classic, *these* two cities are situated in the same nation: Marxism.

Italian sociologist Vilfredo Pareto (1848-1923) wrote, "Marx's words are like bats. You can see in them both birds and mice." New York University Professor Bertell Ollman attributes this difficulty to Marx's philosophy of internal relations, the building block of Marx's dialectic method from Georg Wilhelm Friedrich Hegel (1770-1831). This method allowed Marx to understand the complexity and constant change of capitalism to connect theory with practice. For Marx, "in capitalism everything seems and in fact is contradictory": accordingly, "much more needs to be done to help people, who can only 'see' paradoxes, to 'see' contradictions, and to grasp in theory and realise in practice what is required to resolve them."[55]

Understanding current events of society can be overwhelming and deciding the process to study the constant change within it can be equally challenging:

> Society is like a vehicle that every one of us tries to climb aboard to find a job, a home, various social relationships, goods to satisfy our needs and fancies—in short, a whole way of life. And who can doubt that society is changing... But just how fast is it changing, and, more important, in what direction?[56]

Dialectics is a way of thinking that helps us comprehend the broader context, or

55 Bertell Ollman, *Marxism and the Philosophy of Internal Relations; Or, How to Replace the Mysterious 'Paradox' with 'Contradictions' that Can Be Studied and Resolved*, 39.1 CAPITAL & CLASS 7 (2015), available at http://journals.sagepub.com/doi/pdf/10.1177/0309816814564128.

56 BERTELL OLLMAN, DANCE OF THE DIALECTIC: STEPS IN MARX'S METHOD (Univ. of Ill. Press 2003) at 11.

the bigger picture, in order to better understand an object of study; dialectics takes into account the constant change that occurs in the world.[57] The two essential ingredients of dialectic methodology are interaction and change; its four essential steps are ontology, epistemology, self-clarification, and teaching.

To illustrate the role of dialectics, Marx recounts the Roman myth of Cacus, a cave dweller and opportunistic oxen thief. In an effort to deceive those attempting to recover his stolen oxen, Cacus had the oxen walk backwards into his den; this resulted in footprints that made it appear as if the oxen had *exited* the den. When the footprints were found the next morning, the previous owners deduced incorrectly that the oxen travelled from the cave to the middle of the adjacent field and disappeared. They made the mistake of focusing exclusively on the evidence before them and were duped.[58] To understand what really happened to the oxen, the owners should have considered the context of the events related to the theft.

Professor Ollman observes, as illustrated by this myth, "[R]eality is more than appearances."[59] The myth demonstrates a larger point: to understand virtually *anything*, one needs to know the bigger picture: how it came into being, how it has changed, and how it fits into a larger worldview.

Dialectics is a methodology to come to grips with a changing world by *elongating* our notion of anything to comprise its process: its origins, possible evolution, and *relation* to other components and to the whole. It is in this manner that the study of phenomena encompasses history and systematic relatedness. Dialectics can be viewed as a critique of the common methodology within academia and the real world, to break up subjects without giving any thought to their interconnectedness to the bigger whole.

Professor Harvey summarizes 11 propositions of the principles of dialectics, including (1) emphasis on understanding processes and relations over analysis of elements and "things," (2) constitution of elements or "things" out of processes and relations within bounded systems or wholes, (3) internal contradictions of "things" by virtue of such constitution, (4) internal heterogeneity of "things" at every level, (5) contingency and containment of space and time with their processes, (6) mutual constitution of parts and wholes, (7) interchangeability of subject and object and of cause and effect, (8) emergence of transformative behavior (or creativity) out of contradictions, (9) inherent characteristic of change in all systems and aspects thereof, (10) dialectics *itself* being a process, and (11) exploration of "possible worlds" being

57 As a metaphor for constant change, the pre-Socratic Greek philosopher Heraclitus (535 BCE – 475 BCE) asserted that no person ever steps into the same river twice.

58 BERTELL OLLMAN, SOCIAL AND SEXUAL REVOLUTION: ESSAYS ON MARX AND REICH (S. End Press 1979) at 224.

59 BERTELL OLLMAN, DANCE OF THE DIALECTIC: STEPS IN MARX'S METHOD at 13.

integral to dialectics.[60]

Dialectics focuses on four types of relations, identity/difference, interpretation of opposites, quantity/quality, and contradiction:

- Identity/difference refers to understanding the identity of components without being trapped in a polar understanding that something is identical or opposite of something else. Identity/difference also takes into account the complex relations of components.
- Interpretation of opposites means that to understand a component, one must examine its surrounding conditions. Something may change under different circumstances: automation, for example, may be seen as detrimental to workers under capitalism but beneficial to workers under communism.
- Quantity/quality delineates the multiple changes that take place *within* something. Quantity may refer to temporal or physical values. Quality refers to a change in appearance of something: an individual may perceive things differently when 65 than when 21.
- Contradiction refers to the unharmonious development of differing but related components. For Marx, capitalism was replete with contradictions: for example, capitalism's ability to increase production contradicts workers' inability to consume such production.

In dialectics, process and relation are intertwined. Process uncovers history, development, and potential futures. Marx notes it would behoove us to study history *backwards*: in other words, understanding the present in the context of events that helped it come into being. Although studying history in reverse may seem peculiar, it provides an interesting lens to understand the following remark attributed to American Nobel Prize laureate William Faulkner: "The past is not dead—it is not even in the past."[61] Professor Ollman believes that Marx would have added, "And the future is not unborn—it is not even in the future"[62]: this perception of history derives from Marx's philosophy of internal relations, which is central to the understanding of dialectics.

As dialectics is properly understanding the *whole*, its changes, and its interaction with internal components, there has to be a way to wrap our minds around this enormous task: enter the process of *abstraction*.

The process of abstraction can be understood as breaking up the *whole* into

60 DAVID HARVEY, CRITICAL STRATEGIES FOR SOCIAL RESEARCH 125-32 (William K. Carroll ed., Canadian Scholars 2004) at 125-31.

61 BERTELL OLLMAN, DANCE OF THE DIALECTIC: STEPS IN MARX'S METHOD at 167.

62 *Ibid.*

discrete parts that can be studied in order better to understand the whole. Because attempting to understand any whole—be it herdspersons on a pasture or global climate change—is very difficult, the need to separate out its parts is evident. Many people abstract but do not realize it; it is unlikely they understand this process in relation to Marx's methodology: "Our minds can no more swallow the world whole at one sitting than can our stomachs."[63] This is the first of four ways Marx uses abstraction: what Professor Ollman describes as a mental process of focusing and setting boundaries, that is influenced by life experiences.

The second way Marx uses abstraction refers to the *products* of dividing up the whole. Professor Ollman explains this as the result of the activity performed in the previous paragraph: the intellectual *construct* that is created.

Abstraction in the third sense refers to *poor* abstractions, distorted in some way, that don't contribute to an effective understanding of the whole. Professor Ollman describes this third abstraction as a particular subset of the second: a particular mental construct that—due to its size or its boundary—is too narrow or too little. This is the way that Marx understands capitalist *ideology*. Distortion (for example, the bourgeois understanding of freedom) results from the phenomenon that the related units of thought do not contain sufficient interconnections or time to develop an understanding. *Paradoxes* also fall into this third abstraction, such as the paradox of poverty in the wealthy US or the paradox of religious hypocrisy in Christians', Jews', or Muslims' mistreatment of others.

Abstraction in the fourth sense refers to a type of organization of components that cater to capitalism. These are real world abstractions (*e.g.*, capital), *not* mental constructs, and thereby differ from the previous three. They result from connections established over the course of society's life. An example, according to Professor Ollman, is commoditization in a capitalist society: the experience of buying and selling things or the fact that goods have price tags.

The process of abstraction has three main modalities. The first is abstraction of extension, which refers to setting limits upon the abstraction time and space. In this way, limits are placed upon the relative quality of the abstraction and its historical development. The second mode is abstraction of vantage point, which refers to the type of lens or perspective brought into making abstractions: one's vantage point greatly influences the type of abstractions that are made. Through one's vantage point, an abstraction can also present multiple points of view. The third mode is abstraction of level of generality, which deals with the type of whole to be studied. It is in this way that an abstraction can be studied in relation to its particular capitalist connotation or to the more general human condition.

63 *Ibid*. at 60.

The author's instant purpose is to apply dialectics to Hardin's article, not to climate change (the latter will occupy the author's coming years in pursuit of a PhD degree at a US, Canadian, or European institution). Dialectic analysis provides the following insights on *The Tragedy of the Commons*:

- The relied-upon Adam Smith "invisible hand" metaphor ignores the bigger picture: the herdspersons on the open pasture would have relationships beyond merely sharing a platform for profits. Some, many, or all of them would have *social* interactions with each other. For Hardin to ignore even the possibility of economic cooperation, therefore, appears illogical and pessimistic.

- The focus on the herdspersons ignores the cattle. If the profit-maximizing behavior of the former were destined for "ruin to all," there would presumably be an intervening deterioration in the health of—and the resulting quality of products from—the cattle. This would cause customers either to seek other markets or to reduce their offered prices. Faced with this predictable risk to revenue and profits, the herdspersons would likely adjust their profit-maximizing behavior.

- The intellectual construct is too narrow and distorted: it is unclear, for example, whether the society at large (*i.e.*, beyond the commons) is agrarian, feudal, or industrial. One of the consequences of a "far too narrow set of presumptions," according to Professor Harvey, is that "thinking has often polarized between private-property solutions or authoritarian state intervention."[64]

- All three modes of abstraction are impaired: (1) the *mode of extension* does not go far enough into the future: what will the herdspersons do after the ruin of the commons? will they pursue other employment? will they re-locate? will they commit suicide?; (2) the *vantage point*'s singularity (the commons—rather than the people, the cattle, the customers, the extended community, or the state—and one

64 Harvey, *The Future of the Commons*, at 101.

particular sort of commons, at that[65]) renders the argument ideological[66]; and (3) the *level of generality*[67] features no description of other production occurring in the economy surrounding the commons (*i.e.*, what Marx refers to as production "in general," designed to transform nature for satisfaction of human needs), the differing wealth levels of the herdspersons (before and after their initial contact with the commons), or capitalism. Hardin does not even *mention*, in almost 6,200 words, either "capitalism" or "socialism."[68]

Capitalism: The Reprobate of Climate Change

As someone who seeks to apply a Marxist approach, the author believes capitalism is to blame for climate change. In a recent opinion piece, for example, in *The New York Times*—by no means a Marxist periodical—Benjamin Fong writes:

> The real culprit of the climate crisis is not any particular form of consumption, production or regulation but rather the very way in which we globally produce, which is for profit rather than for sustainability. So long as this order is in place, the crisis will continue and, given its progressive nature, worsen...

65 Professor Harvey, for example, distinguishes between natural resource commons and cultural and intellectual commons. *Ibid*. at 103.

66 Professor Ollman describes Marx's attitude towards ideology thus:

> Marx never criticizes ideology as a simple lie or claims that what it asserts is completely false. Instead, ideology is generally described as overly narrow, partial, out of focus, and/or one-sided, all of which are attributable to faulty or otherwise inappropriate abstractions of extension, level of generality, and vantage point . . .

Putting Dialectics to Work: The Process of Abstraction in Marx's Method, in BERTELL OLLMAN, DANCE OF THE DIALECTIC: STEPS IN MARX'S METHOD, (Dec. 22, 2017, 12:15 AM), http://www.nyu.edu/projects/ollman/docs/dd_ch05d.php.

67 Marx subdivides problems for investigation into seven major levels of generality, each of which affects the related requisite time period for analysis: (1) unique attributes of a person or situation, (2) activities and related products (*e.g.*, occupation), (3) capitalism *per se*, including relations with bosses and products, (4) class, based on division of labor, (5) qualities people have in common as the result of their humanity, (6) qualities shared with other animals, and (7) other qualities as a part of nature. *Putting Dialectics to Work: The Process of Abstraction in Marx's Method*, in BERTELL OLLMAN, DANCE OF THE DIALECTIC: STEPS IN MARX'S METHOD, (Dec. 21, 2017, 9:15 PM), https://www.nyu.edu/projects/ollman/docs/dd_ch05c.php.

68 Hardin's silence on the latter is particularly puzzling because he subsequently identifies socialism as a possible antidote (the other being "the privatism of free enterprise") to the tragedy of the commons. *See, e.g.*, Hardin, *Extensions of "The Tragedy of the Commons," Ibid*.

It should be stated plainly: It's *capitalism* that is at fault.[69]

Marx and his close collaborator Friedrich Engels (1820-95) understood that capitalism tore apart humanity's unity with nature through a "metabolic rift," which they saw as "a separation that deepened and further developed under capitalism, where a small minority of the population controls all major aspects of the economy."[70] Capitalists' interests revolve around holding onto their power and maximizing their profits. The global "free" market compels capitalists to pursue these ends whatever the costs to the rest of us or to the planet.[71]

For Marx, the alternative to capitalism's profit maximization for a minority was a democratically planned economy that served social needs: in other words, socialism. Marx described socialism as "the associated producers, rationally regulating their interchange with Nature, bringing it under their common control, instead of being ruled by it as by the blind forces of Nature; and achieving this with the least expenditure of energy and under conditions most favourable to, and worthy of, their human nature."[72]

Is it possible to reform our way out of climate change? Can we design a carbon tax that is fair, by increasing the dividend to those who need it most or by providing robust alternative transit systems? Or is Professor Wolff correct when he observes that "recurring problems of capitalism . . . are built into the system and if you want to solve them, you can't do that within the framework of the system, you have to face the fact that the system *itself* is the problem"?[73]

Conclusion

Hardin's non-consideration, in his *The Tragedy of the Commons*, of either human cooperation or socialism reminds me of the conclusion to the late University of Regina Professor Bill Livant's ironic—and iconic—one-page chapter on dialectics, *The Hole in Hegel's Bagel*: "[T]he whole without a hole is really a part in drag trying to pass itself off

69 Benjamin Y. Fong, *The Climate Crisis? It's Capitalism, Stupid*, THE NEW YORK TIMES, Nov. 20, 2017, (Nov. 21, 2017, 2:30 PM), https://www.nytimes.com/2017/11/20/opinion/climate-capitalism-crisis.html.

70 Paul Fleckenstein, *Climate Chaos and the Capitalist System*, SOCIALIST WORKER, Sep. 11, 2017, (Nov. 21, 2017, 9:10 PM), https://socialistworker.org/2017/09/11/climate-chaos-and-the-capitalist-system.

71 *Ibid*.

72 KARL MARX at 593.

73 MARXISM 101: HOW CAPITALISM IS KILLING ITSELF WITH DR. RICHARD WOLFF, at approximately 3 minutes, (Nov. 21, 2017, 8:25 PM).

as everything, which, come to think of it, isn't a bad definition of ideology."[74]

Hardin ignores (1) the "hole" of human cooperation, which created the space for Indiana University Professor Elinor Ostrom ("In that [Hardin-]imagined pasture," she said, "People didn't talk [and] the presumption was that humans were *helpless* . . ."[75]) to earn her 2009 Nobel Prize, and (2) the "hole" of socialism. As a result, applying Bill Livant's dialectic reasoning, I believe the "whole" of Hardin's article is ideology rather than science. As UC Hastings and University of Turin Law Professor Ugo Mattei observes:

> When viewed in context, Hardin was far from the naïve microbiologist . . . [R]ather he contributed to a long lineage of economists and lawyers, securing a place for radical individualism and eventual dismantlement of the public domain in favor of private interests.[76]

74 Bill Livant, *The Hole in Hegel's Bagel*, in DIALECTICS FOR THE NEW CENTURY 199-99 (Bertell Ollman & Tony Smith eds., Palgrave Macmillan London 2008), (Dec. 22, 2017, 1:35 PM) (anthology on dialectics), https://link.springer.com/chapter/10.1057/9780230583818_14, at 199. Livant reminds us, "The etymology of the word 'hole' refers not to an empty place, but to a place where something is hidden." And echoing Livant, my Marxist mentor NYU Professor Bertell Ollman observes that a hole is not a simple absence but an important contributor to the overall structure and meaning of all its relations; for thinking (if not for eating), the hole in Hegel's Bagel was the most important part.

75 AMARTYA SEN AND ELINOR OSTROM, *Ibid*.

76 Ugo Mattei, *Providing Direct Access to Social Justice By Renewing Common Sense: The State, the Market, and Some Preliminary Question About the Commons*, UNINOMADE, Sep. 2, 2011, (Dec. 21, 2017, 10:05 AM), http://www.uninomade.org/preliminary-question-about-the-commons/.

Level of Democracy & Quality of Governance: An IV Approach

Ahmed Meshref

The relationship between the level of democracy and quality of governance is interesting, complicated, and indirect, and this explains the abundance of literature that has attempted to produce valid empirical measures and convincing explanations. While there exists a common theoretical belief that democracy improves the quality of governance, it is hard to empirically verify this due to several endogeneity problems that arise when trying to measure the impact of democratization on the quality of governance. This paper addresses the endogeneity problem by using the instrumental variable (IV) approach to establish a valid causal relationship between the two variables. I begin my research with the fact that the level of democracy within a country is highly correlated to its level in previous years, so I use the two-stage least squares (2SLS) estimation technique, lag the values of the polity IV index by five years, and use them as my instrument for democracy. My analysis yields a strong, statistically significant, and non-linear relationship between the variables, which is reflected in quality of governance being lowest in anocracies, higher in autocracies, and highest in established democracies. This shows that democratization is a challenging process that needs numerous prerequisites to succeed. Unless the level of democracy reaches a certain relatively-high threshold, it will not positively influence the quality of governance.

Introduction

For the past few decades, democracy has been globally regarded as the most successful mode of governance, and this has led several less-developed countries in the non-western world to pursue the path of democratization (Diamond, 2007). In theory, democratic governments are supposed to represent their constituencies and achieve their best interests if: 1) "elections are freely contested," 2) "participation is widespread," and 3) "citizens enjoy political liberties" (Przeworski et al., 2001). In practice, these conditions have not held true everywhere, especially in new democracies that have previously possessed a tradition of corruption and a legacy of dictatorship. As a result, enthusiasm about democracy has not lasted in many parts of the world since it has not

proved to be a solution for the various problems countries have suffered from. History and empirical studies have proved that democracy does not guarantee the issuing of policies that improve citizens' welfare and that elections do not necessarily translate into a good quality of governance. Hence, democracy is not a solution but a mechanism or a process through which institutions could improve lives and is a necessary, but not sufficient, condition for a high quality of governance.

Larry Diamond (2007) stated that "bad governance" is a "spectre haunting democracy" and that democracy has started to get plagued by patronage, favouritism, abuse of power, and corruption. Additionally, democracy has shifted towards serving the ruling minority, who are more concerned with stealing and wasting resources rather than improving the lives of the general population. A part of this "spectre" is that democracy can produce ill-informed and wrong decisions despite being "procedurally-correct," drifting away from what Rothstein (2011) called "epistemic democracy," a type of democracy in which decisions made are not only procedurally-fair and but also are correct according to established knowledge and promote the common good. What he termed as a "democratic malaise" caused by bad governance has extended beyond newly-established unstable democracies in the former Soviet Union, Latin America, and even clientelistic democracies in Southern Europe to reach consolidated democracies in Northern Europe and North America such as Norway. According to a set of studies by the Norwegian government made to evaluate their democratic model observed from 1998-2013, it was concluded that the "parliamentary chain of government is weakened in every link; parties and elections are less mobilizing; minority governments imply that the connection between election results and policy formation is broken; and elected assemblies have been suffering a notable loss of domain" (Osterud et. al, 2006). On the other hand, some autocracies, such as developmental dictatorships in East Asian and oil-rich monarchies in the Arabian Gulf, have produced a high quality of governance with the help of culture, social structure, and leaders' charisma. Democracy in its current form is a Western concept that remains incompatible with many regions such as the Middle East. The most recent experiment with democratization known as the "Arab Spring" has led to catastrophic consequences. Those who revolted against ageing autocrats and ubiquitous corruption, and demanded political rights and economic prosperity did not expect their rebellion to result in failed states, civil tensions, refugee crises, the rise of extremism, and high death tolls.

Some scholars have noticed that despite that democratic rights qualify as one of the vital causes of political legitimacy, it is still much less important than general governance (Gilley, 2006), and this conflicts with the mainstream liberal ideal of legitimacy where democracy is regarded as its most important factor. The important role of good governance in improving welfare and implying legitimacy has led to international organizations such as the IMF declaring that promoting good governance leads to economic prosperity in its 1996 agenda, and to the UN to considering good

governance as a requirement to reduce poverty in its 2000 declaration.

Seeing historical examples and academic studies disproving a common axiom of the utopian image of democracy and highlighting the importance of good governance has motivated me to investigate whether a valid causal relationship between democracy and good governance exists or not. This paper highlights the relevant contributions in literature to democracy and quality of governance, explains the different mechanisms through which both variables interact, and distinguishes between the quality of governance in old and new democracies. After a detailed discussion of these points, I present the data and empirically investigate the relationship between the two variables using a two-stage least squares (2SLS) instrumental variables approach. In addition, I outline the empirical and methodological challenges faced to accurately measure the variables used in this analysis and thus the causal relationship. The key hypotheses that the paper makes and tries to support with qualitative arguments and empirical analysis are:

H1: Quality of governance is highest in strong democracies than in strong autocracies.

H2: At the early stages of democratization, quality of governance goes down.

H3: Economic development and homogeneity increase the quality of governance while war intensity and oil rents reduce it.

Literature Review & Discussion

a. Democracy

The definition of democracy has almost been agreed upon by political scientists. Przeworski (2004) defined it as "a political regime in which rulers are selected through free and contested elections," and by "contested" he meant the presence of an opposition that can run for and take over office. Polterovich & Popov (2007) stated that states with democratic systems have the institutions as well as the legal framework that guarantee their citizens political rights such as freedom of expression and association and voting in elections. Meanwhile, Levitsky & Way (2002) have set four prerequisites for modern democracies, which are: 1) election of executives and legislatures through free and fair elections, 2) voting rights for almost all adults, 3) civil liberties and political rights, and 4) real authority and power to govern by executives that are independent of any religious and military dogma. Minor violations for these criteria are allowed if they are not serious enough to disrupt the relationship between the ruling authority and its opposition. Dahlberg et al. (2015) divided the practice of democracy into an input part, which involves voting in elections and choosing officials, and an output part, which involves the implementation of policies.

Democracy is the opposite of autocracy, which is a mode of governance that

exists in countries ruled by "military juntas, one-party dictatorships, religious hierarchies or autocrats" and have "severely restricted rights of expression and association" (Magalhaes, 2013). Countries that have a combination of both are called anocracies, where rulers use democratic routes for office and allow space for popular mobilization in government, but still rig elections, get involved in corrupt activities, and limit the formation and activities of some political factions.

As Huntington (1991) mentioned, democratization has had three major waves: the first one began in 1820s in the western world and lasted until 1926 to result in 29 democracies, the second wave was initiated during World War II and raised the number of democracies to 36, and the third wave occurred roughly between 1974 and 1990 in more than 30 countries, ultimately doubling the number of democracies around the globe. By the nineties, democracy became the nearly universally favoured exemplary model of governance, regardless of nationality, culture, or economic level. However, this enthusiasm did not last long due to the dissimilarity between democracy as an ideal and its results in practice. Disappointment in democracy grew especially after the third wave because several countries did not have the foundations to successfully democratize, and some started losing trust in the ability of politicians and political institutions to convert their demands into policies in old democracies (Inglehart & Norris, 2003). Dahlberg et al. (2015) argued support for a regime is conditional on its output—namely, goods and services delivered to citizens—rather than its input—the process of choosing the regime itself—as citizens normally engage with bureaucracies more frequently than electoral ballots.

b. Governance

On the other hand, governance and quality of governance are more abstract terms and there was little overlapping of definitions and conceptual approaches among political scientists. Huther et al. (1997) viewed governance as "the exercise of authority through formal and informal institutions in the management of the resource endowment of the state" and its quality is determined by the "exercise of power on the quality of life." Fukuyama (2013) defined it as the "government's ability to make and enforce rules, and to deliver services, regardless of whether the government is democratic or not." It is about "the performance of agents in carrying out the wishes of principals, and not about the goals that principals set" and is "about execution, or what has traditionally fallen within the domain of public administration." The World Bank outlined four factors that lead to good governance: 1) the process by which governments are selected, monitored and replaced, 2) the capacity of the government to effectively formulate and implement sound policies, and 3) the respect of citizens and the state for the institutions that govern economic and social interactions among them (Rothstein, 2011). Furthermore, Charron & Lapuente (2010) view quality of governance as an interaction between the opposite forces of supply and demand. Supply comes from

leaders with power and incentives, particularly like the level of democracy, to enhance bureaucratic efficiency and reduce corruption, while demand comes from citizens who prefer mid/long-term investments over short-run needs.

Notably, Fukuyama (2013) used four approaches to conceptualize quality of governance, which are: 1) procedural measures (modern bureaucracies), 2) capacity measures (resources and degree of professionalism), 3) output measures (health, education…), and 4) measures of bureaucratic autonomy (interaction between politicians and bureaucrats). However, he criticizes some commonly-used measures in these approaches. For example, he disagrees with using tax extraction as a proxy for capacity because of the "difference between extractive potential and actual extraction rates," the inefficient usage of taxation due to poor administration and corruption, and the dependence of some countries on international transfers and resource rents rather than taxation. In addition, he considers measures for output, such as education and health, to be problematic because these are not results of public action, are hard to quantify them precisely, and are difficult to measure separately from normative and procedural measures. Lastly, there is a quadratic relationship between bureaucratic autonomy and quality of governance. A higher autonomy means that bureaucracies receive less mandates from politicians, which gives them more freedom, but an extremely high autonomy means that bureaucrats are free from any political control and set their goals independently, potentially leading to negative consequences.

Rothstein & Teorell (2008) criticized these approaches for being too broad because of their inability to differentiate between issues relating to access to and exercise of power, and between the content of policy programs and the governing procedures. Such distinctions are important to make since the access to power relates to the input side of policy, while the exercise of power is related to the output side, though both regulate the relationship between a state and its citizens. He also raised concerns about potential debates on malleable terms such as "sound policies," given disparate policy preferences across socioeconomic levels and the political spectrum.[1] Then, he tried to take a less normative approach to quality of governance by defining it as "the impartiality of institutions that exercise government power" with no place for political leanings, bribes, ethnic networks, or clientelistic personal networks. Fukuyama (2013) regarded this approach as insufficient by arguing that a state can be highly impartial but still incapable of delivering goods and services, and asked Rothstein to empirically verify his claim that impartial states have such capacity and autonomy.

Rothstein clearly stated that quality of government is "neither the absence of corruption, nor representative democracy, nor the size of government, nor the rule of law, nor administrative effectiveness." To regard good governance as the absence

1 Refer to the World Bank's "good governance" factors

of corruption in its traditional form as "the abuse of public power for private gain" is inaccurate due to a lack of a universally accepted interpretation of the abuse of power. It is impossible to classify what counts as inappropriate government behaviour because acts like patronage, cronyism, nepotism, systemic discrimination and clientelism are not universally perceived as corruption. Size of government does not matter either because while some scholars believe that larger governments increase the likelihood rent-seeking and corruption, and implement policies that hinder economic growth, Rothstein claims that lowering public spending and ambitions does not increase quality of governance; he uses Scandinavian countries as counterexamples for this inverse relationship hypothesis. Viewing quality of governance as the "rule of law" is also controversial. Despite being defined as "a set of stable political rules and rights applied impartially to all citizens" (Weingast, 1997), implying "equality [of all] before the law," scholars have not agreed yet on its exact interpretation, arguing whether more attention should be paid to the internal qualities of the laws, or the procedures of their application. Lastly, defining quality of governance as government effectiveness is tricky because quality implies efficiency, but not vice versa, because a high-quality government is always effective, but an effective government can implement what some would call "bad" policies (Rothstein & Teorell, 2008).

c. Intersection of Governance and Democracy

In theory, there has always been an orthodox belief that democracy is a good solution for ineffective bureaucracies since it provides people with the instruments that enable them to limit the powers of corrupt officials, replace them, and put them on trial, thus elevating the quality of governance on the long run (Rothstein, 2011). There are two mechanisms by which democracy translates into good governance: the mandate view, and the accountability view. Under the mandate view, the process of democratic elections is supposed to filter good policies and politicians from the bad ones and bring them to power. Think of elections as a three-stage game between politicians and voters. In the ex-ante stage (pre-election campaigns), parties or candidates propose their policies to citizens, who decide on which policies can positively affect their welfare and which politicians have the best ability to implement these policies. Elections are the interim stage at which citizens select their representatives, and the winning platform translates to the government mandate. Under the accountability view, elections are an incentive for politicians to abolish corruption and rent-seeking in governments, because in the ex-post stage, voters in the next elections can vote for others remove the incumbents from office. Third-party actors, namely democratic institutions such as the legislative system and media, hold executives accountable by possessing the instruments that can punish corrupt politicians and inform citizens about them and their illicit activities, which can damage their reputation. As a result, politicians are expected to focus on improving citizens' welfare rather than seeking benefits, getting rich, getting recognition from external forces, doing favors for people in their circle, or harming other politicians.

In practice, these two mechanisms become inaccurate since problems with adverse selection and moral hazard in addition to electoral systems have risen. During elections, politicians, especially from the extremes of the spectrum, may misreport their policies or use a milder tone to appeal to the median voter and win the elections. Citizens might not agree fully with the parties' agendas and have different policy priorities, so they pick parties that are closest to their ideals. After elections, they might defect and pursue their real agenda, private goals, or public interests that are different from their promises, which could be done in a way that the population cannot observe, or in the best scenario monitor only at a high cost. Voters typically are not fully-informed about politicians and policies, so their preferences might not to lead to what is best for them (Przeworski et al., 2001). Even in the strongest democracies, what politicians say can totally vary from public events to private meetings and can be hugely influenced by lobbying and personal relations with other politicians. In addition, voters do not always punish corrupt or dishonest politicians. In the cases of Silvio Berlusconi and George W. Bush, voters reelected them. Electoral systems such as majoritarian systems do not accurately translate voting preferences to outcomes since they encourage sophisticated and strategic voting. Citizens might not vote for their top options after realizing their candidate's low chances of winning and citizens may decide to choose less preferred options to prevent political parties with policies against their preferences from winning elections. Proportional representation can lead to a more accurate translation of voting preferences, but having more parties in the decision-making process can slow it down and lead to compromises.

Rothstein & Teorell (2008) show that the definition of democracy as equality and quality of governance as impartiality overlap in two fundamental areas: 1) political rights and 2) free and fair elections. Democracy guarantees political rights such as freedom of expression and association within a legal framework which is applied impartially to all citizens, giving them the right to vote, establish parties, and run for office. In other words, democracy as equality implies impartiality of institutions in regulating access to power. In addition, free and fair elections are supervised by government institutions, which prevent rigging, gerrymandering and other violations made by the ruling party to diminish the opposition's possibility of overtaking power. However, this overlapping of the two concepts is partial. In practice, free and fair elections can bring corrupt politicians to power, such as Dilma Rousseff of Brazil, Rodrigo Duterte of the Philippines, or Donald Trump of the U.S. This can diminish impartiality of government institutions. This happens if we assume that people who run for elections are not motivated by personal gains. Another conceptual deficit in this overlap is that democracy is associated with qualities that are mostly associated with the content of policies.

Rothstein (2011) believes that a combination of democracy with meritocratic recruitment leads to what I referred to earlier as "epistemic democracy" because

bureaucrats recruited based on merit improve the content of policies through the input of knowledge-based rationality into the decision-making and implementation processes. On the contrary, incompetent civil servants hired through patronage and nepotism have "distorted views about reality" and can influence executives to make ill-informed decisions. Since competence within state institutions leads to the production of policies that improve the overall welfare of citizens, a state's political system should be institutionalized in a way that minimizes corruption in the hiring process of bureaucrats. A meritocratic civil service increases the sources of political legitimacy within a state, so this results in balancing the influence of elected politicians and holding them accountable. Groups with different interests and different sources of legitimacy monitor each other when they work together, diverting them away from pursuing their self-interests and incentivizing them to work toward the common good, leading to less corruption and abuse of power (Dahlstrom et al., 2011).

d.Governance in Old and New Democracies

Charron & Lapuente (2010) used two mechanisms to show the variation of the effect of democratization on the quality of governance, and these were: 1) the level of democracy, and 2) the time of exposure to democracy. The "level of democracy" approach shows that quality of governance is lowest in partially-democratized states, higher in dictatorships, and highest in established democracies. As claimed by Levitsky & Way (2002), the coexistence of authoritarian governments with democratic institutions leads to tensions and instability. At the initial stages of democratization, the existence of independent judicial, legislative, electoral systems and unbiased media work for the interests of the opposition and raise the cost of repression, which limits the powers of autocrats who become weaker and risk losing power. This deteriorates the state's administrative capacity and lowers the quality of governance because autocrats are faced with more popular resistance and less support from institutions. It is not a relatively high threshold of democracy when the hierarchal structure and repressive mechanism of autocratic regimes are superseded by democratic institutions that facilitate administrative advancement and raise the quality of governance (Back et al, 2008).

On the other hand, the "time of exposure to democracy" approach reveals that the benefits of democracy are only reaped after it matures, because the longer the experience with democracy, the better the quality of governance (Polterovich & Popov, 2007). If we compare newly-established democracies and old democracies in terms of efficiency of institutions, behaviour of voters, politicians, reputation, popularity of political parties, and end results, then young democracies would certainly fall short since democratic practices need time to develop and actors need time need to get accustomed to them. In younger democracies, politicians cannot make credible promises to voters before elections because building a reputation needs time, effort and money. New faces

in politics follow one of two strategies: 1) build credibility directly among voters, which is a costly, slow option, or 2) rely on patrons that are trusted by their clients. Most politicians have neither the abilities nor the resources to follow the first strategy, so they prefer clientelist policies over pre-electoral commitments (Charron & Lapuente, 2010).

Clientelism occurs when "an individual of higher economic status (patron) uses his own influence and resources to provide protection or benefits…for a person of lower status (client) who… reciprocates by offering general support and assistance, including personal services, to the patron." Clientelistic policies include underproviding non-targeted public goods such as healthcare, education, property rights, overproviding targeted transfers such as jobs to specific groups of people, and rent-seeking. Since clients are only interested in targeted goods, politicians have low incentives to use public good promises to attract voter support. The smaller the groups of people politicians provide targeted transfers for, the bigger the distortions their policy preferences are from providing non-targeted goods. Officials engaged with corruption and rent-seeking have a lower risk of losing office because voters trust neither them nor their challengers, and are to some extent indifferent to their performance. Consequently, younger democracies have higher corruption, less rule of law, lower quality of bureaucracy, less freedom of press, more frequent political violence and higher social fragmentation than old democracies (Keefer, 2007).

To extend on this, Dahlberg et al. (2015) claim that there is a democratic deficit in young democracies. The input part of the political process is weaker and less salient because of the unestablished cleavage structures, high volatility in electoral outcomes, inconsistent party ideology, unstable party system, and low programmatic appeal of political parties, resulting in low citizen participation in the representation game. Citizens interact more with the output part of the system, namely public bureaucracies, so these frequent interactions directly after democratization lead to what is known as "cognitive dissonance between democracy as an ideal and practice." After decades of dictatorship, citizens have high hopes for the democratic process, so their expectations are easily affected by shocks. Corruption and inefficiency are hard to remove from bureaucracies in the short run, so we see citizens who believe in the principles of democracy start expressing their discontent with how it functions within a political system. On the other hand, many citizens benefitted from the old dictatorship and democratization came against their will, so their tolerance of democracy depends on the extent and duration corruption stays in public bureaucracies, the corruption that allowed them to receive the benefits they were entitled to under dictatorship (Borang et al., 2017). All these factors add up, causing dissatisfaction with democracy.

Huntington (1991) mentioned the possibility of reversal to authoritarian rule in newly-established democracies if: 1) key elite groups and the public do not hold strong democratic values, 2) social conflict caused by economic hardship which regained the

popularity of solutions implemented by authoritarian governments, 3) political and social polarization ignited by mostly left-wing governments hungry for large-scale reforms, 4) exclusion of populist and left-wing movements and lower-class groups from the political process by the upper class and the conservative middle-class, 5) insurgency and terrorism causing lack of law and order, 6) involvement of undemocratic external powers, and 7) "reverse snowballing" fostered by the fall of other democracies. An additional factor is the failure to deliver goods and systems and operating less effectively than the previous autocratic regime. When the first post-democratization governments are elected, they are likely to over-depend on their democratic legitimacy instead of relying on their performance and ability to sustain public goods. This results in popular dissatisfaction, especially when people forget about the drawbacks of dictatorship. Historically, each wave of democracy had a reverse wave occurring in some countries through intervention of foreign powers, military coups, or executive coups where elected rulers decide to end democracy by increasing their powers using martial law or declaring a state of emergency.

Data

To carry out empirical analysis on how the level of democracy affects quality of governance, variables for quality of governance, gross domestic product (GDP) per capita (current US$), oil rents (percent of GDP), polity IV, ethnic, linguistic, and religious fractionalization and war intensity are calculated. My dataset includes observations for 112 countries for the period between 1984 and 2015. Table 1 shows a summary of descriptive statistics to the variables in my sample. The relatively similar number of observations for each variable shows that there are a few gaps in the data. It is worth noting that war intensity is a rescaled variable, since it is the sum of two ten-point indicators for civil and international war. To demonstrate, the maximum value shows a total intensity of civil and international war of fourteen on a twenty-point scale. It is impossible to know the breakdown of values without looking at individual data entries since we assume that both types of wars have the same weight/effect.

Table 1: Descriptive Statistics

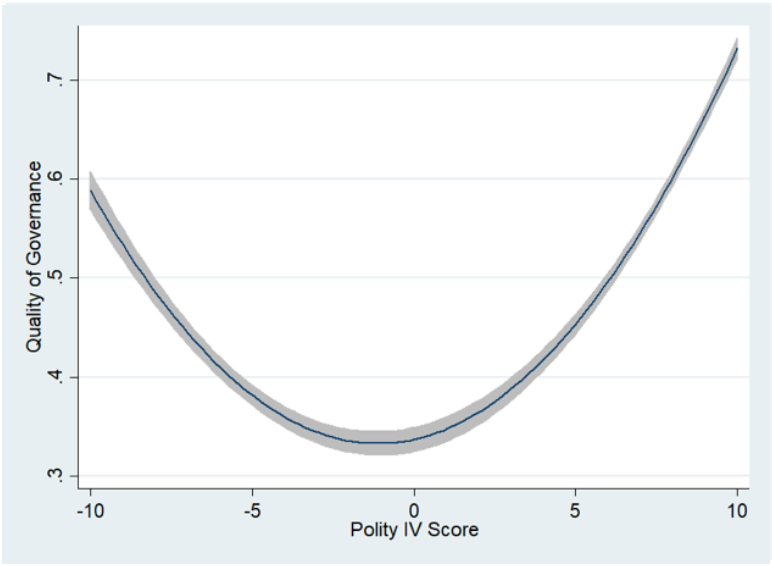
VARIABLES	Obs.	Mean	Std. Dev.	Min	Max
Quality of Governance	3,616	0.543	0.228	0.0417	1
Oil Rents (% of GDP)	3,237	5.803	12.17	0	73.33
Polity IV	3,594	3.099	6.908	-10	10
GDP Per Capita	3,525	10,078	15,829	64.81	117,508
Ethnic Fractionalization	3,612	0.461	0.266	0.00200	0.930
Linguistic Fractionalization	3,548	0.394	0.301	0.00211	0.923
Religious Fractionalization	3,612	0.427	0.244	0.00346	0.860
War Intensity	3,616	0.798	1.900	0	14

Table 2 shows the correlation matrix between all variables. It is worth mentioning that there is no strikingly positive correlation between quality of governance and the polity IV score (0.4431). I plot this relationship in figure 1, which shows a J-shaped relationship between both variables. Quality of governance is relatively high level in autocracies, and it reaches its lowest level in anocracies with a polity score of almost zero, when autocratic and democratic elements are equal, then goes up again to its highest level with the least variance in democracies. The marginal effect of varying polity IV score on quality of governance is highest in democracies, lower in autocracies, and lowest in anocracies. The strongest correlation is between quality of governance and GDP per capita (0.7029).

Table 2: Correlation Matrix

	Qog	Polity	EF	LF	RF	War	GDP pc
Polity	0.4431						
Ef	-0.5286	-0.3467					
Lf	-0.3451	-0.2541	0.6414				
Rf	0.1456	0.0982	0.1965	0.2987			
War	-0.3324	-0.0924	0.1562	0.3528	-0.0721		
GDP pc	0.7029	0.3308	-0.3847	-0.3873	0.0645	-0.3539	
Oil Rent	-0.3806	-0.4465	0.4403	0.1627	0.0664	0.0569	-0.1723

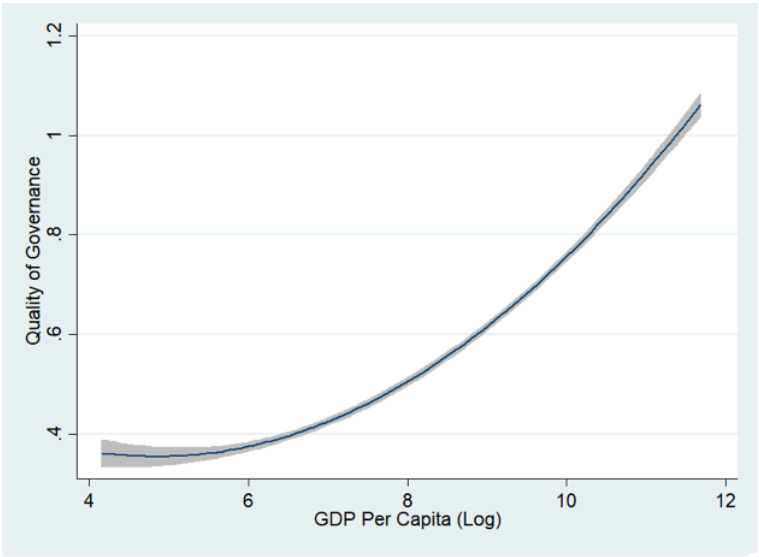
Figure 1: Quality of Governance & Polity IV Score



a. Dependent Variable

To measure the effectiveness of government institutions, I use the quality of governance indicator (QoG), which is constructed by Political Risk Services Group (PRS) and published in their International Country Risk Guide (ICRG) project. The composite measure jointly puts corruption and competency into consideration. It is the mean value of corruption, law and order, and bureaucracy quality, rescaled to a one-point index. Corruption (6 points) is its rating within the country's political system in the form of patronage, favouritism, nepotism and the intersection of money and politics. Law (3 points) is the strength and impartiality of the legal system, while order is the popular observance of law (3 points), and bureaucracy quality (4 points) is the capability of bureaucracies to rule without significant alterations in policy and provide government services without interruptions. QoG acts as a proxy for the "procedural quality in public bureaucracy", since higher quality of governance implies the relative autonomy of bureaucracy away and its ability to recruit and train civil servants away from political pressure (Teorell et al., 2015). QoG is a much better proxy than representative democracy for economic prosperity, life satisfaction, reduced poverty, political legitimacy, gender equality, social capital, education, life expectancy and peace. Figure 2 shows the strong, positive correlation (0.7029) between GDP per Capita and QoG.

Figure 2: Quality of Governance & GDP Per Capita



The advantages of using the ICRG is the relevance of some of its components, wide country coverage, and long panel of data that allows for dynamic analysis. Despite that it does not measure impartiality like the QoG Institute Expert Survey index, which does not have extensive time series, it gives a highly-positive and statistically significant correlation ($r = 0.83^{***}$, $N = 97$) with the impartiality measure. The bureaucracy quality component of the ICRG measure is also correlated with lower levels of corruption (Borang et al., 2017).

One of the main problems with such measure is the defects with expert surveys. Definitions of QoG can be very broad, have a functionalist slant, or just capture corruption, and this may lead each expert to answer differently to the same question. Another problem is its inaccuracy in measuring the quality of institutions of huge and complex countries such as the United States and China where their performance in different components is vastly different. In addition, quantitative measures of components such as rule of law can be inaccurate because the term itself lacks a clear definition. Different results would be produced if, for instance, we measure rule of law as constraints to the executive instead of the capacity of the legal system, which are both hard to measure (Fukuyama, 2013).

Quantifying QoG precisely for empirical research remains challenging due to universalism, which is due to applying the same approach throughout the globe. This might be invalid due to the vast cross-country diversity of institutional configurations, even when these countries have the same level of quality of governance. Hence, QoG does not aim to describe a set of institutional arrangements but a "basic norm that characterizes their institutional systems as a whole" (Rothstein, 2011).

b. Independent Variable

To measure level of democracy and regime authority within a country, I use the polity IV index constructed by Systemic Peace. It concentrates on the distribution of power in terms of authority limits on executives and on electoral factors, such as cross-party competition and the role political participation plays in electing the executive. Polity IV quantifies democratic elements and subtracts them by autocratic elements to give a result that ranges from -10 for hereditary monarchies to 10 for consolidated democracies. Countries with scores ranging from -5 to 5 are called anocracies, which are inefficient and unstable political systems defined by the inconsistent hybrid of democratic and autocratic qualities. Transitional or imperfect democracies, in addition to weak dictatorships, fall within this category since repressive mechanisms are weakened and corruption is not only ubiquitous but also unprecedentedly high within institutions.

c. Control Variable

To establish a valid causal relationship between the level of democracy and quality of governance, I add several exogenous control variables that have shown an effect on the dependent variable. First, GDP per capita (logged) measures a country's economic output relative to its population. Data is obtained from the

World Bank and it is calculated by dividing GDP by a country's total population to indicate its standard of living. It is expressed in current U.S. dollars to control for inflation. Second, I control for oil rents (logged), since oil-rich countries are known to be more corrupted and less efficient, which is the revenue generated from the difference between the selling value of oil production at world prices and total costs of production. Data is also obtained from the World Bank and is expressed as a percentage of GDP. I log both variables to reduce variance and hence standard errors.

I also control for ethnic, linguistic, and religious fractionalization, since partiality is common in more diverse societies (Alesina et al., 2003). It is a one-point index calculated using $FRACT_j = 1 - \sum_{i=1}^{N} s_{ij}^2$, where s_{ij} is the share of group i (i=1,…,N) in country j. A higher value indicates a lower probability of a person speaking the same language (linguistic), belonging to the same ethnic (ethnic) and/or religious group (religious) as another person in the same country. Since it is hard to update demographic censes frequently due to technical and political issues, the values are collected once for each country in different years and are assumed to be fixed.

Last, I control for war intensity, since involvement in war or any type of major violence, whether within a country's borders or abroad, depletes a country's resources and reduces its administrative capabilities. My measure is based on Systemic Peace's measure for war. I sum together two indicators, Civil War (CIVTOT) and International War (INTOT), which both are indicated on a ten-point scale. Civil war is the sum of magnitudes of all domestic major episodes of political violence including civil violence, civil war, ethnic violence, and ethic war. International war is the sum of magnitudes of all interstate major episodes of political violence, including international violence and war.

Estimation Strategy

Endogeneity is a serious issue when estimating the effect of the level of democracy on quality of governance. Both variables are affected by similar factors, many of which are hard to measure accurately or even to quantify. For instance, there are cultural and historical factors that contribute to the demographic makeup, such as the way societies function, the quality of institutions, and the behaviour of officials. Hence, self-selection bias, where countries "self-select into democracy on the basis of unobservable effects," is likely to affect the quality of governance, and therefore makes determination of causation harder (Kolstad et al., 2011). Moreover, reverse causality between the two variables can occur since higher quality of governance could potentially lead to more democratic societies. This leads to a puzzle: does democracy lead to good governance, or does good governance lead to democracy? One can argue that better quality of bureaucracy may encourage people to advocate for democracy "by facilitating citizens' calculations on the utility of democracy or by generating the belief that

existing political institutions are the most proper ones for the society" (Lipset, 1959). In addition, quality of governance can lead to better decision-making within democracies. Therefore, the possible correlation between the level of democracy and the error term renders the ordinary least squares (OLS) approach invalid in capturing a causal effect.

To solve the problem of endogeneity, I use the two-stage least squares (2SLS) estimation strategy. I had to find a variable correlated with level of democracy, but not with quality of governance or error term. This was no easy feat since many variables can be correlated; I decided to use the lagged values of the polity IV, expecting the influence of current shocks on them to be negligible. I chose to lag the values by five years, as lagging for fewer years would still result in endogeneity and lagging for more years would lead to a loss of substantial data resulting in almost no connection between the independent variable and the instrument.

My model is as follows: use a quadratic regression expecting a non-linear relationship, using polity IV and polity IV squared lagged by five years as instruments in an exactly identified model. Two equations form my first stage regressions:

$$polity_{it} = \alpha_{10} + \alpha_{11} polity_{i\,t-5} + \alpha_{12} polity^{2}_{i\,t-5} + \sum_{k=1}^{K} \theta_{1k} x_{kit} + v_{1it} \quad (1)$$

$$polity^{2}_{it} = \alpha_{20} + \alpha_{21} polity_{i\,t-5} + \alpha_{22} polity^{2}_{i\,t-5} + \sum_{k=1}^{K} \theta_{2k} x_{kit} + v_{2it} \quad (2)$$

Polity IV is first regressed on the lagged polity IV and lagged polity IV squared instruments, and exogenous control variables in equation 1, then I regress polity IV squared on the lagged polity IV and lagged polity IV squared instruments, and exogenous control variables in equation 2. Tables 6 and 7 in the appendix show the first stage regressions with different specifications of control variables. In equation 1, the coefficient of lagged polity IV is positive and statistically significant, and the coefficient of lagged polity IV squared is negative and statistically significant. In equation 2, both coefficients of lagged polity IV and lagged polity IV squared are positive and statistically significant, showing that level of democracy in previous years significantly affected the current level of democracy. To validate my instrument, I carry out an F-test on each specification to get values significantly higher than ten, as seen in the tables, which shows that my instruments are strong. Then, I proceed with the second stage equation, where I regress quality of governance on the polity IV and polity IV squared values, both of which were estimated in the first stage regressions, as well as the control variables:

$$qog_{it} = \beta_0 + \beta_1 \hat{polity}_{it} + \beta_2 \hat{polity^{2}_{it}} + \sum_{k=1}^{K} \delta_k x_{kit} + u_{it} \quad (3)$$

Results and Robustness Tests

Table 3 shows the regressions of quality of governance on polity IV and polity IV squared with different specifications of control variables. In model 1, I control for oil rents, fractionalization, and war intensity; in model 2, I put the same controls except for oil rents, which I replaced with GDP per capita; and in model 4, I control for all exogenous variables in addition to time dummies, which prevent issues related to spurious correlation when the dependent and independent variables have an independent variation but follow a constant time trend. Results are consistent throughout the models: the coefficient of polity IV is positive and insignificant, while the coefficient for polity squared is positive and statistically significant at one percent significance level. This shows a positive non-linear relationship between level of democracy and quality of governance. As the absolute value of the polity score increases, the effect on governance is stronger, with the effect dependent on the sign of the score. Effect is lowest in autocracies where the absolute values are the lowest. In other words, democratization of autocracies causes the decrease in administrative capacity, while further democratization of anocracies has a small effect on quality of governance. When the country becomes more democratic, more democratization leads to a positive effect. This shows that the mere existence of democracy does not improve quality of governance, but rather only countries with a relatively high level of democracy and an accumulated experience with the democratic process feel the positive impact of democracy on the quality of governance.

In model 3, I control for oil rents, GDP per capita, and country dummies, my fixed effects, instead of controlling for fractionalization. In model 5, I control for oil rents, GDP per capita, war intensity, time trends, and country dummies. I get a negative, insignificant coefficient for polity IV; a negative coefficient polity IV squared that is only significant at 10 percent significance level; and a negative coefficient for polity IV squared statistically significant at one percent significance level. While the R-squared values are much higher for these columns, I believe that both specifications suffer from omitted variable bias, since country dummies do not accurately capture fixed effects that fractionalization is able to measure.

Regarding control variables, I notice ethnic fractionalization has a negative and statistically significant effect on quality of governance, since a majority can disregard the impartiality principle explained previously, and exert governmental authority against minorities. On the other hand, linguistic and religious fractionalizations have a positive and statistically significant effect on quality of governance. Although it seems counter-intuitive at first, a complementarity effect can be entertained, where linguistic and religious diversity enriches society and increases quality of institutions.

Oil rents have a negative, statistically significant effect at one percent significance level on quality of governance, which is unsurprising due to the "rentier effect," where low tax rates and patronage are used by governments of resource-rich nations to reduce demands for greater domestic accountability

(Ross, 2001). War Intensity also has a negative, statistically significant effect at 1 percent significance level on quality of governance because of the negative effects of war on different types of capital, which diminish the state's capabilities to govern society, as well as distort the executives' incentives to provide public good.

Remarkably, GDP per capita has a positive, significant effect at one percent significance level on quality of governance in models 2 and 4. Governments in poorer countries are expected to deliver goods and services for immediate consumption, and therefore citizens do not appreciate their governments when they make long-term investments in their administrative capacities. However when economies develop, which affects income levels and the standard of living, citizens' preferences change and demand more resources to be directed towards the development of bureaucracy, thus enhancing quality of governance. Charron et al. (2010) conclude that quality of governance in poor countries is highest under authoritarian regimes, while under democratic regimes it is highest in moderate to wealthy countries. However, in models 3 and 5 the effect becomes insignificant because of country dummies.

To test for the validity of the instruments, I carry out a Hausman test for each specification. I get values higher than 10 in all models except for model 5. This renders model 5 irrelevant since the instrument is not strong enough when controlling for such exogenous variables, making the model's results less reliable, directly affecting model 3's reliability as well.

Table 4 shows the regressions of quality of governance on polity IV and polity IV squared using the specifications in model 4 while grouping countries and excluding a group at once. In model 1, I exclude oil-rich countries, which are mostly autocratic but with relatively high quality of governance, to get a negative, statistically significant coefficient at 1% significance level for polity IV and a positive, statistically significant coefficient also at 1% significance level for polity IV squared. This result implies that higher polity IV decreases quality of governance but increases its effect. Coefficients for control variables remain the same. In model 2, I exclude Asia, where countries vary a lot in their modes of government and economic disparity, to get the same effect as model 1, except that war intensity ceases to become significant and linguistic fractionalization starts having a similar effect as ethnic fractionalization, which shows that linguistically diverse societies outside of Asia are harder to govern. In model 3, I exclude Europe, while in model 4, I exclude North, Central and South America to get a similar effect to model 4 in table 3, since countries in these areas are mostly democratic with relatively high levels of quality of governance. In model 5, I exclude Africa to get a positive, statistically significant coefficient at 1% significance level for polity IV and a positive, statistically significant coefficient at 1% significance level for polity IV squared, which implies that higher polity IV increases quality of governance and increases its effect as well outside of Africa. This shows that, on average, African countries are relatively democratic but with low quality of governance due to corrupt institutions and colonial

legacies. Coefficients for control variables remain the same as well.

Table 3: Effect of Polity Score on Quality of Governance (IV)

	Dependent Variable: Quality of Governance				
VARIABLES	IV 1	IV 2	IV 3	IV 4	IV 5
Polity	0.000156	0.000610	-0.00958*	0.000962	-0.00777
	(0.000892)	(0.000659)	(0.00576)	(0.000792)	(0.00516)
Polity-squared	0.00290***	0.00135***	-0.00141***	0.000779***	-0.000762**
	(0.000171)	(0.000172)	(0.000478)	(0.000197)	(0.000381)
Oil Rent (Log)	-0.0112***		-0.0215***	-0.0102***	-0.0242***
	(0.00163)		(0.00400)	(0.00135)	(0.00357)
GDP Per Capita (Log)		0.0692***	0.00983	0.0780***	-0.0156
		(0.00254)	(0.00814)	(0.00348)	(0.00954)
EF	-0.260***	-0.227***		-0.239***	
	(0.0201)	(0.0157)		(0.0161)	
LF	0.0414**	0.119***		0.100***	
	(0.0180)	(0.0134)		(0.0162)	
RF	0.128***	0.0926***		0.104***	
	(0.0137)	(0.0106)		(0.0121)	
War Intensity	-0.0204***	-0.0109***		-0.0128***	-0.0247***
	(0.00164)	(0.00136)		(0.00171)	(0.00209)
Observations	2,022	3,427	2,018	2,016	2,018
R-squared	0.551	0.610	0.808	0.695	0.845
Hausman Test	13.37	10.82	13.34	15.72	7.30
Country Dummies	NO	NO	YES	NO	YES
Time Trends	NO	NO	NO	YES	YES

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 4: Cross-Country Effect of Polity Score on Quality of Governance (IV)

	Dependent Variable: Quality of Governance				
VARIABLES	IV 1 Exc. Oil-Rich	IV 2 Exc. Asia	IV 3 Exc. Europe	IV 4 Exc. Americas	IV 5 Exc. Africa
Polity	-0.00370***	-0.0149***	-0.000578	0.000491	0.00275***
	(0.00117)	(0.00217)	(0.000773)	(0.00113)	(0.000825)
Polity-squared	0.00120***	0.00222***	0.00149***	0.000980***	0.00118***
	(0.000215)	(0.000372)	(0.000180)	(0.000194)	(0.000233)
EF	-0.254***	-0.252***	-0.158***	-0.252***	-0.218***
	(0.0188)	(0.0218)	(0.0171)	(0.0287)	(0.0213)
LF	0.0802***	-0.0662**	0.0495***	0.0596**	0.152***
	(0.0178)	(0.0306)	(0.0169)	(0.0243)	(0.0187)
RF	0.0684***	0.210***	0.104***	0.104***	0.163***
	(0.0149)	(0.0236)	(0.0134)	(0.0145)	(0.0145)
War Intensity	-0.0107***	-0.00346	-0.0110***	-0.0104***	-0.0143***
	(0.00191)	(0.00233)	(0.00160)	(0.00173)	(0.00165)
GDP Per Capita	0.0730***	0.0855***	0.0592***	0.0622***	0.0626***
(Log)	(0.00370)	(0.00603)	(0.00307)	(0.00308)	(0.00353)
Oil Rent (Log)	-0.0101***	-0.0132***	-0.0157***	-0.0105***	-0.00876***
	(0.00140)	(0.00200)	(0.00147)	(0.00159)	(0.00184)
Observations	1,635	1,371	1,606	1,597	1,582
R-squared	0.655	0.692	0.564	0.672	0.651
Country Dummies	NO	NO	NO	NO	NO
Time Trends	NO	NO	NO	NO	NO

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

In table 5, I use polity IV and lagged polity IV squared lagged by seven years as alternative instruments in the same exactly-identified model and I use the same specifications for the control variables as in table 3. This is because I believe that lagging for many years would result in a loss of a lot of data from the 1980s, which witnessed the third wave of democratization in almost thirty countries; there would also be almost no connection between the independent variable and the instrument. In model 1, I get a negative coefficient of polity score that is statistically significant at five percent significance level, and a positive coefficient of polity IV squared that is statistically significant at one percent significance level. Controls remain consistent except for linguistic fractionalization, which becomes only significant at 10 percent significance levels. In model 2, I get a negative coefficient of polity score that is statistically significant only at 10 percent significance level, and a positive coefficient of polity IV squared that is statistically significant at one percent significance level. Models 3, 4, and 5 produce similar results to the ones in table 3. However, when doing the Hausman test, all the values are above 10, and thus results from model 3 and 5 cannot be disregarded. This shows omitted variable bias and that accurate fixed effects are difficult to obtain.

Table 5: Effect of Polity Score on Quality of Governance (Alternative IV)

	Dependent Variable: Quality of Governance				
VARIABLES	IV 1	IV 2	IV 3	IV 4	IV 5
Polity	-0.00217**	-0.00145*	-0.00269	-0.00104	-0.00751
	(0.00106)	(0.000860)	(0.00713)	(0.000949)	(0.00720)
Polity-squared	0.00313***	0.00167***	-0.00261***	0.000804***	-0.00233***
	(0.000201)	(0.000211)	(0.000641)	(0.000242)	(0.000545)
Oil Rent (Log)	-0.0133***		-0.0236***	-0.0121***	-0.0248***
	(0.00176)		(0.00412)	(0.00147)	(0.00406)
GDP Per Capita (Log)		0.0680***	0.00366	0.0792***	0.00606
		(0.00286)	(0.00986)	(0.00394)	(0.0107)
EF	-0.257***	-0.233***		-0.241***	
	(0.0207)	(0.0161)		(0.0164)	
LF	0.0331*	0.118***		0.0905***	
	(0.0185)	(0.0135)		(0.0167)	
RF	0.136***	0.0975***		0.114***	
	(0.0145)	(0.0108)		(0.0129)	
War Intensity	-0.0199***	-0.0108***		-0.0122***	-0.0269***
	(0.00174)	(0.00142)		(0.00181)	(0.00247)
Observations	2,020	3,422	2,016	2,014	2,016
R-squared	0.535	0.599	0.799	0.683	0.813
Hausman Test	21.49	20.67	28.30	25.54	18.81
Country Dummies	NO	NO	YES	NO	YES
Time Trends	NO	NO	NO	YES	YES

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Concluding Remarks

In this paper, I tried to reinvestigate the puzzling relationship between the level of democracy and quality of governance using the instrumental variable approach. In addition, I discussed the prominent works of literature that explained the key factors and mechanisms that showed democracy alone is not a sufficient condition for high quality of governance. Using data for 112 countries over the period 1984-2015, I predicted that the relationship between the two variables is strong, statistically significant, and non-linear, which supported the theoretical hypotheses I made earlier in the paper. Quality of governance is highest in consolidated democracies, lower in strong autocracies, and lowest in anocracies. Regression coefficients suggest that democracy reduces quality of governance in countries with low levels and in early stages of democracy, but once a well-functioning, mature democracy is established, the quality of governance is significantly improved.

As my results proved, democratization is risky since it weakens the state's administrative capacity and can lead to a reverse transition to a worse version of autocracy. Countries that aim to democratize should implement anti-corruption

initiatives similar to that of countries with high quality of governance, and should recruit public bureaucrats based on competence and skills and not on patronage and nepotism. Since the rule of law, transparency, and accountability are important factors that enhance government performance, state institutions should be reformed in a way that guarantee the promotion of these qualities. States undergoing democratization should also consider implementing social and economic developmental reforms. Politicians should refrain from building credibility by carrying out clientelistic policies to narrow groups of voters but invest more time and resources in establishing a good reputation by promising the adequate delivery of public goods to all eligible citizens. If states take such serious steps, democracy will mature and will result in a higher quality of governance.

Although authoritarian rule is disapproved of today in most parts of the world, not all democratic countries are reaping the benefits of an efficient democracy; in fact many of them are in worse conditions than some autocracies in terms of administrative capacity, economic development, and control of corruption. However, the long-term social and economic benefits of democracy are worth undergoing the challenge if implemented correctly.

Appendix

Table 6: First Stage Regression with Polity (OLS)

	Dependent Variable: Polity Score				
VARIABLES	OLS 1	OLS 2	OLS 3	OLS 4	OLS 5
ins_Polity (t-5)	0.658***	0.653***	0.0628***	0.640***	0.0850***
	(0.0182)	(0.0156)	(0.0198)	(0.0191)	(0.0185)
ins_Polity-Sq. (t-5)	-0.0264***	-0.0246***	-0.0278***	-0.0284***	-0.0222***
	(0.00344)	(0.00345)	(0.00384)	(0.00429)	(0.00346)
Oil Rent (Log)	-0.457***		0.0476	-0.479***	-0.197**
	(0.0474)		(0.101)	(0.0469)	(0.0983)
GDP Per Capita (Log)		0.510***	1.219***	0.300***	-1.255***
		(0.0766)	(0.116)	(0.104)	(0.224)
EF	-1.538**	-3.441***		-1.157*	
	(0.601)	(0.466)		(0.602)	
LF	-2.864***	-0.422		-2.914***	
	(0.577)	(0.396)		(0.584)	
RF	3.077***	1.205***		2.990***	
	(0.475)	(0.364)		(0.469)	
War Intensity	-0.0578	-0.109**		0.0728	-0.136**
	(0.0661)	(0.0542)		(0.0673)	(0.0687)
Observations	2,022	3,427	2,018	2,016	2,018
R-squared	0.595	0.530	0.870	0.614	0.884
F-test	718.27	872.43	26.23	597.06	23.01
Country Dummies	NO	NO	YES	NO	YES
Time Trends	NO	NO	NO	YES	YES

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 7: First Stage Regression with Polity-Squared (OLS)

	Dependent Variable: Polity Score (Squared)				
VARIABLES	OLS 1	OLS 2	OLS 3	OLS 4	OLS 5
ins_Polity (t-5)	0.688***	0.594***	0.848***	0.599***	0.822***
	(0.0872)	(0.0631)	(0.0984)	(0.0764)	(0.0927)
ins_Polity-Sq. (t-5)	0.625***	0.514***	0.206***	0.514***	0.191***
	(0.0204)	(0.0177)	(0.0237)	(0.0221)	(0.0221)
Oil Rent (Log)	0.263		-1.654***	0.281*	-1.003*
	(0.182)		(0.533)	(0.167)	(0.519)
GDP Per Capita (Log)		5.193***	1.050	6.545***	9.188***
		(0.321)	(0.639)	(0.440)	(1.224)
EF	-17.62***	-10.40***		-12.21***	
	(2.682)	(1.970)		(2.368)	
LF	-3.850	0.931		1.263	
	(2.427)	(1.741)		(2.303)	
RF	10.35***	0.837		6.532***	
	(2.037)	(1.513)		(1.824)	
War Intensity	-1.293***	-0.861***		-0.514*	-1.953***
	(0.324)	(0.254)		(0.300)	(0.337)
Observations	2,022	3,427	2,018	2,016	2,018
R-squared	0.626	0.648	0.811	0.678	0.825
F-test	755.36	611.94	91.83	400.18	101.94
Country Dummies	NO	NO	YES	NO	YES
Time Trends	NO	NO	NO	YES	YES

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.

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Why Do Cease-Fire Agreements Mediated by Third Parties Fall? : A Quantitative Analysis of Security Guarantees

Kazumichi Uchida

This study will examine why ceasefire agreements mediated by third parties are ineffective. In the past, scholars have argued that third parties should provide both security guarantees and power sharing guarantees for combatants to alleviate their fears and to terminate civil wars. I will use game theory to clarify that those guarantees worsen the problem. All combatants tend to make use of security guarantees to escape from the burdens of power-sharing guarantees and to prolong civil wars. Empirical analysis reveals that third parties should not put stress on power sharing guarantees, and instead should increase the number of troops on the battlefield to terminate civil wars.

Introduction

Why are cease-fire agreements mediated by third parties likely to be short-lived?

Scholars and practitioners generally believe that to end civil wars, they should employ third-party mediators to halt violence and protect the combatants.[1] The most critical factors are security guarantees and power sharing guarantees that third parties provide for the combatants.[2] All combatants in civil wars fear that even if they reach ceasefire agreements, their opponents will not comply with them, and, instead, exploit them. They fear that soon after they conform to the agreements and disarm, their opponents will attack them again. In other words, "the reason civil war negotiations

1 Monica Dufty Toft, "Ending Civil Wars: A Case for Rebel Victory?," International Security, Vol. 34, No. 4 (Spring 2010) p.7.

2 Barbara F. Walter, Committing to Peace: The Successful Settlement of Civil Wars (Princeton and Oxford: Princeton University Press, 2002) pp. 26-31.

fail is that it is almost impossible for the combatants themselves to arrange credible guarantees on the terms of the settlement."[3] To resolve the problem, scholars postulate that third parties should provide combatants with both security guarantees and power sharing guarantees. The former guarantees that groups will be protected, violations detected, and promises kept.[4] The latter guarantees combatants independent control over key leadership positions to insulate them from future harm and to prevent their rival from consolidating power.[5] Scholars argue that only if third parties guarantee both physical and political safety will combatants terminate civil wars peacefully.

In this essay, I will prove that cease-fire agreements mediated by third parties fail by demonstrating that the guarantees third parties provide for combatants worsen the commitment problem. I will begin with a review of current peacemaking theories. In the model section, I will use game theory to demonstrate that both security and power sharing guarantees that third parties provide for combatants worsen the commitment problem instead of resolving it, which results in the failures of cease-fire agreements. In the case studies section, I demonstrate that both power sharing and security guarantees are significantly associated with civil war duration by using Syrian cases from 2011 to 2016. In the conclusion, I sum up my study and results.

Literature Review

There are two schools of thought concerning the peaceful conclusion of civil wars: the Walter hypothesis and the Wagner hypothesis.[6] The former insists on negotiated settlements, which employs third-party resources to halt the violence and preserve the combatants.[7] The latter insists that negotiated settlements are more likely to break down than settlements based on military victory.[8]

Barbara Walter, after whom the former school of thought was named, argues that "negotiations will succeed and promises to abide by the terms of the settlement will be credible only if a third party is willing to enforce or verify demobilization, and only if the combatants are willing to extend power sharing guarantees,"[9] will promises to abide

3 Ibid., pp. 5-6.

4 Ibid., p. 26.

5 Ibid., p, 30.

6 Monica Duffy Toft, "Ending Civil Wars: A Case for Rebel Victory," International Security, Vol. 34, No. 4 (Spring 2010) p. 7. She called the schools "Negotiated Settlements" and "Give War a Chance."

7 Ibid., p. 7.

8 Roy Licklider, "The Consequences of Negotiated Settlements in Civil Wars, 1945-1993," American Political Science Review, Vo. 89, No. 3 (September 1995) 685.

9 Barbara F. Walter, Committing to Peace: The Successful Settlements of Civil Wars (Princeton and Oxford: Princeton University Press, 2002) p. 5.

by the original terms be credible and negotiations succeed.[10] She argues that a ceasefire agreement creates a potentially devastating opportunity for post-treaty exploitation. Over the short-term, the government and rebels will be obligated to demobilize, disengage, and disarm their separate militaries to eliminate competing armies and rebuild a single, national military force. Over the longer-term, combatants will be required to hand over conquered territory to a new central government, over which neither side would possess full control. "This dual process creates two opportunities for exploitation, and is the reason so many civil wars fail to end with successful settlements," she argues.[11] The fear of post-treaty exploitation can convince factions in a civil war to retain their weapons and reject settlements, even if both sides would otherwise prefer peace over armed conflict; Walter calls this the "commitment problem." In contrast, combatants who are certain that an outside power will enforce or verify demobilization and are guaranteed leadership in the first postwar government will voluntarily sign and implement a peace agreement, while combatants who lack third party guarantees will not.[12] Walter calls it a "credible commitment theory."[13] Therefore, this school strongly recommends that third parties should provide guarantees of both *security* and *power sharing* for combatants so that those combatants can reach agreements in the first phase. To resolve the commitment problem, third parties should guarantee combatants' physical and political safety. I will call this school of thought the "Walter hypothesis."

This hypothesis is not observed in the real world. For instance, since June 30, 2012 at the Geneva Conference, most of the actors engaged in the Syrian conflict have decided to push for a transnational government in Syria[14]; however, both the Assad regime and the rebels have broken the ceasefire agreements and continue to fight. It seems that both sides made use of the security guarantees that the third parties provided for them to offend their opponents and to expand their influence over the country instead of defending themselves. One must reconsider what roles the security guarantees provided by third parties play in civil wars. Do they really resolve the commitment problem, or do they worsen it?

The main point of the second school, the Wagner hypothesis, is that even if combatants reach temporary agreements, power shifts in favor of the dissatisfied will cause conflicts in the future. As time passes, the power balance will change in favor

10 Barbara F. Walter, Committing to Peace: The Successful Settlements of Civil Wars (Princeton and Oxford: Princeton University Press, 2002) pp. 6-7.

11 Ibid., p. 21.

12 Ibid., p. 33.

13 Ibid., p. 6.

14 Karen De Young, "Syria Conference Fails to Specify Plans for Assad," The Washington Post, June 30th, 2012, https://www.washingtonpost.com/world/national-security/syria-conference-fails-to-specify-plan-for-assad/2012/06/30/gJQAsPfeEW_story.html?utm_term=.daf30ac2d843

of the dissatisfied, and the dissatisfaction will explode in the form of military force at some point.[15] If the power balance among the combatants changes while their aims do not, war may break out. Edward Luttwak further argues that a ceasefire actually intensifies and prolongs the struggle once it ends, because "it tends to arrest war-induced exhaustion and allows belligerents to reconstitute and rearm their forces."[16] Temporary agreements enable belligerents to buy time to prepare for revenge. Therefore, Luttwak argues, peace may happen either when all belligerents become exhausted, or when one wins decisively. Fighting must continue until a resolution is reached.[17]

The problem with this hypothesis is that it is not realistic for the international community to stay on the sidelines until one side in a conflict is completely defeated. For instance, if a large number of refugees flood into the neighboring countries, there is a possibility that they disturb the stability of those neighboring countries. Therefore, the international community should take measures to terminate civil wars.

Both the Walter hypothesis and the Wagner hypothesis are significantly flawed. Regarding the Walter hypothesis, both governments and rebels seem to make use of the security guarantees the third parties provide for them in order to escape from the burdens of power sharing guarantees and to expand their influence all over the country; this prolongs civil war. In the next section, I will explain exactly what roles both guarantees play in civil wars by using simple game theory.

Game Theory Model: Government and Rebel

I. Prisoner's Dilemma Game (Before Intervention)

This section will focus on the situation before third parties intervene in civil wars. There are two players: *government* and *rebel*. Each player has two options: *negotiation* and *attack*. The profits and outcomes of each action can be summarized in the following chart.

15 Robert Harrison Wagner, "The Causes of Peace," in Stopping the Killing: How Civil Wars End, ed. Roy Licklider (New York: New York University Press, 1993) p. 260.

16 Edward N. Luttwak, "Give War a Chance," Foreign Affairs (July/August 1999) p. 36.

17 Ibid.

Table 3.1 Game Structure before Intervention

		Rebel	
		Negotiation	Attack
Government	Negotiation	(3, 3) Peace	(1, 4) Breakdown
	Attack	(4, 1) Breakdown	(2, 2) Total War

There are three types of outcomes: peace, breakdown, and total war. First, if both players choose to negotiate, they can reach a ceasefire agreement and achieve peace. Second, ceasefire agreements break down if one of them chooses to negotiate, while the other chooses to attack. In this case, either player breaks the ceasefire agreement and attacks the other unilaterally. Finally, total war breaks out if both players choose to attack.

The players' preference in this game is the following:

Breakdown (Attack) > Peace > Total War > Breakdown (Attacked)

Both sides gain most if they attack one-sidedly and take advantage of the opponent's vulnerability. They lose nothing if they reach a cease-fire agreement and achieve peace. They lose most if the opponent betrays them and they are attacked one-sidedly, because they are unprepared for fighting and thus damaged significantly. The structure of the game is the same as the classic prisoner's dilemma.

In this game, each player prefers "Attack" to "Negotiate and Be Attacked" because they are afraid of being betrayed, even if they intend to negotiate with the opponent. As a result, both of them choose "Attack" and thus reach "Total War" in equilibrium. This is how total wars break out before third parties are able to intervene.

II. Chicken Game (After Intervention)

This section will focus on the situation after third parties intervene in civil wars. The players and their options remain the same as above. However, their profits change.

Table 3.2 Game Structure after Intervention

		Rebel: Negotiation	Rebel: Attack
Government	Negotiation	(2, 2) Peace	(3, 4) Breakdown
	Attack	(4, 3) Breakdown	(1, 1) Total War

The players' preference in this game is the following:

Breakdown (Attack) > Breakdown (Attacked) >Peace > Total War

The reason why Breakdown (Attacked) is the second-best preference is because third parties guarantee their security by stationing their troops or mediating fights; they lose less even if the opponent betrays and attacks them unilaterally. All combatants attempt to make use of the security guarantees provided by third parties in order to attack the opposite groups one-sidedly because they stand to lose less by striking first.

In this game, both sides fear losses (2, 2) if both choose to negotiate and achieve peace. This is because third parties might forcefully impose power sharing on them at the negotiation table. Parties cannot exert their own will even if they achieve peace. Instead, they prefer to keep fighting with security guarantees provided by the third parties rather than having the major burden of power sharing on the negotiation table.

The outcomes of this game are (Attack, Negotiate) and (Negotiate, Attack) in equilibrium. Thus, they reach "Breakdown" in the game: one side breaks the ceasefire agreement and fighting commences again. In general, a game with this structure is called a "chicken game," because both players have their respective escape routes; however, if one of them chooses to escape, then the other gains the most. Conversely, if neither side chooses to escape, then both the parties face significant losses. In this case, both the government and the rebels have their respective escape routes and chances to disarm. If either of them chooses to disarm, while the other does not, then they

possess less of an advantage compared to the other player. If neither of them chooses to disarm, then both face significant damages. Therefore, they reach a "Breakdown" in this game, in which one side breaks the ceasefire agreement and begins using force again.

This is how interventions by third parties end up prolonging civil wars. Third parties provide both power sharing and security guarantees for the combatants. However, both the government and rebels make use of the security guarantees that third parties provide them in order to escape from the burdens of power sharing. This demonstrates that the security and power sharing guarantees that third parties provide for combatants do not resolve the commitment problem, but rather worsen it.

Data and Analysis

In this section, I will conduct empirical tests to prove the model in the previous section.

From the model above, we can deduce the hypotheses to be tested below.

1. If mediations guarantee power sharing, the duration of the civil war increases.

2. If mediations guarantee combatant security, the duration of civil war increases.

Research Design

To test the hypotheses above, empirical tests should consist of several models.

Model 1

In Model 1, I use the Ordinary Least Square (OLS) method to examine the relationship between power sharing guarantees and civil war duration to test hypothesis 1.

Dependent Variable

The dependent variable in this model is the duration of the civil war. These events have been coded in the *Walter Dataset 2002 Civil War Resolution.*[18] This dataset contains information about the duration of civil wars measured as a continuous variable, and range from a low of one week to a high of 396 months.[19]

18 http://gps.ucsd.edu/faculty-directory/barbara-walter.html

19 Ibid.

Independent Variable

The independent variable in this model is Mediation from the *Walter Dataset 2002 Civil War Resolution*. This is a dummy variable indicating whether an intermediary was present during negotiations in each war. Mediation was coded in the following manner; 0 = no mediator during negotiations, 1 = mediator.[20]

Control Variables

To measure the effects of power sharing guarantees on civil war duration, I will control the Political Pact, Regimety, and Executive Constraint, all of which I took from the *Walter Dataset 2002 Civil War Resolution*.

Political Pact is a dummy variable indicating whether a settlement offered the combatants guaranteed positions in the new government at the cabinet level or above, or a specific quota of political power in at least one of the main branches of government. Political Pact was coded in the following manner; 0 = No Political Pact, 1 = Political Pact.[21]

Regimety is an overall democracy-autocracy scale. It assigns two scores (0-10) to every country: one based on a government's autocratic features, and one based on its democratic features. It ranges in value from very autocratic (-10) to very democratic (+10).[22]

Executive Constraint is the effect of executive constraints on a leader's decision to negotiate or fight. The coding for executive constraints was based on the degree of operational independence the chief executive of a country enjoyed during the civil war. It was coded in the following manner; 1 = unlimited authority, 2 = intermediate category, 3 = slight to moderate limitations, 4 = intermediate category, 5 = substantial limitations, 6 = intermediate category, 7 = executive parity or subordination.[23]

In Model 1, I would expect that the independent variable would be significant to prove that if mediations guarantee power sharing, that increases the duration of civil wars.

Model 2

To test hypothesis 2, I will conduct the OLS test in Model 2.

20 Ibid.

21 Ibid.

22 Ibid.

23 Ibid.

Dependent Variable

The dependent variable in this model is the same as in Model 1, the duration of civil wars.

Independent Variable

The independent variable in this model is the same as in Model 1, the mediation during civil wars.

Control Variables

To measure the effects of security guarantees on civil war durations, I will control for Military Pact and Guard and Strength, all of which I took from the *Walter Dataset 2002 Civil War Resolution.*

Military Pact is a dummy variable indicating whether a peace settlement stipulated a quota of power in a new army. It was coded in the following manner; 0 = no military pact, 1 = the presence of a military pact for the main combatants.[24]

Guard is a dummy variable indicating the presence of a third-party security guarantee. It was coded in the following manner; 0 = No guarantee, 1 = A commitment to enforce or verify the terms of demobilization.[25]

Strength is a categorical variable indicating the strength of a third party's commitment to enforcing or verifying the peace process and its display of force. It was coded in the following manner; 0 = No security guarantee, 1 = Promise to protect but mandate and force not defined, 2 = Willingness to deploy a small verification mission of under 500 observers, 3 = Willingness to send a large verification mission of at least 500 observers, 4 = Willingness to send a small peacekeeping force of under 5,000 armed soldiers, 5 = Willingness to send a large peacekeeping force of at least 5,000 armed soldiers.[26]

In Model 2, I would expect that the independent variable would be significant to prove that if the mediators guarantee the combatants' security, the duration of civil wars increases.

Model 3

To see how the effects of both power sharing and security guarantees multiply each other and impact the duration of civil wars, I will conduct the OLS test in Model 3.

24 Ibid.

25 Ibid.

26 Ibid.

Dependent Variable

The dependent variable in Model 3 is the same as in Model 1 and 2.

Independent Variable

The independent variable in Model 3 is the same as in Model 1 and 2.

Control Variables

The control variables in Model 3 are all of the variables I used in Model 1 and 2.

In Model 3, I would expect that the independent variable is significant to prove that the effects of both power sharing and security guarantees multiply each other to increase the duration of civil wars.

Empirical Results

Table 4.1 shows the results of the analysis of civil war duration. The result of Model 1 provides significant support for hypothesis 1. Mediations with power sharing guarantees are associated with considerably longer civil war duration. As expected in hypothesis 1, the coefficient for Mediation is positive and strongly significant. This suggests that all combatants in civil wars have strong incentives to escape from the burdens of power sharing that third parties impose on them by prolonging the civil wars.

The result of Model 2 also provides support for hypothesis 2. Mediations with security guarantees are associated with civil war duration. As expected in hypothesis 2, the coefficient for Mediation is positive and significant. However, it is not as significant as that in Model 1. Moreover, the coefficient for Strength is negative and significant. This implies that all combatants have an incentive to make use of the security guarantees that third parties provide for them to expand their influence; however, the foreign soldiers stationed on the battlefield play a role in preventing them from prolonging the civil wars.

Table 4.1 Mediation and Civil War Duration

	Model 1	Model 2	Model 3
Mediation	56.574***	42.560*	42.231*
	(2.786)	(1.930)	(1.917)
Political Pact	14.464		-5.610
	(0.571)		(-0.183)
Regimety	4.845		4.568
	(1.611)		(1.502)
Executive Constraint	-2.921		-4.064
	(-0.344)		(-0.464)
Military Pact		23.478	28.689
		(0.740)	(0.765)
Guard		131.255*	106.061
		(1.885)	(1.465)
Strength		-31.848*	-25.423
		(-1.747)	(-1.332)

N=72, t-values of each coefficient are shown in parentheses.

*significant at 10 percent; **significant at 5 percent; ***significant at 1 percent

The result of Model 3 provides support for hypotheses 1 and 2. Mediations with both power sharing and security guarantees are associated with civil war duration. The coefficient of Mediation is positive and significant; however, it is not as significant as we expected. This is because although all combatants have an incentive to escape from the burdens of power sharing and to make use of security guarantees that third parties provide for them, the foreign troops stationed on the battlefields prevent them

from prolonging civil wars. Therefore, combined with security guarantees, the power sharing guarantees do not influence civil war durations as much.

In summary, all results provide support for our hypotheses above. However, if third parties were to increase the number of troops stationed on the battlefields, that might prevent the combatants from prolonging the civil wars, and therefore resolve the commitment problem.

Conclusion

In the Walter hypothesis, scholars have argued that to resolve the commitment problem among combatants, third parties should provide both security guarantees and power sharing guarantees for them. However, the case studies show that combatants are likely to make use of the security guarantees that third parties provide for them to escape from the burdens of power sharing and thus to prolong civil wars. Therefore, those guarantees that third parties provide for them worsen the commitment problem. We can call it a "commitment tragedy."

The Walter hypothesis assumed that all combatants are "defensive"; their priority is to defend themselves from opponents after civil wars end. However, the empirical results reveal that we should assume that all combatants are "offensive"; their priority is to alter the power balance in their favor at the cost of human lives. As seen in the case study section, though the Assad administration and rebel groups reached cease-fire agreements mediated by third parties in 2016, both restarted attacking in order to shift the power balance after the civil war. Third parties should take proper measures on the basis of this assumption in order to terminate civil wars.

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Open Wounds: Patterns of Violence and Political Attitudes in the Context of the Colombian Armed Conflict

Paula Sevilla Nuñez

Building on the general consensus that exposure to violence during a civil war contributes to a lack of trust of a country's inhabitants in its political institutions, this study analyzes the case of the Colombian armed conflict and citizens' relationship to the Colombian government as a result of the violence performed by the guerrillas, the paramilitaries, and the government itself. The likelihood of being exposed to violence is negatively correlated with the trust in political institutions like the justice department, the current administration, and political parties. It also yields a more pessimistic view of the government's work in defending human rights and in solving the armed conflict. These effects are heightened when the government is responsible for the violence.

Introduction

One of 2016's most significant surprises occurred on October 2nd when Colombians rejected, by a margin of 0.4 percent, the peace deal struck by the Armed Revolutionary Forces of Colombia (FARC) and President Juan Manuel Santos' administration. The agreement was the result of five years of intense negotiation, and it intended to end a conflict that had made Colombian soil bleed for over half a century. Most polls had predicted nearly a two to one "Yes" victory, and it is hard to imagine why people who have been exposed to such heartbreaking violence would reject what had been the most successful attempt at peace in the country's history.

While being home to some of the most fascinating cultures on the planet, Latin American countries are also the setting for the bloodiest and most cruel conflicts. Colombia offers the ultimate example of this juxtaposition, and understanding the dynamics of its civil war can shed light into important policy considerations for the future. My study explores how different patterns of violence affect trust among

Colombians, both towards their own governmental institutions and in the possibility of reaching a peaceful state in the future. Does exposure to violence during a civil conflict like the one in Colombia decrease one's trust towards the country's political institutions and its government's performance?

The results of the referendum on the peace deal, as well as the inability of previous administrations to reach a peaceful conclusion to the war prove that the Colombian civil conflict is highly complex. As a result, relationships between guerrilla groups, the government, paramilitaries, and Colombian citizens are extremely delicate. The image that citizens hold of the different actors in a conflict determines the prospects for reconciliation and their acceptance of policies geared towards ensuring a transition to peace. For example, populations will perceive a weak, inefficient government as untrustworthy and lower their expectations of the government's potential to successfully resolve such a tragic conflict. Moreover, without popular support, the government cannot effectively address the conditions that lead to such a violent and long-standing state of war. In this vicious cycle, the government is neither influential enough to address the population's major concerns, nor capable of improving political efficacy among the citizens and building a stronger relationship that would enable it to understand and act on the needs of those most affected.

My goal in this study is to consider one of the many factors that can contribute to a lack of trust and faith in a government and its ability to solve a conflict. I wish to learn whether the probability of being exposed to violence as a result of the civil conflict contributes to a citizen's trust in political institutions and their faith in a peace agreement. In addition, I analyze whether the relationship between exposure to violence and attitudes toward the government vary based on who is responsible for such violence: the government, the paramilitaries, or the guerillas. After an overview of the Colombian civil conflict and previously studied dynamics of civil wars, I will outline my research methods and the data used in the research project, as well as the results obtained and their implications for civil conflict literature.

Background: The Colombian Civil Conflict

Origins and Main Actors

When choosing a starting date for the Colombian armed conflict, many researchers select the period in the 1940s known as La Violencia or The Violence, which was triggered by the assassination of the politician Jorge Eliécer Gaitán. During this time, the two main parties, the Liberals and the Conservatives, fought for political supremacy until they made an agreement to alternate in power and share government positions. This settlement, known as the Frente Nacional or National Front, lasted until 1974 and brought a reduction in civil conflict and dramatically increased political

exclusion (Restrepo et al., 2004).

The history of the guerrillas in Colombia can be traced back to left-leaning peasant organizations supporting the Liberal party even prior to La Violencia (Restrepo et al., 2004). Liberal politicians, however, soon ignored the needs of these rural groups, and in the 1960s, when communism was perceived as a dangerous threat by most governing elites, the Communist party was declared illegal and the government started to employ repressive strategies against these rural, marginalized groups. The two main guerrilla groups that rose as a result were the Armed Revolutionary Forces of Colombia (FARC), founded in 1964 and the most influential group today, and the National Liberation Army (ELN), known for its strong ties to the Cuban government of the time (Ribetti, 2007). Kidnappings and extortions were their main source of revenue until in the 1970s, when they became closely linked to the drug traffic networks, and started to tax peasants for cultivating and selling coca (Ribetti, 2007).

Government forces involved in the conflict have included the army, the National Police, and other security groups. It is common, however, for governments in civil conflicts as severe as this one to turn to paramilitaries for help, given "the need for local long-term security operations" (Restrepo et al., 2004). This action, however, can have detrimental consequences for the government's legitimacy. The formation of paramilitary groups was highly influenced by U.S. military aid in the 1980s (Lopez, 2011), and in 1997 they formed the United Self-Defense Groups of Colombia (AUC). After they became involved in drug trafficking and human rights violations, however, the AUC were pressured to demobilize in the early 2000s, but other informal organizations with similar structures and repression strategies continued to use widespread violence and coercion through the drug trade to terrorize Colombians (Lopez, 2011).

Known now as the "kidnap capital of the world," (Lopez, 2011) Colombia is home to thousands of stories not only of kidnappings, but also of human rights violations for which all actors involved in the civil conflict have been responsible. Even though guerrilla warfare usually targets governmental and public institutions specifically, guerrilla forces have also participated in clashes with the government that are detrimental to the population. Very often in these clashes, civilians are not distinguished from combatants, and all parties involved, including the guerrillas, the government, and the paramilitaries, have taken part in war crimes such as torture, forced displacement, threats, and targeting groups of people protected by International Humanitarian Law (Lopez, 2011).

The 2016 Peace Agreement: Looking to the Future

Talks in 1980s under the administration of Belisario Betancur were one of the many failed attempts at peace between government forces and the guerrillas. Emergence of drug cartels, along with the extermination of the members of the FARC's newly

formed political party Unión Patriótica led to complicated times and a spike in violence. In 2002, peace talks under president Andrés Pastrana broke down once more, and the following administration, led by Álvaro Uribe, turned to aggressive military offensives to target and try to defeat guerrilla forces (Lopez, 2011). In 2012, however, while facing a great degree of political opposition, the Santos administration established talks with guerrilla representatives in Havana, who in August agreed to demobilize approximately 7,000 members of the FARC, as well as to make some advances on land reform, the war on drugs, and the possibility of political participation by the FARC.[1] They also called for special courts charged with examining war crimes committed by both parties in the conflict.[2]

Under the slogan of "Yes to Peace," Santos won his second term in office in 2014 by a very narrow margin, and the two main parties in negotiation finally signed the agreement in September 2016. It was put to popular vote and rejected a month later by a margin of less than 57,000 votes, or 0.4 percent of the ballots.[3] The graphs below show the distribution of the referendum vote, compared to the areas that have been most affected by the conflict.

President Santos, nevertheless was not discouraged by this outcome, and offered a revised form of the agreement to Congress, where it was approved by the senate and by a 130 to 0 vote in the lower house. The opponents of the peace deal abstained from the vote.[4] This second agreement addresses some of the concerns voiced by the opposition, including setting a 10-year limit for the system of transitional justice to act, or for the obligation by FARC members to disclose any information about their ties to drug trafficking and to hand over all their assets, which will be used to pay reparations to the victims of the conflict.[5]

1 Desk, E. W. (2016, October 03). "A look at Colombia's half-century-long rebel conflict." The Indian Express. Retrieved from http://indianexpress.com/article/world/world-news/a-look-at-colombias-half-century-long-rebel-conflict-3062564/

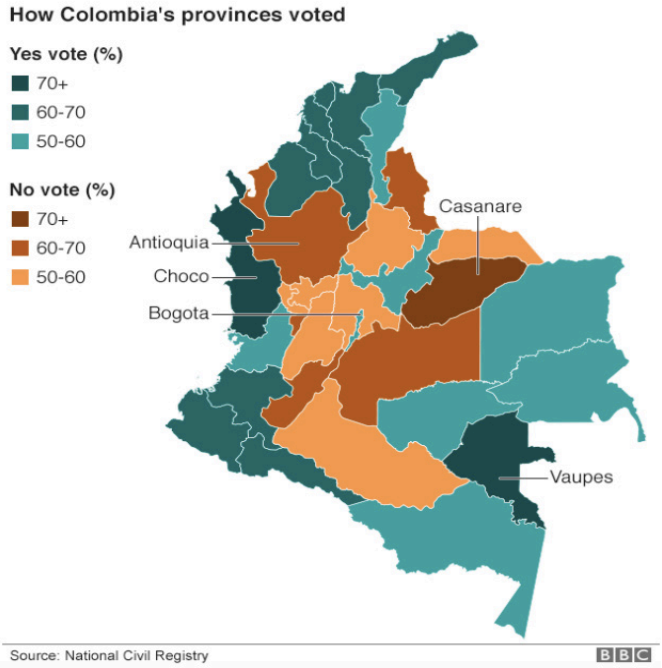
2 Colombia profile - Timeline. (2016, November 15). BBC News. Retrieved from http://www.bbc.com/news/world-latin-america-19390164

3 The Indian Express, 2016

4 Partlow, J., & Miroff, N. (2016, November 30). Colombia's congress approves historic peace deal with FARC rebels. Washington Post. Retrieved from https://www.washingtonpost.com/world/the_americas/colombian-congress-approves-historic-peace-deal/2016/11/30/9b2fda92-b5a7-11e6-939c-91749443c5e5_story.html?utm_term=.a3fde6fc04e0

5 Colombia signs new peace deal with Farc. (2016, November 24). BBC News. Retrieved from http://www.bbc.com/news/world-latin-america-38096179

Figure 2.2.1. The distribution of the Referendum Vote [6]



6 Colombia referendum: Voters reject Farc peace deal. (2016, October 03). BBC News. Retrieved from http://www.bbc.com/news/world-latin-america-37537252

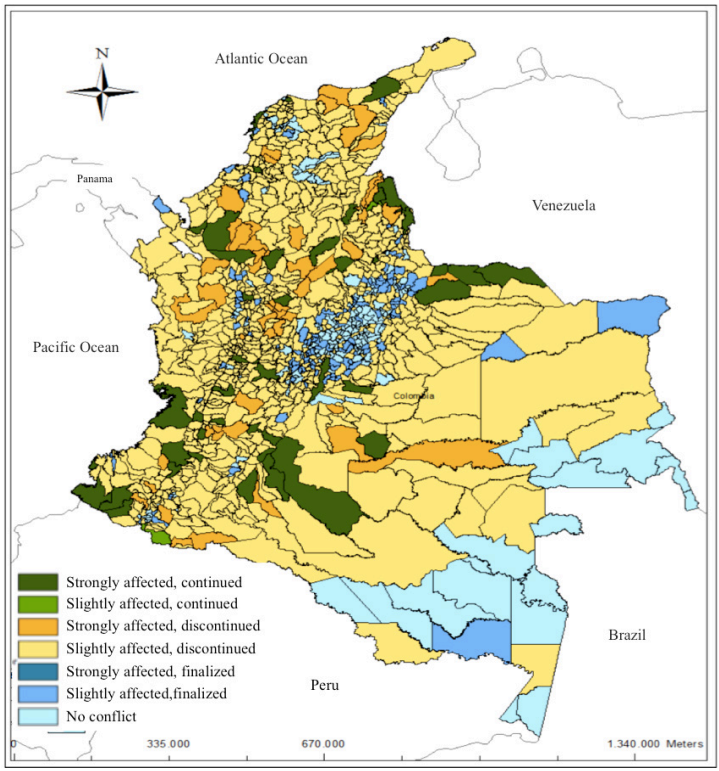


Figure 2.2.2. Typology of the Armed Conflict7

These modifications to the original deal, however, are not sufficient to ensure a peaceful resolution; both parties have a lot to lose. The guerrillas must convince the government they will no longer engage in illegal activities, and also "gain the trust, or at least the acceptance of a largely hostile public opinion"[8]; the government, on the other hand, has to credibly commit to protecting those fighters who are reinserted into society[9]. It will also be hard to satisfy citizens who, under the still hard-felt influence of former president Álvaro Uribe, believe the government is offering complete impunity to the guerrillas, and are skeptical about the commitment of both parties to put an end to the violence. One of the most important tasks ahead of the government, therefore, is to

7 CERAC :: Conflict Analysis Resource Center. (n.d.). Retrieved from http://www.cerac.org.co/en/

8 Building trust in the Colombian ceasefire agreement. (2016, February 15). Conciliation Resources. Retrieved from http://www.c-r.org/news-and-views/comment/building-trust-colombian-ceasefire-agreement

9 Íbid.

"increase internal cohesion and strengthen institutional capacities… so the agreement can be fully implemented."[10] Half a century of war and violence has left Colombia with many open wounds and an extremely divided population, and if peace is indeed to be finally achieved, the current and future administrations will have to work hard in collaborating with other groups to reassure the population of their capability to answer to the people's demands.

Main Factors

Similar to many other guerrilla and civil wars, the Colombian civil conflict is characterized by its long duration and its relatively low intensity. Some, however, believe that rather than being an actual civil war, the conflict has become a fight against a minority in remote areas, a conflict sustained not by the people's support but by the money obtained through drug trafficking, extortion, and expropriation (Posada, 2001). Restrepo, Spagat, and Vargas (2004) add that the lack of ethnic, regional, or religious schisms drives attention to the military, as well as economic and political factors acting on the conflict.

Maybe what is most striking about the Colombian case is that the country is home to one of the most stable democracies in Latin America, with extremely rare accounts of political repression and authoritarianism—its single dictatorship lasted only four years, from 1953 to 1957 (Restrepo et al, 2004). Although this statistic makes Colombia stand out from its Latin American peers, the country still suffers from many important challenges vis-à-vis its population, most importantly inequality and political exclusion. Despite the facts that Colombia has shown steady economic growth since the beginning of the second half of the 20th century and not been through a recession since 1928, the country remains the stage for one of the most staggering cases of economic inequality in the continent (Restrepo et al., 2004).

Giselle Lopez (2011) argues that the government has been unable to address the instability and violence responsible for worsening the conflict. "Colombia's culture of violence and the prevalence of impunity," she believes, "underscore grave humanitarian concerns that demand a solution" (Lopez, 2011). Lack of legitimacy of the government within the population underlies the three main factors Lopez listed as 1) indicators of violence, namely structural deficiencies and inequality; 2) weakness of the state; and 3) the drug trade and its relationship with the violence. Like Restrepo et al. (2004), who argue that, "the conflict itself has arguably increased political exclusion," Lopez (2011) explains that Colombia's "history of unequal access to land and natural resources and struggles to gain political and economic power" are the roots of the rural population's dissatisfaction with the government. The rich natural resources available, combined with their extremely unequal distribution, inflame violent competition

10 Ibid.

and conflict. Colombia's geography also plays a role in determining the ability of government institutions to effectively exert their influence onto different regions, since many Colombians live in areas with limited to no state presence. Such circumstances make it easier for guerrilla forces to legitimize their own control in the region and limits the state's ability to engage in tax collection or supervision of illicit activities including illegal drug production (Lopez, 2011). The state's weak influence in remote regions have often led government forces to turn to paramilitary groups for military support, whose fierce behavior has done nothing but worsen the state's image in the eyes of the populace. According to Lopez, "in light of strong evidence that exposes the extremely unlawful tactics used by the paramilitary forces, the state's reliance on these external groups to fight this war has greatly undermined its legitimacy" (Lopez, 2011). Finally, income generated through drug trafficking has helped strengthen both guerrilla and paramilitary forces throughout the conflict's history. Lopez argues that the war on drugs, promoted mainly by the United States, has even facilitated the strengthening of these groups by pushing the trafficking activities into remote areas controlled by the guerrillas (Lopez, 2011). Lopez therefore recommends that the government take steps "to strengthen the judiciary, to establish local citizen-security initiatives, and to pass critical legislation that will address the enormity of crimes and suffering of victims" (Lopez, 2011). A perceived improvement in these institutional matters would most likely contribute to a greater optimism and a heightened trust in the resolution of a conflict that has displaced 5.7 million people, killed over 200,000 people, and terrorized many more.[11]

Literature Review

Trust in Political Institutions

Trust in political institutions is crucial for the consolidation and development of a healthy democracy. Institutions—as explained by Daron Acemoglu—are in charge of enforcing property rights, promoting investment, controlling the power of the elite, redistributing resources whenever needed, and providing equal opportunities to all citizens (Acemoglu, 2003). Efficient institutions are therefore key to a country's prosperity; however in order for them to fully function, citizens must be willing to take part in them. A study performed by the Latin American Popular Opinion Project and Fundaungo in 2014 concludes, "when citizens broadly trust its local and national institutions, believe in its core principles, and value the system of its own sake, democracy is most stable and effective" (Córdova Macías et al., 2014). Therefore, understanding the effects of civil war violence on trust in political institutions can provide deep insight

11 The Human Costs of the Colombian Conflict. Latin America Working Group, Education Fund. http://www.lawg.org/storage/documents/Col_Costs_fnl.pdf

into the dynamics of civil participation and government legitimacy.

Even though there are many elements that contribute to how people feel about their governments and political institutions, studies on what affects people's trust in these political institutions have shed light on some of the most important ideas. Corruption, for example, has been proven to significantly damage the images of institutions. Lavallee et al.'s (2008) work on trust in political institutions in sub-Saharan Africa rejects the "efficient grease" hypothesis, which states that corruption can have a positive effect on trust because of the provision of the resources then available to citizens through bribery and clientelism. Lavallee's study also uses data from Afrobarometer surveys to show that both the perception of corruption and the experience or exercise of corruption have a negative relationship with trust. Perceived corruption has a smaller negative effect when service quality is worse, whereas experienced corruption's effect on trust is less drastic when the quality of the government's public services increases.

The idea that corruption is highly important for the assessment of trust in political institutions seems to hold true in many studies on Latin American countries as well. Morris and Klesner's (2010) study on corruption in Mexico explores the interrelationship between these two variables through a 3SLS regression model. Using survey data from the Latin American Popular Opinion Project (LAPOP), they provide evidence for their theory of an endogenous relationship between perception of corruption and institutional trust. Carolina Segovia uses survey data from the World Values Survey for seven different Latin American countries, measuring political trust by the respondents' answer to the question: "I am going to name a number of organizations. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?" Segovia controlled for respondents' self-positioning on right and left ideological scales, the importance and interest in politics, as well as gender, age, income, level of education, employment status, and religion; with such information, she explains that corruption accounts for different levels of political trust at the country level in Latin America. In fact, even though there is higher trust in political institutions in more developed, older, parliamentary democracies, these elements become weaker predictors of political trust when levels of corruption are introduced.

Segovia also finds a statistically significant relationship between trust in political institutions and interpersonal trust, financial satisfaction, and "winner status" of respondents (whether their preferred candidate is in power or not). Morris and Kelsner, in addition, find that attitudes towards democracy also influence trust—the more satisfied a respondent is with democracy, the higher the trust. Interestingly, respondents in urban areas do display higher levels of trust; a study performed by the Pontificia Universidad Católica de Chile shows that both religious affiliation and age have a strong and positive relationship with trust. More positive accounts of the economy also

yield higher levels of trust, while approval of the current president predicts more trust in institutions as well.

Institutions must prove themselves worthy of trust. Even though corruption predicts levels of trust at the country level, Segovia finds in her study of Latin American institutions that individual perceptions of fairness and competence of institutions account for differences in trust within the institutions: people who perceive the institutions as fair and competent are more trustful. In her regression, she controls for self-position of the respondent on the left-right scale, the importance the respondent gives to politics and their interest in it, economic satisfaction, as well as gender, age, income, education, employment status, and religion.

Social Cohesion, Institutional Trust, and Civil Wars

Many factors that influence trust in political institutions and the relationship between the government and the citizens are dramatically affected by civil wars. A 2003 World Bank study explores how civil war produces "development in reverse," in which conflict leads to weaker states and higher risks of even more radical political violence (Collier et al., 2003). Also known as the "conflict trap," this view suggests that the strengthening of institutions becomes a much harder task because of all the harsh economic and social costs of a civil war. The situation is especially complicated if, as in the case of the Colombian civil conflict, the state itself is responsible for a large part of the violence. People in a nation that has been divided in such an excruciatingly painful process can have a hard time recovering trust not only in each other but also in those institutions that once failed them, regardless of whether they stay in the same hands.

The political and civic dynamics following and related to violence and victimization during a civil war have been acquiring a strong presence in academia recently. A surprising result of relevant research is that conflict and victimization seem to be associated with a higher level of collective action following the end of the war. Gilligan et al. (2014) use lab-in-the-field techniques to assess social cohesion in Nepal in 2009, a decade after its civil conflict, in which the state was the primary actor responsible for human rights violations. After matching communities where great degrees of violence were recorded with those who did not experience violence, the study concludes that there is a positive relationship between violence and pro-social behavior. Pro-social behavior is observed in various types of games performed with the subjects and is characterized by "altruistic giving, public good contributions, investment in trust-based transactions, and willingness to reciprocate trust-based investments" (Gilligan et al., 2014). The increase in pro-social behavior ranges from 13 to 16 percentage points depending on the type of game played. Reviewing these results, Gilligan et al. describe two main mechanisms that result in this phenomenon: first, inhabitants that are less socially motivated usually leave the community when faced with violence; second, those who are not able to flee come together to "cope with threats and trauma, causing social

cohesion to increase as a by-product" (Gilligan et al., 2014). Bellows and Miguel (2009) also find that the 1991-2002 civil war in Sierra Leone was followed by wider accounts of collective action and mobilization in the areas that were most affected by the war. These instances of collective mobilization were measured by using household data and data from local institutions to record attendance at local meetings, voter registration, and petitions sent to officials, as well as trust expressed by individuals themselves.

This discovery, some argue, is not as optimistic as it might first seem. Pauline Grosjean (2014) examines the results from a representative survey of 39,500 individuals across 35 European countries. The survey asked participants about their families' and personal exposure to World War II and other civil wars in Europe, as well as their political attitudes and background. Like previously mentioned studies, Grosjean's study shows that conflict leads to an increase in collective action although the type of collective action reported is "of a dark nature, one associated with further erosion of social and political trust" (Grosjean, 2014). Despite the fact that victims of a civil conflict are a fifth to a third more likely than non-victims to be active members of an organization, these victims who are active members of groups also feel less trust towards the government by a seven to nine percentage point difference. In fact, the survey answers showed the negative effects of war-related violence on people's trust in national institutions and their effectiveness. The study measures the respondents' trust in central institutions by listing a number of institutions, asking respondents to assess their trust in each one, and comparing the answers of those individuals who live in the same country, or even the same village. Results are in line with the conflict trap model, namely, that conflicts reduce the legitimacy and effectiveness of democratic political institutions and contribute to greater national and regional risks of further conflict (Hegre et al., 2011). Respondents' perception of national institutions worsens whenever respondents, or their relatives, have been victims of violence during a war, regardless of whether it was during an international or a civil war, or whether the country was victorious or not.

Laia Balcells (2012) conducts a series of semi-structured interviews to analyze the impact of exposure to violence during wars on political behavior. Balcells uses data from the Centro de Investigaciones Sociológicas, which asks Spaniards who had survived the war about their experiences being victimized, as well as those of their families. By running multivariate regressions, she explores the relationship between victimization and political behavior, and argues that out of the possible reactions to victimization, including refusal to support the ideas of the group perpetrating the attacks, accepting and supporting the group's political identity, or rejecting any identity represented by any group, rejection prevails. Victimization, therefore, leads to a rejection of the perpetrator's identities "along the political cleavage that was salient during the time" (Balcells, 2012). This means that the impact of victimization was seen only with respect to the division between political ideologies from left to right, rather

than in other dividing aspects of the population like, for example, the center versus the periphery which were not as crucial during the war.

Balcells explores the phenomenon of socialization, in which the generation after the war is not victimized but rather is affected by former generation's victimization experiences when forming political identities. Also interesting is the fact that Balcells's study does not lead to the conclusion that victimization leads to increased political interest and political participation. This result contrasts with Daniel Oto-Peralías's (2015) findings on the long-term effects of political violence during the Spanish Civil War; Oto-Peralías's results yielded a positive relationship among political violence, (measured as a ratio of deaths from political repression by Franco to total population per province), interest in politics, and political engagement (electoral turnout starting in the 1970s). The study also controlled for political ideologies of family members during the civil war, and focusing on the acts of violence that seem the most arbitrary.

Alessandra Cassar, Pauline Grosjean, and Sam Whitt (2011) look at Tajikistan a decade after the end of its civil war, and conclude that exposure to conflict leads to social mistrust by emphasizing less on engaging in exchanges and more on "kinship-based norms of morality." Their survey, which includes similar questions to those in the Afrobarometer and LAPOP, targets only those whose age makes them unlikely to have been systematically targeted by parties in the war and those who did not have to leave their hometown, in order to avoid selective migration bias. Similar to that of Bellows and Miguel and Gilligan et al., the study shows an increase in pro-social behavior, but this collective action is not necessarily a positive force in society, since it is based on stricter relationships and turning one's back on the rest of the village or group. Among their findings is that victimization during the civil war yielded a 40 percent decrease in trust towards those of the same village, but a manifestation of altruistic sentiment when towards those from a different village. In wars in which a large part of the violence took place within the towns, such as the one in Tajikistan, trust in others close by is seen to decrease.

In Uganda, the intensity of fighting in the ethnic conflicts from 2002 to 2005 has a negative relationship with generalized trust, but in a different fashion. Unlike Bellows and Miguel, Rohner et al. (2009) provide evidence for stronger mistrust towards Ugandans considered outsiders or belonging to a different ethnicity, than the respondents. Rohner et al. use surveys to assess trust while implementing an instrumental variable strategy to avoid omitted variables in reverse causality. Through use of U.S. categorization, they identify the most important rebel movements in Uganda as terrorists after the September 11 attacks and use it as the instrumental variable to account for differences in level of violence. They analyze the levels of trust from the 2000 and 2008 Afrobarometer surveys, and conclude that fighting intensity is related to a lower level of trust towards one's fellow citizens. Finally, De Luca and Verpoorten

(2015) also notice an increase in generalized trust and social capital following a civil war, compared to a decrease during the civil war. Studying the survey responses in Uganda during, immediately after, and in the aftermath of the civil conflict, they were able to perform a difference-in-difference study. To address concerns of endogeneity, they employed "distance to Sudan" as an interaction term, since one of the rebel groups received Sudanese support through help with logistics and a base from where they could launch their attacks. This factor is not associated with social capital and associational membership, and therefore can contribute to proving a causal relationship between violence and trust.

Contribution to Existing Literature and Hypotheses

Restrepo et al. (2004) believe that "the field of development economics has tended to neglect conflict, focusing mainly on the development problem under calm conditions." Civil conflict, however, has an important role in the economic and social development of a nation (Collier et al, 2003), and should therefore be studied in depth. The Colombian case is important to study, given its relevance. A study of the trust in political institutions and confidence in peace today not only provides insight into the largest weaknesses of the government, but also can be compared to political and social trust in conditions of peace. It can additionally be used to assess the government's performance in post-conflict stages.

The October 2016 referendum proves that not everyone wants peace, and that understanding people's opinions of the effectiveness and relevance of the state in its current capacities will hopefully contribute to better strategies to ensure a lasting and sustainable resolution. Reviewing previous literature on exposure to conflict and trust leads me to formulate the following two hypotheses:

Hypothesis 1: Colombian citizens in regions that are more likely to be exposed to violence will show lower degrees of trust in political institutions and in the government's ability to protect them and resolve the conflict.

Hypothesis 2: The decrease in people's trust towards political institutions and the government's perceived ability to protect them and resolve the conflict will be greater when the government is responsible for the violence, compared to when the attacks are performed by the paramilitaries or the guerrillas.

Methodology

There is a high probability that the government, paramilitaries, and guerrillas target certain populations based on their political attitudes, which suggests that victimization or exposure to violence can be endogenous to a citizen's relationship to a country's political institutions. A regular OLS regression model would be insufficient

to test my hypotheses because it would not address the possible endogeneity of my dependent variable. To ensure that the violence observed is exogenous, I use a three stage least squares (3SLS) regression that instruments for violence to predict political attitudes. The first two stages of this analysis are based on the model presented by Oeindrila Dube and Juan F. Vargas in their study Commodity Price Shocks and Civil Conflict: Evidence from Colombia (2012). In their analysis of Colombia from 1988 to 2002, they demonstrate that a fall in coffee prices led to a rise in violence in municipalities where coffee was more intensely cultivated, whereas a fall in oil prices resulted in a decrease in violence in oil-producing municipalities. Using this model as a way to predict violence from 2004 to 2014 allows me to ensure the exogeneity of the attacks used to analyze the effects of violence on political attitudes of citizens during this period.

As in Dube and Vargas' model, I use the international price of oil to measure oil price shocks, given that Colombia is not a major exporter of oil and therefore oil price is exogenous to its production in Colombia (Dube & Vargas, 2012). There is reason to be concerned, however, about endogeneity when using coffee price shocks since Colombia is one of the most important coffee exporters in the world, making the international price of coffee dependent on the country's production. In order to measure the effect of coffee price shocks on violence and avoid this bias in the results, the first stage of my 3SLS regression instruments the internal coffee price in Colombia with the exported coffee from Vietnam, Indonesia and Brazil (the other top three coffee-exporting countries). Coffee production is also probably endogenous to conflict, since a greater incidence of violence will affect each municipality's ability to use their land and labor to produce coffee. I therefore also account for variations in rainfall and temperature to instrument for coffee production, as it is done in Dube and Vargas' study. This first stage is thus summarized by the equation:

$$Cofmr \times CPt = \alpha m + \beta t + \delta rt + Cocamr\gamma + (Rmr \times Tmr \times Expt) + \varepsilon mrt$$

Coffee intensity and price are instrumented with measures of average rainfall of a municipality m in region r (Rmr), its average temperature (Tmr), and the total exports of the next three top coffee-exporting countries in that year (Expt). I also control for coca production in each municipality m in region r (Cocamr).

Using the predicted coffee price shock yielded by this instrumental variable analysis, I proceed to the second stage of my 3SLS regression, which uses coffee and oil price shocks to predict the incidence of violence in each municipality. This stage is summarized as follows:

$$Tmrt = \alpha m + \beta t + \delta rt + Cocamr\gamma + (Oilr \times OPt)\lambda + (Cofmr \times CPt)\rho + Xmrt\Phi + \varepsilon mrt$$

The dependent variable (Tjrt) represents the incidence of violence in municipality m, region r and year t. I include municipality and year fixed effects (αj +

ßt), linear time trends in different regions (δrt), as well as the price of coca (Cocajrγ) as a control. The independent variables are the coffee price shock predicted in the first stage and the oil price shock during that year.

Finally, in the third stage of the model I use the predicted values for violence generated by the second stage to predict attitudes towards political institutions and the peace process. These are represented by the answers of a yearly national survey, conducted from 2005 to 2014, in which citizens declare their trust in political institutions and in the government's capabilities on a scale of 1 to 7. I use attacks as the independent variable for this last stage, and these measured political attitudes as the dependent variable. The final stage of the 3SLS regression yields results that can be summarized in a series of equations in the format:

$$Yimt = ßo + ßiTmrt + ß2educationit + εet$$

Yimt is the perceived trust in political institutions and peace of a given individual (i) in a specific municipality (m) at a specific time (t), and Tdrt is the attacks in that municipality and region at a specific time, lagged by one year, predicted through the instrumental variable analysis. In the model, I control for education (measured in years of education completed).

After running an initial 3SLS regression in which my independent variable is total attacks in a municipality in a given year, I replace this value with lag of the attacks performed by each main actor in the conflict (guerrillas, paramilitaries, and the government) in each municipality. This provides an analysis of how the relationship between exposure to violence and political attitudes varies depending on the perpetrator of the violence.

Data

Data on Violence

Most studies of civil wars have employed cross-country regressions and large sets of data, whose low frequency and short time spans do not allow an in-depth, detailed analysis of the dynamics of civil war within a specific country. Levels of insecurity and other, more pressing priorities, lead to an under-documenting of civil conflicts. The Centro de Investigación y Educación Popular (CINEP) and the Comisión Intereclesial de Justicia y Paz have developed an extensive database, starting in 1987, on political violence in Colombia, under the name Night and Fog ("Noche y Niebla"). Their main sources of data are press articles from 20 different national and regional newspapers, and data gathered by NGOs and religious organizations in the country. These groups, especially those aligned with the Catholic Church, often have a stronger presence than the government in remote areas, and can therefore offer greater insight into the

incidence of the conflict in these regions (Restrepo et al., 2004). The Night and Fog database hopes to document human rights violations as defined by the International Humanitarian Law, and Restrepo et al. modify this data to include only the events that fall under the characteristics of the "'classical' side of the war; i.e. those violent episodes that are part of the Colombian internal conflict and not cases of ordinary crime" (Restrepo et al., 2004).

Coffee, Oil, and Price Shocks

I obtained data on coffee production and prices from the National Federation of Coffee Growers and the International Coffee Organization, respectively, and oil production information from the Ministry of Mines and Energy. Representations of the data found in these datasets can be found in Figures 5.1.1 and 5.1.2 in the Appendix.

I aggregated municipal-level values of average rainfall and temperature from the datasets used by Dube and Vargas in their own analysis, as well as from data gathered by the Colombian Institute of Hydrology, Meteorology, and Environmental Studies (IDEAM) for those municipalities missing from Dube and Vargas' sets. I also used the log of the population as a control at the municipality level, with values from 2005 obtained from the National Administrative Department of Statistics (DANE). Finally, I collected data on prices for the commodities used in the analysis from the World Bank's Global Financial Data, while I used data on coca production at the municipal level from the United Nations Office on Drug and Crime. Summary statistics of all these variables can be found in Table I in the Appendix.

The Latin American Popular Opinion Project

LAPOP, also known as the Americas Barometer, has been coordinating surveys throughout Latin America for over a decade. Aside from a core questionnaire offered in every country containing similar questions about ideology, political and economic satisfaction, institutional trust, and opinions about democracy, the surveys also ask questions specific to each country's socioeconomic and political conditions. In Colombia, this primarily pertains to the armed conflict. In its 2014 report, LAPOP compared Colombia's results to those of other American countries, as well as the change in the survey responses throughout the different years the survey was offered. From an initial look at these statistics, we can see that Colombian institutions suffer from a relatively low trust among its citizens. Support for democracy has shown a decreasing pattern lately, and is not too high for America's standards (García Sanchez et al., 2014).

In order to gauge the political culture in Colombia, the LAPOP survey asks a series of questions related to democracy and the institutions in place. They ask, "To what degree do you trust these institutions?", addressing not only institutions in general, but also specifically the justice system, Congress, the current government, and the political parties, among others. These questions, which I used as dependent variables

in my 3SLS regression analysis, are placed on a scale from 1 to 7—1 being not trusting the institution in question at all, and 7 meaning they highly trust the institution. The surveys also ask, "To what extent do you have respect towards the political institutions of Colombia?", "To what extent do you believe that the citizens' basic rights are properly protected by Colombia?", "To what extent do you believe the government protects human rights of its people?", and "To what extent do you believe the government is resolving the armed conflict?" These are also placed on the same 1-to-7 scale. Figure 5.2.1 in the Appendix provides a snapshot of the perceived trust in various institutions in Colombia in 2014.

Table 1(a)

Summary Statistics for LAPOP, 2004-2014

Variable	Obs.	Mean	Std. Dev.	Min	Max
Trust in institutions	14,984	5.006	1.756	1	7
Trust in government's ability to defend civil rights	14,819	3.961	1.631	1	7
Degree of pride of being Colombian	15,005	4.412	1.774	1	7
Trust in justice department	14,967	4.010	1.713	1	7
Trust in Congress	14,447	3.798	1.710	1	7
Trust in the current government	15,008	4.350	1.836	1	7
Trust in political parties	14,968	3.031	1.682	1	7
Trust in government's protection of human rights	12,676	4.370	1.730	1	7
Trust in government's ability to resolve the armed conflict	12,600	4.275	1.802	1	7

Note: a full list of summary statistics for all variables, 2004-2014, is available under Table I in the Appendix.

Out of the samples from the surveys, as shown in Figure 5.2.2, around a third of the respondents every year declared their families had been victimized as a result of the civil conflict. In an analysis of Colombians' attitudes towards the possibility of peace, the 2013 and 2014 surveys find a higher percentage of people preferring a negotiated solution rather than a military one, a recently higher level of trust in armed groups, and variation in attitudes towards peace by region. The Caribbean hosts the greatest number of respondents supporting the peace deal promoted by Santos, whereas the Central and the Orinoquía-Amazonia regions have the lowest support (García Sanchez et al., 2014). This is also shown in Figure 5.2.3. The overall optimism towards peace is low, and "the majority of Colombians believe that reconciliation with the FARC passes by economic reparations to victims, and by the incarceration of the members of this organization responsible for these heinous crimes" (García Sánchez et al., 2014).

Results

Coffee and Oil Shocks and Violence

The first and second stages in my analysis attempt to analyze the relationship between coffee price shocks and oil shocks on violence in Colombia, replicating the regression that Dube & Vargas utilized in their study of the Colombian conflict. Using the predicted coffee intensity given by the first stage of my regression, instrumented with temperature, rainfall, and log of exports of the next three top coffee-exporting countries (for which the results are presented in Table II in the Appendix), my results show a negative and statistically significant relationship between coffee shocks and violence, which reinforces Dube and Vargas' hypothesis. On the other hand, results on the relationship between oil shocks and attacks are not statistically significant, as shown in Table III. This lack of robustness might be rooted in the difference between the violence dataset and the type of instances of violence that the CERAC might have included or chosen not to include, compared to the data by Night and Fog.

Violence and Political Attitudes

Table IV shows the results for the first set of questions studied, which analyze trust in political institutions. These show negative statistically significant, although fairly small effects of exposure to violence on attitudes. Trust in the institutions studied decreases slightly with a higher likelihood of being exposed to violence in the municipality. Specifically, a 1 to 7 evaluation of a respondent's own trust in political institutions in general will decrease by 0.010 with a unit increase in attacks in a municipality in the year prior to the survey. This decrease is highest (0.012) for political parties, and lowest (0.007) for Congress. All results, however, are statistically significant at a 99-percent confidence interval.

Table IV
Violence and Trust in Political Institutions

Dependent variables:	(1) Institutions	(2) Justice	(3) Congress	(4) Current government	(5) Political Parties
Lagged attacks	-0.010***	-0.011***	-0.007***	-0.016***	-0.012***
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Years of education	-0.006	-0.029***	-0.030***	-0.045***	-0.010*
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Observations	6,426	6,419	6,161	6,446	6,432

In addition, Table V shows the results of the regression analysis on other questions asked to LAPOP respondents, answers that were also placed on a scale from 1 to 7 but addressed other concerns rather than trust in specific institutions. According to these values, respondents to the LAPOP survey will trust less in the government's performance in defending human rights and citizens' rights and in its ability to resolve the armed conflict when there is an increase in attacks in their municipality in the year prior to the survey. The sense of pride of being a Colombian is also negatively correlated with attacks. Violence, therefore, leads to a lower political morale and a greater feeling of distrust towards the government and its institutions. The values decrease at the same rate for the government's perceived ability to defend human rights and to resolve the armed conflict (0.017, or 1.7 percent of a point), and are relatively smaller for the government's perceived capacity to defend citizens' rights (0.010, or 1 percent of a point). Once again, these results are statistically significant at the 99-percent confidence interval.

Table V
Violence and Political Attitudes

Dependent Variables:	(1) Defense of human rights	(2) Conflict resolution	(3) Defense of citizen rights	(4) Pride in being Colombian
Lagged attacks	-0.017***	-0.017***	-0.010***	-0.014***
	(0.003)	(0.003)	(0.002)	(0.002)
Education	-0.034***	-0.025***	-0.020***	-0.035***
	(0.006)	(0.006)	(0.005)	(0.006)
Observations	5,577	5,550	6,351	6,439

A decrease in a hundredth of a point, given a 1 to 7 scale, is inconsequential. However, such a small decrease in individual attitudes must not be overlooked, given that when these measures are aggregated at the national level, and include the entire population of Colombia, these values might take considerable magnitudes.

Political Attitudes by Type of Violence

This model shows great variation in the relationship between exposure to violence and political attitudes when the violence is disaggregated to represent each individual perpetrator. From Tables VI and VII, it is clear that the greatest effect on political attitudes is caused by attacks for which the government is responsible. A unit increase in government attacks causes as much as a 0.076 decrease in respondent's measure of their trust in the current government, a 0.059 decrease in their trust of political parties, a 0.051 decrease in their trust in institutions overall, and a 0.047 and

0.043 decrease in the justice department and Congress, respectively. All these results are statistically significant at a 99-percent confidence interval. This is to expect, since a citizen exposed to violence carried out by their country's government will most likely be inclined to distrust it. The greatest decrease is observed in the respondents' felt pride in being Colombian, which decreases by 0.080, or eight percent of a point.

Even though results are not statistically significant for the effect of guerrillas on various measures of trust, there is a significant negative relationship between guerrilla attacks and the perceived ability of the government to defend human and citizen rights, and to resolve conflict. The latter decreases by a 4.3 percentage of a point (or 0.043 points) with a unit increase in guerilla attacks in a municipality the previous year.

The effect of paramilitary attacks on political attitudes is also statistically significant at the 99-percent confidence interval, and is considerably greater than the effect of attacks in general. The current government is the institution that suffers the greatest loss in trust with an increase in paramilitary attacks, which might be explained by the fact that paramilitaries have been hired by the government on many occasions throughout the Colombian armed conflict to carry out violence or exert control in regions where the government was not able to reach the population or the opposition.

Table VI
Violence and Trust in Political Institutions, by Type of Attack

Dependent Variables:	(1) Institutions	(2) Justice	(3) Congress	(4) Current government	(5) Political parties
Lagged paramilitary attacks	-0.034***	-0.029***	-0.024***	-0.045***	-0.030***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Lagged guerrilla attacks	0.017	-0.041	0.002	-0.033	-0.038
	(0.026)	(0.025)	(0.025)	(0.027)	(0.025)
Lagged government attacks	-0.051***	-0.047***	-0.043***	-0.076***	-0.059***
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Education	-0.004	-0.028***	-0.029***	-0.043***	-0.009
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Observations	6,426	6,419	6,161	6,446	6,432

Table VI
Violence and Trust in Political Institutions, by Type of Attack

Dependent Variables:	(1) Institutions	(2) Justice	(3) Congress	(4) Current government	(5) Political parties
Lagged paramilitary attacks	-0.034***	-0.029***	-0.024***	-0.045***	-0.030***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Lagged guerrilla attacks	0.017	-0.041	0.002	-0.033	-0.038
	(0.026)	(0.025)	(0.025)	(0.027)	(0.025)
Lagged government attacks	-0.051***	-0.047***	-0.043***	-0.076***	-0.059***
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Education	-0.004	-0.028***	-0.029***	-0.043***	-0.009
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Observations	6,426	6,419	6,161	6,446	6,432

Considerations for Future Research

Data gathering, especially when analyzing such delicate issues as victimization and trust, can pose certain issues that can negatively affect the robustness of my results. Measurement error is a concern, since conflict data usually comes from other data sets with a different focus, like health surveys or police. Organizations can also "be blamed for events depending on whether or not these events are included in the data" (Restrepo et al., 2004). Under-reporting is also a substantial danger when employing conflict data, since it is likely that areas with lower institutional influence have smaller degrees of reporting than other, more prominent regions of the country (Restrepo et al., 2004). In addition, surveys are a useful tool to gauge attitudes like the ones studied above, but those who use them also must be wary of the subjectivity of the answers given by respondents. Gilligan et al. indicate in their study that "The abstractedness of such questions and social-desirability bias raise doubts about how well they measure social cohesion" (Gilligan et al., 2014). Even though the 1 to 7 scales used in every question provided some degree of standardization, it is likely that there are some inaccuracies in the way these feelings are measured, the way that individual respondents feel inclined to respond, and the variations in these measurements by region and year.

Finally, it is also important to acknowledge the possibility that my instrumental variable analysis does not sufficiently account for endogeneity. For example, since

Colombia is such an important exporter of coffee, changes in external markets might lead to a change in the willingness of actors to produce attacks. Moreover, by affecting economic conditions in coffee-producing localities, external market changes might also affect attitudes towards government.

Conclusion

This study conducts a three staged-least-squares regression to measure the effect that exposure to violence in a municipality will have on the level of trust of its inhabitants in political institutions and in the performance of the government with respect to human and civil rights, as well as conflict resolution. My results suggest that greater violence leads to a small but statistically significant decrease in people's trust of institutions like the justice department, Congress, the administration, and political parties, as well as the government's perceived ability to protect human rights or resolve the armed conflict, this effect amounts to a decrease of a 1.7 percentage point.

Results vary greatly, however, when analyzing the relationship between these attitudes and violence perpetrated by the different actors involved, namely the government, the paramilitaries, and the guerrillas. When the government is responsible for the violence observed, respondents' trust in the political institutions and in the government's ability to resolve the armed conflict suffer the most, specifically the respondents' trust in the current government and the respondents' pride in being Colombian. Even though most of the relationships studied between guerrilla attacks and attitudes are not statistically significant, the government's perceived ability to defend human and citizen rights, as well as to resolve the conflict drop by various percentage points. Finally, paramilitary attacks also have a negative effect on the attitudes of respondents towards the political institutions, especially the current administration, which might be related to the paramilitaries' close relationship with the government at various stages of the armed conflict.

These results support my first hypothesis by demonstrating that exposure to violence leads to an overall drop in Colombian's trust of political institutions and their perception of the government's role in addressing the conflict and a potential peace process. My analysis also supports my second hypothesis, which predicted that these effects would be heightened if the attacks were perpetrated by the government, and less so if paramilitaries and guerrillas are responsible for the observed violence. It is interesting, however, to note the lack of a statistically significant relationship between guerrilla attacks and respondents' trust in various political institutions.

The lives of all Colombians today has been affected to some extent by the armed conflict their country has been under for over fifty years. Their experiences with the war could be in the form of direct victimization or that of a family member or

friend, of witnessing acts of violence towards neighbors or hearing about them in the news, or of just realizing the day-to-day influence of tension, distrust, and fear in their day-to-day routines. Such harsh conditions have long-lasting effects in people's morale, especially when they associate the enduring conflict with a lack of competency in their government to address the issue. This study attempts to emphasize the importance of an individual's external environment in their behavior and attitudes towards society, and how their relationships with each other and with their government are devastatingly affected by being exposed to what seems like a never-ending curse to many. If the Colombian government and those involved in the guerrillas and paramilitary groups truly wish to contribute to a peaceful resolution for the Colombian people, they must acknowledge these painful truths, admit their own faults, and commit together to a peace process that will help heal deep-cut wounds and bring new-founded hopes of a brighter future.

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Appendix

Figure 5.1.1 Coffee Production and Prices Paid to Coffee Growers in Colombia, 2004-2015

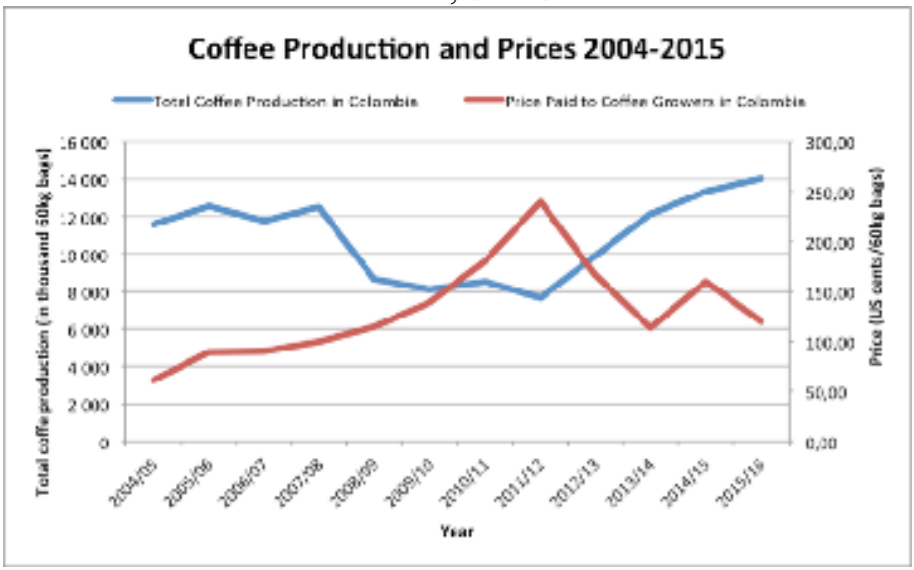

Figure 5.1.2 Coffee Cultivation in Colombia, 2005-2012

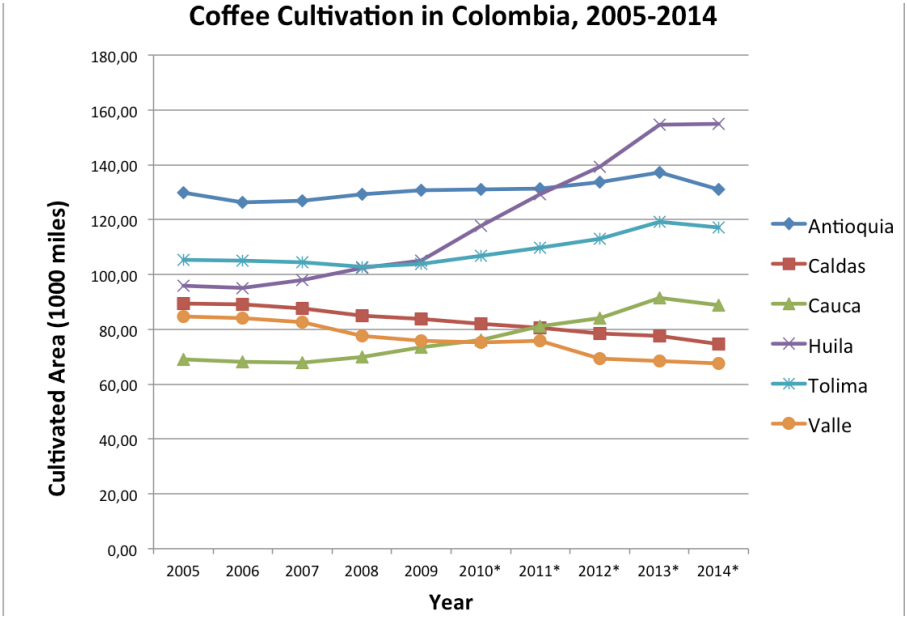

Figure 5.2.1 Trust in Political Institutions in Colombia, 2014

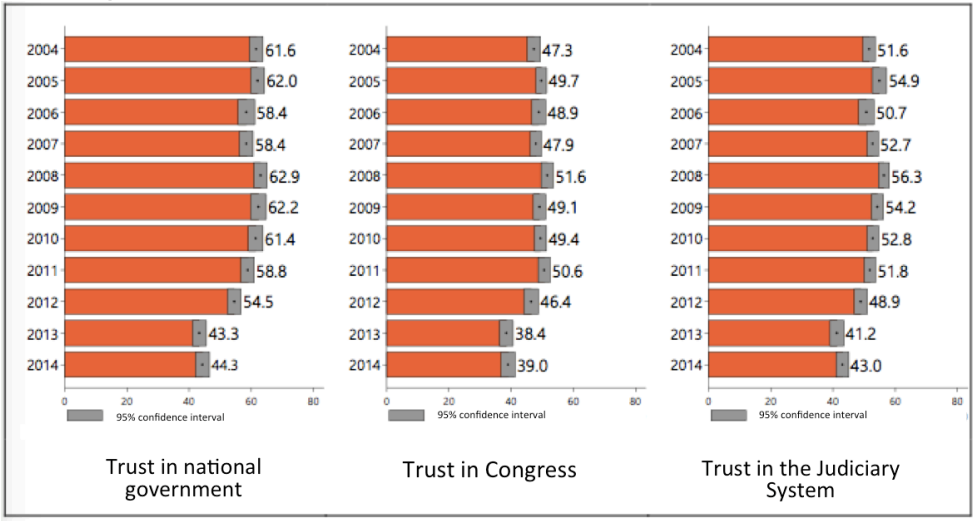

Figure 5.2.2. Percent of Sample Victimized

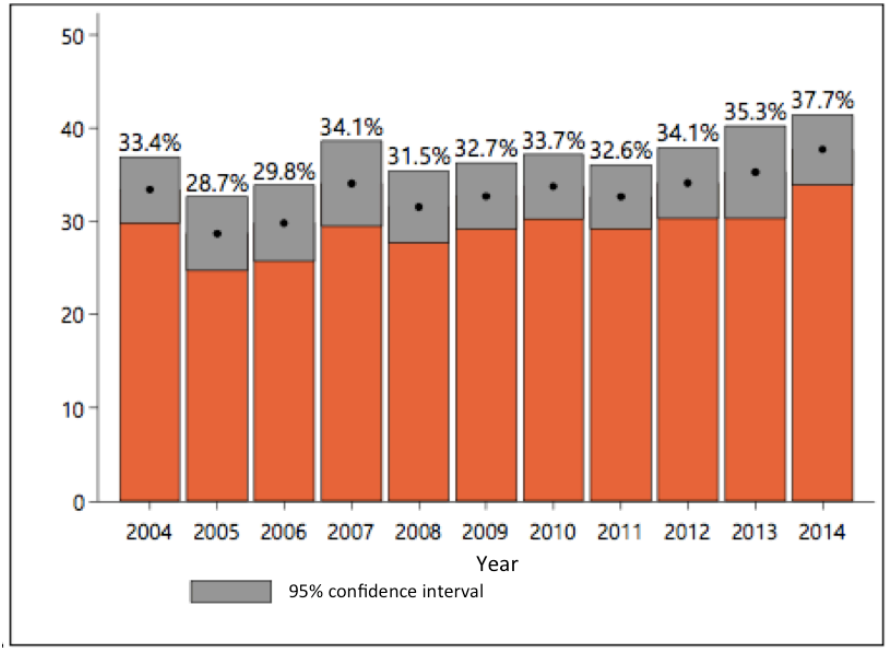

Figure 5.2.3. Opinions on Best Solution to Armed Conflict, 2004-2014

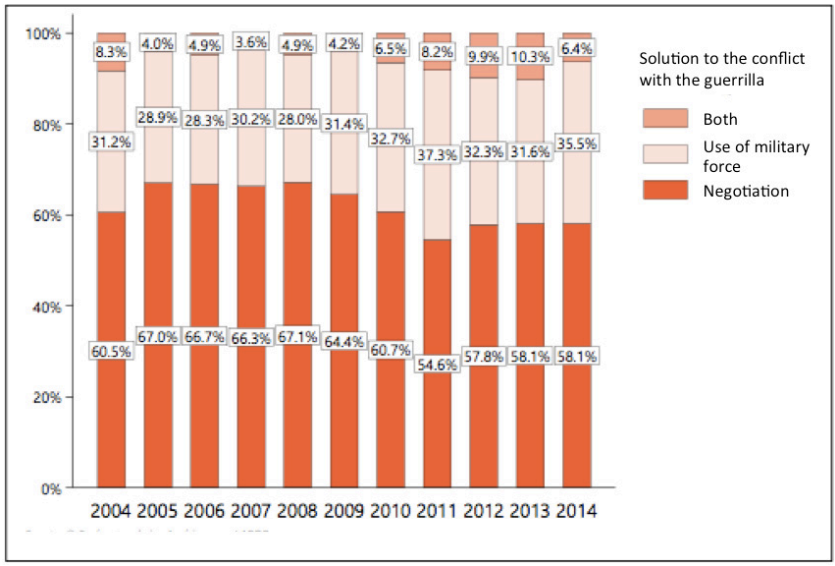

Figure 5.2.4. Perceived Likelihood of Peace in a Year, 2013-2014

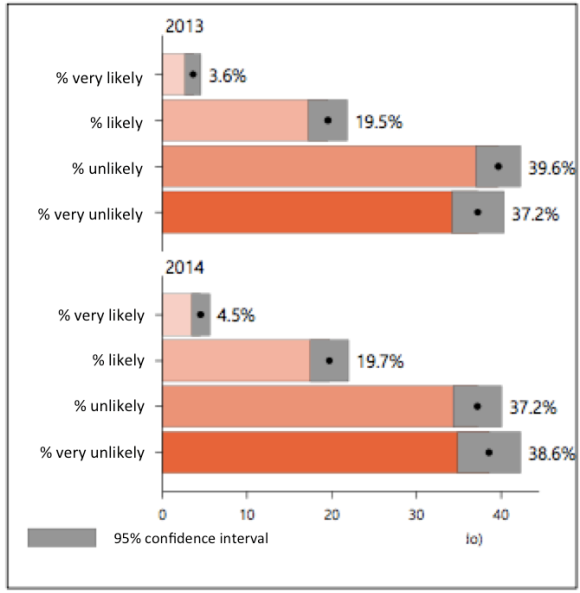

Figure 5.2.5. Approval of Peace Agreements, 2014

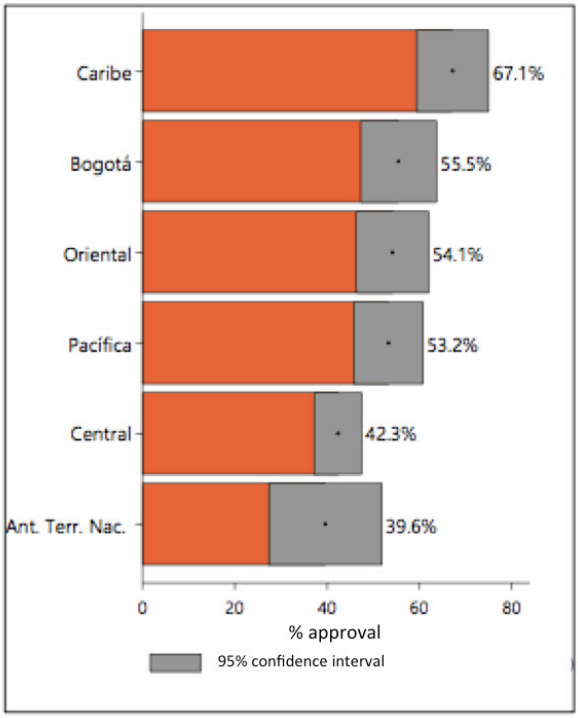

Table I
Summary Statistics, 2004-2014

Variable	Obs.	Mean	Std. Dev.	Min	Max
Number annual attacks	21,697	10.773	20.455	0	144
Number annual government attacks	21,697	3.209	6.957	0	57
Number annual guerilla attacks	21,697	0.374	1.49	0	27
Number annual paramilitary attacks	21,697	3.209	6.957	0	57
Coca intensity, hectares	17,010	122.128	668.850	0	8,963
Coffee intensity, hectares	17,010	1,149.055	1,946.542	0	204646.8
Internal coffee price	21,697	614,388.4	165,027.9	351,353	975342.5
Coffee of next top three exporters	21,697	101,446.3	8,662.535	87,562	114,690
Oil production, tons of barrels	21,697	139,596.4	1,903,463	0	9.68e+07
Oil price	21,697	84.164	19.284	37.734	105.0096
Trust in institutions	14,984	5.006	1.756	1	7
Trust in government's ability to defend civil rights	14,819	3.961	1.631	1	7
Degree of pride of being Colombian	15,005	4.412	1.774	1	7
Trust in justice department	14,967	4.010	1.713	1	7
Trust in Congress	14,447	3.798	1.710	1	7
Trust in the current government	15,008	4.350	1.836	1	7
Trust in political parties	14,968	3.031	1.682	1	7
Trust in government's protection of human rights	12,676	4.370	1.730	1	7
Trust in government's ability to resolve the armed conflict	12,600	4.275	1.802	1	7

Table II
Predicting the Coffee Price Shock, 2004-2014

Dependent Variable	Coffee Intensity
Rainfall x temperature	2,161.147***
	(75.624)
Temperature x log of production of next top three coffee exporters	-3560079.633***
	(23,453.628)
Rainfall x temperature x log of production of next top three coffee exporters	-48.410***
	(2.910)
Observations	6,426

Table III
The Coffee and Oil Shocks on Violence, 2004-2014

Dependent Variables	(1) Total attacks	(2) Guerrilla attacks	(3) Government attacks	(4) Paramilitary Attacks
Predicted coffee intensity x coffee price	-2.09e-09*** (0.000)	-2.15e-10 (0.000)	-5.94e-10 (0.000)	-1.23e-09*** (0.000)
Oil production x log oil price	2.67e-09 (0.000)	-2.15e-10 (0.000)	-8.77e-10 (0.000)	2.39e-09 *** (0.000)
Observations	6,560	6,560	6,560	6,560

Table IV
Violence and Trust in Political Institutions

Dependent variables :	(1) Institutions	(2) Justice	(3) Congress	(4) Current government	(5) Political parties
Lagged attacks	-0.010*** (0.002)	-0.011*** (0.002)	-0.007*** (0.002)	-0.016*** (0.002)	-0.012*** (0.002)
Years of education	-0.006 (0.006)	-0.029*** (0.006)	-0.030*** (0.006)	-0.045*** (0.006)	-0.010* (0.006)
Observations	6,426	6,419	6,161	6,446	6,432

Table V
Violence and Political Attitudes

Dependent Variables :	(1) Defense of human rights	(2) Conflict resolution	(3) Defense of citizen rights	(4) Pride in being Colombian
Lagged attacks	-0.017*** (0.003)	-0.017*** (0.003)	-0.010*** (0.002)	-0.014*** (0.002)
Education	-0.034*** (0.006)	-0.025*** (0.006)	-0.020*** (0.005)	-0.035*** (0.006)
Observations	5,577	5,550	6,351	6,439

Table VI
Violence and Trust in Political Institutions, by Type of Attack

Dependent Variables:	(1) Institutions	(2) Justice	(3) Congress	(4) Current government	(5) Political parties
Lagged paramilitary attacks	-0.034***	-0.029***	-0.024***	-0.045***	-0.030***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Lagged guerrilla attacks	0.017	-0.041	0.002	-0.033	-0.038
	(0.026)	(0.025)	(0.025)	(0.027)	(0.025)
Lagged government attacks	-0.051***	-0.047***	-0.043***	-0.076***	-0.059***
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Education	-0.004	-0.028***	-0.029***	-0.043***	-0.009
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Observations	6,426	6,419	6,161	6,446	6,432

Table VII
Violence and Political Attitudes, by Type of Attack

Dependent Variables:	(1) Defense of human rights	(2) Conflict resolution	(3) Defense of citizen rights	(4) Pride in being Colombian
Lagged paramilitary attacks	-0.032***	-0.025***	-0.034***	-0.035***
	(0.005)	(0.005)	(0.005)	(0.005)
Lagged guerrilla attacks	-0.167***	-0.043*	-0.161**	-0.039
	(0.063)	(0.024)	(0.063)	(0.026)
Lagged government attacks	-0.061***	-0.052***	-0.061***	-0.080***
	(0.011)	(0.010)	(0.011)	(0.011)
Education	-0.035***	-0.020***	-0.026***	-0.034***
	(0.006)	(0.005)	(0.006)	(0.006)
Observations	5,577	6,351	5,55	6,439