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The Relationship Between State Capacity and Internal Armed Conflict

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Keywords

State Capacity, Internal Armed Conflict, Military, Political Institutions

Disciplines

Comparative Politics | Models and Methods | Peace and Conflict Studies

Comments

Written for POL 351: Political Economy of Armed Conflict

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The Relationship Between State Capacity and Internal Armed Conflict

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POL 351: Political Economy of Armed Conflict

Abstract

This paper seeks to evaluate the impact that state capacity has had on the annual incidences of internal armed conflicts in the post-WWII period. This paper proposes that the state's coercive, administrative, and extractive capabilities are the most effective tools at its disposal when attempting to decrease the likelihood of the onset of internal civil conflict. This paper hypothesizes that the higher the level of state capacity in a given nation-state is, the lower the number or occurrences of internal armed conflict will be. The key finding this paper presents is a statistically significant result linking state capacity to the number of internal conflicts in a nation-state. Thus, this paper concludes that a lack of properly developed state capacity is what has resulted in a greater number of internal armed conflicts. This paper validates state capacity as a legitimate explanation of civil conflict.

Introduction

By 1946 and the end of the Second World War, the world and the international community had experienced levels of destruction and mayhem so high and so extreme that they transformed the very nature of the international system. Through the creation of international peacekeeping organizations, such as the United Nations, a commitment was made among the nation-states of the world to establish and maintain peace on a global scale so as to not repeat the horrors witnessed in the first half of the 20th century through two world wars. Despite this commitment, and despite this radical transformation of the international system, peace in the world, particularly in the Global South, was not maintained. While the Global North enjoyed a great increase in socio-economic and political prosperity along with a great decrease in conventional interstate warfare following the Second World War, countries in the Global South

endured higher levels of internal armed conflicts throughout the latter half of the 20th century and the early decades of the 21st century. These internal armed conflicts also resulted in the demolition of the integrity and cohesion of the countries they ravaged. Focusing on these trends, I attempt to identify central factors that explain the incidence of internal armed conflict in the post-WWII period.

In this research paper, I attempt to identify these central factors through the lens of state capacity. The explanation that I present that answers the aforementioned research question is that because countries in the Global South have weak or low levels of measurable state capacity, it is very difficult for them to disincentivize the organization of rebel groups and to therefore deter the onset of internal civil conflict. In order to test this explanation, this paper has developed the following hypothesis: the higher the level of state capacity is in a given nation state, the lower the number or occurrences of internal armed conflict will be. Through the use of an ordinary least squares regression, this paper finds that there is a statistically significant relationship between a state's coercive, administrative, and extractive capacities and the number of internal armed conflicts in a given nation-state. The ordinary least squares regression is also used to test a series of control variables against the occurrences of internal armed conflict. These control variables are Real GDP at constant 2017 national prices, Ethnic Fractionalization in the year 2000, and the Electoral Democracy Index, which measures a state's proclivity towards electoral democratic values and institutions. Through the research performed in this paper, I reach the conclusion that the successful development of the state's coercive, administrative, and extractive capacities are necessary for the deterrence of internal armed conflict, as the statistical results produced by the ordinary least squares regression is consistent with the literature on state capacity. I also conclude that rival explanations that arise from the ordinary least squares'

regression of control variables are less reliable when looking for explanations for the variance in internal armed conflict from the year 1946 to 2020.

Within the field and literature of the political economy of armed conflict, this is a particularly important topic and research question to examine. Throughout the past 70 years, the world has seen a drastic increase in internal armed conflicts following the reformation of the international system. These armed conflicts have brought ruin and chaos to the countries that have razed, destroying lives, homes, communities, cultures, markets, and the structural integrity and cohesion of the nation-state. The havoc brought about by internal armed conflicts is nothing short of devastating and tragic. Consequently, there is a moral responsibility and imperative placed upon scholars who perform research in armed conflict and peace studies to develop all of the possible explanations that show causal mechanisms for the onset of civil conflict to find ways to minimize or end internal armed conflicts. This paper seeks to follow through with the aforementioned moral responsibility and imperative by performing the necessary statistical research to make valuable contributions to the literature on state capacity and internal armed conflict.

State Capacity: The Cornerstones of the Literature

State capacity as a driving force for internal civil conflict has been a deeply researched topic by academic scholars in international relations and political economy studies. This is because state capacity, as the state's ability to enforce its will, crosses into many different dimensions.

Throughout the literature on state capacity, different researchers and authors have created and established different frameworks to identify state capacity and its many components.

Originally, state capacity was conceptualized to define the state's ability to generate revenue (Bessley, 2010, 1). However, with the development of the field and increased research, additional conceptualizations of state capacity were proposed to contribute to the original. Hanna Fjelde and Indra De Soysa, for example, proposed a conceptualization of state capacity on the basis of coercion, co-optation, and cooperation (Fjelde & De Soysa 2009, 6). Cullen Hendrix defines state capacity into three distinct categories: military capacity, administrative/bureaucratic capacity, and the quality and coherence of political institutions (Hendrix 2010, 3). Mauricio Cárdenas draws on Hendrix's definitions of state capacity when it comes to military capacity, administrative/bureaucratic capacity, and political institutions, but also adds fiscal capacity as a valuable factor used to measure state capacity (Cárdenas 2010, 3). Additionally, Cárdenas provides a broad, general definition of state capacity as the ability of the state to provide public goods and support the economy with a sound legal framework (Cárdenas 2010, 3).

Within the literature surrounding state capacity, there is a clear consensus around what encompasses the characteristics of state capacities, functional and non-functional. For the purposes of this paper, I will focus primarily on the four categorizations of state capacity presented by Hendrix and Cárdenas, these being military capacity, bureaucratic and administrative capacity, fiscal capacity, and political institutions. In this section, I will examine each categorization of state capacity from the perspective of many researchers in the literature and put them in conversation with each other.

Military Capacity

The first categorization of state capacity that I will examine within the present literature is military capacity. According to Hendrix and Cárdenas, the most accepted definition of military capacity is that it is the representation of the state's ability to eliminate any rebellion or dissent

that would threaten its authority (Cárdenas 2010, 3; Hendrix 2010, 274). According to Hendrix, military capacity is operationalized as a variable through military personnel per capita (Hendrix 2010, 274). Cárdenas agrees with Hendrix on the operationalization of military capacity through military personnel per capita but would also add military spending per capita as a variable that is necessary to operationalize to fully measure a state's military capacity (Cárdenas 2010, 3).

Throughout literature in the social sciences, state military capacity has been examined as a primary identifying trait of the strength of a nation-state. It has been the distinguishing measure between weak and strong states. Hendrix characterizes the national military as the centerpiece of the state's repressive capabilities, and notes that it has occupied a privileged place in empirical studies that link repressive capacity to the onset, duration, and termination of civil conflict (Hendrix 2010, 274). By the same token, military capacity has also been the measurement of the competency and ability of rebel groups to successfully combat the state's forces. For instance, Hendrix defines rebellion as an inherently militarized act that entails the risk of capture, injury, imprisonment, and death, along with a risk/benefit analysis of engaging in rebellion based on examinations of the state's military capacity, including size, strength, and skill (Hendrix 2010, 274). Going along the similar lines, Fearon and Laitin define insurgencies as a technology of military conflict characterized by small, lightly armed bands practicing guerrilla warfare from rural bases (Fearon & Laitin 2003, 75). The majority of data for armed conflicts in the modern state capacity literature comes from civil conflicts, as these have been the most common form of armed conflicts throughout the latter half of the 20th century and the first decades of the 21st century. Hendrix cites Bolivia as an example of rebel military assessment of the state, stating that Bolivia had been targeted by Che Guevara after receiving intelligence from the Cuban government that the Bolivian government was the least well-trained and most disorganized in all

of South America (Hendrix 2010, 274). Fearon and Laitin cite communist insurgencies, Islamic fundamentalist groups, ethnic nationalists, and rebels as insurgencies particularly if they focus on the trafficking of cocoa or diamonds (Fearon and Laitin 2003, 75).

Among scholars examining military state capacity, debate has surged on the basis of conflicting research in the field. On one side of the debate, scholars find larger militaries are associated with a lower likelihood of onset, higher likelihood of termination, and shorter war duration, although other researchers within that same side of the argument find military personnel per capita unassociated with the likelihood that governments will accommodate potential separatist movements (Hendrix 2010, 274). By contrast, Henderson & Singer dissent. They contend that greater military spending may increase the likelihood of conflict onset due to corruption and patronage that privileges the military at the expense of the citizenry, thus generating grievances among the general populace.

Bureaucratic and Administrative Capacity

The second category within the literature of state capacity that I will examine is bureaucratic and administrative capacity. As a categorization of state capacity, both Hendrix and Cárdenas define bureaucratic and administrative capacity as the state's professionalization of the state bureaucracy and its ability to provide legal protection (Cárdenas 2010, 3; Hendrix 2010, 275). Cárdenas provides seven different measures that are related to the revenue generation ability and bureaucratic quality of the state. The first two are related to the state's ability to raise revenue from the public: (i) GDP share of total tax revenues and (ii) GDP share of income tax revenue (Cárdenas 2010, 4). The remaining measures that Cárdenas uses are measure of the risk of outright confiscation and forced nationalization of property; the government effectiveness index which measures the quality of public services, the capacity of the civil service and its

independence from political pressures, and the quality of policy formulation; the Political Instability Task Force State Capacity Survey which asks respondents to rate the “state's ability to formulate and implement national policy initiatives”; finally, Cárdenas combines expert evaluations and survey responses from the Bertelsmann Transformation Index, the World Economic Forum's Global Competitiveness Report, and the Columbia University State Capacity Survey, which is a subjective quality measure of a country's "ability to implement and enforce regulations and policies, as well as its effectiveness to collect tax revenues" (Cárdenas 2010, 5). Cárdenas has also argued that bureaucratic and administrative state capacities can differ greatly depending on whether a country has a democratic or an autocratic form of government (Cárdenas 2010, 3).

Within the literature of state capacity, military capacity has been acknowledged as not being able to fully capture the decision of rebels to dissent or the repressive capacity of the state during the early stages of conflict. Rather, it is the bureaucratic and administrative capacity of the state that can capture this concept comprehensively (Hendrix 2010, 275). Hendrix argues that in the early stages of conflict, it is not the state's military capacity to use brute force that is a determinant of the feasibility of rebellion, but rather the state's bureaucratic and administrative capacity to identify potential rebels through information collection and management (Hendrix 2010, 274).

Bäck and Hadenius define a rational bureaucracy as one that recruits and promotes persons on professional grounds, and it applies clear rules for decision making, geared at impartiality, openness, and accountability (Bäck and Hadenius 2008, 3). For such objectives to be accomplished, according to them, the administration needs to enjoy a high degree of autonomy (Bäck & Hadenius 2008, 3).

DeRouen and Sobek have argued that a government has an effective bureaucracy when there is a regular process for recruiting and training bureaucrats; when the bureaucracy is protected from political pressure; and when it has the ability to provide services and expertise even in the face of government changes (DeRouen & Sobek 2004, 309). When controlling for a host of other factors, they find countries with higher quality bureaucracies are better able to avoid rebel victory (DeRouen & Sobek 2004, 311). Additionally, DeRouen and Sobek argue that authoritarian governments with large armies and effective bureaucracies are capable of putting down rebellions quite easily, noting that Latin American authoritarian governments in the mid to late 20th century have gone to tremendous lengths, through a mixture of effective bureaucracy and military might, to crush dissent.

DeRouen and Sobek's findings which link higher quality bureaucracies to a lower likelihood of rebel victory clashes with alternate perspectives on the development of state capacity. One alternate perspective argues that state capacity is better operationalized, not by the measurement of effective bureaucracies and administrations, but rather by the state's ability to make credible commitments to private investors (Hendrix 2010, 275). It should be noted that this perspective puts an emphasis on only private investors and makes no attempt to include national investors in its analysis. This is a perspective primarily supported by the logic of property rights enforcement to the question of state strength in early modern Europe (Hendrix 2010, 275). Another perspective regarding bureaucratic and administrative capacity concerns the state's incentives and abilities to extract revenue from society, also referred to as the concept of the penetration of society by the state. This perspective is focused on the political and institutional effects of state dependence on the export of certain mined commodities, such as oil (Hendrix 2010, 275). Researchers such as Collier and Hoeffler, who agree with this perspective, argue that

primary commodities are associated with other characteristics that may cause civil conflict, such as poor public service provision, corruption, and economic mismanagement (Collier & Hoeffler 2004, 567). This is consistent with research indicating that countries whose most successful industries are based around resource extraction have weaker bureaucratic institutions, as rulers simply do not need to invest in them to successfully collect taxes and revenue.

Fiscal Capacity

The third category within the literature of state capacity that I will examine is fiscal capacity. Fiscal capacity is measured by the state's ability to raise revenue from society through taxation and it is essential for the state to be able to deliver public goods or to engage in redistribution between different groups in society (Cárdenas 2010, 3). Cárdenas measures fiscal capacity through the GDP share of total taxes (Cárdenas 2010, 3).

Within the present state capacity literature, there are correlations and distinctions between legal and fiscal capacities. Beesley and Persson describe the fiscal capacity as the state capacity to raise taxes and legal capacity as the state's ability to support markets (Beesley & Persson 2010, 2). These two forms of state capacity are complementary and are developed together. Beesley and Persson argue that building fiscal capacity can improve various aspects of policy making. They argue that political instability can keep the economy in an investment trap in which low investments in fiscal capacity perpetuate inefficient regulatory policies to redistribute income through rent creation/protection, rather than through taxation. (Beesley & Persson 2010, 2). This ultimately results in factor market distortions, lower investments in market support, and low income/growth (Beesley & Persson 2010, 2). Beesley and Persson contend that there is a strong correlation between states that have a high resource dependence and a high proclivity towards conflict, low income, and low investments in legal and fiscal capacity (Beesley &

Persson 2010, 2). Consequently, Beesley and Persson argue in favor of correlations between weak states and low income, caused in part by failures in state-building.

Much of the current existing literature concurs with Beesley and Persson's findings. Thies, for instance, argues that if rulers are able to forge institutions of extraction that give them control of revenue generated by lootable resources, said resources can contribute to the maintenance of order by providing the income with which to govern (Thies 2010, 323). According to Thies, the breakdown or absence of such institutions that extract revenue can produce instability in two ways: first, by causing a fiscal crisis that renders the state vulnerable to collapse and second, by making it easier for rebels to organize (Thies 2010, 323). Dincecco and Katz, in their research on state capacity's long-term economic impacts on Europe, argue that both fiscal centralisation and limited government increased the national government's capacity to extract greater tax revenues (Dincecco & Katz 2014, 190). They additionally argue that greater state capacity had positive economic implications through several potential channels, including the creation of administrative infrastructure (Dincecco & Katz 2014, 190).

Political Institutions

The fourth and final measured category of state capacity within the literature that I will examine are political institutions, their quality and coherence. According to Cárdenas, the quality and coherence of political institutions is measured through examining the degree to which the democratic and nondemocratic features of the state interfere in its political system (Cárdenas 2010, 3). This aspect of state capacity is defined by Hendrix as the degree to which democratic and non-democratic features are intermingled in the political system (Hendrix 2010, 276).

Much like the previously examined literature on the other existing categories of state capacity, the literature on political institutions is well-rounded and researched. Researchers

within the literature agree that anocracies, mixed regimes which possess neither full democratic development nor sufficient authoritarian repression, are the most likely to be subject to internal conflict (Hendrix 2010, 276). This is because anocracies do not have the repressive capacity of full-fledged authoritarian states to prevent the organization of rebel groups and also do not have the channels that democratic regimes have to resolve grievances (Hendrix 2010, 276). Consequently, anocracies, lacking both of these reconciliatory methods, will be most susceptible to civil conflict. Researchers, such as Fearon and Laitin, have also found that where instability and intermingling are high, state capacity is lowest and onset more likely and where intermingling is low and stability is high, state capacity is highest and onset is less likely (Hendrix 2010, 276).

Scholars also contend that institutional capacity combines three different dimensions of political systems: executive recruitment, levels of electoral participation, and constraints on executive authority (Hendrix 2010, 276). According to them, institutions are most effective if they follow through with their values consistently. For instance, democracies are 'strong' if they combine competitive recruitment, high levels of participation, and extensive checks on the use of executive authority whereas autocracies are 'strong' if they combine non-competitive recruitment, low participation, and minimal checks on executive authority (Hendrix 2010, 276). Within the context of the literature on political institutions, strong democracies and autocracies are in extreme opposition to each other with anocracies being in the intermediate level (Hendrix 2010, 276). In keeping with this, regimes in which any dimension of their political system is inconsistent with its values risks political instability (Hendrix 2010, 276).

This consensus in the present literature on political institutions is also supported by Fjelde and De Soysa and their state capacity framework based around coercion, co-optation, and

cooperation. Fjelde and De Soysa define coercion as the ability to extract large taxes, co-optation as the relative size of government spending, or level of public goods provision, and cooperation as the degree of trust of economic agents in state institutions (Fjelde & De Soysa 2009, 6). One of the key components of this framework, particularly with the cooperation aspect, is the notion of quasi-voluntary compliance. Fjelde and De Soysa define quasi-voluntary compliance as compliance that, while only partial given that the nature of the nation-state is coercive, is somewhat voluntary to the state's coercion on the part of the citizenry because of a perception that the social contract, as it stands, is fair (Fjelde & De Soysa 2009, 9). From a theoretical approach, this perspective helps to further cement the present literature's consensus on democratic states being capable of withstanding political instability and internal conflict.

Hypothesis & Causal Mechanisms

In this section I will provide detailed causal explanations for my hypothesis along with rival explanations that I will control for in section four, research design, data, and methods. The hypothesis that I am proposing is that the higher state capacity is for a nation-state, the lower the likelihood of the onset of civil conflict will be. There are four causal explanations that I have identified that are in line with the current state capacity literature. These explanations are that if the state's military capacity, bureaucratic and administrative capacity, fiscal capacity, and political institutions are sturdy and efficient, there will be a low likelihood of an outbreak of civil conflict.

The first causal explanation for higher state capacity leading to lower outbreaks of internal civil conflict deals with military capacity. Military capacity is the state's most immediate, direct, and brutal mechanism for maintaining civil peace. This is because the state's

military capacity, in both democratic and autocratic regimes, is the tool used to disorganize and dismember rebel movements. If a state has successfully developed its military capacity, it can swiftly eliminate any dissent with sheer force alone.

The second causal explanation for higher state capacity leading to lower outbreaks of internal civil conflict deals with the bureaucratic and administrative capacity of the state. Unlike military capacity, the bureaucratic and administrative capacity of the state is a more subtle means by which to bring about conflict resolution between it and potential dissidents and rebels. This is because the state's bureaucratic and administrative capacity is used to bring about conflict resolution through resolving grievances held by the civil population. Grievances such as poor public service provision, corruption, and economic mismanagement, could be reconciled through an effective bureaucracy that has been successfully developed by the state.

The third causal explanation for higher state capacity leading to lower outbreaks of internal civil conflict deals with the fiscal capacity of the state. Similar to the bureaucratic and administrative capacities of the state, the state's fiscal capacity maintains civil peace through subtle means compared to the state's military capacity. This is because the state's ability to collect revenue through taxation is essential for engaging in the distribution and redistribution of public goods and services to the vast multitude of different populations and groups within the nation-state. A state's fiscal state capacity that is successfully and fully developed will engage in effective revenue generation through taxation and will use said revenue to remedy any grievances within the civilian population. When the most basic needs of the civil population are met, such as access to healthcare, education, food and water, the onset of civil conflict decreases drastically because the civil population is satisfied with the performance of the state.

The fourth causal explanation that I will examine for higher state capacity leading to lower outbreaks of internal civil conflict deals with the quality and coherence of the state's political institutions. A state's political institutions will be capable of deterring civil uprisings and conflict if they are coherent and of good quality. For the state's political institutions to be successfully developed in such a way that they are coherent, they must be trusted by the civil population or the civil population must be subservient to them. Democratic and autocratic regimes have different methodologies to go about the development of these institutions. Democratic regimes use competitive recruitment, high levels of participation, and extensive checks and balances on the use of executive authority to incentivize the trust of the civil population to its institutions. By contrast, autocratic regimes utilize non-competitive recruitment, low participation, and minimal checks and balances on executive authority in order to maintain the civil population subservient to its political institutions. A consistent commitment on the part of the state to a coherent set of values with which to build its political institutions, be they democratic or autocratic, will thus result in a greater likelihood of long term maintenance of civil peace. Despite these causal explanations that I have presented, the state capacity variable that I will be using does not categorize the dimensions of state capacity along the four aforementioned classifications. The state capacity variable measures the dimensions of state capacity as the coercive, administrative, and fiscal capabilities of the state. While the classifications that this paper has presented agree with those of the state capacity variable that I will be using, the distinction between the two should be made regardless.

Some additional rival causal explanations that I will cover are the three variables that I will be controlling for in section four. These include GDP per capita, ethnic fractionalization, and regime type, which Fjelde and De Soysa have also controlled for in their research. GDP per

capita and civil peace are noted throughout the literature as an effect of state capacity (Fjelde and De Soysa 2009, 13). The causal explanation for ethnic fractionalization surges from research in the state capacity literature linking ethnic fractionalization to lower levels of public goods provision and to armed conflict (Fjelde & De Soysa 2009, 13). Finally, the causal relationship for regime types in the literature is controlled for and explained by the existence of anocracies, which through their inconsistency in mixing democratic and autocratic institutions, are particularly prone to corruption and low quality of governance and have been found to have the highest likelihood of civil conflict, compared with consistent democratic and autocratic regimes (Fjelde & De Soysa 2009, 13).

Research Design, Data, and Methods

This paper will utilize the 2022 Standard Time-Series Dataset from the Quality of Government Institute (QoG) at the University of Gothenburg as its basis for its quantitative analysis. This is the largest available dataset that has been published by the University of Gothenburg and has approximately 2100 variables from more than 100 data sources related to Quality of Government (QoG 2022). The QoG 2022 Standard Time-Series Dataset utilizes data from 1946 to 2021 with its unit of analysis being countries per-year. The QoG 2022 Standard Time-Series Dataset also includes a total of 211 countries. 194 of those countries are current and previous members of the United Nations. 17 of these countries are considered “historical” countries and are labeled as not having existed in 2014. Examples of said historical countries include Pakistan pre-1971, North and South Vietnam, North and South Yemen, and Yugoslavia pre-1991. Additionally, the QoG Time-Series Dataset organizes its variables into 19 different thematic categories. Some examples of these thematic categories include quality of government,

civil society/population/culture, conflict, education, environment, and gender equality. The vastness and versatility of this dataset helps the quantitative analysis of this paper be as precise as possible. Consequently, this paper will extract all of its variables from this dataset. These include the central explanatory variable, the dependent variable, and the control variables that are used in this paper.

Dependent Variable

The dependent variable that I will be utilizing in this study to test against the central explanatory variable is internal armed conflict. The QoG Time-Series Dataset codes internal armed conflict as `ucdp_type3`. In the QoG Time-Series Dataset, `ucdp_type3` is defined as the number of internal armed conflicts in a given year. According to the QoG Time-Series Dataset, internal armed conflict occurs between the government of a state and one or more internal opposition group(s) without intervention from other states (QoG 2022). The `ucdp_type3` variable measures internal armed conflicts from the year 1946 to the year 2020. According to the `ucdp_type3` variable, there were a total of 1,321 internal armed conflicts within this timeframe. Additionally, the variable `ucdp_type3` measures internal armed conflict in 105 different countries. The `ucdp_type3` variable is a discrete variable and was originally collected by the Uppsala Conflict Data Program.

Central Explanatory Variable

The central explanatory variable that will be utilized in this paper is the Hanson & Sigman State Capacity Index. This variable is coded as `lld_capacity` in the QoG Standard Time-Series Dataset. The QoG Time-Series Dataset defines `lld_capacity` as Hanson and Sigman's State Capacity Estimate. According to the QoG Time-Series Dataset, Hanson and

Sigman rely on three dimensions of state capacity for their estimate: extractive capacity, coercive capacity, and administrative capacity. Additionally, Hanson and Sigman use Bayesian latent variable analysis to estimate state capacity at the conjunction of indicators related to these dimensions (Hanson & Sigman 2021). The `lld_capacity` variable measures the state capacity of 181 different countries from the year 1960 to 2020 on the basis of the three dimensions established by Hanson and Sigman's research. The `lld_capacity` variable is continuous and was originally collected from Hanson and Sigman's research article "Leviathan's latent dimensions: Measuring state capacity for comparative political research".

Control Variables

There are three control variables that I will be testing against my central explanatory variable in this paper. The first of these control variables is ethnic fractionalization in the year 2000. This variable is coded as `al_ethnic2000` in the QoG Standard Time-Series Dataset. The QoG Standard Time-Series defines this variable by first defining ethnicity. According to the QoG Time-Series Dataset, ethnicity involves a combination of racial and linguistic characteristics and it is defined as such (Alesina 2003). This definition is important because fractionalization on the basis of both racial and linguistic lines is particularly unique and distinguishable from other forms of fractionalization based on fewer factors. The QoG Time-Series Dataset uses Latin America as an example of this, as it is a region where groups with different racial makeups speak and interact with one another in one dominant language (Alesina 2003). According to the QoG Standard Time-Series Dataset, the `al_ethnic2000` variable measures ethnic fractionalization in the year 2000 in 188 different countries. The variable `al_ethnic2000` is a continuous variable and was originally collected from Alberto Alesina, Arnaud Devleschawer, William Easterly, Sergio Kurlat, and Romain Wacziarg's research into fractionalization.

The second variable being controlled for is Real GDP at constant 2017 national prices. The QoG Standard Time-Series Dataset codes this variable as `pwt_rgd`. The QoG Standard Time-Series Dataset defines `pwt_rgd` as Real GDP at constant 2017 national prices in mil. 2017 US dollar (Feenstra 2015). The variable `pwt_rgd` also measures the real GDP at constant 2017 national prices of 180 different countries according to the QoG Standard Time-Series Dataset. The variable `pwt_rgd` is a continuous variable and was originally collected from Robert C. Feenstra, Robert Inklaar and Marcel P. Timmer's research in Version 8 of the Penn World Table.

The third and final variable that I will be controlling for in this paper is the Electoral Democracy Index. The QoG Standard Time-Series Dataset codes this variable as `vdem_polyarchy`. The variable `vdem_polyarchy` seeks to explore to what extent the ideal of electoral democracy in its fullest sense is achieved in different countries (QoG 2022). Conceptually, the `vdem_polyarchy` variable places electoral democracy as an essential element of any other conception of representative democracy - liberal, participatory, deliberative, egalitarian, etc. (QoG, 2022). The variable `vdem_polyarchy` also defines electoral democracy through the following characteristics, according to the QoG Standard Time-Series Dataset: "political and civil society organizations can operate freely; elections are clean and not marred by fraud or systematic irregularities; and elections affect the composition of the chief executive of the country. In between elections, there is freedom of expression and an independent media capable of presenting alternative views on matters of political relevance" (QoG 2022). The Electoral Democracy Index is also formed by taking the average of the sum and the five-way interactions of the indices measuring freedom of association, suffrage, clean elections, elected executive and freedom of expression (QoG 2022). The variable `vdem_polyarchy` measures the success of electoral democracy in 178 countries from the year 1946 to the year 2020. The

vdem_polyarchy variable is also a continuous variable and was originally collected by the Varieties for Democracy Institute.

Research Procedures

For this paper I will perform an ordinary least squares regression for the Hanson and Sigman State Capacity Index, the central explanatory variable utilized in this paper, and Internal Armed Conflicts, the dependent variable I am using in this paper, and Real GDP at constant 2017 national prices, Ethnic Fractionalization in the year 2000, and the Electoral Democracy Index. The utilization of the ordinary least squares regression with all of the aforementioned variables will show the correlations that the central explanatory variable and the control variables have with the dependent variable along with their standard error deviations and their statistical significance. Because the earliest year of Hanson and Sigman's State Capacity Index's data collection is 1960, it is also where the ordinary least squares regression will begin as opposed to 1946 when much of the data from the dependent and control variables was originally collected.

Results and Analysis

Table 1: Internal Armed Conflict, 1960-2020

Hanson & Sigman State Capacity Index	-0.153 *** (0.014)
Real GDP at constant 2017 national prices	4.73e-08*** (7.26e-09)
Ethnic Fractionalization in the year 2000	-0.032 (0.038)
Electoral Democracy Index	0.078 (0.043)
Constant	0.255 (0.027)
Observations	7,231
R-squared	0.027

***p<0.01; **p<0.05; *p<0.1. Standard errors in parentheses.

Table 1 demonstrates the statistical output of the ordinary least squares regression performed with the dependent, central explanatory, and control variables. In this ordinary least squares regression, there were a total of 7,231 observations across all listed variables. The

Hanson & Sigman State Capacity Index variable demonstrated a negative correlation of -0.153 with the Internal Armed Conflict variable. This correlation between these two variables demonstrates that, on average, for every one-unit increase in measurable state capacity, there is a decrease of 0.153 units in the occurrences of internal armed conflict in a particular nation-state. The ordinary least squares regression also showed that the correlation between the two variables is statistically significant with a p-value of 0.000.

This result is consistent with both my hypothesis and the current literature on state capacity. The general consensus throughout the state capacity literature is that the combination of the state's well-developed coercive, administrative, and extractive capacities will deter the onset of civil conflict. The correlation found in the ordinary least squares regression concurs with this consensus that has been reached by Hendrix, who places the state's military as having paramount importance to the onset, duration, and termination of civil conflict; DeRouen and Sobek, who's findings link higher quality bureaucracies to a lower likelihood of the onset of civil conflict and rebel victory; Thies who argues that if rulers are able to forge institutions of extraction that give them control of revenue generated by lootable resources, said resources can contribute to the maintenance of order by providing the income with which to govern; and Fjelde and De Soysa's framework of coercion, co-optation and cooperation with the implementation of quasi-voluntary compliance. The implications of these results are that the literature on state capacity is well-versed and reliable, with relevant causal mechanisms and explanations for why state capacity aids in the deterrence of civil conflict and the maintenance of civil peace.

Table 1 shows the ordinary least squares regression result of the first measured control variable, Real GDP at constant 2017 national prices. The statistical output of the ordinary least squares regression of Real GDP at constant 2017 national prices demonstrates a positive

correlation of $4.73e-08$ between it and Internal Armed Conflict. This positive correlation between Real GDP at constant 2017 national prices and Internal Armed Conflict is statistically significant with a p-value of 0.000. What this correlation shows is that, on average, for every one unit increase in real GDP, there is an increase of $4.37e-08$ units in the occurrences of internal armed conflict in a given nation-state.

This correlation between real GDP and internal armed conflict, despite real GDP at 2017 at constant national prices being a very small coefficient, is particularly striking. Throughout the literature of not only state capacity but of armed conflict, high levels of real GDP are associated with civil peace, as it suggests high levels of economic activity and production. For instance, the Global North, generally made up of Europe and North America, enjoys high levels of real GDP, high levels of civil peace, and low levels of internal civil conflict. To see this statistically significant correlation surge from real GDP and internal conflict is cause for bewilderment. This result implies that the relationship between real GDP and internal armed conflict should be further investigated and revised, as it casts doubt on real GDP being a good marker or indicator of economic prosperity and production.

Table 1 also shows the ordinary least squares regression result of the second measured control variable, Ethnic Fractionalization in the year 2000. The statistical output of the ordinary least squares regression of Ethnic Fractionalization in the year 2000 demonstrates a negative correlation of -0.032 between it and Internal Armed Conflict. This negative correlation between Ethnic Fractionalization in the year 2000 and Internal Armed Conflict is, however, not statistically significant, as the statistical output of the ordinary least squares regression is 0.404. What this negative correlation shows is that, on average, for every one-unit increase of ethnic

fractionalization there is a decrease of 0.032 units in the occurrences of internal armed conflict in a given nation-state.

This statistical result is consistent with the literature on internal armed conflict despite not being statistically significant. As Fjelde and De Soysa have noted, ethnic fractionalization is generally associated with lower levels of public goods provisions and armed conflict. This is because it is much more difficult for ethnically diverse populations, whose differences are both racial and linguistic, to effectively organize and rebel against the state. However, despite this correlation being consistent with the present literature on internal armed conflict, it is not statistically significant, which suggests there are other factors associated with ethnic fractionalization being correlated with lower levels of internal armed conflict. For this reason, I would suggest further exploration into the different potential factors that impact this correlation between ethnic fractionalization and internal armed conflict. Such exploration could lead to further clarity and understanding in the literature of internal armed conflict.

The third and final control variable measured in Table 1 through the ordinary least squares regression is the Electoral Democracy Index. The statistical output of the ordinary least squares regression of the Electoral Democracy Index demonstrates a positive correlation of 0.078 between it and Internal Armed Conflict. Despite this positive correlation between the Electoral Democracy Index and Internal Armed Conflict, it is not statistically significant, as the ordinary least squares regression demonstrates a p-value of 0.073, which misses the marker of statistical significance by a very slim margin. This positive correlation between the Electoral Democracy Index and Internal Armed Conflict demonstrates that, on average, for every one unit of measurable electoral democratic values and institutions there is an increase of 0.078 units in the occurrences of internal armed conflict in a given nation-state.

Despite missing the marker for statistical significance, though only barely, this result from the ordinary least squares regression is still interesting and very much worth discussing. The Electoral Democracy Index measures the success of electoral democratic values and institutions in 178 countries. Countries that are consistently democratic or consistently autocratic are in the minority of those 178 countries and are on extremes, whereas many of those 178 countries, which are considered anocracies for their mixture of democratic and autocratic values and institutions, make up a large portion of nation-states. Consequently, these countries will also make up the majority of the Electoral Democracy Index. If this variable is influenced by anocracies who make up the majority of the dataset, and this results in the positive correlation seen with the Electoral Democracy Index and internal armed conflicts, it would be consistent with the present literature on state capacity and internal armed conflict, as anocracies are attributed with a higher likelihood of the onset of internal civil conflict. The Electoral Democracy Index's large makeup of anocracies would also help explain why its p-value misses statistical significance when operationalized with an ordinary least squares regression with Internal Armed Conflict as a dependent variable. Put in this context, the positive correlation between the Electoral Democracy Index and Internal Armed Conflict suggest potential causal mechanisms and explanations between anocracies and the onset of internal civil conflict. Further exploration of those causal mechanisms and explanations would ultimately be a great contribution to the expanding literature of state capacity and armed conflict.

Conclusion

To briefly summarize, this paper sought to ask the following research question: what factors explain the increase in incidences of internal armed conflict throughout the post-WWII

period? The explanation proposed by this paper is that the state's coercive, administrative, and extractive capacities are its best tools for deterring the onset of internal armed conflict and disincentivizing and disorganizing potential rebel uprisings. The hypothesis that this paper uses to test its explanation is that the higher the level of state capacity is in a given nation state, the lower the number or occurrences of internal armed conflict will be. According to the results of the ordinary least squares regression, there is a statistically significant correlation between high levels of a state's measurable capacity and lower numbers of internal civil conflicts in a given nation-state. Two of the three measured control variables, Ethnic Fractionalization in the year 2000 and the Electoral Democracy Index, did not have statistically significant results. Only Real GDP at constant 2017 national prices had a statistically significant result.

While it is true that a statistically significant result does not necessarily equal causation, it should be noted that this result is consistent with the previously established literature on state capacity and internal armed conflict. The literature on internal armed conflict has consistently argued that the coercive, administrative, and extractive capacities of the state, manifested by its military, bureaucracy, fiscal, legal, and political institutions, are its most effective tools for the purposes of maintaining civil peace. The results found in this paper through the use of an ordinary least squares regression are in line and consistent with the literature on state capacity and armed conflict. These results also help to validate the arguments and research of scholars who have contributed to the study of armed conflict.

To conclude, I would like to offer a possible recommendation for the future study into the relationship between state capacity and internal armed conflict. My recommendation for future research is further investigation into how state capacities can be affected by factors outside of the state. Throughout the literature that covers the relationship between state capacity and internal

armed conflict, there is a focus on the development of state capacity within the context of the state itself and with seemingly little regard for how other factors that exist outside the state might impact the development or the performance of the state's coercive, administrative, and extractive capabilities. I refer to, for instance, the impact that other states or outside organizations might have on a state's capacity. For example, how a state actor or a non-state actor, like a multinational corporation, might have an impact on a state's bureaucratic and administrative capacities or its extractive fiscal capabilities and what impact that has on incentivizing the organization of rebel groups and, therefore, the potential onset of internal armed conflict. Going along similar lines, how might a state or non-state actor affect the performance of the state's coercive capabilities, such as the state's military or political institutions, impact the incentives of dissidents to organize and rebel against the state, causing internal civil conflict. Sanctions and interstate armed conflict are two examples of factors that could lead to the aforementioned consequences and it is where I would suggest it to be the direction that future research should take.

A real-world case study that could potentially be used for future research is the current armed conflict between Ukraine and Russia. On one hand, studies and research could be performed on whether this costly and deadly interstate conflict is affecting the state capacities of both Ukraine and Russia and what that impact has on incentivizing potential rebel movements in both countries. Similarly, future studies and research could be performed on the impact of Western sanctions on Russia and if that has any impact on generating grievances that would lead to dissent and rebellion. Such research could prove invaluable to the field and literature of the relationship between state capacity and internal armed conflict.

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Appendix

Ordinary Least Squares Regression Results

```
Source |   SS      df    MS  Number of obs = 7,231
-----+----- F(4, 7226) = 50.24

Model | 114.357241    4 28.5893102  Prob > F    = 0.0000
Residual | 4112.11904  7,226 .56907266  R-squared   = 0.0271
-----+----- Adj R-squared = 0.0265

Total | 4226.47628  7,230 .584574866  Root MSE   = .75437
```

```
-----
ucdp_type3 |   Coef.  Std. Err.   t  P>|t|   [95% Conf. Interval]
-----+-----
lld_capacity | -.1536779 .0142823  -10.76  0.000  -.1816754  -.1256805
pwt_rgdg | 4.73e-08 7.26e-09   6.51  0.000  3.30e-08  6.15e-08
al_ethnic2000 | -.0325364 .0389637  -0.84  0.404  -.1089167  .0438438
vdem_polyarchy | .07835 .0436871   1.79  0.073  -.0072896  .1639896
_cons | .2555552 .0271279   9.42  0.000  .2023766  .3087339
-----
```