Petro-Aggression
When Oil Causes War

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What are the causes of war?
Figure 1.2: Comparing the Role of Democracy, Revolution, and Oil on the Rate of International Conflict

![Bar chart showing militarized interstate disputes per directed-dyad-year for different types of states: Democratic, Revolutionary, Petrostate. The chart compares the rate of disputes between states where both are democratic, one is democratic, and neither is democratic.](image)
Figure 1.1: Average Rates of International Conflict, Petrostates vs. Non-Petrostates, 1945-2001
Argument in a nutshell

• **Claim:** Effect of oil depends on domestic politics
• **Theory:** Oil and revolutionary government interact to generate incentives for conflict
• **Evidence:** Statistical tests and case studies
• **Results:** Petro-revolutionary states are $\sim 3.5x$ more likely to initiate conflict than typical states
• **Additional issues:** e.g., Does oil cause revolutions?
What is a petrostate?

- A petrostate is any state in which the revenues from net oil exports exceeds 10% of GDP in a given year

- There are other possible definitions, and several are used for robustness checks
Resource curse

• Core concept: oil income reduces domestic political accountability of the leader

• Much research on oil’s domestic consequences
  – Ross 2012; Collier and Hoeffler 2004; many others

• Focus here is foreign policy
Revolutionary governments

• Claim: revolutionary states often have aggressive foreign policy

• Why? Revolutionary leaders are different

Definition of Revolutionary: a government transforms the existing social, political, and economic relationships of the state by overthrowing or rejecting the principal existing institutions of society.
## Oil income

<table>
<thead>
<tr>
<th>Oil’s effects</th>
<th>Micro-mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Conflict-Enhancing</td>
<td>• Reduces leader’s risk of domestic punishment for foreign policy adventurism</td>
</tr>
<tr>
<td>2. Conflict-Reducing</td>
<td>• Financial and economic costs: conflict interrupts export sales, harms reputation as provider</td>
</tr>
<tr>
<td>&gt;&gt; Other effects</td>
<td>• Expands military capability</td>
</tr>
<tr>
<td></td>
<td>• Enables checkbook diplomacy</td>
</tr>
</tbody>
</table>
# Interaction of variables

<table>
<thead>
<tr>
<th>State type</th>
<th>Causal effects</th>
<th>Expected aggressiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Oil + Revolution</td>
<td>• Leader has aggressive preferences and political autonomy</td>
<td>• Far above average</td>
</tr>
<tr>
<td>2. No Oil + Revolution</td>
<td>• Leader has aggressive preferences, but less political autonomy</td>
<td>• Above average</td>
</tr>
<tr>
<td>3. Oil + No Revolution</td>
<td>• Leader has non-aggressive preferences; uses political autonomy for other ends</td>
<td>• Average</td>
</tr>
<tr>
<td>4. No Oil + No Revolution</td>
<td>• Leader has non-aggressive preferences</td>
<td>• Average</td>
</tr>
</tbody>
</table>
Evidence

• Statistical tests using 170 countries, 1945-2001
• DV = militarized interstate disputes (MIDs)
• Regression controls for: geographic region, regime type, population, number of neighboring states, % Muslim, GDP per capita, etc.
Empirical results

Figure 4.1: Effect of the Combination of Oil and Revolutionary Governments on MIDS

Note: All other variables set to their mean values
Further empirical implication #1

- **Leadership tenure**
  - *If the theory is correct, it should be higher in petrostates*

<table>
<thead>
<tr>
<th>State type</th>
<th>Tenure (years)</th>
<th></th>
<th>Tenure (years)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All states</td>
<td></td>
<td>Non-democracies</td>
<td></td>
</tr>
<tr>
<td>Non-petrostates</td>
<td>5.22</td>
<td></td>
<td>6.85</td>
<td></td>
</tr>
<tr>
<td>Petrostates</td>
<td>8.82</td>
<td></td>
<td>11.09</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Archigos dataset v.2.8.1, 1945-2001*
Further empirical implication #2

- Public expenditure as % of GDP
  - Theory: it should be higher in petrostates
Further empirical implication #3

• Outcome in international crises
  – Theory: petro-revolutionaries should often lose
Implications (1)

• Consider Iraq-Kuwait situation in July 1990
• US Dept of State says no threat
• Better understanding of petro-aggression might lead to different understanding
Implications (2)

• Oil money $\rightarrow$ wars $\rightarrow$ US involvement
• Transparency efforts are one way to alleviate the resource curse
• Provide more support for anti-resource curse initiatives
Conclusion

Contributions:
- Findings challenge the conventional wisdom on oil and war
- Extends the theoretical work on the resource curse
- Raises new questions about oil dependence
Oil and Revolutionary Regimes: Fuel for International Conflict

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