

**DEPARTMENT OF ECONOMICS  
UNIVERSITY OF TORONTO**

**ECO368H1F  
Economics of Conflict  
Fall 2015  
This version: September 9, 2015**

**Class Location:** UC52, University College.

**Class Time:** Mondays 4pm-6pm and some Wednesdays 4pm-5pm.

**Instructor:** Professor Paola Salardi

Room: 150 St. George St. (Max Gluskin House), Room #330

Email: [paola.salardi@utoronto.ca](mailto:paola.salardi@utoronto.ca)

Office hours: Wednesday 4pm-5pm (open)

Wednesday 5pm-6pm (by appointment only, sign up at  
<https://calendly.com/paola-salardi/econ-office-hours>)

**Teaching Assistant:** Juan S. Morales

Email: [juan.morales@utoronto.ca](mailto:juan.morales@utoronto.ca)

**Office Hours:** Location and Time to be announced on Blackboard.

**Course Description:** Welcome to the Economics of Conflict! The goal of this course is to introduce you to current debates and issues related to civil wars and political violence. The course is divided into three parts. The first part will cover core debates in the Economics of Conflict. We will begin by understanding how conflict and violence are conceptualized and measured, and then turn attention to the causes and consequences of conflict. We will look carefully at the causes and triggers of conflict and at the consequences of conflict for people's lives, focusing on education, health, and labour outcomes, and on social capital and political participation, at both the macro- and micro-levels. During the second part of the course we will focus on the research methods applied to investigate conflict, on how to assess the quality and implications of conflict research and on how to run research in conflict-affected areas. Lastly, in the final lecture we will focus on the impact of conflict on local institutions, and local institutional responses to violence and conflict. To explore these topics the course will draw on a combination of theory and empirics, using detailed country specific and cross-country empirical evidence to critically understand the emergence of conflict and its consequences.

*Welcome on board!*

## 1. Organization of the course

The course is organized in lectures and tutorials. Mondays are for two-hour lectures led by the instructor, while four tutorials are scheduled on Wednesdays spread over the term. All of this is laid out in the detailed timetable for the course in section 5 of this document. However, variation from the detailed timetable may sometimes be announced during lectures and on Blackboard.

Lectures will be supplemented by four one-hour tutorials, which are designed both to review key concepts and to offer you a deeper understanding of more complex sections of the compulsory reading. The TA will also go through examples of the types of questions that will be on your final exam, thus helping you to prepare effectively. The tutorials are also your chance to ask questions about the course material.

On top of tutorials, students will have access to office hours as a source of additional support. Office hours will be held by both the instructor and by the TA. The instructor's and TA's office hours are listed at the beginning of this syllabus, and any variation will be sent by email and posted on Blackboard.

U of T's learning portal (a.k.a. Blackboard) is here: <http://portal.utoronto.ca>. Announcements, lecture slides, readings, tutorial assignments, additional readings, and grades will be posted on Blackboard.

### Teaching materials

This is an **article-based course** (not a textbook-based course): to succeed in this course you are required to read at least two academic articles to prepare for each class. On top of these articles, lecture slides will be provided via Blackboard prior to the date of the lecture. You are expected to read both the lecture slides and the related articles before class: in my experience this strategy puts you in a position to better understand the reading and to grasp key concepts much more easily. It is important to attend all of the lectures, as they are interconnected.

The articles assigned for each lecture are listed in the preliminary list of readings in section 6 of this document. All of the compulsory reading will be posted on Blackboard prior to the beginning of each week. Additional suggested readings are listed in the reading list and can be easily found through the U of T electronic library: <https://onereach.library.utoronto.ca/>. Please note that because this is a newly designed course the list of readings is not yet complete and will be updated during the course. This will allow me to update the reading list based on your feedback and impressions as the course proceeds – and I would welcome your feedback in office hours so that I can continue to improve the course.

## 2. Student evaluation

This is the grading scheme:

| <b>Title</b>               | <b>Deadlines</b>                                                                                                   | <b>Length</b>          | <b>Weight</b> |
|----------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------|---------------|
| <b>Critical Reflection</b> | Friday 30/10/2015 at 4:00pm<br>To be submitted via Turnitin.com                                                    | 1,000-word essay       | 20%           |
| <b>Group Project</b>       | In-Class Presentation<br>Slides must be submitted before class by email to the instructor                          | 15-minute presentation | 20%           |
| <b>Response Papers</b>     | Due prior to class the week after the paper/presentation you are responding to<br>To be submitted via Turnitin.com | 750 words each         | 10% each      |
| <b>Final Exam</b>          | Final Exam Period<br>(Location and date to be confirmed)                                                           | 2 hours                | 40%           |

### Critical Reflection

The Critical Reflection is a 1,000-word essay on which you need to work in the first six weeks of your class. At the beginning of Week 2 I will post on Blackboard a list of titles for the Critical Reflection. These titles will be based on the course material for the first three topics, on which we will work together during lectures and tutorials over the first six weeks of the term. The goal of the critical reflections *is not to simply summarize the readings, nor is it to simply identify a range of questions raised by the readings*. Instead, the goal is to write a short essay that addresses the questions analytically: What does the course material tell us about the topic, are the arguments persuasive or problematic, what questions are left unresolved and/or what issues and implications does the research raise? A good critical reflection will have a clear structure, with a brief, clear introduction and argument, a clear review of key material in the body of the paper and a conclusion that pulls together the argument and key issues. The goal of the assignment is to expose you to the challenge of understanding a topic of your choosing in a more detailed and critical way, and then of presenting a clear and succinct analysis in writing.

The deadline for submission of your Critical Reflection is on Friday, October 30<sup>th</sup>, at 4:00pm. The essay should be prepared as a Word (or Open Office) Document with a clear indication on the first page of your full name, your UTORid, your Student Number and the title of your Critical Reflection. The essay **must be no longer than 1,000 words**. Please write using size 12 Times New Roman font, with 1.5 line spacing. The penalty for late submission will be 3% per day, so please submit on time. You will need to submit via Turnitin.com.

## Group Project

The Group Project will span the entire term, and is designed to give you an opportunity to work in-depth on a specific research paper and question related to our course material, delve deeply into the econometric methods employed, and develop presentation skills.

*Selection of a topic:* Prior to our Week 2 class I will post six different research papers/topics around which the group project will be organized. You will be asked to indicate which paper/topic you would prefer to work on, via a Google Forms survey. Based on those preferences, you will be assigned to one of the six research topics/papers on a first come first served basis. You will be notified of your research topic, and group, before our class in Week 3.

*Group Assignment:* About 8 students will be working on each research question, divided into two randomly assigned smaller groups of 4-5 students. You will work with that smaller group of students throughout the project, which will result in a 15-minute in-class presentation in Week 10, 11 or 12. The in-class presentation will require you, as a group, to present a detailed analysis of the paper, its conclusions and its limitations to the class. This will involve addressing several issues very succinctly:

- What is the research question/s of the paper, and why is it important?
- What is already known about the topic/what is the most important existing research on the topic?
- What is the empirical strategy of the paper?
- What are the key findings of the paper? This should include presentation and explanation of the key table(s) of findings.
- What are the implications of the findings for thinking about conflict, and policy to respond to conflict?
- What are the weaknesses and limitation of the paper? Where is more research needed?

To do this successfully you will need not only to review your own paper, but to independently review the broader literature on your topic in detail, in order to better understand where your paper fits in the literature, its limitations and directions for research. Your group will be expected to independently identify related literature in order to gain a greater mastery of the material, and a list of references, containing at least 5 sources, should be included along with the slides that you submit prior to class. The lecture in Week 8 on Research Methods will also help you to refine your plans.

*Group In-Class Presentations:* Three classes (Week 10, 11, and 12) will be devoted to your 15-minute presentations, which will be worth 20% of your final grade. You will be assigned to a presentation slot at the same time that you are assigned to your group, so that you will know well in advance. It is expected that each student should contribute equally to the presentation – it reflects badly on all of the presenters if one person does not make a solid contribution. A successful presentation depends not only on the quality of the information, but also on communicating that information very clearly to your classmates. Here are some key points to keep in mind.

- 1) *You need to be extremely well rehearsed*, so that you speak clearly, and remain within the time limit. You should meet as a group beforehand and rehearse the presentation out loud at least three times, to make sure you are on time and clear. I will be extremely strict about the 15-minute time limit, cutting you off as soon as you exceed the limit, as being able to stay on time is a very important skill.
- 2) *Think of your presentation as a short oral essay*. You are not simply summarizing the literature, but are trying to tell a story and make an argument about what we already know, what the research shows, and what is missing. You need to be very precise about the key messages.
- 3) *Have positive body language and speaking style*: By speaking clearly, with good volume, with energetic body language and by trying to communicate directly with your audience (relying as little as possible on your notes), you will be much more effective as a speaker, and your audience will retain much more information.

Note that it is very important that you attend *all* of the presentations and not just the class when you are presenting. Because everyone is presenting on related topics you can learn a lot from both the substance and the style of the different presentations, while it is also important to attend in order to support and respect your colleagues. The final exam may include material from the student presentations, while, as described below, you will need to write Response Papers responding to the presentations made by other groups. If you are absent from your own presentation you will be assigned a 0 for the assignment, unless you have an approved medical or personal reason for your absence, as described below.

### Response Papers

While it is independently important that you attend *all* of the presentations, whether you are presenting or not, you will also be required to complete a short Response Paper after each class in which you *are not* presenting – that is, **two Response Papers in total**. The goal of the Response papers is to respond critically to the content of one of the presentations from each week. For example, if you present in Week 10, then you will be required to complete a short Response Paper after the classes in both Week 11 and Week 12.

The Response Paper will require you to respond to one of the presentations from that week, commenting not on the style of the presentation but on its substance. Specifically, you will be asked to comment on their description of the question and literature, on their presentation of the identification strategy and empirical findings and on their suggestions for future research. If relevant you should point out errors or gaps in their analysis, and issues that you felt should have been addressed.

The goal of the assignment is twofold: (1) To allow you an opportunity to assess in detail particular research papers and their research findings, and (2) to build your skills in listening to, understanding and responding to oral presentations. This is a critical skill in the field of economics, and in the broader labour market, but one which we practice

comparatively rarely. More detailed instructions for the Response Papers will be circulated via Blackboard later in the term.

Each Response Paper will be due the following week - that is, if you are commenting on a presentation in Week 11, your response paper will be due before the beginning of class in Week 12. The Response Papers should be prepared as a Word (or Open Office) Document with a clear indication on the first page of your full name, your UTORid, your Student Number and the title of your Response Paper. Each paper needs to be **no longer than 750 words**. Please write using size 12 Times New Roman font, with 1.5 line spacing. The penalty for late submission will be 3% per day, so please submit on time. You will need to submit via Turnitin.com.

### Final Exam

The Final Exam will consist of a series of questions drawing on the entirety of the course material covered in the reading, during lectures, during the student presentations and during tutorials. Because the compulsory readings are the core teaching materials, having a good understanding of them will be key to being able to write a good final exam. Remember that during tutorials your TA will present questions that could be part of the final exam and, more generally, will work to deepen your understanding of the core reading. Attending the tutorials will thus be critical to succeeding on the final exam.

The final exam will combine more technical questions, based on economic models and results discussed in class, and more open-ended short essay questions. For the former, you might, for example, be asked to describe the model of civil conflict presented by a particular author, might be asked to explain a specific table of results, or might be asked to provide very short answers about the implications of a model or set of results. For the latter, you might, for example, be asked to describe key debates around a topic analysed in class.

The Final exam will be scheduled by the Faculty of Art and Science for a date during the exam period from Dec 11 – Dec 22 (<http://www.artsci.utoronto.ca/current/exams/>). That information will be available from A&S and via Blackboard. Your Final Exam will count for 40% of your total final grade. Failure to attend your Final Exam will result in being assigned zero to the portion of your final grade. If you are unable to attend the final exam for a medical or personal reason all appeals are handled by the Faculty of Art and Science, and not by individual instructors. Any accommodation for missing the final examination requires a student to formally petition A&S at:

[http://www.artsandscience.utoronto.ca/ofr/calendar/Rules\\_&\\_Regulations.html](http://www.artsandscience.utoronto.ca/ofr/calendar/Rules_&_Regulations.html)

### 3. Relevant dates

Monday, September 14<sup>th</sup>: First Day of Class for the Fall term

Monday, October 12<sup>th</sup>: Thanksgiving holiday (no class)

**Friday, October 30<sup>th</sup> at 4:00pm: Deadline for Submission of the Critical Reflection**

Monday, November 9<sup>th</sup>: Fall break (no class)

Wednesday, Dec 9<sup>th</sup>: Last Day of Class for the Fall term

**December (11-22, TBC): Final Exam**

### 4. Other important information

**Course accessibility:** Students with diverse learning styles and needs are always welcome in this course. In particular, if you have a disability or health consideration, which may require accommodation, please feel free to approach me in person and/or the Accessibility Service (<http://accessibility.utoronto.ca/> or call 416-978-8060).

**Academic integrity:** Academic integrity is an important priority here at the University of Toronto. Our academic community honors the values of honesty, trust, respect, fairness and responsibility in order to protect you and your degree. Read Section B of the University of Toronto's Code of Behavior on Academic Matters, as all students are expected to know and to respect this Code:

<http://www.governingcouncil.utoronto.ca/Assets/Governing+Council+Digital+Assets/Polices/PDF/ppjun011995.pdf>.

**Email policy:** Email is NOT an appropriate forum for asking questions. If you want to discuss the course material you should meet with your instructor, or your TA, in person during office hours. If you have any personal matter or concern please similarly come to speak to me in person during office hours. On the other hand, if there are any issues with the course that you think I should know about, such as mistakes in a specific announcement, missing information about an approaching tutorial that have not been posted, feel free to email me – I would be most grateful, though I may not always be able to reply.

**Turnitin.com:** Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com website.

Class ID: 10678198

Password: ECO368

If you object to using Turnitin.com you must contract the relevant course instructor well ahead of time (i.e. at least two weeks before your essay is due) to establish appropriate alternative arrangements for submission of your written assignments. This will involve

devising alternative methods for verifying the originality of your work, likely including submitting rough work along with your essay and having a brief interview about the work with the relevant instructor.

**Illness and Extensions:** In the case that you submit an assignment late because of illness we will follow the Department of Economics policy for granting extensions. In general extensions will only be granted for serious illness immediately before or on the date of the submission deadline. Medical certificates, documenting the illness, must be submitted within one week of the deadline – or, in the case of serious illness prior to the deadline, must be submitted before the due date. Medical certificates need to adhere to the following characteristics in order to be acceptable:

- Only the official Verification of Student Illness or Injury by the University of Toronto will be accepted, fully completed by a Physician, Surgeon, Nurse Practitioner, Dentist, or Registered Psychologist. You can find the certificate to be completed at this link: <http://www.illnessverification.utoronto.ca/getattachment/index/Verification-of-Illness-or-Injury-form-Jan-22-2013.pdf.aspx>
- You need to have visited the physician during the illness in question, not after the fact, and the medical note needs to be dated accordingly.
- The certificate needs to be submitted to the instructor in person, in class or during normal office hours. Suspicious certificates will be forwarded to the Office of Student Academic Integrity (OSAI) for further investigation.

### 5. Detailed Timetable

| Week | Date                  | Session                                               | Topic                                                                                 |
|------|-----------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1    | Mon 14/09/2015        | Lecture #1                                            | Introduction to the course<br>Topic 1: Conceptualization of Conflict and Violence (I) |
| 2    | Mon 21/09/2015        | Lecture #2                                            | Topic 1: Conceptualization of Conflict and Violence (II)                              |
|      | Wed 23/09/2015        | Tutorial #1                                           | Review of Topic 1                                                                     |
| 3    | Mon 28/09/2015        | Lecture #3                                            | Topic 2: Causes and Triggers of Civil Wars (I)                                        |
| 4    | Mon 05/10/2015        | Lecture #4                                            | Topic 2: Causes and Triggers of Civil Wars (II)                                       |
|      | Wed 07/10/2015        | Tutorial #2                                           | Review of Topic 2                                                                     |
| 5    | Mon 12/10/2015        | Thanksgiving holiday (no class)                       |                                                                                       |
| 6    | Mon 19/10/2015        | Lecture #5                                            | Topic 3: Consequences of Exposure to Violence and Civil Wars (I)                      |
| 7    | Mon 26/10/2015        | Lecture #6                                            | Topic 3: Consequences of Exposure to Violence and Civil Wars (II)                     |
|      | Wed 28/10/2015        | Tutorial #3                                           | Review of Topic 3                                                                     |
|      | <b>Fri 30/10/2015</b> | <b>Deadline for Submission of Critical Reflection</b> |                                                                                       |
| 8    | Mon 02/11/2015        | Lecture #7                                            | Topic 4: Research Methods for Conflict                                                |
| 9    | Mon 09/11/2015        | Fall break (no class)                                 |                                                                                       |
| 10   | Mon 16/11/2015        | Presentation session (I)                              |                                                                                       |
| 11   | Mon 23/11/2015        | Presentation session (II)                             |                                                                                       |
| 12   | Mon 30/11/2015        | Presentation session (III)                            |                                                                                       |
| 13   | Mon 07/12/2015        | Lecture #8                                            | Topic 5: Local Institutional Change During and After Violent Conflict                 |
|      | Wed 09/12/2015        | Tutorial #4                                           | Review of Topic 4 and 5                                                               |
|      | <b>Exam Period</b>    | <b>FINAL EXAM</b>                                     |                                                                                       |

## 6. Preliminary List of Readings

**Important note:** *As the course is a newly designed course, the list of readings presented here is only preliminary. I will update the list of readings for later lectures as the term progresses, so that I can take into account students' feedback throughout. Any changes to the reading list will be highly publicised both during lectures in class, by email and with announcements on Blackboard. The readings listed under each lecture are **compulsory**. In turn, I have provided a short list of additional optional readings for each topic, if you want to dig deeper into the topic.*

### Topic 1: Conceptualization of Conflict and Violence

#### Lecture #1

- Kalyvas, Stathis N., (2006), *“The Logic of Violence in Civil War,”* New York: Cambridge University Press. [Chapter 1, pp. 16-31].
- Themnor, Lotta, and Peter Wallensteen, (2012), “Armed Conflict, 1946-2011,” *Journal of Peace Research*, 49(4): 565-575.

#### Lecture #2

- Blattman, Chris, and Edward Miguel, (2010), “Civil War,” *Journal of Economic Literature*, 48 (1): 3-57. [Section 1, and 2].
- Sambanis, Nicholas, (2004), “What Is Civil War? Conceptual and Empirical Complexities of an Operational Definition,” *Journal of Conflict Resolution*, 48(6): 814-858.

#### Additional Suggested Readings

- Besley, Timothy, and Torsten Persson, (2011), “The Logic of Political Violence,” *The Quarterly Journal of Economics* 126, 1411–1445.
- Human Security Report Project, (2013), *“Human Security Report 2013: The Decline in Global Violence: Evidence, Explanation, and Contestation,”* Vancouver: Human Security Press.
- Lacina, Bethany, and Neils P. Gleditsch (2005), “Monitoring Trends in Global Combat: A New Dataset of Battle Deaths,” *European Journal of Population*, 21: 145–166.
- Marshall, Monty G, and Benjamin R Cole, (2014), *“Global Report 2014: Conflict, Governance, and State Fragility,”* Polity IV Project. Vienna, VA: Center for Systemic Peace.
- World Bank, (2011), *“World Development Report 2011: Conflict, Security and Development,”* The World Bank, Washington D.C.

## Topic 2: Causes and Triggers of Civil Wars

### Lecture #3

- Blattman, Chris, and Edward Miguel, (2010), “Civil War,” *Journal of Economic Literature*, 48 (1): 3-57. [Section 3].
- Fearon, James D., and David D. Laitin, (2003), “Ethnicity, Insurgency, and Civil War”, *American Political Science Review* 97: 75-90.

### Lecture #4

- Collier, Paul, et al., (2009), “Beyond Greed and Grievance: Feasibility and Civil War,” *Oxford Economic Papers* 61(1): 1-27.
- Ross, Michael L. (2006), “A Closer Look at Oil, Diamonds, and Civil War,” *Annual Review of Political Science* 9: 265-300.

### Additional Suggested Readings

- Basedau, Matthias, and Jann Lay, (2009), “Resource Curse or Rentier Peace? The Ambiguous Effects of Oil Wealth and Oil Dependence on Violence Conflict,” *Journal of Peace Research* 46(6): 757-776.
- Collier, Paul, and Anke Hoeffler, (2004), “Greed and Grievance in Civil War”, *Oxford Economic Papers* 56 (4): 563-595.
- Cotet, Anca, M. and Kevin K. Tsui, (2013), “Oil and Conflict: What Does the Cross Country Evidence Really Show?,” *American Economic Journal: Macroeconomics* 5(2): 49-80.
- Fearon, James D., (2004) “Why Do Some Civil Wars Last So Much Longer than Others?” *Journal of Peace Research* 41: 275–301.
- Ross, Michael, (2001), “Does Oil Hinder Democracy?” *World Politics* 53: 325-61.

## Topic 3: Consequences of Exposure to Violence and Civil Wars

### Lecture #5

- Akresh, Richard, Philip Verwimp and Tom Bundervoet, (2011), “Civil War, Crop Failure, and Child Stunting in Rwanda,” *Economic Development and Cultural Change* 59 (4): 777-810.
- Blattman, Chris, and Edward Miguel, (2010), “Civil War,” *Journal of Economic Literature*, 48 (1): 3-57. [Section 4, and 5].
- Justino, Patricia, (2009), “Poverty and Violent Conflict: A Micro-Level Perspective on the Causes and Duration of Warfare”, *Journal of Peace Research* 46 (3): 315-333.

### Lecture #6

- Justino, Patricia, Marinella Leone, and Paola Salardi, (2014) “Short and Long-Term Impact of Violence on Education: The Case of Timor Leste,” *World Bank Economic Review* 28(2): 320-353.

- Voors, Maarten J., Eleonora E. M. Nillesen, Philip Verwimp, Erwin H. Bulte, Robert Lensink, and Daan P. van Soest, (2012), “Violent Conflict and Behavior: A Field Experiment in Burundi,” *American Economic Review* 102 (2): 941–64.

#### Additional Suggested Readings

- Akresh, Richard, Sonia Bhalotra, Marinella Leone, and Una Okonkwo Osili, (2012), “War and Stature: Growing Up during the Nigerian Civil War,” *American Economic Review*, 102(3): 273-77.
- Alderman, Harold, John Hoddinott, and Bill Kinsey, (2006), “Long Term Consequences of Early Childhood Malnutrition,” *Oxford Economic Papers*, 58(3): 450–74.
- Bellows, John and Edward Miguel, (2009), “War and local collective action in Sierra Leone,” *Journal of Public Economics* 93: 1144–1157.
- Kondylis, Florence, (2010), “Conflict Displacement and Labor Market Outcomes in Post-War Bosnia and Herzegovina,” *Journal of Development Economics*, 93: 235-248
- León, Gianmarco ,(2012), “Civil Conflict and Human Capital Accumulation: The Long-term Effects of Political Violence in Perú,” *Journal of Human Resources*, 47(4): 991-1022.

### **Topic 4: Research Methods for Conflict**

#### Lecture #7 (To be completed)

- Hegre, Håvard and Nicholas Sambanis, (2006), “Sensitivity Analysis of Empirical Results on Civil War Onset,” *Journal of Conflict Resolution*, 50(508)
- Miguel, Edward, Shanker Satyanath and Ernest Sergenti, (2004), “Economic Shocks and Civil Conflict: An Instrumental Variables Approach,” *Journal of Political Economy*, 112(4): 725-753.

### **Topic 5: Local Institutional Change During and After Violent Conflict**

#### Lecture #8 (To be completed)

- Arjona, Ana, (2014), “Wartime Institutions: A Research Agenda,” *Journal of Conflict Resolution*, 58(18): 1360-1389.
- Bellows John, and Edward Miguel, (2006), “War and Institutions: New Evidence from Sierra Leone,” *American Economic Review*, Vol. 96(2), pp. 394-399.