

The Political Economy of Rebel Financing: Transnational Crime and Intrastate Conflict

By

Michael Burch

B.A., New College of Florida, 2004

M.A., George Washington University, 2007

M.A., University of Colorado, 2010

*A thesis submitted to the
Faculty of the Graduate School of the
University of Colorado in partial fulfillment
of the requirement for the degree of
Doctor of Philosophy
Department of Political Science
2013*

This thesis entitled
The Political Economy of Rebel Financing
written by Michael Burch
has been approved for the Department of Political Science

Aysegul Aydin, Committee Chair

David Bearce, Committee Member

Lucy Chester, Committee Member

Amy Liu, Committee Member

Jaroslav Tir, Committee Member

Date April 8, 2013

The final copy of this thesis has been examined by the signatories,
and we find that both the content and the form meets acceptable presentation standards of
scholarly work in the above mentioned discipline.

Burch, Michael (Ph.D., Political Science)

The Political Economy of Rebel Financing: Transnational Crime and Intrastate Conflict
Thesis Directed by Professor Aysegul Aydin

How can the global illicit economy shape conflict patterns and outcomes during civil war? My dissertation argues that when rebel groups make a decision to rely on transnational criminal financing it creates incentives that not only lengthen conflicts, but also increases the probability of conflict recurrence. After an introductory chapter that establishes the puzzle of rebel financing and conflict outcomes, I present a theory (Chapter 2) which argues that rebel groups adopt transnational criminal financing to fund violent challenges as a way to increase their autonomy while also securing large amounts of rents that makes them a viable organization. The combination of autonomy and high rents inspire rebel groups to fight longer conflicts, while also contributing to the conditions for new conflicts to emerge. To test this theory, I introduce new data (Chapter 3) of the financial sources of all violent non-state actors between the years 1946-2011 and find that the presence of crime significantly lengthens conflict duration. To better understand the underlying causal mechanisms of crime and conflict duration, I then use a within-case analysis of the civil war in Cambodia (Chapter 4), which elucidates the micro-foundations of conflict. From there, I use the econometric data of rebel group financial sources to test (Chapter 5) whether transnational criminal financing increases the probability of conflict recurrence, finding that the financial incentives of crime increase the probability of new intrastate conflicts. These findings are then tested further by conducting a subnational analysis of post-war society in the Democratic Republic of the Congo (Chapter 6) to determine whether the location of transnational criminal networks predicts where new conflicts will emerge. The combination of both cross-national and disaggregated local data emphasizes the strong relationship between transnational criminal financing and the many difficulties facing rebuilding post-war societies.

The project results in two major contributions. First, it provides the first comprehensive dataset on how rebel groups finance their conflicts, which allows for more insight into the decision-making process of violent non-state actors. Additionally, it highlights the unique problems that transnational crime can play in preventing the cessation of intrastate conflict hostilities or the barriers that crime makes in post-war reconciliation.

For Barbara

ACKNOWLEDGEMENTS

Aysegul Aydin has been my adviser since my first year of graduate student at the University of Colorado and has provided invaluable guidance and assistance in the development of this project over the years. She helped me understand how to truly build a project and developed a one sentence proposal about crime and rebel groups into a qualifying paper, a dissertation prospectus, and now this document. Her guidance through the field of intrastate conflict studies and encouragement to undertake all opportunities at my disposal has been critical in my development as a scholar.

Amy Liu prodded me into conducting field research for her class on qualitative methods and it is through my experiences in the field in both Africa and Asia that I was able to better understand exactly what it was that I wanted to study. I am forever grateful for that day during comprehensive exams when she approached with me the opportunity to attend IQRM at Syracuse University. While there I was able to further hone my theories and research design before undergoing the process of the dissertation. This is just one example of the many times she took the time to make sure I was on the right track as a scholar.

The other members of my committee- David Bearce, Lucy Chester, and Jaroslav Tir- have also contributed much to my development as a political scientist. All of them have provided invaluable time and feedback over the years and I cannot imagine completing the dissertation or my graduate student career without their input and support.

While the graduate student community at the University of Colorado has been quite supportive, I must single out three individuals who went above and beyond the call of duty. Curtis Bell convinced me with his enthusiasm to move to Boulder five years ago and he became both a great mentor and friend before moving away this past summer. Johannes Karreth has been the best IR cohort colleague and friend someone could want. He pushed me methodologically and theoretically daily, on this project and political science in general. I also would not have made it through the process without the support and friendship of Jeff Lyons these past five years. These three graduate student colleagues were critical to my success here at the University of Colorado.

Contents

Chapter One: Introduction	1
Chapter Two: Theory and Hypotheses	26
The Role of Money in Intrastate Conflict: A History	29
Transnational Criminal Financing and Conflict Duration	47
Transnational Criminal Financing and Recurrent Conflict	53
Chapter Three: Rebel Financing and Conflict Duration	59
Description of Variables	61
Results from the Country Level Analysis	79
Results from the Group Level Analysis	82
Types of Criminal Financing and Conflict Duration	87
Chapter Four: Conflict Duration in Cambodia	94
Introducing the Case of Cambodia	95
Geographic Location and the Duration of Conflict	97
Rebel Groups During the Cambodian Conflict	103
When Crime Does Not Lead to Longer Conflicts	113
Chapter Five: Rebel Financing and Recurrent Intrastate Conflict	116
Description of Variables	117
Results at the Country Level	128
Results at the Rebel Group Level	133
Chapter Six: Recurrent Conflict in the DRC	138
The Subnational Analysis	140
The Wars in the Eastern DRC	146
Examining the Conflict Processes in the DRC	154
Chapter Seven: Conclusions	163
Works Cited	184

List of Figures

Figure 1.1: Sources of Rebel Financing.....	9
Figure 1.2: Rebel Groups and Crime throughout History.....	13
Figure 3.1: Adoption of Kidnapping by Rebel Groups.....	67
Figure 3.2: Adoption of Robbery by Rebel Groups.....	68
Figure 3.3: Adoption of Extortion by Rebel Groups.....	69
Figure 3.4: Adoption of Smuggling by Rebel Groups.....	69
Figure 3.5: Adoption of Drugs by Rebel Groups.....	70
Figure 3.6: Adoption of Diamonds by Rebel Groups.....	71
Figure 3.7: Adoption of Logging by Rebel Groups.....	71
Figure 3.8: Rebel Access to Criminal Financing.....	73
Figure 3.9: Comparison of Transnational Crime and Other Rebel Financial Decisions.....	80
Figure 4.1: Criminal Resources and Predicted War Duration.....	100
Figure 4.2: Duration of Conflict in Cambodia by Province.....	102
Figure 6.1: Map of Original and Recurrent Conflicts in the DRC, 1997-2010.....	147
Figure 6.2: Recurrent Attacks and Crime in Eastern DRC.....	150

List of Tables

Table 2.1: Hypotheses on Crime and Conflict Outcomes.....	29
Table 2.2: The Sources of Rebel Financing.....	30
Table 2.3: Costs and Benefits from Sources of Financing.....	46
Table 3.1: Determinants of Civil War Duration at the Country Level, 1946-2004.....	78
Table 3.2: Determinants of Civil War Duration at the Dyadic Level, 1946-2004.....	83
Table 3.3: Types of Crime and Conflict Duration.....	89
Table 3.4: Test of Schoenfeld Residuals.....	92
Table 4.1: Major Rebel Groups in Cambodia and Funding Source.....	96
Table 5.1: Effects of Transnational Crime on Conflict Recurrence at Country Level.....	129
Table 5.2: Effects of Transnational Crime on Conflict Recurrence at Rebel Group Level.....	134
Table 6.1: Transnational Crime and Conflict Recurrence at the Subnational Level.....	152
Table 6.2: Major Rebel Groups in the DRC and Funding Source.....	155

Chapter One: Introduction

Crime in Wartime

On May 17, 1980 the people of Peru were preparing to hold their first democratic presidential election in decades. In the small town of Chuschi, isolated in the mountains of Peru, a group of young men snuck into town at dawn and burned the ballot boxes in protest of the upcoming presidential vote. The men were quickly caught and arrested. The election was held as planned throughout the country and in Chuschi (McClintock, 1998). Press reports at the time barely mentioned the men's protest. The regime and the military, too, thought little of their action, reasoning that it could not be a threat to the state when the people were excited to be leaving a dictatorship and returning to democracy. Yet the regime and the military were wrong. The burning of the ballot boxes in 1980 was the first overt military action by Sendero Luminoso, a rebel organization that would emerge from the Peruvian highlands during the 1980s and bring the state to the brink of collapse (Kirk, 1997). Even after the capture of the group's leader in 1992, Sendero continues to launch attacks against the state to this very day (Neumann, 2012).

The Sendero revolution in Peru traces its origins to when Sendero founder Abimael Guzman was a professor teaching in the highlands of Peru during the 1960s when he grew shocked at the abject poverty throughout the region, especially as compared with the county's wealthier coastal cities (Taylor, 2006). There had been protests and rebellions throughout the Andes in the past, but the military had quickly crushed these short-lived movements. Despite this history of failures, Guzman formed his own organization called Sendero Luminoso, or Shining Path, as a breakaway Marxist organization focused on overthrowing the state and instituting a radical Maoist regime. Worried that a return to democracy would make the population complacent and unwilling to support his movement, Guzman launched Sendero's rebellion on the eve of the elections (Simpson, 1994). He reasoned that starting a war would lead to a

repressive military takeover. Facing overt repression, the people would then flock to Sendero and provide the necessary money, shelter and food to make the group the preeminent power in Peru (Gorriti, 1999).

Guzman and Sendero were right to worry about the attitudes of the population. There was high turnout for the election and little desire to fight as the military retreated to the barracks, turning the country over to the civilians. The group suffered the same lack of popular support that had doomed previous rebellions in the Peruvian highlands. Sendero's decision to utilize repression against the local population to maintain control of territorial gains did not further the group's popularity. However, throughout the 1980s, Sendero Luminoso was able to grow as an organization, moving out of the isolated Andean mountains down to the coast to begin initiating urban conflict with the goal of capturing the capital of Lima (Strong, 1992). Sendero Luminoso's secret to quick growth was its decision to eschew popular support in favor of a more lucrative resource to fund their rebellion: the coca trade that persists throughout the Andes in South America (Burch, 2013).

The emergence of the cocaine trade in the late 1970s and early 1980s revolutionized the illicit economies and legal politics of the Andean region. For centuries, local indigenous peoples had used the coca plant for medicinal purposes without generating significant monies for business. However, when the plant was ground into a paste and turned into cocaine, its market value increased significantly. When the drug became a fad in the United States during the 1970s, criminal organizations began making tens of millions of dollars in Colombia. Efforts by the Colombian and American governments to shut down the cocaine trade within Colombia's borders led new cartels to emerge in Ecuador, Peru and Bolivia, which also had the necessary

conditions for producing the coca leaf. At the time that Sendero Luminoso began its war against Peru, other non-state actors were also challenging the legitimacy of the state in the region.

Sendero Luminoso planned for a long war against the state, initially expecting to rely on the support of the population (for whom it saw itself fighting) for supplies. The organization declined to seek external support, believing communist states around the world were no longer sufficiently radical after having unduly moderated their positions. Sendero's radical Marxism was not popular with the local population. Individuals regularly informed the authorities where the group was based and storing its supplies (Gorriti, 1999). The support that Sendero did receive was minuscule and did not provide the necessary funds to reward supporters and purchase weapons on the black market. In order to protect the revolution, the leadership made the decision to turn to the vibrant cocaine trade operating in neighboring territories to support its struggle. Here was a funding option that did not require the support of the populace, and also generated significant rents (Burch, 2013).

Sendero's decision in the early 1980s to enter the cocaine trade was a calculated one designed to capture as much rent as possible to win the group's struggle against the state. The organization began by taxing the smuggling routes used by the criminal groups in the region, which brought in sufficient rents to sustain the organization. As the war continued, the group became increasingly involved in controlling all aspects of the drug trade in Peru, moving from simply providing protection to controlling the production of the drug in their territory. In the process, the group was able to generate tens of millions of dollars in rents, while launching more and more attacks that pushed the Peruvian state to the brink of collapse.

Peru did not collapse, however, and a series of stunning successes by the military and police in the early 1990s crippled Sendero. The police force captured a number of rebellion

leaders, including Abimael Guzman. The military retrained their soldiers for guerrilla warfare while also creating safe havens for the local populations. By the mid-1990s, nearly 15 years after burning ballot boxes in a small isolated town, Peru declared Sendero Luminoso a defeated organization.

More than a decade has passed since that declaration, and Sendero Luminoso remains a violent non-state actor fighting the Peruvian state. The group has been able to survive the capture of its leader, its rejection by the Peruvian population, mass defections from fighters and numerous battlefield defeats (Romero, 2009). Sendero Luminoso as currently constituted cannot defeat the Peruvian state. At its peak, it maintained a force numbering 5,000. Today, its members number no more than a few hundred fighters (Neuman, 2012). These fighters, however, continue to launch sporadic attacks against the military and the police, with Peru finding it impossible to achieve a final battlefield victory or negotiate an outcome that allows Peru to reassert its sovereignty over its territory. Sendero Luminoso is now entering its fourth decade as a violent non-state actor seeking to overthrow the state. It has no support from the population, a small cadre of fighters and no chance of winning against the military. Yet it continues to exist and fight. Its continued involvement in the drug trade has made it a self-sufficient organization that is able to resist overtures from the state while avoiding complete military defeat. The adoption of transnational criminal financing has fundamentally altered the strategic calculations of the organization, as its members capture high rents that would not be available during peacetime. The drug trade in Peru prevents the ruling regime from achieving a final victory against the rebel group that has challenged them for so long.

The Puzzle

How critical was Sendero Luminoso's decision to participate in the illicit economy for their longevity as a rebel organization? Criminal financing is an under-studied yet key element in understanding why some rebellions fail while others endure for decades. Journalistic accounts of modern intrastate conflicts emphasize the criminality of rebel groups (Peters, 2009). When seeking to understand the intractability of the Afghan civil war, which has been fought in various forms since 1978, policymakers point to the presence of the burgeoning opium trade providing the resources necessary to continue their resistance (Nawa, 2011). United States policymakers also employ this narrative in looking at the conflict between FARC and the government in Colombia, arguing that the group's involvement in the cocaine trade has made it nearly impossible for the Colombian government to defeat a rebel group that these policymakers believe is otherwise thoroughly discredited (Deshazo, Forman and McLearn, 2009).

At the same time, some practitioners have pushed back against the criminal resource narrative in understanding the intractability of modern intrastate conflict. One recent example of the lack of consensus on the importance of crime in understanding wartime outcomes comes from the debate over conflict minerals in the Democratic Republic of the Congo. Non-governmental organizations (NGOs) have argued that the presence of conflict minerals in the eastern provinces of the Democratic Republic of the Congo has created a cycle of instability and violence (globalwitness.org). That reasoning gave rise to Section 1502 of the Dodd-Frank Act of 2009, which seeks to punish companies that might be using minerals captured from conflict zones. Yet, some academics studying East Africa argue that emphasizing the role of criminality in the DRC conflict obscures the issues driving the violence. These scholars argue that crime

does not drive conflict processes, instead it is long-standing grievances and regional political calculations (Seay, 2012).

The purpose of this dissertation is to understand how important rebel funding decisions are in understanding intrastate conflict patterns. Is the emphasis on criminal resources making conflicts worse? Is the decision by rebel groups to engage in transnational criminal rents fundamentally changing the nature of intrastate conflicts? To answer these questions, it is necessary to understand what funding options are available for violent non-state actors when beginning a rebellion.

The leaders of violent rebel groups face a multitude of strategic decisions when deciding to engage in a violent challenge against the ruling regime. A rebel leader has to figure out how to gain recruits, how to provide shelter and food for those recruits, where to base their operations, whether to use guerilla or conventional tactics, where to secure weaponry, and how to fund their challenge against the regime. While much of the literature on intrastate conflict in the past two decades has focused on many of the decisions facing these leaders, individual rebel groups financing has not been subjected to rigorous analysis. I seek to answer how important was the decision by Sendero Luminoso and other rebel groups to rely on criminal financing to fight their war.

Sendero Luminoso is not alone in choosing to rely on transnational criminal rents to fund its rebellion. Various rebel groups in Afghanistan have used opium production and smuggling to fund their fight against the Soviets, the Taliban and the United States over the past decades (Peters, 2009). Many of the ethnic rebellions in Myanmar (Burma) have been involved in the transnational drug trade at one time or another (Chin, 2009). Transnational criminal rents are also not limited to participation in the drug trade. The RUF in Sierra Leone and other rebel groups in

West Africa created the notorious “Blood Diamond” trade in the late 1990s, as they used diamond resources under their control to wage a series of destructive wars (Gberie, 2005).

Rebel groups are not constrained by the presence of natural resources in participating in transnational crime to fund their rebellions. Bosco “The Terminator” Ntaganda, who fought in multiple rebellions in the DRC, once extorted millions from former NBA-All Star Dikembe Mutumbo to finance his group (Rosen, 2012). Groups like the Provisional Irish Republican Army (PIRA) in Ireland and Euskadi Ta Askatasuna (ETA) in Spain are involved in extortion and smuggling rackets throughout Western Europe, while Abu Sayaff in the Philippines kidnaps foreign visitors for ransom (Jane’s Information Group, 2003). On the surface it appears that violent non-state actors are using crime to fund their activities against the state.

What remains unclear is how common transnational criminal activity is within rebellion and what the effects are for intrastate conflict. The Eritrean People’s Liberation Front (EPLF) fought for nearly two decades against the Ethiopian state and won their war of secession against Ethiopia by relying on donations from the local population (Pool, 2001). In the recent intrastate conflicts in the Middle East, Libyan and Syrian rebels relied on external patronage from the international community and diaspora donations. Hence, while news stories may concentrate on the participation of rebel groups in the criminal economy, there is enough anecdotal evidence that suggests that this is only one of many options that rebel groups have in deciding to secure financial stability while fighting the state. What this dissertation seeks to solve is whether there exists a systematic relationship between crime and intrastate conflict outcomes.

These anecdotes illustrate that there are a multitude of criminal and non-criminal financing options for rebel groups. The question is whether the type of financing, or rent, that rebels choose fundamentally alters the outcome of intrastate conflicts. In the anecdotes discussed

above, Sendero Luminoso and the ethnic rebellions in Myanmar lasted for decades suggesting that criminal financing can lead to much longer conflicts. Yet, we also see that the West African blood diamond conflicts lasted a short period of time, often less than a decade. In the case of the DRC, some scholars argue that the continuing instability can be traced back to the feasibility of rebellion due to the large number of valuable minerals in the region, while others argue that it is the underlying local grievances that drive the number of conflict episodes. The goal of the dissertation is to account for these competing explanations by providing an analysis of rebel group dynamics and intrastate conflict outcomes.

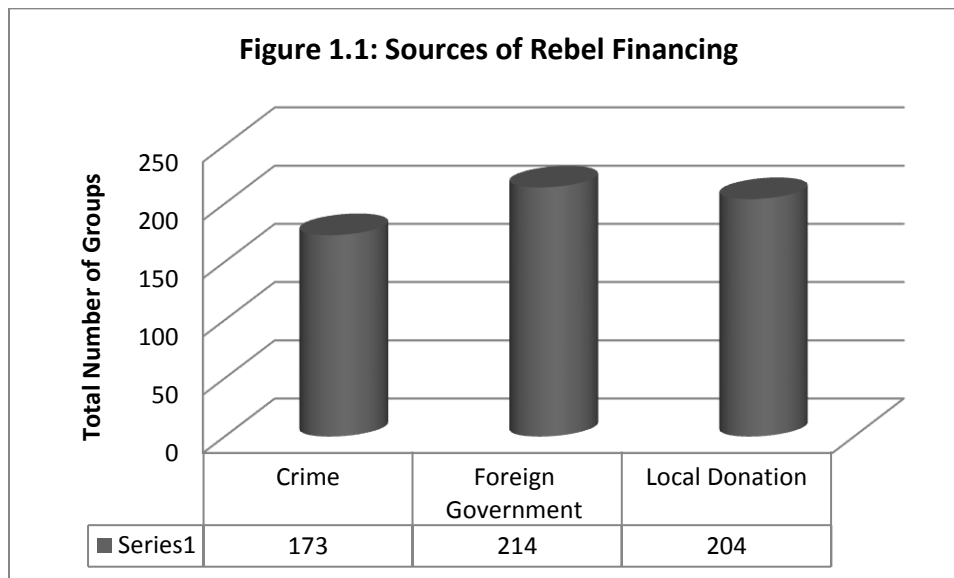
Scores of conflict processes abound. This dissertation is centered on two: duration and recurrence. These two processes are of paramount importance for policy practitioners and scholars interested in achieving stability in war-torn and postwar societies. By focusing on both duration and recurrence we can understand why, as the number of violent conflicts around the world has decreased; countries that do experience conflict fight longer wars with a greater chance of recurrence.

The Argument

The most important decision a rebel group makes when fighting a rebellion is how to secure funding. The pursuit of rents to sustain its challenge against the state subsumes and influences all other decisions. The decision to rely on violent tactics to achieve concessions against the state means that the non-state actor will be the target of reprisals from the state. To become a viable organization, the rebel group needs to find a way to provide shelter, weapons and sustenance for potential recruits. Without being able to provide these necessities, the rebel organization is unable to overcome the “rebel’s dilemma” regarding recruitment (Lichbach, 1995). The dilemma is that any concessions won by a violent organization can be considered

public goods, which means that any individual potential rebel faces few incentives to fight.

While some scholars will argue that the presence of sociotropic concerns will motivate some individuals (Tilly, 1978; Wood, 2003), the easiest way for a rebel organization to overcome this dilemma is by providing private benefits that are often accrued through finances.



Note: Out of 570 rebel groups that have fought between the years 1946-2011. Groups can rely on multiple sources of financing

Hence, rebel organizations seek a financial source that will allow them to provide private benefits to individual soldiers. Violent non-state actors thus allocate their time to finding a financial source that will provide the means necessary for further recruitment. These organizations have many different potential sources of income for their rebellion and can rely on multiple sources of funding during their war. Funding sources can be broken down into three major categories, which are represented in Figure 1.1 reproduced above. Namely, groups can choose to rely on criminal resources, the backing of foreign governments, or the donations of local populations. Whichever financial source a rebel group chooses will significantly impact how that group chooses to conduct its war, as funding will structure its relationship with both the local and the international community.

Rebel groups want to maximize their rents when securing funding for their rebellions, yet there are costs and benefits to each of the financial options available. These organizations can receive funding from either criminal or noncriminal means, from either subnational or transnational sources. Criminal, for the purposes of this dissertation, refers to goods and services that operate outside the regulation of state power. Noncriminal means of financing refer to any voluntary donation given by individuals or groups to the rebel organization. Subnational sources of income are when rebel groups are able to rely purely on revenue streams from within the country they are fighting. Transnational sources of financing refer to when the source or the destination of the funds cross state boundaries. It is the interaction between whether the sources are from within or without the territory and the legality of these sources that structure rebel decision making during wartime, resulting in unique conflict outcomes.

Noncriminal sources of financing, whether subnational or transnational, put significant constraints upon a rebel group. In both cases, rebel groups are relying on donations from the local aggrieved population, a diaspora of like-minded people or external states that support the rebellion for their own purposes. Some rebel groups will choose to rely on these voluntary funds to bolster the legitimacy of their claims against the state. When a rebel group is imbued with “social endowments” from the local population, that group can more readily claim to represent the true interests of the population (Weinstein, 2007). However, reliance on internal or external patrons also constrains rebel decision making. The rebel group has to remain in the continued good graces of the population or the population will cease to provide funds. External patrons may also find it not in their interest to continue providing money and other material support to the rebel group. In these instances, the rebel group has a higher degree of legitimacy because their source of financing comes from the population; however, it also has less independence in

decision-making. Patron-funded rebel groups understand this funding source has a finite time horizon and consequently fight shorter wars. As populations tend to also accrue “war weariness” over time, patron-funded rebel groups are less likely to fight subsequent wars if they lose the first time.

The transnational criminal economy, however, fundamentally alters the decision-making process for rebel groups. Rather than relying on voluntary donations or patronage, the rebel group is able to generate its own funding by trading illicit items on the black market. While a rebel group may choose to rely on subnational criminal funding, targeting the local population for criminal activities is often disastrous as it can turn the population against the violent organization. However, if the group instead participates in transnational criminal activities, the group is able to minimize its punishment of the local population. The transnational illicit economy, which is estimated to comprise up to four percent of global gross domestic product (Naim, 2005), provides many opportunities for rebel groups to enrich themselves. Because these are criminal rents, there are not the same restrictions on rebel groups from the local population. Rebel groups are able to have more independence in decision-making because they have a smaller constituent audience and do not worry about the war weariness of a local populace. Rebel groups are instead free to challenge the state for longer periods of time.

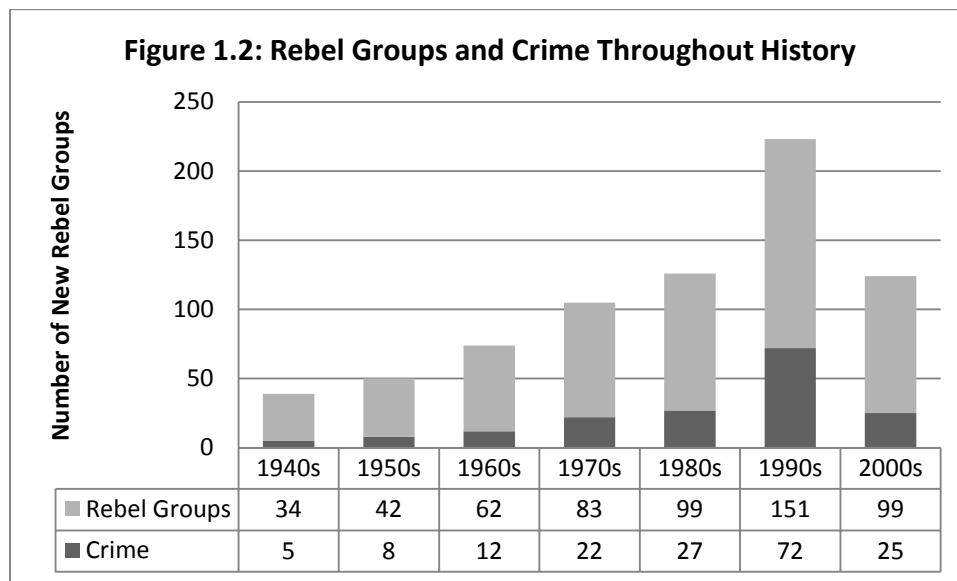
The autonomy gained by rebel groups when adopting criminal financing fundamentally alter conflicts, providing the opportunity for rebel groups to fight longer wars against the state. That is because when rebel groups adopt transnational criminal financing they will find that often they are able to generate rents in the tens of millions of dollars a year. Rebel groups are thus able to secure better equipment and provide better benefits to their recruits than other violent non-state organizations. However, the amount of high rents that some rebel groups gain also make it

profitable to continue fighting for longer periods of time. Access to these large rents comes from fighting and controlling a criminal trade. Thus, the state will also find it harder to negotiate and offer concessions to a rebel organization using crime to fund its rebellion because the state cannot allow the illicit economy to continue in its territory. As a result, when transnational crime is introduced into a conflict zone, the rebels and the state will fight longer wars. Finally, rebel groups that secure such large rents may retire from active fighting but continue to control valuable territory necessary for the criminal trade. When the state begins to threaten access to the criminal trade, normally by attempting to reassert the rule of law in former rebel zones, it increases the probability of new conflicts emerging.

Transnational crime, thus, creates unique situations in contemporary civil wars. It creates rebel organizations that are not dependent on local support which allows these organizations to continue fighting against the state long after war weariness has set in. Crime also lowers the barriers to entry for new violent organizations that may be unable to convince a local constituent population to support a war against the state. Figure 1.2, reproduced below, provides a summary of the number of rebel groups emerging each decade and how many of those adopt criminal financing. The types of transnational criminal financing are discussed in greater detail later in the dissertation, but these descriptive statistics do highlight that more rebel groups are becoming involved in the global illicit economy over time.¹ The result is that while there may be a general decrease in violence around the world (Pinker, 2011; Goldstein, 2011) and more protestors are choosing nonviolent tactics to achieve their goals (Chenoweth and Stephan, 2011), countries that

¹ It should be noted that looking at Figure 1.2 suggests that there is a decrease in criminal financing over the past decade. I believe the results of this are due to the lack of reliable information of newly emerging rebel groups over the past few years (namely 2007-2010). The data on these groups will be considered in greater depth later in the dissertation.

do experience violent conflict may be experiencing longer conflicts than before and are in danger of experiencing subsequent conflict episodes.



The Contribution

The major contribution of this dissertation comes from the first comprehensive account of the funding decisions made by each rebel group during all civil wars between the years 1946-2010. Figures 1.1 and 1.2, which have been discussed above, provide some descriptive information about the data. A total of five hundred and seventy unique conflict actors have fought an intrastate conflict since 1946 and in this dissertation, I relied on both primary and secondary sources of data to identify the financial flows of rebellion. While other datasets have considered external state support (Salehyan, Gleditsch and Cunningham, 2011), this is the first attempt to not only account for state financial support, but also diaspora, local and criminal means of financing rebellion. The data collection process, which is discussed in greater detail in the empirical chapters, provides evidence of not only whether a group uses crime, but also the types of crime the rebel group utilized. The result is a significant contribution to the movement

in conflict studies to develop more nuanced data about the micro-foundations of conflict (Cederman and Gleditsch, 2009).

Not only does this dissertation provide critical new data about the internal process of rebellion by accounting for their funding decisions, I also provide new insight to intrastate conflicts in both Cambodia and the Democratic Republic of the Congo by mapping the process of conflict duration and recurrence. To do this, it was necessary to generate new statistical data on the location and patterns of conflict and crime in the region. The mapping effort contributes to a more comprehensive understanding of intrastate conflict in both of these troubled regions.

The argument and the data introduced in this dissertation provide important insights to an overlooked phenomenon in international politics, namely the intersection of crime and war. I will explain the strategic calculus driving rebel decision making in regards to their financial opportunities and how those decisions influence conflict outcomes. These theoretical insights are then tested using the new data described above. The data and theoretical contributions help us better understand the nature of contemporary intrastate conflict. I now turn to the literature to highlight how the issue of criminal financing has been an understudied issue in contemporary intrastate conflict studies.

The Literature

Crime and illicit resources have played a role in conflict throughout history. In the nineteenth century, Britain and China fought a series of Opium Wars over the trade of the illicit drug material (Lovell, 2011). The British were used to the role of smuggling playing a role in conflict, as contraband materials played a significant role in the American Revolution the previous century (Andreas, 2013). While these historical examples exist, recent conflicts in Somalia and Afghanistan have brought renewed scholarly focus on the role of warlords who

replace the absence of the state, yet studies relying on the broader historical narrative note that this is not a new phenomenon and that warlordism can be found throughout early twentieth-century China and medieval Europe (Martens, 2006/07). The interest in warlords in the scholarly realm was driven by the collapse of state institutions in parts of West Africa and South Asia during the 1990s, which was coupled with a renewed focus on the criminal elements of these rebellions. Warlords are generally considered to be violent non-state actors that maintain a degree of territorial control, while ruling that land for reasons of self-interest, rather than ideology (Reno, 1997; Azam, 2006; Martens, 2006/07). For journalists, the seeming rise of these actors after the end of the Cold War led to claims that rebellion was no longer a grand ideological venture, but rather a movement motivated by crime (Kaplan, 2001). While this claim will be considered in greater detail below, Figure 1.2 reveals that criminality has always been a part of rebellion as rebels seek to find resources to effectively challenge the state. By examining transnational crime during rebellion, I make no claim about the legitimacy of the group based on their financial sources. What is of interest is establishing how these rents change the course of modern intrastate conflict.

At the nexus of crime and intrastate conflict is the presence of warlords and mafias, both of which can profit mightily from war (Andreas, 2008). Warlord groups, a traditionally difficult concept for scholars, tend to rely on economic endowments, espouse no particular ideology and focus primarily on securing a small sliver of territory rather than seceding from the state or conquering the current regime (Martens, 2007). These groups are often considered to be illegitimate actors and, thus, excluded from peace agreements (Autesserre, 2010). That exclusion means that warlords have no incentive to participate in the peace process and can also prevent the negotiated parties from implementing any comprehensive peace plan (Cunningham, 2006).

As the exclusion of rebel groups from peace settlements demonstrates, the international system can shape the internal act of rebellion. At the beginning of a conflict, the state is often stronger than the rebel group, with the ability to rely on both international legitimacy and a professional military to protect its monopoly on sovereignty and violence. The result is that many rebel groups turn to the international system in search of financing. The international system can provide funding from governments hostile to the current regime, a well-funded diaspora, or sympathetic NGOs (Collier and Hoeffler, 2004; Ross, 2005; Bob, 2005; Andreas, 2008). It is the argument of this dissertation that if these possible sources of economic endowments are unavailable to the rebel group, rebel leaders also have the option of participating in the international system by utilizing transnational criminal financing.

The Cold War shaped rebellion in that the two major powers provided material support and legitimacy to rebel groups in disparate proxy wars (Collier and Hoeffler, 2004; Kalyvas and Balcells, 2010). Rebel groups care about gaining legitimacy and international support in that doing so can increase their probability of winning concessions from the state (Bob, 2005). Even if the rebel group cannot gain support from the international NGO community, however, most groups still have the potential to receive funding and weapons from a diaspora (Salehyan, 2009). Other violent non-state actors can seek refuge in other territories as a way to make their domestic issue an international one (Bapat, 2006). All of these contributions to the literature reinforce the more general theoretical argument that the international system can shape domestic political outcomes (Gourevitch, 1978; Katzenstein, 1985; Gleditsch, 2007).

To better understand the role of transnational crime in rebellion, it is necessary to briefly consider how previous scholarly research has examined intrastate conflict. The focus of this literature review will be to elucidate the findings of three main areas that are germane for this

dissertation. I will first look briefly at what scholars have said concerning rebel financing during intrastate conflict, what contributes to the duration of intrastate conflict, and finally, what increases the probability of conflict recurrence. It is not until recently that scholars started to account for rebel-level characteristics in cross-national analysis (Cunningham, Gleditsch, Salehyan, 2009). Very few of these studies, however, have wholly considered the role of rebel financing. One notable exception has been Weinstein's (2007) work on rebel recruitment and rebel army treatment of civilian populations. Weinstein provides a dichotomous analysis of rebel financing, arguing that nature determines whether rebels possess either social or economic endowments in their war against the state. When a group has social endowments, they rely on popular support and treat the civilian population well. Economic endowments come from situations in which rebel groups do not accrue monies from the local population and are thus more likely to commit atrocities against civilians. However, this dichotomy lumps together external patrons with those who participate in criminal financing, ignoring constraints that external patrons may put on individual rebel groups.

Other studies have considered when rebel groups may receive external patronage (Salehyan, Gleditsch and Cunningham, 2011), but these studies do not explicitly consider other potential funding sources. When rebel funding has been considered in other studies, it has often been by geographers who look at the natural resources of the region under rebellion (Le Billon, 2001). Natural resources, in empirical studies, have been included as a measure of primary-commodity exports to emphasize the importance of rebel greed in motivating the outbreak of conflict (Collier and Hoeffler, 1999 and 2004).

Most scholars who have considered natural resources in intrastate conflict examined them as part of a debate about whether the post-Cold War conflicts should be considered a new type of

warfare. The argument was that while rebel groups for most of the twentieth-century fought for “noble” causes such as decolonization or the implementation of a revolutionary ideology, the civil wars of the 1990s were seemingly dominated by rebels who fought for the sake of accruing resources (Kaldor, 1999; Mueller, 2001). However, others have argued that this distinction is invalid, as there has been banditry in intrastate conflict for centuries, as rebel movements have to secure funding from some source (Kaylvas, 2001). Cross-national evidence on the “greed” of rebel groups motivating the onset of conflict has been mixed recently, with recent empirical evidence finding support for both the greed and grievance models of conflict (Hegre, Ostby, Raleigh, 2009).

However, the dominance of reporting since the end of the Cold War has emphasized the criminal aspects of rebellion in conflicts from Afghanistan to Sierra Leone (Peters, 2009; Campbell, 2004). Since this narrative continued in policy circles, scholars continued to consider what role the presence of natural resources could play in the onset and outcome of conflicts (Ross, 2004). Building from these surveys, new statistical data was created to capture how natural resources might be able to shape factors such as the intensity of conflict (Lujala, 2009). The findings from this study is that it is not just natural resources, but the type of resource that matters in understanding conflict processes. Building upon this insight, other research has emphasized that it is the location of natural resources that influences factors such as how long the conflict lasts (Lujala, 2010). These studies have found under what conditions that natural resources might have an impact on conflict intensity, duration and onset, but have not fully considered rebel group agency in deciding to utilize these resources.

It is surprising that more scholars have not considered the financial conundrums facing potential violent rebel organizations. Early work modeled both the building of the state and the

creation of a rebel organization as a criminal activity, yet there was a failure to build on these initial insights (Tilly, 1985; Collier, 2000). Within-case analysis and theoretical work have documented the recruitment barriers in rebellion, noting that side payments can be extremely effective (Lichbach, 1995; Mueller, 2001; Humphreys and Weinstein, 2008). Furthermore, work on potential rebel strength note that there is much uncertainty in how strong a rebel group will eventually become (Bapat, 2005), which suggests that securing large financial rents might be quite beneficial for violent organizations. Previous work on what contributes to conflict duration demonstrates this fact.

Duration of Intrastate Conflict

New trends in empirical research towards understanding conflict processes have emphasized the disaggregation of rebel characteristics (Cederman and Gleditsch, 2009). The argument for disaggregation comes from the field of geography, where scholars noted that country-level characteristics often fail to reveal much about the actual conflict, as civil wars remain quite localized (Buhaug and Lujala, 2005). The move towards disaggregation of conflict has led to rebel-level data that codes emphasizes the command structure, location and other aspects of individual rebel groups (Cunningham, Gleditsch and Salehyan, 2009). It is found that characteristics such as territorial control lead to longer conflicts, whereas stronger rebel groups fight shorter conflicts. Yet, such a finding is contradictory from other studies that emphasize weaker rebel groups are more likely to receive overtures from the government to end a conflict (Nilsson, 2010). While this discrepancy exists, others have found a strong empirical relationship detailing that the presence of multiple rebel groups in a conflict creates too many veto players for the resolution of fighting (Cunningham, 2006).

Before the recent trend to looking at individual rebel group characteristics, conflict duration studies tested at the conflict level of analysis. In these studies, coups were found to be significantly shorter conflicts, decolonization conflicts were about average length, while sons of the soil and contraband conflicts were longer than average (Fearon, 2004). In Fearon's (2004) duration study we find one of the first considerations of contraband in an empirical study, yet problems remain with his conceptualization and coding of the variable. For one, he codes conflicts only if there have been reports of contraband present in the conflict and additionally, he utilizes the correlates of war data, which means that he only looks at major conflicts of over a thousand battle deaths, whereas much of the recent empirical literature uses the Uppsala/PRIO data on conflict, which relies on the less stringent twenty-five battle deaths a year criteria. Concerns over what he conceptualizes as contraband and the small sample size of his study suggests that much can be gleaned from expanding the analysis of contraband and civil war duration.

Recurrent Intrastate Conflict

While ethnicity, rebel characteristics and natural resources all have strong empirical support for influencing conflict duration, there has been less consensus on understanding what influences recurrent conflict. Recurrent conflict refers to a country experiencing a new outbreak of fighting after the cessation of hostilities. In fact, scholars have had great difficulty in determining when a conflict ends and another begins (Sambanis, 2004). Kreutz (2010) in his study of recurrent conflicts uses a definition of "conflict episodes," which is also employed in this dissertation. A conflict episode is any period of continuous fighting in which clashes between a rebel group and the government reaches the threshold of twenty-five battle deaths a

year. The first year in which fighting between the two sides fails to reach twenty-five battle deaths is coded as being the cessation of that conflict episode.

Studies on recurrent conflict have centered on whether it is conditions during the first conflict or conditions during the subsequent peace that determine the emergence of new conflict episodes. A seminal study on recurrence found it was not conditions during the first war, such as intensity, grievances or outcome that led to subsequent fighting, but instead the regime type and economic conditions in the post-war landscape (Walter, 2004). Other studies have confirmed that goals of the rebel group and duration of the conflict are insignificant in predicting new conflict episodes (Quinn, Mason and Gurses, 2007). However, newly released data has suggested that rebel level attributes such as ethnic mobilization and goals do influence the propensity for future conflict (Kreutz, 2010). The one consistent finding across these studies is the importance of a clear government victory in conflict, yet this is an incredibly rare intrastate conflict outcome (Derouen and Sobek, 2004). Overall, there is much value, both theoretically and empirically, in understanding what drives recurrent conflicts in post-war societies.

Literature Summation

While the past decade has focused on whether it is greed or grievance that drives rebellion, this dissertation moves past such a dichotomy. It is not the purpose of this study to determine the legitimacy of whether violent non-state actors are fighting for a legitimate cause. Instead, the dissertation is rooted in the findings that since the end of the Cold War, external states have been less willing to provide material support to rebel groups (Salehyan, Gleditsch and Cunningham, 2011; Kalyvas and Balcells, 2010). Additionally, rebel actors have found it harder to find subnational support for their violent agendas as there has been a changing norm to providing material support to mass non-violent campaigns (Chenoweth and Stephan, 2011).

Hence, in many cases, for a violent organization to become a viable challenger against the state, it must rely on illicit financing. Scholarly attempts at understanding rebel decision-making has yet to provide a comprehensive account of rebel financing or have relied on crude indicators to see how financing may shape conflict processes. The contribution of this dissertation is to build on these initial insights while providing new data that allows for a full account of the rebel funding decisions in both the Cold War and post-Cold War era.

Natural resources have a long tradition of being included in intrastate conflict studies, as scholars seek to explain issues as disparate as intensity, duration and onset. However, there is a level of geographic determinism in their studies that I seek to move past in this dissertation. Just because natural resources are present in a country does not mean that the rebel group will utilize them. Additionally, using natural resources as a substitute for contraband ignores the significant number of rebel actors who do not have access to resources, yet participate in the illicit economy by smuggling contraband items through their territory. The goal of this dissertation is to reintroduce agency at the rebel level to understand why rebel groups would rely on transnational criminal financing to fight the state and how that decision influences subsequent conflict outcomes.

The conflict outcomes that are to be examined in this dissertation are duration and recurrence. Both of these concepts are closely related to the core question of this dissertation, namely why is it that certain rebel organizations are able and willing to fight for more conflict years than other organizations? The rest of this dissertation provides a theoretical and empirical framework for understanding the relationship between rebel financing and conflict outcomes.

The Plan of the Dissertation

The dissertation is organized in the following manner. The next chapter presents the theoretical mechanisms that drive the relationship between rebel group financing and number of conflict episodes. In this chapter, I explore the history of the types of financing available to rebel groups looking at whether the rebel group receives its funds from subnational or transnational resources, while also considering whether these funds can be classified as either criminal or non-criminal. After introducing the varieties of financing options available to violent non-state actors, I outline my theory as to why rebel groups make the financing decisions that they do, stressing the desire of groups to balance claims of legitimacy and independence in their future decision-making. These concerns coupled with the resources utilized influence the duration of intrastate conflict and the number of recurrent episodes because rebel groups relying on transnational crime have a different relationship with their constituent community and different strategic objectives than other rebel groups. In the chapter, I examine all forms of criminal financing showing how variation between subnational and transnational crime creates different outcomes for rebels seeking to overthrow the state.

After outlining the theory of the dissertation, I provide an empirical test of the duration hypotheses. In this chapter, I outline all the coding decisions made in determining the financial resources of the five hundred and seventy rebel groups fighting between the years 1946-2010. A brief discussion of the various duration models and control variables that are employed follows. In this chapter, I analyze the effects of rebel financing on conflict duration at multiple levels. First, I look at the country-level to see whether states with transnational criminal financing present experience longer periods of civil war. From there, I turn to a more micro-level of

analysis, considering whether individual rebel groups survive for longer periods of time when relying on transnational crime.

After establishing the existence of the relationship between crime and war duration, I turn to a nested analysis of wartime duration by looking at the case of Cambodia. The within case analysis of Cambodia relies on both geographic information systems (GIS) mapping and process tracing to establish how local dynamics of conflict are changed with the introduction of criminal rents. In this case, I look both at which provinces experience longer periods of conflict and which rebel groups are able to fight for longer periods of time, finding support for the causal mechanisms outlined in the theoretical chapter of the dissertation. I conclude the chapter by examining an off-the-line case in the form of the Central African Republic, which demonstrates that sometimes crime does not lead to longer conflicts. In this case, the rebels relying on crime fought a short war, but subsequently returned to the battlefield. The outcome of this small-n model testing analysis leads to the following chapter on intrastate conflict recurrence.

The second empirical chapter of this dissertation considers how transnational criminal financing may not lead to one long continuous conflict, but instead, many smaller recurrent conflicts, otherwise known as a “conflict trap.” In this chapter, I once again employ a multi-level analysis to see whether countries where transnational crime is present are more likely to fight multiple conflicts on their soil. After finding empirical support at the country level of analysis, I employ empirical tests to see whether individual rebel groups that utilize transnational criminal financing are more likely to fight multiple conflict episodes.

Confirming that the relationship exists on the rebel group level, I again use a combination of GIS mapping and process tracing to see whether the theorized causal mechanisms exist on the local level by looking at the much debate case of the Democratic Republic of the Congo.

Employing a subnational statistical model, I find that regions where transnational crime was present in the first conflict are more likely to experience an episode of recurrent conflict.

The final chapter of the dissertation provides a summary of the findings of this dissertation, while also acknowledging some of the empirical limitations of the study. From there, I outline how the project can be extended to better account for the origin of transnational crime, the results of intrastate conflict and the actions of third-party states in conflicts with transnational crime. I also argue that there are important policy implications for the international community engaging with post-war states where crime is present. In particular, I argue that the presence of crime makes peacekeeping operations especially difficult, especially when the international community does not properly address the rule of law in these societies. In fact, the role of crime in post-war societies creates unique hurdles that not only leads to new conflicts, but can encourage corruption that further weakens state capacity, making it harder for countries to escape the conflict trap of war and poverty. This dissertation will address the criminal aspect of contemporary civil war and demonstrate how criminal networks make post-war recovery fraught with more danger than ever before.

Chapter Two: Theory and Hypotheses

Introduction

In the beginning of 2001, a group of tired and emaciated rebels called God's Army emerged from the forests along the Thai-Burmese border to announce a ceasefire. God's Army had captured the attention of the public over the previous few years because of the group's leaders, who were also twin brothers; the duo was rumored to lead their rebel army with special animist and Christian powers that would deliver to the Karen ethnic group its own homeland. Yet, four years of fighting and relying on the support of the local Karen population had decimated the rebel group, making its effort against the Burmese unsustainable (Mydans, 2000; Jane's Information Group, 2003). Meanwhile, a continent away, the National Union for Total Independence in Angola (UNITA) was in its third decade of conflict against the Angolan government in Sub-Saharan Africa, returning to the battlefield following the collapse of a peace agreement it had signed in the 1990s. John Savimbi was the dictatorial leader of the group, which imposed its will on the people with an iron fist and meted out numerous executions to suspected traitors. UNITA had long lost the support of the general population for the uprising, but was able to retain its hold of strategic territory and resist the best efforts of the Angolan army to disarm them (Weigert, 2011).

The stark differences between a rebel group that was popular with its constituency, yet unable to maintain a challenge against the states when compared with an unpopular movement that was able to fight for decades presents an important conundrum in understanding why certain rebel groups are able to survive and fight decades long conflicts, while others appear and disappear quite quickly. The argument presented in this chapter is that the difference between these two rebel groups is how they funded their operations. God's Army chose to rely on popular support, which provides a low amount of rents, while UNITA chose transnational criminal

financing that secured the organization hundreds of millions of dollars a year. The differences between subnational and transnational financing, popular and illicit sources is an important aspect of understanding contemporary conflict and the viability of rebel organizations.

After the initial chaos of the post-Cold War world, the past few years has seen the decline of conflict worldwide (Fearon and Laitin, 2003). There have been a multitude of theories to explain the decline in armed violence. Some have linked the change to institutional factors such as the prevalence of international organizations, while others have suggested more psychological and norm-based explanations to account for the decrease in wars (Goldstein, 2011; Pinker, 2011). However, while many countries have achieved a degree of stability thought impossible a few decades ago, a number of states still find themselves stuck in a continuous state of low-intensity and recurrent fighting, otherwise known as the conflict trap (Collier, 2007).

This chapter provides a theoretical framework for understanding why certain states are stuck in this conflict trap by examining rebel decision-making before, during and after conflict. To start, rebel groups have to secure a source of funding to challenge the state. The funding sources available to rebel groups can be found either subnationally or transnationally and come from either from popular or illicit sources. This chapter argues that the various forms of financing available uniquely affect the strategic interactions between violent non-state actors, the civilian population and the state. Rebel groups make funding decisions based on ease of access to the funding source as well as the degree of independence a particular funding source allows the rebel group in its actions. In this dissertation, I draw on qualitative and quantitative data to argue that rebel groups that adopt transnational criminal financing fight longer conflicts that have a greater chance of recurrence.

The rest of the chapter is structured as follows. I will begin with an overview of the history of rebel financing by arguing that rebels can access funds either subnationally or transnationally, from popular or illicit sources. Using that typology, I will explore the history of financing during conflict by first considering popular sources of financing at the subnational and transnational levels. From there, I will consider the history of crime during conflict and argue that violent non-state actors adopt their financial source based on the level of organizational independence the rents provide, in addition to how many rents can be captured. Having established the considerations that rebel groups face when adopting a form of financing, I will argue that rebel groups that adopt transnational criminal rents will fight longer conflicts and be more likely to fight in recurrent conflict episodes.

The reasons for this is not because the rebels involved in transnational criminal financing are motivated wholly by greed, but because they will be able to capture a higher amount of rents and not be beholden to other interests that could compel them to lay down their arms. From this insight, I conclude the chapter with a series of hypotheses derived from the theory that capture both the national and subnational variation in contemporary conflict that I will test in the remainder of the dissertation. Table 2.1 reproduced below summarizes these hypotheses, namely that the introduction of criminal rents into the conflict zone will create longer conflicts with a greater chance of recurrence. The rest of the chapter provides the framework necessary to understand how the sources of rebel financing influences the number of conflict years a country and rebel group experiences.

Table 2.1: Hypotheses on Crime and Conflict Outcomes

Duration

H1: The presence of transnational criminal financing increases the duration of intrastate conflict

H2: Rebel groups that adopt transnational criminal financing will fight longer civil wars than other rebel groups

H3: Rebel groups that rely on criminal rents from natural resources should fight longer conflicts than rebel groups that rely on subnational criminal financing

H4: Regions where transnational criminal financing is present will experience longer periods of conflict

Recurrence

H5: The presence of transnational criminal financing increases the probability of conflict recurrence

H6: Groups that adopt transnational criminal financing are more likely to fight recurrent conflicts

H7: Regions of the country that host transnational criminal financing have a higher probability of conflict recurrence

The Role of Money in Intrastate Conflict: A History

When a group of individuals decides to challenge the state, one of the most important decisions that group makes is how to fund the conflict. Rebel groups need money to procure arms and attract supporters. At the beginning of a conflict, the state has a numerical and financial advantage that the rebel group seeks to eliminate in order to become a viable challenger in the

eyes of potential supporters unwilling to commit to either side. The focus of this section is to understand all of the financing options available to rebel groups and to highlight how the changing international system can affect the strategic calculations of rebel groups seeking to establish a viable challenge to the state.

To begin considering the history of rebel financing, a few definitions are proffered. First, funding sources can be transnational or subnational in origin. Transnational financing for the purposes of this dissertation means that the rents are captured through interactions with other actors outside the state under rebellion. Subnational financing comes from sources located within the state. In addition to being transnational or subnational, these funding sources are broadly construed as either noncriminal or criminal. The source and conditionality of these funds interact to shape rebel decision-making during conflict. A summary of the funding options available to rebel groups are found in Table 2.2. reproduced below. The survey of rebel financing options begins with popular sources before examining the illicit sources of rebellion.

Table 2.2: The Sources of Rebel Financing

	Subnational	Transnational
Noncriminal	Taxation Donations	Diaspora Donations External States
Criminal	Kidnapping Robbery Extortion	Drug Trafficking Gem Mining Logging Smuggling

Popular Financing

During the post-World War II era and the early years of the Cold War, the strength and propaganda efforts of the Soviet Union inspired many popular revolutions that sought to overthrow the old regime and radically remake society. These rebel groups were often led by young students who had become Marxists during their education. They theoretically justified their rebellions with the notion of serving as the vanguard of the people, which meant that they would launch a conflict against the state by relying upon the people for support. Fidel Castro, for example, launched a guerrilla campaign relying chiefly on popular support in the form of food and shelter from the local community (Perez-Stable, 2011). At the other end of the populist spectrum, large mass-scale protests such as the Iranian Revolution also drew on widespread dissatisfaction with regime to gain financial and other forms of support from the population (Chenoweth and Stephan, 2011). However, rebel groups remain vulnerable when relying on local financing and support. Most donations are quite small and cannot be counted on to persist, as individual supporters might not be able to continue providing financial support, food or protection to the rebel group. The state can also strike back quite easily at rebel groups that choose to utilize local donations by raising the costs of being an open supporter of the group. While it failed, the South Vietnamese and United States policy of creating strategic hamlets was based on the idea of reducing Viet Cong access to the villages providing financing for their rebellion. The South Vietnamese and the Americans hoped to isolate villages from the Viet Cong, but were unable to separate the rebel group from their funding source (Kalyvas and Kocher, 2009). Hence, if rebel groups are unable to secure a strong zone of control where local citizens believe that it is safe to donate funds, the rebellion will have a decreased chance of succeeding.

Popular financing of rebellion was quite common during the era of decolonization, when European colonial empires stretched across most of Asia and Africa. As European power diminished during World War II, potential rebels saw the possibility of creating their own independent states. As colonizing powers were largely viewed as outsiders in colonies, it was somewhat easy for rebel groups to encourage local populations to provide support in the form of food, protection or small monetary donations. These decolonization wars also led to the emergence of another form of funding: taxation. In pushing for decolonization, rebel groups such as PAIGC in Guinea-Bissau argued that they were ready for independence and no longer needed the Europeans to control the state on their behalf. To demonstrate its readiness, PAIGC did not attempt to control the entire state territory; instead, the group focused on controlling one province in which it then set up its own institutions and began imposing taxation on the “liberated” population (Reno, 2011). The rebels believed that if they could run a functioning rump of a state on their desired territory, they would be able to end the colonial experiment in their country. This type of financing was to become quite popular as the 20th century continued, as rebel groups attempted to transition to being political groups and also convey to the international community that they were legitimate actors. The strengthening of the relationship between the rebel group and their constituents is also represented in the contribution of diasporas to these movements. This type of financing became more popular towards the end of the Cold War (Kaldor, 1999).

Proxy Wars: Foreign State Financing

Rebellions are very rarely purely internal events, as conflict can have far-reaching effects on the international community. However, the relationship is simultaneous in that the international system also has an impact on the course of internal rebellion. The international

rivalry between the United States and the Soviet Union proved to be a pivotal force for many smaller states during the Cold War (Kalyvas and Balcells, 2010). Both superpowers were concerned with securing as large of a sphere of influence as possible, both overtly and covertly. One avenue of influence they explored was providing funding for rebel groups that were challenging non-allied countries. The United States funded rebel groups that challenged leftist regimes in Nicaragua, Afghanistan and the before mentioned case of Angola, while the Soviet Union provided arms and money to various communist insurgences in Oman, Rhodesia, and Malaysia among others (Andrew, 2005). The superpowers made very few demands when providing these monies because their main focus was weakening the targeted state rather than achieving victory for the rebels. The most famous example of this strategic calculation is perhaps the United States' policy on Afghanistan in the 1980s, in which they gave money to weaken the Soviet-backed regime in Kabul, with no hope that the various mujahedeen groups that they supported could actually achieve victory (Coll, 2004).

The chance of receiving sanctioning from a foreign state is not exclusive to the machinations of the Soviet Union and the United States. Regional rivals are often willing to support rebel groups, albeit often not openly, when doing so can serve their interests. India supported Bangladeshi rebels in their war of independence against Pakistan, while Rwanda and Uganda provided significant financial and military assistance to the Alliance of Democratic Forces for the Liberation of the Congo (AFDL) in the late 1990s to oust the Mobutu regime in what was then Zaire (Prunier, 2004). Hence, rebel groups can often try to appeal to foreign governments to help fund their rebellions, but problems remain for rebel groups that adopt such an approach. Relying on outside governments often means that the rebel group does not have a secure funding source. Its allied government(s) can decide to revoke funding to the rebel group if

it no longer serves its interests, meaning that the rebel group remains quite vulnerable to exogenous shocks (Salehyan, 2010). For example, the liberalization of the apartheid regime in South Africa during the late 1980s forced the rebel group RENAMO to the negotiating table in Mozambique, as it had relied exclusively on external economic support from South Africa to challenge the Mozambique government (Weinstein, 2007). Thus, while foreign governments might be able to provide large amounts of money to rebel groups, it prevents the rebel group from being a truly independent actor.

Diaspora Financing

In addition to support from external states, the latter half of the 20th century also saw the emergence of diaspora financing to help facilitate rebellion. The increasing interconnectedness of the world through technological innovation meant that those who had left a country could keep in better contact with their communities back home. Remittances have become a large part of some developing economies, as migrant workers send back their earnings to their families. Sometimes, these migrant workers hold strong grievances against the regime in their country of origin, feeling like they had no choice but to migrate due to limited opportunity or perceived persecution (Collier and Hoeffler, 2004). Because of these grievances, these migrants become prime targets for nascent rebel movements. Rebels may even consider them more attractive candidates for financing than the general warzone population because it is harder for the regime to punish diaspora members directly for providing support. For strong examples of diaspora rebellion support, we can look to various nationalist conflicts that emerged at the end of the Cold War. Rebel movements in the former Yugoslavia and the former Soviet Union sought to forge new states during a time of transition. These groups held fundraisers with sympathetic members of the diaspora; some Palestinian groups have also raised money this way in the past decade.

Diaspora groups also will sometimes help ship arms to rebel groups, as the Irish-American community in Boston sent guns to Northern Ireland throughout the 1970s, where it was much more difficult to procure weapons (Sheffer, 2003). Yet, problems remain when adopting diaspora financing.

In Nagorno-Karabakh in the early 1990s, ethnic Armenians revolted against the newly independent Azerbaijani regime in Baku. These ethnic Armenians relied not only on neighboring Armenia to provide support, but also counted on the rather large diaspora found in Europe and the United States to send money that could be used for arms. The Nagorno-Karabakh army credits this access to large amounts of funding for their success in carving out an ethnic enclave. However, a divide between diaspora communities and the local population becomes apparent when looking at the Nagorno-Karabakh war. While the Nagorno-Karabakh army has been able to keep the Azerbaijani army at bay since their victory on the battlefield in the early 1990s, the local population has suffered from underdevelopment. The Armenian diaspora has often resisted all attempts at negotiation with Azerbaijan, arguing that nothing short of total independence or union with Armenia is acceptable (Kaldor, 1999).

Thus, while the rebel group can receive funding from an outside group that the state has trouble targeting, the rebel group can find itself beholden to this outside funding source, much like when relying on other states. The result is that the rebel group loses a degree of independence in their interactions with the state and the aggrieved population living in the territory under dispute can suffer over the long term. Of course, most aggrieved groups also do not have a strong diaspora community to draw upon in order to fund a rebellion, thus reducing the applicability of this type of financing for many rebel organizations. If popular financing is not available at either the subnational or the transnational level, rebel groups can and often do

consider explicit involvement in the illicit economy. The next section provides an analysis of the various national and transnational forms of criminal financing and why rebel groups adopt them to fund their rebellions.

Crime During Wartime

Contrary to beliefs in the popular press (*see* Kaplan, 2001), crime has been a part of intrastate conflict for centuries (Kalyvas, 2001). The breakdown of law and order with the loss of state sovereignty in a region provides an opportunity for criminal actors to more overtly pursue rents. The breakdown of order also causes an interruption in internal trade, creating a wartime economy in which the population often has to survive on goods obtained through smuggling. The most famous historical example of this is the rise of warlords in late 19th-century China, where the weakening Chinese state coupled with various insurgencies led to the emergence of groups that participated in the criminal economy to finance their continued control of territory (Martens, 2006/07).

Since the rise of the warlord in China, there have been many allegations of intrastate conflicts containing warlords; some have even claimed that many rebel groups are illegitimate actors because they seek to enrich themselves rather than redress grievances. For the purposes of this dissertation, I make no subjective judgments on the legitimacy of rebel actors and do not seek to differentiate warlords from other rebel actors. As long as the group is a violent non-state actor that engages in battle against the state while articulating an ideology, the group is contained in the analysis. Scholars that have sought to provide a taxonomy of warlords often identify them as criminal actors that rely on personal charisma to control a small sliver of territory while fragmenting the political economy of the country. Such a definition is problematic, however, as it does not clearly separate warlords from other rebel groups, and each pillar of the definition

requires a subjective judgment that can be (and is) disputed in other works. What matters is that the historical record demonstrates that violent non-state actors have been associated with crime through history. What is less clear is how these groups adopt criminal financing—and what effects that decision have on wartime processes. In what follows, I will outline the various types of criminal financing that are available to violent non-state actors.

Types of Crime Primarily at the Subnational Level

Criminal activity during wartime can be subnational or transnational in nature. Often, this distinction is blurred during wartime as rebel groups adopting criminal financing participate in both local and international criminal activities to enrich their group and maintain control of their territory. I will begin this section by considering the subnational forms of criminal financing that can be found during rebellion. Subnational criminal financing means that all criminal activity and procurement of rents happen within the territory under contestation. After discussing this category, I will turn to the final category, that of transnational criminal financing.

The most common form of criminal activity during rebellion is extortion, which is often an extension of popular financing and taxation of the local population. Rebel groups that begin as popular movements or have secured control of territory will initially rely on voluntary donations or implement a clear taxation scheme, as documented in the popular financing section above. However, if a rebel group begins losing popularity or needs to recover more rents than the public is willing to give, that group may decide to forcefully extract these funds. Extortion is also considered quite common during rebellion in part because it can be somewhat subjective. When a rebel group secures territory, it is not apparent that all citizens in that region will support the rebel movement. If the rebels implement a taxation scheme, those neutral citizens that lean in the direction of the state will perceive the collection of funds as extortion. The result is that most

reports of financing argue that rebels participate in extortion. Here, the distinction for separating extortion from taxation will rely not only on accounts from primary sources but also whether the rebel group uses the threat of violent retaliation if funds are not provided from the local population.

Of course, rebel groups can participate in more overt forms of extortion, sometimes in the form of protection rackets. Rebel groups may demand protection money from business and shop owners who will pay to ensure that they are not arrested or their property confiscated or pillaged. To differentiate extortion from taxation, a clear threat must accompany the request for money. Communist movements often extorted local businessmen arguing that these individuals would be further persecuted as enemies of the state if they did not contribute to the rebel movement. Groups in Latin America, especially in Colombia, will make targeting decisions based on whether corporations will provide them with protection money. In terms of reliability, extortion is at the lower level of the criminal financing spectrum. As extortion occurs at the subnational level, the state can court allies and support by offering their own protection to the aggrieved. In Colombia, plantation owners that were being extorted by the FARC responded to extortion by creating self-defense forces that made it more difficult for FARC to capture these rents (Bruce, Hayes and Botero, 2010). Hence, because industry can move or shut-down or respond to the threat of extortion, it is not a sustainable source of rebel financing.

Related to extortion and also occurring almost exclusively at the subnational level are the acts of kidnapping and robbery. While some groups have adopted these financing means at the transnational level, they should be considered outliers and will be discussed later. Bank robberies were a popular form of rebel financing around the mid-20th century, but have not been reported as a form of rebel financing since the start of the twenty-first century. Once again, for groups that

adopted this form of financing, ideology was key to their tactics. Leftist guerrillas targeted banks because the money held within belonged to the wealthier classes these groups sought to evict from power. Banks initially were easy to target, as there was minimal security—often just one individual compared to a small guerilla faction of five to ten individuals. Banks also became attractive targets because they held large amounts of cash, and robbing them led to a large procurement of funds quite quickly. However, changing technology and security procedures at banks has made robbery a rarer form of financing for violent actors. Technologically, the rise of computers means that banks hold less cash on hand, which has reduced the amount of funds to capture. Secondly, once banks become targeted, the government can respond by increasing police and military presence at banks in the hopes of intercepting rebels who seek to capture funds. In addition, the banks themselves will invest more in security, making it harder for the rebels to gain access to funds. The Montoneros group in Argentina encountered this problem during the 1970s. The rebel movement quickly lost strength as the group lost members during bank robberies faster than it could gain new recruits. Like extortion, the state's ability to adjust tactics to protect this funding source also makes robbery an unreliable source of financing for rebels.

In addition to robbing banks, the Montoneros movement in Argentina also kidnapped wealthy industrialists and held them for ransom. The group had two distinct motives in using this form of criminal financing: to raise funds for its movement and also to strike fear in their opponents' supporters with the hope they would pressure the government to negotiate (Lewis, 2002). However, kidnapping for ransom has proven to be a difficult form of financing. First, the group risks exposure during the actual act of kidnapping. Members have to capture an individual while making sure the police and/or military do not arrive on the scene. Then, they have to hold

onto this individual while they negotiate a ransom demand, feeding and protect that kidnapped individual or else no one will pay the ransom they demand. The rebel group also exposes itself when seeking to exchange the individual for the ransom. The result of these three areas of exposure for the rebel group means that there are often diminishing returns when kidnapping. After one or two successful kidnappings, wealthier individuals can increase their personal security. The police and military will seek to intercept the rebels during the negotiation or exchange of hostage and money. Finally, as groups such as FARC in Colombia learned, there are many individuals that cannot or will not pay the ransom demanded. In this situation, the rebel group has devoted precious resources in the hope of gaining a greater financial reward that is not forthcoming. FARC announced in 2012 that it was giving up the practice of kidnapping because of these diminishing financial returns, coupled with the increased security risk in holding hostages (Neuman, 2013). Some of their more famous hostages were held for upwards of a decade, draining funds and not resulting in any reward for the rebel group (Gonsalves, et al., 2009).

Groups adopt subnational criminal financing during rebellion to procure large amounts of rents quickly without having to rely on either an aggrieved population or a foreign benefactor. However, when analyzing the types of subnational crime available to rebel groups, we see that problems remain for the organization. In each instance, it remains difficult for the rebel group to protect a steady revenue source. Each of the subnational options, from extortion to bank robberies, is extremely vulnerable to actions by the state. Furthermore, by targeting the population residing in the territory under contestation, the rebel group risks the chance of creating further enemies or convincing neutrals to offer even tepid support for a competing side. There are also only so many criminal rents available at the subnational level, making the risk-

reward ratio quite high. The chance to capture significantly higher rents is often why rebel groups turn to transnational criminal crime. In the next section, I analyze the types of transnational crime financing that exist with a focus on the costs and benefits of each funding source.

Transnational Criminal Financing in Rebellion

Previous studies that have conceptualized the issue of contraband financing during rebellion have focused primarily on groups that may have participated in large-scale resource looting (Ross, 2006). The collapse of order in Sierra Leone and Liberia during the 1990s influenced this type of thinking (Reno, 1998). To account for contraband in conflict, scholars and policy practitioners focused on the presence of resources in the territory. Not surprisingly, many of these studies came from the discipline of geography, which emphasizes how environment can influence human processes (O’Laughlin and Raleigh, 2008). The focus of this section is to not only outline the types of transnational criminal financing that can exist, but to move past conceptualizations emphasizing only the presence of natural resources to instead understand the interaction between criminal financing and rebel groups. To understand what makes a criminal rent transnational, I argue that the pursuit of the rent must include an interaction between the rebel group and the larger international community. If the destination or target of the crime creates an interaction between two or more international actors, then it is transnational. For example, if a rebel group kidnaps a citizen within its own territory that is considered a subnational form of criminal financing. If the rebel group, like Abu Sayyaf in the Philippines, decides to target citizens of another state, that is considered transnational crime. The rest of this section moves the discussion beyond geographic determinism to provide a nuanced picture of how rebel groups can interact with the international community in pursuit of criminal rents.

Smuggling

Most if not all rebel groups utilizing transnational criminal financing participate in a form of smuggling. Capturing an important resource rent within a territory and then selling it on the black market is the most common form of transnational criminal financing. Groups involved with drugs, diamonds, gemstones and timber all find themselves participating in smuggling at some level. Smuggling, however, is also often utilized for more mundane everyday items that rebel groups can import or export to enrich their coffers. The collapse of state authority in parts of a country creates incentives for rebel groups and other non-state actors to participate in the illicit economy. Citizens still need access to common goods and household items, even while an insurgency is occurring. While the growth of the black market often falls under the control of local mafias during wartime, rebel groups have sometimes adopted smuggling themselves as a way to not only impose control over their territory, but also to provide finances. Items that rebel groups have smuggled to fund their rebellions include not only drugs, but also food items, gasoline, and cigarettes to provide a few examples.

Rebel groups are also partial to adopting transnational smuggling if they do not have access to a geographic resource of value, like drugs or gemstones. Thus, one area in which previous studies have missed the intersection of contraband and conflict are resource poor territories, such as Eastern Turkey. The PKK, which claims to represent the Kurdish population based in that region, has been fighting against the Turkish government since the early 1980s. As the rebellion continued into the late 1980s, the PKK increasingly relied on the transport of heroin into their territory and into Europe to finance their rebellion, especially as Turkish military actions made it more costly for local citizens to offer forms of popular support. As Turkey

borders the European Union and PKK territory strategically borders Iran, Iraq and Syria, the group has become a significant hub for the flow of heroin from Asia to the European markets (Bennetto, 2006). The group does not produce heroin; rather, they secure the product and transport it through their territory to either other members of the organization in the destination country or to other buyers of the illicit item.

The benefit of participating in smuggling is that the state does not have the ability to target one's access to financing. Because the illicit item is produced in another territory, the rebel group is in charge of shipment. The weakness of relying solely on smuggling to fund the rebellion is that the group is again reliant on other actors to produce the items in question. Rebel groups and criminal gangs have also fought for the control of smuggling routes, creating additional violent actors that the rebel group cannot control (Kirk, 2003). When rebel groups cannot forge strong alliances with these criminal actors, they will fight to co-opt them. However, this also makes them more immersed in the underground economy. Such immersion can further weaken the rebel group as members may view overt participation in illegal activities like contraband smuggling as delegitimizing their struggle. In these situations, certain rebel movements may fracture.

The concern with legitimacy also illuminates why certain rebel groups become more immersed in transnational criminal financing. When a rebel group participates in just smuggling, it may secure enough rents to finance a struggle against the state, but not enough rents to reward all supporters and convince them not to fractionalize. The involvement in transnational criminal financing often happens piecemeal, with rebel groups needing to provide more rewards to their coalition of supporters as the conflict continues. An analysis of the adoption of drug trafficking

to finance rebellion will help demonstrate how rebel groups can become immersed in the global criminal underworld over time.

Drug Trafficking

Drug trafficking is one of the more infamous forms of transnational criminal financing that rebel groups can adopt. Policymakers have been concerned for decades with the relationship between drugs and combat, most notably in conflicts in Colombia, Peru and Afghanistan (Kan, 2009). Perhaps no other transnational criminal financing option threatens the stability of the international system as much as drug trafficking, as the presence of illegal narcotics in destination countries becomes a significant law and order issue. There are various narcotics that can be adopted for transnational criminal financing, depending largely on the environment. Drugs like marijuana, cocaine, heroin, opium and methamphetamines have all been traced to intrastate conflicts. Groups are motivated to adopt drug trafficking by the large rents that can be captured; the United Nations estimates that billions of dollars of the global economy are tied up each year in the drug trade (UNODC, 2012). Yet simply noting the presence of narcotics in rebel territory does not sufficiently capture the complexity of rebellion and drug trafficking. For example, the group Shining Path in Peru did not initially adopt drug trafficking wholesale when it began fighting in the early 1980s. When the group became involved in the drug trade, it did so incrementally (Weinstein, 2007). Initially, it took over territory where coca was produced by farmers for either local consumption (it can be used for many products, such as tea) or for sale in the illicit market. The group decided first to tax the production of drugs. It then slowly became more involved in the drug economy, moving past taxation of smuggling routes to smuggling the drugs themselves, and then overtaking the farms and growing the coca plant themselves. Taxing smuggling routes does not necessarily mean that a group is involved in transnational criminal

financing; it is when a group controls the means of production that it wholly controls the rents being produced, allowing them to achieve a degree of freedom in financing their fight against the state. In this dissertation, the term ‘drug trafficking’ will encompass rebel groups that control the entire drug trafficking process from growing (or organizing growth of) the plant in question to distributing it on the international markets. Other interactions will be considered just extortion or smuggling.

Drug trafficking may appeal to rebel groups because it leads to a significant amount of criminal rents to be captured. Some rebel groups make millions of dollars a month when participating in the drug trade. Those rents allow the group to quickly adopt more weapons and enrich supporters at a high level. In addition, it can be surprisingly hard for states to combat drug trafficking as it is hard to identify where the plants are being grown, as reflected in Colombia’s long struggle to cut off a significant source of financing for FARC. Some groups, for instance a few Burmese rebel groups, have moved into producing methamphetamines in mobile labs (Richardson, 2000). Not only do these groups control the means of production, but they are also able to continuously protect their source of financing by moving it to secure locations in their zone of control, ensuring a steady source of income. One weakness of adopting drug trafficking is that, more than any other resource, it generates large negative externalities. While human rights groups were appalled at the use of blood diamonds in intrastate conflict, the impacts on other states in the international community were minimal. However, the adoption of drug trafficking creates additional incentives for destination countries to intervene against the rebel group, with the hope of interdicting the illicit merchandise before it reaches their borders.

Diamonds, Gemstones, Minerals and Timber

The introduction of other transnational criminal rents into destination countries poses smaller negative externalities. Such rents include the harvesting and trafficking of diamonds, gemstones, other precious metals and timber. All of the trafficked items are rare in the international market, creating opportunities for rebel groups to profit enormously from them. Unlike cultivating and processing drugs, capturing these resources is less labor-intensive for the rebel group, allowing it to better marshal its resources. The mining operations in the eastern half of the Democratic Republic of the Congo (DRC) demonstrate this. In the DRC, various violent non-state actors can control the mines and have local workers extract the resource each day (Hawkrigde, 2011). The cultivation of drugs, on the other hand, depends on weather and requires time that dictates more of the rebel's attention. Hence, when dealing with precious metals and gemstones, a rebel group can quickly finance its rebellion and enrich itself year round. A weakness of this type of criminal financing, however, is that it requires the territorial control to ensure unfettered access to the rent. While groups that participate in drug trafficking can plant throughout their territory, the presence of mines determines where the rebel group will operate. Such a result leaves the rebel group more vulnerable to state responses. Thus, each type of financing available to rebel actors has positive and negative consequences.

Table 2.3: Costs and Benefits from Sources of Financing

	Subnational	Transnational
Popular	Low Level Independence Low Amount of Rents High Degree Legitimacy	Low Level Independence High Amount of Rents Medium Degree Legitimacy
Illicit	Medium Level Independence High Level of Rents Low Degree Legitimacy	High Level Independence High Level of Rents Low Degree Legitimacy

Types of Financing and Conflict Outcomes

One of the first decisions any rebel organization must make is determining its source of funding for challenge the state. The focus of this chapter thus far has been identifying the full world of financial sources for rebel groups, from subnational to transnational, from criminal to the international system. The motivation for doing so is to better understand how the introduction of criminal rents can impact conflict by examining the differences between sources of finances. The next section of this chapter will focus on building on this theory to explain why rebel groups that adopt subnational sources of financing will experience very different conflict outcomes from those that participate in the global illicit economy. I argue that the driving motivation for a rebel group in adopting transnational criminal financing is to not only gather rents to reward supporters, but more crucially to gain independence from either bottom-up or top-down influences that can constrain its freedom in prosecuting the war effort. The result is that groups that participate in transnational criminal activities fight longer conflicts that have a greater chance of recurrence. I turn from examining these potential funding sources to explaining exactly why these countries are trapped in longer conflicts that are likely to recur when transnational criminal financing is present.

Transnational Criminal Financing and Conflict Duration

Very rarely do rebel groups emerge as fully functioning large organizations capable of overturning the ruling regime. Instead, most rebel groups begin as small organizations focused on convincing neutral actors to either join their struggle or at least not actively oppose them. To become a viable organization, these rebel groups need to adopt a source of financing that allows them to procure weapons and reward supporters in order to maintain a semblance of control while fighting the state. As this chapter has highlighted, there are numerous sources of financing,

from popular to illicit which can be located at either the subnational or transnational level.

Considering the full spectrum of financing will provide nuance in understanding how transnational crime leads to longer conflicts. The theory will encompass the various levels of analysis in the conflict, analyzing what the introduction of criminal rents means for the conflict as a whole, the rebel group in particular and the subnational region where the rent is captured.

Transnational Rents and Conflict Duration

Adopting criminal financing exacerbates both the informational and the commitment problems found in contemporary intrastate conflicts. With regard to informational problems, rebel groups want to hide their participation in criminal activities as it is their key source of strength in challenging the state, as it provides them the resources to pay and house recruits, while also procuring arms. Thus, they must mask where the illicit goods are being produced or engage in subterfuge to hide their smuggling routes that could be disrupted by the state. Rebel groups that participate in criminal activities are more likely, then, to participate in guerrilla tactics to conceal their funding sources to ensure continued access to the rent. The Shining Path in Peru is one such example in that the rebel group used guerrilla warfare not only because of power asymmetries between them and the military, but also because it wanted to convey the impression of being a people's movement deriving its strength from social support, not criminal rents. The resultant secrecy means that the Shining Path still operates to this day even though most policymakers believed that they were defeated in battle during the 1990s because the majority of the organization was unaware and uninvolved in the procurement of these criminal rents. It is only the factions that were involved in the drug trade that continue to engage in battles with the Peruvian state (Burch, 2013).

The commitment problem that emerges during conflict stems from the fact that rebel groups participating in criminal financing gain control over an illicit economy that lies outside state control. For the state to agree to a binding peace agreement that incorporates a rebel group, that group must agree to cease illicit activities in the region (Fearon, 2004). However, rebel groups participating in transnational criminal activities can procure hundreds of millions of dollars per year from their illegal activity. For example, rebel groups during the Second Congo War at the beginning of the past decade exploited limited market access caused by the war to sell minerals at above market prices, especially rare metals like cobalt (Prunier, 2009); such profitability hampered efforts to achieve a peace agreement. In general, any peace agreement a government could offer cannot not provide the same monetary incentives to rebel groups as transnational criminal rents. Even if a government and rebel group could agree to split the profits from criminal activity, something that allegedly happened during a cease fire in Burma during the 1990s, granting the state access to its funding source weakens the rebel group's bargaining position as it dilutes/diminishes the group's source of funding/power. Further, as war can significantly increase the prices of illicit items, there is a renewed incentive for either group to go back to war to capture larger rents.

Finally, when a rebel group adopts transnational criminal financing, it means that the rebel group is not beholden to any single domestic or international actor. Rebellions that rely on social support for their struggle against the state are also beholden to those local communities and a large coalition. However, when a rebel group decides to utilize transnational criminal financing, they are not constrained by the local population and focus on satisfying a much smaller constituency. Both sides during an intrastate conflict can utilize various techniques to discourage recruitment and support for either side (Kalyvas, 1999; Valentino, et al., 2004), but

these tactics presume that both sides are competing for civilian support. If a rebel group is utilizing transnational criminal rents, it has little need to rely on civilians, making it harder for the government to pressure the rebel group to negotiate. The result is that rebels are less likely to enter into negotiations with the government, extending the duration of the conflict.

The theory above leaves us with three hypotheses about the impact of criminal financing on conflict duration. The first hypothesis to be tested in this dissertation looks at the impact of criminal financing on the conflict as a whole:

H1: The presence of transnational criminal financing increases the duration of intrastate conflict

Here, adopting transnational criminal financing impacts the patterns of conflict for all actors. Exploiting these rents makes the rebel group more powerful and less beholden to the general population. The state has less incentive to bargain with a rebel organization that can be portrayed as illegitimate. Even if the state is willing to negotiate, it might be impossible to offer enough incentives for the rebel group to lay down its arms. Finally, the introduction of the criminal rents into the conflict means that weakened state capacity opens the door for other violent non-state actors to emerge, motivated to either protect their exploited populations or to marshal these large rents for their own purposes. When considering veto players that prevent the implementation of an agreement (Cunningham, 2006), there are also international actors that can become in the conflict either to enrich themselves (like Thailand with the Khmer Rouge in Cambodia) or to prevent the negative externality of the transnational criminal financing in their territory (the United States in Colombia). All of which leads to longer conflicts.

Transnational Rents and Rebel Group Survival

While the first hypothesis looks at conflict-level characteristics, the second hypothesis is a test of rebel-level attributes and duration. Looking at the state-level attributes informs the

discussion about the impact of criminal financing on the state and its citizens, but does not examine the result for the individual rebel group. The theory of transnational criminal rents is that rebel groups adopt this form of financing not only to receive higher amounts of rents, but also to gain freedom of action, allowing them to avoid pressure either from the citizens below them or international actors above them, whether a foreign state or diaspora population. Thus, groups that adopt criminal financing should be able to wage and also motivated to fight longer wars than other rebel groups. The second hypothesis addresses this by building upon the theory to suggest that transnational criminal financing should have a unique impact on the individual rebel group pursuing these rents.

H2: Rebel groups that adopt transnational criminal financing will fight longer civil wars than other rebel groups

Adopting transnational criminal financing allows a rebel group to achieve the independence of action that they cannot achieve when relying on local constituents or the larger international community. Taken together, these two hypotheses suggest that the presence of transnational criminal financing creates rebel groups that fight longer wars than normal and that the state is subjected to a longer overall conflict when criminal financing is introduced. Yet, so far the theory only accounts for the broad patterns between crime and conflict duration.

However, the theory presented above suggests that the type of criminality chosen by rebel groups might influence the duration of conflict. Not only is there a divide between subnational and transnational sources of criminal financing, but the rents that are generated by drug production tend to be quite higher than those that come from banditry/robbery. Hence, the final cross-national hypothesis concerning conflict duration and financing centers on the type of criminal financing employed.

H3: Rebel groups that rely on criminal rents from natural resources should fight longer conflicts than rebel groups that rely on subnational criminal financing

Transnational Rents and Regional Patterns of Violence

Looking at the conflict level and the rebel group level, we find that the theory should predict longer periods of conflict. What does this mean for individuals at the subnational level? Can the presence of transnational criminal rents influence the patterns of fighting seen during intrastate conflict? Previous theories about patterns of violence have highlighted the importance of territorial control to understand the level of fighting that is witnessed (Kalyvas, 2006). However, the type of financing adopted should influence state and rebel strategic decisions during conflict. Rebel groups that adopt transnational criminal financing will need to protect both the source of their rent and the routes needed to transport that rent to the international marketplace. The state will be motivated to destroy the source of rebel financing in the hope that it can gain the upper hand against the violent non-state actors operating on its territory. As the rebel group receives more rents from its criminal sources, it has less need to protect the local population for support. The result is that over time, the state and rebel actors will focus their attacks on the regions where transnational criminal financing is more prevalent. The final duration hypothesis captures this relationship:

H4: Regions where transnational criminal financing is present will experience longer periods of conflict

Taken together, the four hypotheses present a greater understanding of how the decision to adopt transnational criminal financing significantly alters conflict patterns at the national, dyadic and subnational level, leading to longer conflicts. Yet there is another important way that transnational criminal rents in particular contribute to the conflict trap. The next section will

explain how introducing transnational criminal financing into rebellion increases the probability that the country becomes stuck in the conflict trap with the emergence of recurrent conflict.

Transnational Criminal Financing and Recurrent Conflict

Conflict recurrence has moved to the forefront of policy studies on intrastate conflict in the past few years, as those working on development issues have sought to understand why certain states seem stuck in a conflict trap (World Bank, 2011). While scholars and policy practitioners alike have noted the presence of criminality in post-conflict societies, thus far there has been no rigorous attempt to explore the causal linkages between crime and recurrence. Issues of recurrence are related to the length of the original conflict; thus, it is logical to explore the two outcomes together.

As it has been noted, the presence of criminal financing makes it difficult for the state and the rebel group to reach a comprehensive peace agreement due to the resulting informational and commitment problems. These problems are also present in the post-conflict landscape, making it quite difficult for the ruling regime to forge a lasting peace. In any intrastate conflict, the state has been weakened and is seeking to project its sovereignty throughout its territory. However, these regimes have been traditionally weak and cannot project their power or sovereignty throughout the state. The lack of infrastructure and the loss of economic revenues from the conflict mean that areas of the country are not receiving the goods and services necessary to continue supporting the state. In such a situation, former rebels, warlords, or other criminals can step in to provide necessary services. The state is either too weak to do anything or decides to ignore these actors as it distributes its limited public goods. As the state gains strength and expands into this territory, they find entrenched actors participating in an illicit economy that threatens state hegemony. If the regime wants to project control throughout the

territory, it must confront these actors, which increases the probability of conflict recurrence.

The United States government has identified this as a problem in many of the post-war rebuilding efforts in countries such as Cambodia, Tajikistan, Bosnia and Lebanon (Dahl, 2009).

The presence of an illicit economy can promote other mechanisms that increase the probability of conflict recurrence. The emergence of warlords or rebel groups that participate in criminal economies means that the state or the international community might choose not to negotiate with certain groups to achieve a peace agreement. Consider the case of the Democratic Republic of the Congo, where the international community helped the regime in Kinshasa come to a comprehensive agreement with the main belligerents in the early part of the decade. Yet even with one of the largest peacekeeping forces in the history of the United Nations, the peace did not hold; there has been recurrent violence since the agreement was signed in 2002 (Autesserre, 2010).

The reason for this recurrent violence is that certain rebel groups were classified as warlords and not legitimate actors and were, thus, excluded from peace talks and not included in any agreement (Kalyvas, 2001; Autesserre, 2010). In this particular peace agreement, these sub-state actors were to be the responsibility of both the rebels and the state. These rebels who relied upon the illicit economy were able to maintain their strength because neither side could stop them from accessing their funding source. There are multiple mechanisms in these instances. First, criminal rebel groups are less likely to be included in any comprehensive peace agreement because they do not have any legitimacy because their primary concern will be with protecting their own rents. Then, because these non-state actors are not reliant on the local population who presumably wants to be included in any peace agreement that leads to a redistribution of resources, they are able to return to battle to ensure that they can eventually codify their criminal

rents in an agreement with the state. Conflicts might appear over because the main belligerents can come to an agreement, yet these criminal rents allow other actors to continue fighting a violent conflict that prevents the chance for the regime to promote the necessary economic development to help the state escape the conflict trap.

H5: The presence of transnational criminal financing increases the probability of conflict recurrence

Thus far, the opportunities for conflict recurrence come primarily from the emergence of additional non-state actors who have been able to profit from wartime. However, the rebel group itself also can participate in conflict recurrence if it has been participating in transnational criminal financing. Earlier authors have found that rebel groups that rely on certain lootable goods fight less severe conflicts (Lujala, 2009). The reason for this is because the rents that they can gain from criminal activities are higher and more secure than those from fighting the state. Rebel groups may appear defeated on the battlefield, but the presence of these additional resources from the informal economy means that rebel groups are able to survive extreme pressures from the state. Because these groups do not rely on social endowments for support, they can retreat and survive as long as they protect the lands needed for either production or smuggling of illicit items. There are added benefits in looking not just at the conflict level (whether a country experiences recurrent conflict) but at the dyadic level (whether the rebel group experience recurrent conflict). Primarily, a rebel group that ceases fighting the state can find it more in their interest to reemerge in another territory.

The Islamic Movement of Uzbekistan is a strong example of this recent phenomenon. The IMU initially launched a rebellion against the government in Uzbekistan in the late 1990s. The group's location near the border with Afghanistan meant that the group quickly adopted

transnational criminal financing as their source of funding, relying on drug trafficking to enrich their coffers. Utilizing this resource made sense for the organization, as there were no neighboring states willing to fund an avowed Islamist group and Uzbekistan was not known for having an especially large diaspora. In addition, the collapse of the Soviet Union left most of Uzbekistan impoverished, reducing the possibility of a subnationally financed rebellion based on popular support. As a result, the group focused instead on the expanding opium market on the Afghan border (Cornell, 2005). When it was defeated by Uzbekistan, the group hid in remote territory and crossed the border into Tajikistan where it could maintain its smuggling empire. In 2010, the group reemerged as a violent non-state actor, but this time against Tajikistan to fight for continued control of the lucrative territory necessary for opium cultivation and trafficking (Uppsala Conflict Database, 2013). This example highlights the fact that although Uzbekistan did not experience recurrent conflict against the IMU, the group did reemerge and become a conflict dyad. The desire to continue enriching the small coalition of group members meant that the group had to begin fighting again to protect their rents, which leads to the fifth hypothesis.

H6: Groups that adopt transnational criminal financing are more likely to fight recurrent conflicts

Another mechanism that promotes conflict recurrence where transnational criminal financing exists is that future rebel groups can learn from the actions of original rebel groups. The barriers for entry for a new rebel group are lessened if they know that millions of dollars can be easily procured. If the state does not move quickly to reduce the criminal activities that a rebel group relied on during the conflict, another group can easily adopt the same criminal practices and challenge the state over its own grievances. Anecdotally, we see this in Burma (Myanmar), where nationalist rebel groups from China originally crossed the border into Burma and used

poppy fields to fund their challenge against both Communist China and also the Burmese government. After these nationalist groups were defeated, ethnic groups in Burma with their own grievances against the Burmese state launched subsequent rebellions using the same funding sources that the Chinese rebels cultivated (Lintner, 1994). At the subnational level, we should see that regions that once hosted transnational criminal financing should be at an increased risk of conflict recurrence.

H7: Regions of the country that host transnational criminal financing have a higher probability of conflict recurrence

Taken together these seven hypotheses demonstrate the complexity of contemporary rebellion, where the effects of rebel decisions and the group's interactions can be felt at the transnational, dyadic and subnational level.

Conclusions

To successfully mount a challenge against the state, violent non-state actors must secure an independent funding source to procure arms and reward supporters. Rebel groups have many options for financing that have been analyzed in this chapter from the subnational to the transnational, relying either on social or economic endowments. The analysis of the financial decisions facing rebel groups reveals that these organizations adopt transnational criminal financing as a way to maximize their rents while also achieving organizational independence from other actors. That decision, however, has a unique influence on shaping conflict processes. In this chapter, I have outlined how by adopting transnational criminal financing a rebel group is condemning the state to the conflict trap, where the state has an increased probability of longer and recurring conflict. The reasons for this is that the regime is unable to decisively defeat the rebel group or offer concessions that will equal the rents the rebels are procuring from crime. At the same time, adopting transnational criminal financing provides the rebel group with the

operational freedom to not be reliant on actors that can compel them to the bargaining table. The result is longer conflicts at the state, dyadic and regional level.

In the instances in which the state is able to win or at least guarantee a cessation of hostilities, the introduction of transnational criminal financing increases the probability of conflict recurrence. The introduction of crime has created economic opportunities for a small, but influential group of citizens who will resist the encroachment of the state, making it harder for the state to reassert its power in former rebel areas. The presence of an easy funding source lowers the barriers of entry for future rebel organizations seeking to challenge the state. At the same time, remnants of the rebel organization also may begin a new conflict with the state or a different state in order to protect the criminal funds generated by their activities. Groups that have long suffered defeat by the state, such as the Shining Path in Peru and the IMU in Uzbekistan, reemerge years, if not decades, later to protect their rents from state encroachment. Finally, regions with transnational criminal financing are weaker, with little post-war reconstruction efforts devoted to law and order issues, making it more likely that there will be a breakdown in the little order that is present. All of this suggests that transnational criminal financing, when not addressed, poses significant challenges in the post-war environment, creating an increased probability of conflict recurrence. In the next chapter, I will introduce empirical tests to examine how transnational criminal financing shapes conflict processes.

Chapter Three: Rebel Financing and Conflict Duration

Introduction

The previous chapter established the theoretical argument about why rebel group decision making shapes the outcome of conflict. The focus of this chapter is to provide a series of empirical tests demonstrating that rebel financial decisions in particular shapes the duration of conflict. When a rebel group relies on the donations of the local population, it should fight shorter conflicts than average. The reason for this is because rebel groups are constrained by the preferences of the local population that the group relies on. If the rebel group cannot gain concessions quickly on behalf of the aggrieved population, the population will begin to suffer a war weariness and will begin to offer less or withhold support altogether. Another source of financing for rebel groups comes from external benefactors in the form of other states. However, rebel groups that rely on external benefactors should find themselves in the same situation as those rebel groups that rely on the internal population. In both situations rebel groups have a low-level of independence in decision making and are constrained by their constituents, whether domestic or international. These constraints lead to a shorter time horizon in which the rebel group must win quickly or concede.

However, press reports document that throughout the world the existence of long-running conflicts in locations as disparate as Colombia, Afghanistan, Burma and Angola. The focus of this chapter is to argue that conflicts that last longer than average is due to the adoption of transnational criminal financing by these rebel groups. When rebel groups adopt illicit materials such as diamonds, narcotics, timber and even the smuggling of human beings, they are able to maintain a large degree of independence in their decision making. The group is able to generate their own income which means that when making decisions to continue challenging the state, the

rebel group only has to take in account their own preferences. At the same time, the rebels are generating a large amount of rents that make it more profitable for them to continue their fighting against the state. The promise of continued large rents, coupled with greater independence in decision making for the rebel group, increases the probability of a longer conflict.

The rest of this chapter explores this theory at various levels of analysis to better understand the underlying causal mechanisms between rebel financing and conflict duration. I will first test the theory by looking at whether the presence of transnational criminal financing in a country leads to longer conflicts for the country. However, recent developments in political science have suggested that focusing primarily on state-level characteristics miss the local determinants of violence. I concur with that argument and thus will follow-up the state level analysis by focusing on a dyadic-level approach that looks at individual rebel characteristics to demonstrate the rebel financing helps best explain the duration of intrastate conflict.

After establishing the existence of a relationship between criminal financing and conflict duration, both at the country and rebel level, I then turn to testing the third of the duration hypotheses that argues that types of crime may shape conflict duration. I test this hypothesis at the rebel group level to see whether rebel groups that rely on a certain type of criminal financing are able to fight longer conflicts. The results of this analysis at the rebel group level raises interesting questions about rebel decision-making during conflict that are further explored in the following chapter of the dissertation.

To explore the relationship between rebel financing decisions and conflict duration, the rest of the chapter is structured as follows. First, I will introduce the variables that are used for the large-n statistical analysis. In this section, I will first discuss the coding decisions involved in capturing the various sources of financing for each rebel group between the years 1946-2010.

From there, I outline the control variables that are used for both conflict level and rebel level analysis, while explaining the reasons for their inclusion. After examining the variables, I test them using both logistic regression models and event history analysis to allow for comparison with previous approaches to the issues of civil war duration.

Description of Variables

The focus of this chapter is conflict duration. In order to properly measure how long a conflict lasts, it is first necessary to define what is meant by intrastate conflict. For the purposes of this chapter, intrastate conflict refers to violent activity between an internationally recognized government and at least one non-state actor. One of the biggest debates of the past decade has been to properly define when a civil war is occurring (Sambanis, 2004). These debates have often centered on a death threshold, with many initial scholarly studies using various measures of a thousand battle deaths a year, thousand battle deaths over a five year period, or at least one year of a thousand battle deaths. However, the emergence of the Uppsala/PRIO conflict database in the past five years has proposed a death threshold of twenty-five a year, which has been accepted by many scholars. These twenty-five deaths have to be generated by both sides to distinguish it from one-sided violence. It is this lower death threshold that will be used to test the theory of transnational criminal financing and conflict duration.

The reasons for using the lower death threshold are numerous. First, the lower death threshold better captures the nuance of the theory in that rebel groups are able to survive for longer periods of time when relying on transnational criminal financing. These rebel groups might prefer to fight low-intensity conflicts rather than challenging the state in major civil wars which threaten their survival. Thus, the high death threshold of a thousand battle deaths, which is

utilized by the Correlates of War project, censors many of the violent conflicts occurring throughout the world today and also many of the conflicts that are germane to this study.

In addition, the COW data includes other instances of non-state fighting, which is beyond the scope of this study. COW includes regional conflicts that involve a non-state actor and inter-communal conflicts within their intra-state definition. The theoretical contribution of this study is to look at rebel group decision making, hence data that defines conflict as including an organized non-state group is critical for a test of that theory. A rebel group, in this study, is a group that articulates a clear set of grievances against the state and fights for a redress of those grievances using violent tactics. These groups also maintain a level of organization with a clear leadership, to further help separate out rebel groups from instances of inter-communal conflict.

The definition of a rebel group and the focus on the twenty-five battle deaths a year necessitate to the use of the Uppsala/PRIO conflict data. However, the data is less clear on how to properly measure the duration of an intrastate conflict. Initially, as long as the rebel group involved in fighting against the state passes the death threshold of twenty-five deaths a year that counts as a year of fighting. However, intrastate conflict is often a messy affair. For example, the Movement for Democracy and Development (MDD) in Chad fought against the government sporadically throughout the 1990s, beginning their armed challenge against the state in 1991, escalating in 1992, continuing in 1993, then disappearing from the records until 1997, when they registered thirty-nine battle deaths against the state. The missing years of the conflict present a coding conundrum, especially when attempting to understand the nature of rebel group survival. The group may have disbanded in 1993 and then reformed in 1997 or they may have made a strategic decision to not fight the state during those years. At the same time, a state of war existed in Chad for at least some of the years that the MDD seemingly did not challenge the

state. Thus, when coding the data, the question remains whether to treat this as one conflict between the MDD and the Chadian government that lasted seven years or two distinct conflicts, one of which lasted three years and a second conflict that lasted a single year. Unfortunately, there is a lack of agreement on when a war ends among scholars, which means there is not much guidance on the best way to proceed (Sambanis, 2004; Uppsala Conflict Database, 2013).

One reason why this needs to be addressed is because data from the field concerning some of these intrastate conflicts leave much to be desired. The Chadian civil war is a strong example of the lack of data available to scholars due to the complexity of the war and the remote location of much of the fighting. The war continued throughout the 1990s and it is possible that the MDD was participating in attacks throughout the time, even if there is a lack of newspaper documentation on their actions. There is definitely activity during the time period of the 1990s, but because there are nearly twenty rebel groups involved in Chad, it is hard to separate out individual group actions. The final coding decisions were made based on the following criteria. If the rebel group signed a peace treaty, cease fire or any other document renouncing fighting that lasted for a period of one year or more, that is considered the end of the conflict for that actor. If there are no recorded actions of the rebel group fighting the state or controlling territory for a period of two years, then it is considered the end of the conflict for that actor, even if the war continues during that time period.

In resolving the case of the MDD in Chad, I coded the conflict as one long seven year fight between the rebels and the government. There continued to be a level of hostility between the government and the population even if the MDD was not registering twenty-five battle deaths a year. Furthermore, in the years between 1993 and 1997, when the MDD registered its last year of fighting, there are press reports about the group's actions in Chad. The group continued to

function even if it had significantly reduced its participation in armed conflict. The lack of any cease fire, coupled with accounts of the group still operating suggests that theoretically the group should be considered fighting one civil war. Thus, if there are gaps in the years of fighting, I complemented the pre-existing data structure by conducting brief case research to understand what the rebel group was doing in the missing years.

The result is that the data contains five hundred and seventy violent non-state actors fighting in two hundred and seventy-nine conflicts between the years 1946-2010.² These actors and conflicts present the universe of cases for the subsequent data analysis. There econometric analysis uses two distinct levels of analysis. First, I test to see whether the overall length of the conflict is longer when a civil war faces transnational criminal financing. After checking for robustness, I turn towards understanding whether individual rebel groups fight longer conflicts when relying on transnational criminal financing. But to do that, it was necessary to code the financial resources for each of the violent non-state actors.

Coding Rebel Financing

Having established the universe of violent non-state actors for the study, it was necessary to generate new data that documented the financial sources for each violent conflict. The focus of this section is to document the various coding rules employed, while also providing the underlying reasoning on how individual cases were coded. After outlining the coding rules for this new data, I conclude this section by introducing the control variables that are used for each level of analysis.

Based on the theory presented in the previous chapter, rebel groups choose to either rely on non-criminal types of financing, which are often donations, either from local or external

² Due to the lack of necessary control variables, the statistical tests will be on conflicts between the years 1946-2004, which will be 248 unique conflicts.

populations, or these groups participate in the illicit economy to fund their challenge against the state. While there have been studies in the past that attempt to capture rebel dynamics of contemporary conflict, there has not yet been an attempt to systematically code the financial sources of every rebellion. Some studies have coded whether “contraband” is reported as being present in conflict (Fearon, 2004), while others have looked at whether lootable natural resources were present in the conflict zone (Lujala, 2009). These studies, however, look at the conflict broadly and have not sought to capture the internal dynamics and resources of individual rebel groups.

In coding rebel funding decisions, I first conducted archival research of each individual rebel group. Surprisingly, there is little information about many of the groups that are included in the Uppsala/PRIO database, especially when there are multiple rebel groups participating in the conflict. Rebel groups that emerge in the early years of the dataset do not have much information about them available and many of the sources, especially in decolonization conflicts, can be quite biased. Historical texts, government reports and extensive use of LexisNexis were employed to capture information about the finances of rebel groups. To code a rebel group’s financial source, it was necessary to have at least two sources confirm the financing apparatus of the organization.

For newer rebel groups, there were significantly more sources that could be utilized in capturing rebel financing. Starting in the 1990s, the biannual publication of Jane’s World Insurgency and Terrorism provided a comprehensive review of rebel groups operating around the world, often including documented information about the sources of financing. In addition, government and think tank reports often provided insight about the actions of individual rebel groups. However, while there is a plethora of sources, I still maintained a two source minimum from reputable sources before assigning values to rebel groups. A final source that was

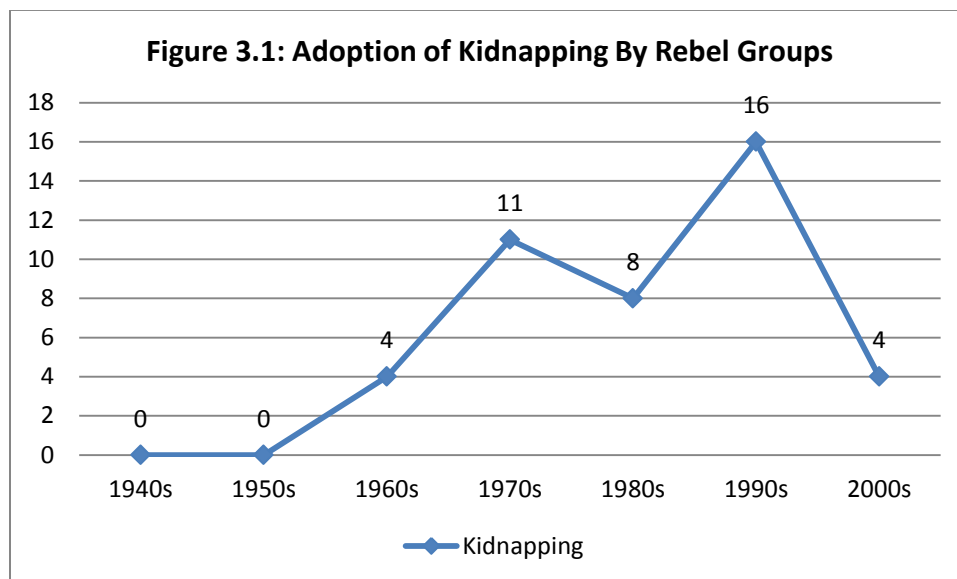
consulted for creating the variable was the University of Maryland's National Consortium for the Study of Terrorism and Responses to Terrorism. That data source focuses on the issue of terrorism, yet contains many of the violent non-state actors that political scientists include in their study of rebel groups. These scholarly and policy sources complement the research of major world publications within the LexisNexis archive.

The reasons for requiring confirmation from multiple sources is that much of the reporting about smaller rebel groups in less analyzed conflicts is that there is substantial bias in reporting. Many of the small insurgencies occurring in India from the 1990s to the present day are accused of being nothing more than bandits, which would be a signal that these groups are perhaps relying on criminal financing. Yet, when these reports are traced back to the original source, they are nothing more than op-eds in Indian newspapers with no sourcing. By requiring multiple sources before coding a group, there is greater confidence that the findings represent reality.

Each violent non-state actor was coded for the following specific funding sources. First, when considering local support for the group, reports had to document local donations such as food, shelter and weapons. Another category considered for rebel groups with a higher degree of organization was whether they instituted a policy of taxation from the local population. If reports from the region documented that the population paid taxes willingly to the rebel group, it was considered to be a local donation. After considering these sources of local donations, rebel groups were then analyzed for whether they had an external benefactor. External benefactors were broken down into two categories. The first category of external benefactors was whether the rebel group collected monies from diaspora populations. The other category of external benefactors was external states. External states could provide support through arms, sanctuary or

direct infusions of cash into the conflict. External states were the easiest case to code, as there are multiple articles in the political science literature that document the role of third-party interveners during intrastate conflict, which allowed for reliability checks of the findings (Regan and Aydin, 2006; Salehyan, Gleditsch and Cunningham, 2011).

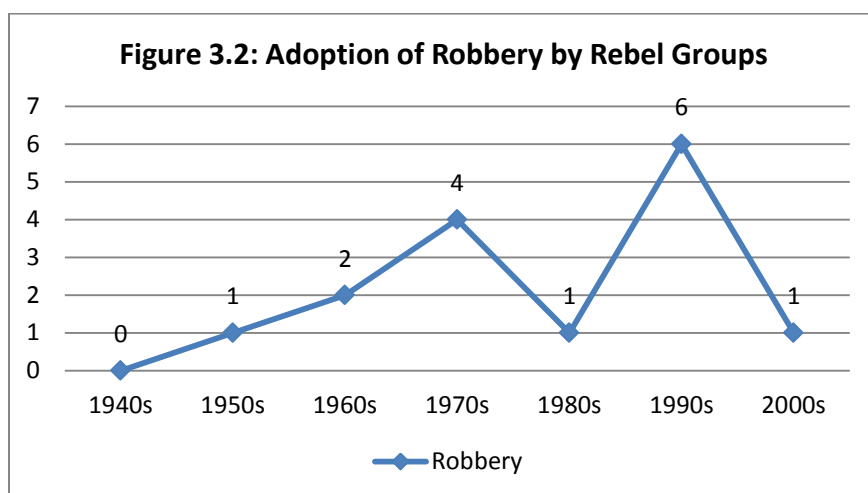
To code criminal financing, I looked for reports of the following activities: kidnapping for ransom, bank robberies, extortion, smuggling, fraud, narcotics production, logging and mining of precious minerals. These seem to include the universe of possible criminal activities for violent non-state actors. In each instance, I worked to code whether the criminal actions for each rebel group occurred primarily on a subnational or transnational level. I shall briefly consider each type of financing in turn.



Kidnapping for Ransom

Kidnapping for ransom tends to be a subnational criminal activity and can be considered an extreme form of extortion. These activities primarily occur in societies with extreme economic inequality and are undertaken by rebel groups that espouse an explicitly Marxist rhetoric. Most reports of kidnapping for ransom occurred in Latin America during the 1970s and

1980s with groups such as Montoneros in Argentina and ELN in Colombia relying on this action to fund their activities while also making an ideological statement. FARC in Colombia also kidnapped for ransom until 2012, when they renounced the tactic, while continuing its participation in drug trafficking. Kidnapping for ransom is considered a subnational criminal activity unless the rebel group targeted foreigners for the ransom, which would make it a transnational crime.

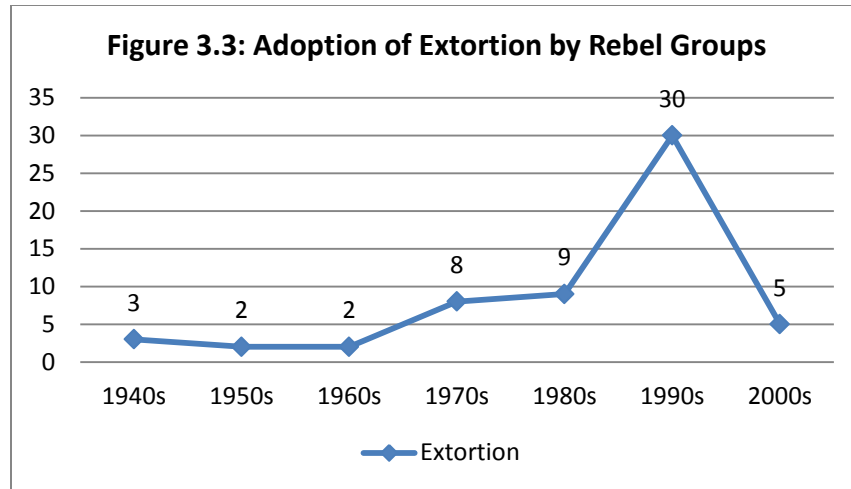


Bank Robberies

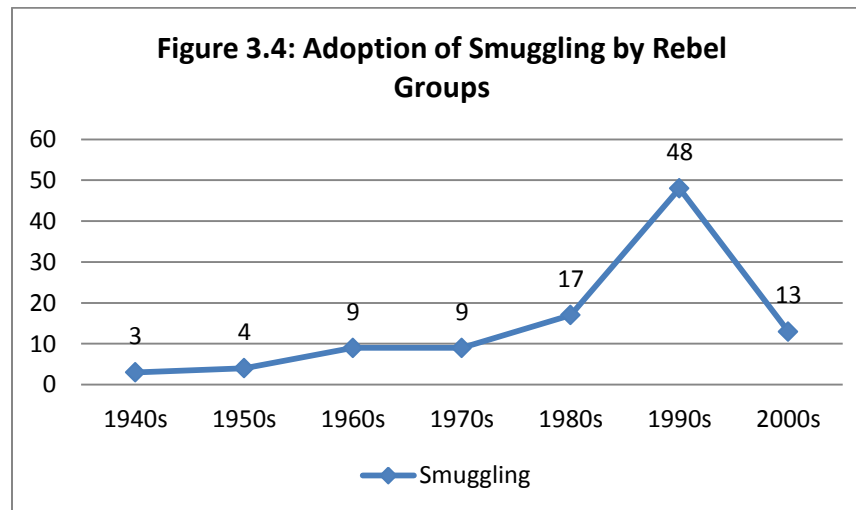
Rebel groups that relied on bank robberies were ideologically motivated, much like those who participated in kidnapping for ransom. It was also a rare example of criminal activity, remaining popular in the 1970s, with few reports of rebels, other than those during the 1990s civil war in Algeria, participating in such an action. Bank robberies are also exclusively coded as being a subnational form of crime, as it does not require the rebel group to interact with actors across-borders.

Extortion

Extortion is the use of threat, intimidation or violence against a population in return for money. Extortion was also one of the more popular forms of financing utilized by rebel groups



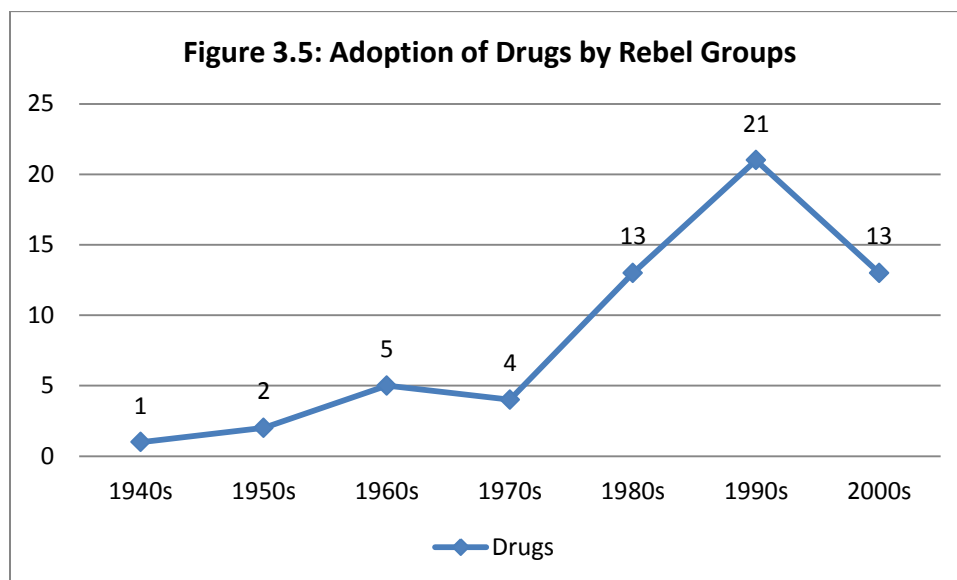
that participated in criminal financing. Extortion is also a subnational form of criminal financing unless the rebel group extorted populations living in other territories or threatened transnational businesses within their territory for funds. Extortion, however, remains primarily a subnational criminal enterprise for rebel groups, where they often create checkpoints to randomly extort locals out of money.



Smuggling

Smuggling can often be conflated with the remaining categories of criminal financing in that many of the groups that participate in narcotics production, logging and gem mining also smuggled these items out of their territory and participated in the international black market.

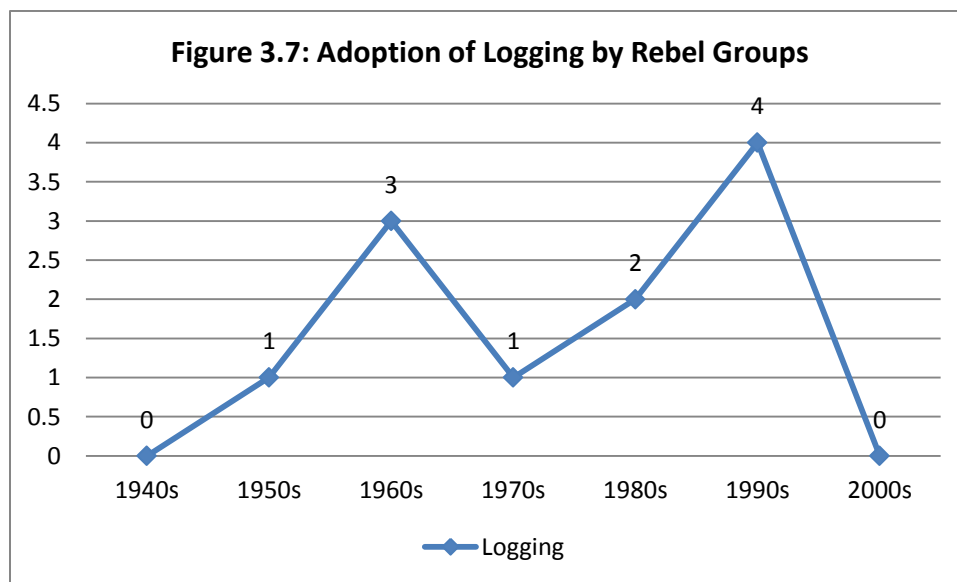
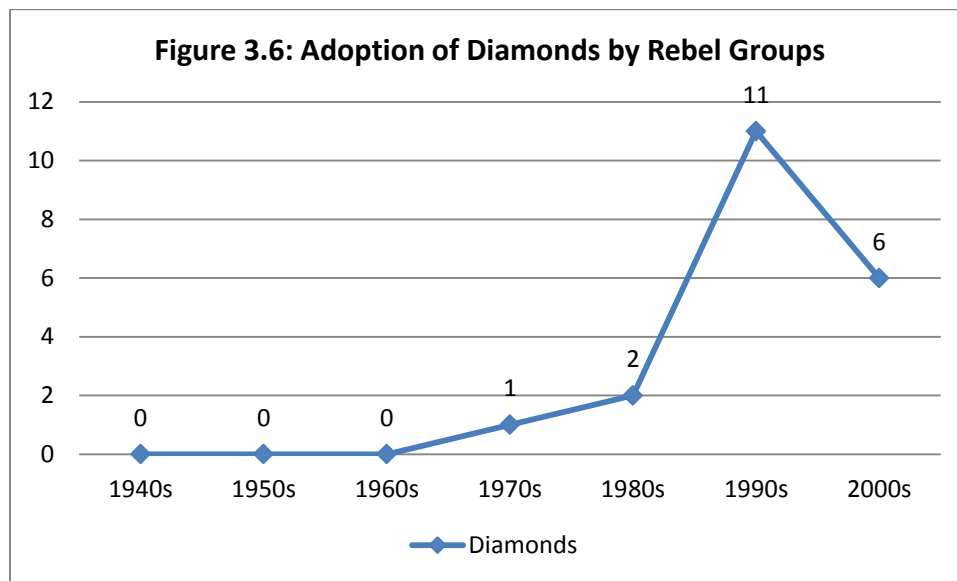
However, for a group to be coded as primarily being involved in a smuggling economy, they had to be moving a product across borders that they did not produce. Examples of this include the UCK in Macedonia relying on the economy of smuggling cigarettes throughout the Balkan region to fund their intrastate conflict in 2001 (Glenny, 2008). They did not produce the cigarettes, but trafficked them on the black market. Another example is the PKK in Turkey, which is not involved in the production of opium, but smuggles it through their territory and into Europe.



Drug Production, Gem Mining and Logging

These three criminal activities are discussed together because they all involve the exploitation of a natural resource for profit. For a group to be coded as being involved in such an activity, they have to not only allow the production of the resource on their territory, but also to be actively involved in procuring the resource. This final category of criminal financing is perhaps the most famous, as rebel groups have been documented in the production of drugs in Colombia and Afghanistan, diamond mining in Sierra Leone and logging in Cambodia. These

activities were coded as transnational only if the group involved in procuring the resource then sold them on the international marketplace.



The categories of rebel financing were created and expanded as research revealed new forms of funding. The result is that the coding seems to be comprehensive in capturing the various options for rebel groups. It should also be noted that this approach to coding allowed for groups to possess multiple funding sources. For example, the Tamil Tigers of Sri Lanka received diaspora donations from India, Canada and the United States, in addition to extorting local and

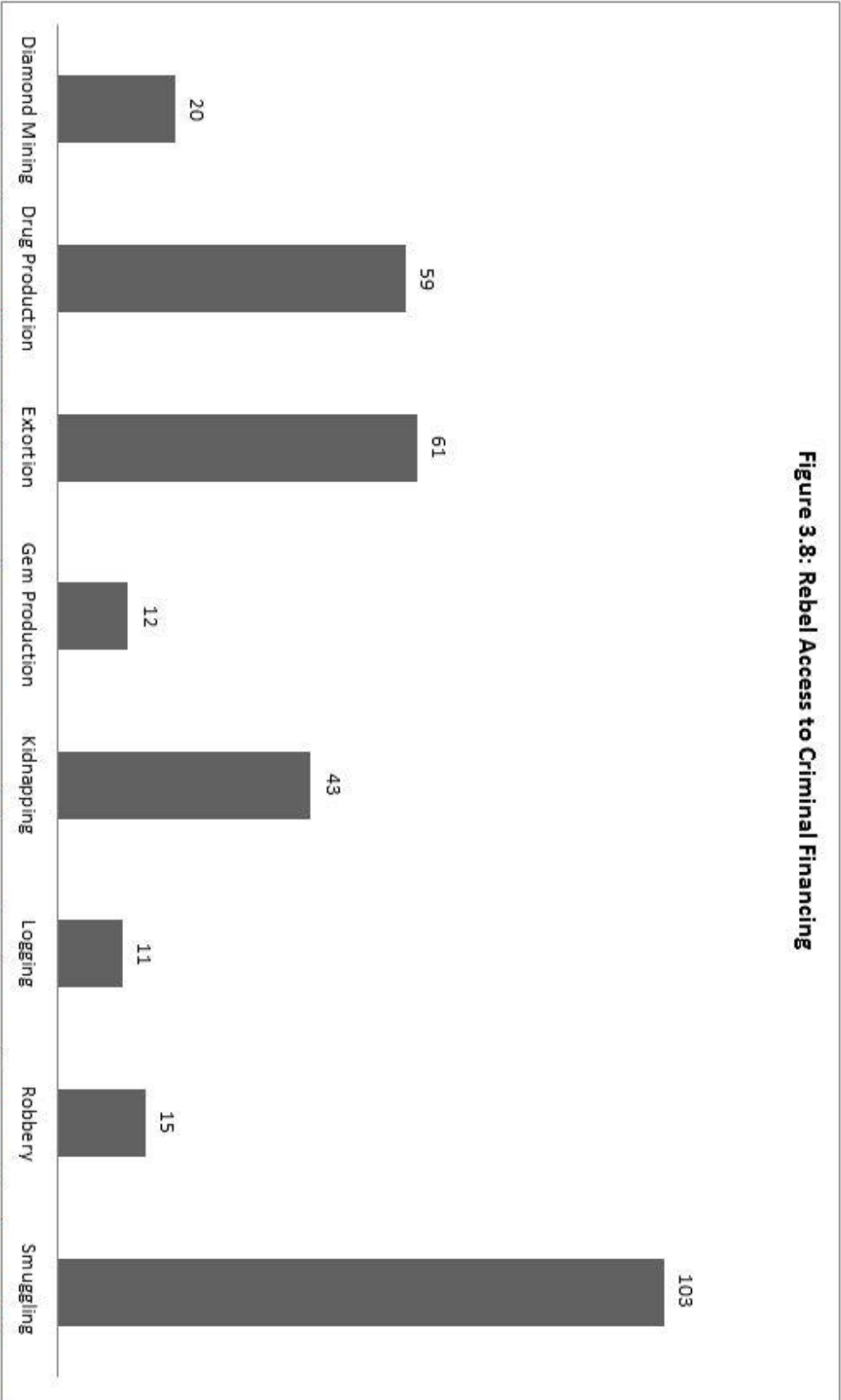
international populations for money. Finally, the group was also involved in international drug production and trafficking throughout Europe and the United States to fund their exploits back in Sri Lanka (Jane's Information Group, 2003). In cases where the rebel group relied on multiple funding sources, I coded them based on what funding they primarily relied on and also coded via year if there were discrepancies in when the rebel group received such funds. After completing the collection of rebel financial resources, which is reproduced in Figure 3.8 on the next page to provide a summary of the coding process, I turned towards completing the data set with the introduction of control variables

Control Variables at the State Level

The first statistical tests that are undertaken in this chapter look at the patterns in the overall conflict. The vast majority of studies of intrastate conflict duration test at the conflict level and I include tests at this level to demonstrate the strength of the criminal financing variable in understanding why some conflicts last longer than others. In this section, I outline all the state-level attributes that are tested in both the state and rebel level models. In the introduction, I provided an overview of how political science has examined the causes of conflict duration in the past and will not repeat myself now. However, when introducing the variables, I will outline some of the reasons for their inclusion in the study.

A log value of GDP per capita is included as it has become a standard for intrastate conflict studies, even as authors do not always agree as to the purpose of the variable. Fearon and Laitin (2003) have argued that GDP is a useful proxy of state strength. Others have suggested that GDP per capita can influence duration as a useful measure of opportunity costs for rebels

Figure 3.8: Rebel Access to Criminal Financing



Note: Out of 570 rebel groups that have fought between the years 1946-2011. Rebel groups from the Uppsala/PRIO conflict data. A rebel group can participate in more than one type of criminal financing

(Collier, Hoeffler and Soderbom, 2004). When GDP is higher in the country, individual rebels are risking more by not participating in the economy and instead fighting. Thus, they will put more pressure on the leadership to win the war quickly or the rebellion will soon fall apart. Another measure of state attributes that could be influencing conflict duration is population and I include a natural log of state population as a control measure that comes from previous conflict studies (Gleditsch, 2002).

Subject to debate in the past decade has been the role of ethnicity in understanding intrastate conflict. I include the ethno-linguistic fractionalization (ELF) index in this study because some scholars argue that ethnic issues might possess issues that make it harder for the government and rebel group to come to a consensus creating longer conflicts. If the population is more heterogenous, it is possible that the state is less able to come to a consensus on what concessions to offer the rebel group. Along those lines, a measurement of whether the conflict being fought is fought along ethnic lines is also included in the models. An overtly ethnic conflict can be considered all or nothing affairs, thus making it harder to come to a consensus and leading to longer conflict duration (Collier, Hoeffler and Soderbom, 2004).

The regime type of the government could also contribute to the conflict duration. Democracies might be more likely to make a deal with a rebel group because their voter population has war weariness and the government is worried about losing office. Autocracies, worried about what will happen to them if they lose the war, might fight longer wars. I include the Polity IV measure of regime type as a control variable to account for state decision making during conflict.

The final control variable included in this study is the number of conflict dyads fighting against the state. Previous studies have found that the more rebel groups fighting the state, the

longer the war lasts (Cunningham, 2006). I thus include a variable that measures the number of rebel groups fighting against the state for each year of the conflict. The next section will consider what specific aspects of rebel groups also might be driving the length of intrastate conflict.

Control Variables at the Rebel Level

The main source for rebel level variables in this study come from the Cunningham, Gleditsch and Salehyan's (2009) data on rebel level attributes. Their study was the first to fully incorporate multiple variables at the local level of decision making, though their variables are often crude measures lacking clear documentation. That said, their study is a major innovation in conflict studies and many of their variables are included here for control purposes. Their coding relies on a dichotomous or trichotomous variables to document rebel behavior or strength vis-à-vis the state. The first variable included from their study is a control of territorial control. It could be that the criminal variable leads to longer civil wars only because it denotes the rebel group is strong enough to maintain a territorial presence. By including this dichotomous variable, I demonstrate that crime remains a significant predictor of duration regardless if the rebel group has a clear region under its control.

The focus of the theory presented in this dissertation is that rebel financing drives decision making and shapes conflict incentives for both sides. However, it is reasonable to assume that there are other aspects of rebel capacity that are important in understanding conflict duration. Some of the ones argued for in CGS (2009) include various measures of capacity, all of which are introduced into the survival models used in this study.

The first of these rebel capacity variables is strong central command, which measures the rebel group has a clear organizational structure with orders emanating from the leadership. The

second of these variables is the rebel group's mobilization capacity, which is measured as being either low, moderate, high or unclear. As noted previously, these measures are derived by Cunningham, Gleditsch and Salehyan and there is not much guidance in their codebooks as to what differentiates these categories, other than a note by the authors that it is relative to government capacity.

The next category of rebel strength comes from its ability to procure arms relative to the government. This variable is also ranked as being either low, moderate, high or unclear. It remains unspecified what types of weapons the rebel group are procuring or how the ratio between the rebel group and the state are established. Relative to weapon's procurement, the next variable introduced as a control in this study is rebel fighting capacity, which is determined in comparison to the government and ranked the same as the other rebel attribute values.

One of the final measurements of rebel capabilities included in this study is whether the group maintained links with a legal political party. The reasoning for including this variable is not only because it has been used as a control variable in other studies, but also because it can be a crude measure of popular support. If the group creates a legal political wing, then it signals that the group might have stronger linkages with the local community than a group that participates in the illicit economy. Also, if a group has a legal wing then it can substitute non-violent political actions for violent ones, leading to shorter conflicts.

The final two measures of rebel attributes each look at the type of conflict that the rebel group is waging. The first measure looks at whether the rebel group in question attempted to grab power by a coup d'état. This measure is dichotomous and is included because any duration results could be unduly influenced by the rather short time period that a coup takes. I also run models without coups in the sample to see whether a radically different story emerges,

even though some coup plotters are associated with criminal financing. The other type of conflict variable that is included is a measure of whether the conflict is a decolonization conflict, which has been hypothesized to be a shorter type of war because the government will be less willing to expend blood and treasure for a territory that is not considered to be part of the core state.

Models Employed

The results of the statistical analysis are presented in the next section. I rely on a series of statistical models to offer a comparison with previous studies. First, when considering the determinants of conflict duration at the state level, I use a Weibull regression with the total conflict duration measured in years. I chose this particular statistical method because it allows for comparison with Fearon's (2004) study of intrastate conflict duration, which is the most often cited study of conflict duration in the literature. Thus, the unit of observation in these first set of models is country-war, of which there are two-hundred and fifty-eight unique conflicts between the years 1946-2004.³ Table 3.1 below reports the results from this initial analysis, allowing the chance to compare with other studies in the literature.

However, the thrust of my theoretical argument focuses on the importance of rebel decision-making to understand conflict duration. The models employed here, reported in Table 3.2 later in the chapter, are based on the structure in the first rebel group level analysis of conflict duration that introduced the data and structure used in subsequent studies (Cunningham, Gleditsch and Salehyan, 2009; Nilsson, 2010). To gain a stronger empirical understanding of the tenets of intrastate conflict duration, I employ a semi-parametric Cox proportional hazards model. The Cox model is desirable for this particular study because it does a strong job of handling time-varying covariates that are present in the model. That is because the hazard rates

³ While the coding of the rebel financing variable goes up to 2010, the lack of access to finding viable control values up to 2010 limits the subsequent models to all conflicts through the year 2004.

Table 3.1: Determinants of Civil War Duration at the Country Level, 1946-2004

	Model One	Model Two	Model Three	Model Four
Crime	-.692*** (.072)	-.688*** (.089)	-.680*** (.087)	-.707*** (.114)
Ethnic Fractionalization		-.234 (.272)	-.157 (.277)	-.400 (.261)
Population		-.132** (.057)	-.141** (.057)	-.008 (.055)
Mountainous Terrain		-.024** (.010)	-.024** (.010)	-.007 (.009)
Democracy		-.008 (.248)	.021 (.251)	-.303 (.241)
GDP Per Capita		.080 (.070)	.076 (.072)	.158* (.082)
Gem Production			-.375** (.184)	-.460* (.252)
Drug Production			.339* (.174)	.400* (.212)
Diamond Production			-.077 (.165)	.046 (.188)
Oil Production				-1.13* (.578)
Hydrocarbon Production				.763 (.527)
Coups				5.35*** (.353)
P	.509 (.031)	.518 (.033)	.523 (.034)	.858 (.048)
Number	258	243	243	243

Note: Weibull Regression with duration in years as the dependent variable. ***p<.001, **p<.05, *p<.10

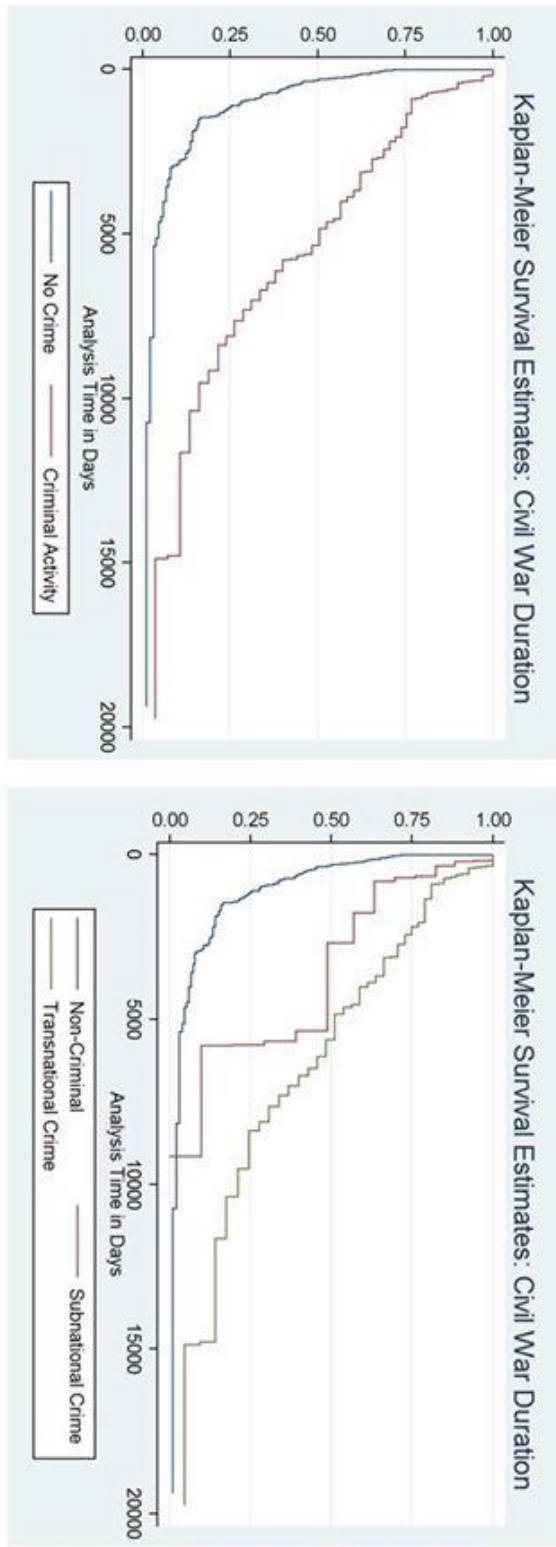
are only calculated at failures. The observational unit for these models then is rebel group year, with the dependent variable being the baseline hazard, or namely whether the observation fails in a particular year. By failure, I refer to the fact that the conflict ends and the rebel group drops from the sample (Box-Steffensmeir and Jones, 2004). The results from both of these econometric models are discussed in the next few sections.

Results from the Country Level Analysis

In the first series of models, which are presented in the Table 3.1 above, I show the results of a Weibull regression on the duration of intrastate conflicts. The unit of observation is country-civil war, with two hundred and fifty-eight unique observations. As mentioned above, I structure the data in this manner so I can make comparisons with previous studies on conflict duration. Looking at the hazard ratios, it is clear that the presence of transnational criminal activities increases the duration of intrastate conflict. Before discussing the hazard ratios, I turn to descriptive statistics that illustrates the differing lengths of intrastate conflict. When there is no crime present during civil war, a civil war lasts around three and a half years. However, if a rebel group relies on subnational criminal activities like bank robberies or kidnapping, the average length of a war jumps to around eight years. If a rebel group uses transnational criminal financing, the average length of a conflict is even longer, around thirteen years in average. The effects of the different types of rebel financing is further reflected in the Kaplan-Meier estimator which plots the survival function of intrastate conflict. By plotting the Kaplan-Meier estimator, it is possible to account for right censored data, which models for ongoing intrastate conflicts.

When looking at the Kaplan-Meier estimates of intrastate conflict duration, the differences in criminal activity become more readily apparent. The presence of subnational criminal activities may allow a rebel group to survive initially longer than a rebel group

Figure 3.8: Comparison of The Effects of Transnational Crime and Other Rebel Financial Decisions



struggling to secure reliable popular financing, but no country experiences a civil war over ten thousand days when there is substantial subnational crime present. When the country experiencing civil war also hosts transnational financing, we see how the chance of the conflict lasting longer is always higher than the other categories. Finally, when looking at the Kaplan-Meier test, it is apparent that there is a small sub-category of intrastate conflicts that last far longer than average when relying on popular financing. Hence, it is possible to say that the presence of transnational crime significantly increases the duration of intrastate conflict, but it is not the only cause of long civil wars experienced in the international system. The results of the Weibull regression reveal that many other variables at the conflict level are not significant predictors of intrastate conflict duration. One other variable that is significant in the model is the presence of mountainous territory. Territory could be important in providing shelter for rebels and possible civilian support. If the civilians feel that they could be protected from state reprisals, they might be more likely to offer popular support for the rebel group. A state's population is also significant in the model, as larger countries experience longer conflicts. States with larger populations, like India, are facing multiple long-running insurgencies that are clustered in the northeastern provinces of the country. These groups do not threaten the overall safety of the population, so there is less pressure on the state to find a solution to the conflict.

Transnational crime is different from the traditional approach that models the presence of natural resources to account for “greedy” rebels. To demonstrate this, I introduce a series of natural resource variables such as whether the country is an oil, gem, hydrocarbon or drug producer for international markets. Hydrocarbons and oil both have no impact on the duration of the conflict, while drugs and gems do slightly increase the duration of a conflict. It is only when

considering the presence of the global underground economy is it possible to gain a full picture of why some civil wars last longer than others.

While this approach allows for comparison with other studies that have considered the role of natural resources and other causes of intrastate conflict duration, using the conflict-level of analysis aggregates much of the data for conflict. For example, in the case of Angola, there is transnational criminal financing present, but only one rebel group is actively participating in criminal activity, while two other rebel groups are present. While we can now say that transnational criminal activity is related to longer civil wars, the causal story presented in this dissertation is that it allows rebel groups to operate with a greater degree of independence and survive for a longer period of time. To fully test this hypothesis, it is necessary to change the level of analysis to the dyadic level between rebel group and state. The results of that analysis are discussed in the next section.

Results from the Group Level Analysis

Having analyzed the results of the Weibull regression and finding that states experience longer conflicts when transnational criminal financing is present, I now turn to understanding whether the presence of transnational crime increases the lifespan of individual rebel groups by using the semi-parametric Cox proportional hazards model. The results are reported in the table below. Once again, the use of the different estimation techniques at the country and rebel-group level is to ensure for comparability with previous studies on the causes of conflict duration found in the literature. In the models reported in Table 3.2, the unit of analysis is rebel group year, which leaves us with two thousand three hundred observations between the years 1945-2004.

Looking at Table 3.2 it is apparent that rebel groups that rely on transnational crime fight significantly longer civil wars. The negative coefficient is significant, which means that

Table 3.2: Determinants of Civil War Duration at the Dyadic Level, 1946-2004

	Model One	Model Two	Model Three
Crime	-.820*** (.090)	-.865*** (.097)	-.682*** (.099)
Territorial Control		-.273* (.164)	-.170 (.170)
Strong Central Command		.511** (.178)	.262 (.174)
High Mobilization Capacity		-.327 (.216)	-.024 (.209)
High Arms-Procurement Capacity		2.54*** (.603)	1.63** (.609)
High Fighting Capacity		.647 (.556)	.296 (.472)
Legal Political Wing		.934*** (.217)	.801*** (.220)
War on Core Territory		.438* (.235)	.070 (.294)
Coup			2.82*** (.315)
Ethnic Fractionalization			.661** (.327)
Ethnic Conflict			.176 (.182)
GDP Per Capita			.201* (.103)
Democracy			-.953*** (.250)
Two or more Dyads			-.448** (.140)
Population			-.160** (.061)
N	2300	2300	2300
Wald X2	83.05	149.16	306.86
Log Pseudo-Likelihood	-1171.63	-1119.33	-1035.04

Note: Unit of observation is rebel group year. ***p<.001, **p<.05, *p<.10

transnational crime decreases the probability that the observation will exit the sample. In fact, the coefficient provides strong empirical support that transnational criminal financing leads to longer civil wars, while when considering the other control variables we gain a stronger understanding of the dynamics at play in civil war conflict duration.

Some of the other variables included in the Cox model are significant and help demonstrate the importance of transnational criminal financing. We see that territorial control is not significant, which has been in previous studies. I believe that is because in previous studies scholars were not properly considering what the rebels were doing with that territory. Territorial control matters for duration when the rebels are using that territory for their own riches, like FARC and their focus on drug production in the Colombian civil war. Considering the other territorial variable, whether the war is fought on a core territory for the government, there is support for the Cunningham, Gleditsch and Salehyan finding that decolonization wars are not significantly related to duration, which counters Fearon's (2004) argument that they are. I would posit that the reason for the discrepancy in the finding is due to competing definitions of what is a civil war, which is covered earlier in the dissertation.

When rebel groups maintain an alliance with a legal political wing, it significantly increases the probability of failure. Groups that have access to nonviolent forms of resistance will be less likely to continue fighting a war, as the population will realize that they can affect change without dying. It also provides more support for the illegitimacy argument put forth in regards to criminal financing. When a rebel group is relying on transnational criminal financing for their rebellion they are less likely to care about what the general population thinks about their actions as the rebel group no longer has to rely on the population for support. That in turn leads to longer conflicts because there is no pressure to disarm due to the war weariness of the locals.

When war weariness sets in and there is another forum for rebels, the population will pressure them to end the fighting and head to the negotiating table.

In addition to political wings, arms procurement capacity is found to hasten the end of intrastate conflict, suggesting that when the rebels can get more arms that they are more willing to challenge the state, resulting in victory for either side or some type of settlement. What is surprising is that it could be argued that the millions generated by transnational criminal financing could lead to better procurement of arms. However, what we see here is that an ability to procure arms is associated with shorter wars, while crime is associated with longer conflicts. What this demonstrates is that rebel groups involved in transnational crime are making substantially different calculations about what is valuable to them and are not directly their profits to procuring more arms to challenge the state. Another possibility is that if rebels are procuring better arms, they are using them to protect their resources and not to challenge the state.

Another variable that is found to significantly shorten the duration of an armed conflict is whether it is a coup. Again, this makes intuitive sense and is a finding that has been constant in the literature, as when a rebellion emerges from within the government or military, it is usually based on replacing the current regime with speed. If a coup does not immediately succeed, it quickly falls apart, though occasionally remnants of a coup can reemerge as rebel groups in the future. Perhaps more surprising, ethnic conflicts are found to be insignificant in the model. Theoretical arguments that these types of conflicts possess indivisible issues are shown to be incorrect and perhaps sample on the dependent variable for proof. That said, ethnicity can still play a role in determining the length of war.

The ELF index is found to be significant shortening intrastate conflicts. While it is beyond the scope of this dissertation to identify the exact mechanisms occurring here, it could be that heterogeneity within a state makes it more difficult for a rebel group to recruit enough support to effectively mount a challenge against the state. While this result is constant with some other recent statistical studies, this result has not been effectively explained. An avenue for future research would be to see whether ethnic heterogeneity makes it more like that a rebel group would adopt criminal financing, as a way to secure viability and survive.

When looking at other state variables, the log of GDP per capita is found to shorten the length of intrastate conflicts. That finding would confirm previous studies suggesting either that the state has enough money to invest in fighting rebel groups or that the rebels do not continue fighting due to the opportunity costs involved. Other state level variables, however, are found to lengthen civil war. First, it is found that democracies are more likely to fight longer conflicts. Such a finding is interesting because theoretically, we would expect that regimes that provide avenues for nonviolent political change should be able to offer other avenues for rebel groups. Yet, this finding could also provide more support for the theory of transnational crime. If the country is a democracy, then the population will be less likely to support a violent non-state actor. The rebel group then has to consider other forms of financing to challenge the state because the general population will not provide donations on their behalf. The result is that in democratic societies, rebel groups might be more susceptible to adopting criminal financing.

The final two variables that are significant in this study both relate to the number of actors involved. The first, the natural log of the population, is found to lengthen the conflict. A reason for this is that in many large countries, such as India, there are multiple small rebel groups challenging the state. However, for most of the population, the actions of these rebels are not

affecting them. These rebellions on the periphery thus last longer than rebellions that occur in smaller countries. The other variable, number of actors involved in the conflict, also contributes to longer civil wars. Such a finding confirms earlier studies that the more veto players present, the longer the conflict will last.

When looking at the individual behavior of rebel groups, the adoption of financing provides strong insights to the type of conflict that will occur. Rebel groups that rely on either local or external benefactors will fight shorter wars on average. However, when a rebel group adopts transnational criminal financing, there is a higher probability of that conflict lasting longer than average. The empirical model demonstrates that when rebel groups are constrained in their decision-making, they are more likely to fight shorter wars. Transnational crime provides operational freedom for different rebel groups, which provides them with different incentives and makes it more likely that they will fight longer wars. However, does the type of crime influence the duration of conflict? I answer that question in the following section.

Types of Criminal Financing and Conflict Duration

The previous sections of this chapter have established that there exists a strong empirical relationship between rebel financial decision making and conflict duration. In the previous models, I have demonstrated that crime lengthens the number of years a country experiences conflict and also increases the survival rate of individual rebel groups. Yet, the relationships explored thus far have only established the differences between popular financing, subnational crime and transnational crime. The question remains whether the type of criminal financing introduced into the conflict can significantly lengthen the conflict. The focus of this section is to see whether there are significant differences within criminal financing when it comes to conflict duration.

To test the duration hypothesis that different types of criminal financing can lead to significantly different conflict outcomes, I once again employ a semi parametric Cox proportional hazards model. Instead of testing the trichotomous independent variable of popular financing, subnational criminal activity and transnational criminal activity, I instead employ a series of variables that code the sources of criminal activity for each rebel group, whether subnational or transnational. The categories employed for this statistical test are diamond production, drug production, extortion, gem production, kidnapping for ransom, logging, robbery and smuggling. All of these variables have been discussed at length throughout the dissertation and I will not recount the individual definitions for each financial source here. Because the focus is on comparing specific rebel decisions, I exclude state-level control variables from the analysis to streamline the empirical analysis.

The results of the empirical analysis are reported in Table 3.3. The main empirical finding is that there exists significant variation in the type of criminal financing and conflict duration, with some of the criminal financing options being statistically insignificant. I will begin my discussion of these results by focusing on both the diamond and gem variables. The results here raise some interesting questions due to their insignificance, as policy disputes within African politics have centered on whether the presence of these specific natural resources creates a never-ending cycle of violence on the continent (Campbell, 2004). At least when it comes to conflict duration, these variables are found to not have a significant effect on the outcome.

The exploitation of another natural resource, namely logging, is also insignificant in the criminal determinants model. In this instance, it appears that while rebel groups may sometimes exploit the timber resources in their country, it is not enough to significantly lengthen the conflict. As opposed to gem and diamond criminal activity, which is located primarily in Africa,

Table 3.3: Types of Crime and Conflict Duration

	Coefficient	Standard Error
Diamonds	-.277	.298
Drugs	-.835***	.206
Extortion	-.567**	.241
Gem Production	.381	.988
Kidnapping	-.983**	.424
Logging	-.966	.711
Robbery	-.916**	.398
Smuggling	-.436*	.245
Territorial Control	-.311**	.157
Central Control	.444***	.181
Mobilization Capacity	-.102	.214
Arms Procurement	2.83***	.628
Fighting Capacity	.658	.508
Legal Political Wing	.642**	.232
War on Core Territory	.351	.249
N	2426	
Wald X2	74.58	
Log-Pseudo Likelihood	-1263.54	

Note: Breslow method used for ties with clustering on each individual rebel dyad. *p<.10, **p<.05, ***p<.001

most cases of timber exploitation occur in Asia. While reports have surfaced of groups profiting quite nicely from black-market sales of timber such as teak, there exists no statistically significant relationship at the cross-national level. Another explanation for why these variables

are insignificant is that rebel groups can use these rents more readily in the formal economy if they capture the state apparatus, creating shorter wars in some circumstances and longer ones in others. In the next chapter, I will consider under what circumstances diamonds, gems and logging might matter for understanding conflict outcomes.

In addition to variables which were surprisingly insignificant, there were some that significantly lengthened the duration of conflict that went against theoretical expectations. Both extortion and robbery, which tend to be primarily subnational forms of rebellion, were found to significantly lengthen conflict duration. Such a result might be attributed to the fact that subnational criminal financing should lead to longer conflicts in comparison to those that rely on external patronage or local financing. It also could be that groups that rely on subnational criminal financing are still able to generate significant rents. These groups might be unpopular with the general population, but if the population cannot prevent the extortion rackets, then the rebels are able to continue generating the rents necessary for rebellion.

The empirical analysis in this section also allows rebel groups to participate multiple forms of criminal financing. Perhaps unsurprisingly, rebel groups often diversify their criminal activities during wartime. Once a rebel group has determined that they will use criminal financing, be it drugs or extortion, etc., these rebel groups will not hesitate to gather rents from other areas. Groups discussed in this dissertation, from the Khmer Rouge in Cambodia to M23 in the Democratic Republic of the Congo often used both subnational and transnational forms of criminality to enrich themselves during the war. What is harder to discern is how reliant these rebel groups are on each criminal activity, thus extortion is present, but it is perhaps not driving the relationship between rebel group financing and conflict duration.

Drug production, kidnapping for ransom and smuggling are all transnational forms of crime that are statistically significant in the model which conforms with theoretical expectations. In each of these cases, rebel groups are forced to traverse national borders in order to secure their rents. All of the rents generated from drugs, kidnapping and smuggling tend to be rents that cannot be transferred into the legal economy, meaning that rebel groups are generating large amount of monies that allow for their continued survival, but may enact a more lasting barrier to peace and stability in the country.

The results of the type of criminal financing and conflict duration are quite interesting as they do not fully conform with theoretical expectations. Some types of criminal financing that have captured international headlines have no effect on conflict duration. Meanwhile, other types of financing surprisingly contribute to conflict duration. Overall, while this chapter has established that criminal financing does significantly increase the duration of conflict, there is still much work that can be done in identifying the underlying causal mechanisms between crime and duration. Identifying those characteristics will be the focus of the following chapter.

Testing the Proportional Hazards Assumption

Before concluding the analysis at the rebel group level, it is necessary to briefly consider diagnostic tests to make sure that I did not violate the proportional hazards assumption in the models employed in Table 3.2 and Table 3.3. The first diagnostic I employed was a plot of the Schoenfeld residuals, which allows for a useful eyeball test to determine whether the slopes of each variable are flat with respect to time. The variables that I have introduced in this study, first the trichotomous variable of rebel financing and then each of the individual criminal activities do not seem to violate the proportional hazards when using ocular inspection.⁴

⁴ In the interest of space, I do not reproduce all of these graphs in the dissertation, but can provide them if necessary.

Table 3.4: Test of Schoenfeld Residuals

<u>Variable</u>	<u>Rho</u>	<u>Chi-Squared</u>	<u>Prob>Chi-Squared</u>
Territorial Control	.0395	1.02	.3124
Central Command	-.0491	1.66	.1973
Mobilization Capacity	-.0669	2.31	.1282
Arms Procurement	-.0229	.34	.5574
Fighting Capacity	-.0754	4.75	.0293
Legal Political Wing	-.0869	7.40	.0065
War on Core Territory	-.0360	.52	.4711
Diamond Trafficking	.0787	2.70	.1003
Drug Production	.0682	2.13	.1446
Extortion	.0271	.44	.5083
Gem Trafficking	-.0112	.13	.7225
Kidnapping	-.0441	1.80	.1803
Logging	.0241	.69	.4063
Robbery	.0583	1.60	.2065
Smuggling	.0007	.000	.9867

In addition to the “eyeball” test, I also include a test of the Schoenfeld residuals, which asks whether the slope in the regression of time is flat in relation to residuals, which is what we would hope to see (Box-Steffensmeir and Jones, 2004). The results of this test also confirm that the variables introduced in this survey do not violate the proportional hazards assumption that is part of the Cox model employed in Tables 3.2 and 3.3. In Table 3.4 above, I reproduce the

proportional hazards test for the model employed in Table 3.3, as it provides a full picture of how the individual crime variables do not violate the assumption. In it, the closest a variable of interest comes to violating the assumption is those rebel groups that are involved in diamond trafficking. However, it is just outside the ninety percent confidence level, which means that it is not necessary to evaluate the criminal variables in further detail⁵.

Concluding the Duration Analysis

Why have countries as disparate as Colombia, Afghanistan, Myanmar(Burma), and Chad fought such long civil wars? Previous chapters have introduced the theoretical argument that rebel financial decisions during conflict can significantly lengthen conflict. The focus of this chapter has been to test this theory by examining the relationship between transnational crime and conflict duration. Using a series of duration models, I have found at both the country and rebel group-level that rebel financing has a significant impact on conflict duration. Moving from that insight, I then considered whether the type of criminal financing significantly increases conflict duration, with more mixed results. In order to better understand the underlying causal mechanisms between crime and conflict duration, the next section provides a subnational analysis of the civil war in Cambodia.

⁵ Some of the control variables are found to violate the assumption, and I corrected those variables by incorporating time into them, which then did not violate the proportional hazards assumption (Box-Steffensmeir and Jones, 2004).

Chapter Four: Conflict Duration in Cambodia

Introduction

In the previous chapter, I examined the relationship between transnational criminal financing and conflict duration, finding that when rebel groups use crime to finance their struggle that they will fight longer wars. These results of crime and longer conflicts were significant at both country-level and rebel-level characteristics. The focus of this chapter is to properly identify the underlying causal mechanisms that exist between rebel group financing and conflict duration. To do this, I employ a mixed-method approach focusing on the country of Cambodia that relies on both geographic information systems (GIS) mapping and process tracing.

The rest of the chapter is structured in the following manner. First, I explain why the case of Cambodia is chosen for the case analysis and the suitability of using a nested analysis to properly test the model proposed. From there, I use mapping to examine the fourth duration hypothesis that regions with transnational criminal activity are more likely to experience longer periods of conflict. After considering the geography of the conflict, I turn to the individual rebel groups that fought during the Cambodian civil war to look at how the financial decisions made by each rebel group influenced their decision to continue fighting the conflict. Using these mixed methods, I find that where transnational crime is present and the groups who rely on it contribute to fighting longer conflicts. I conclude the chapter with a brief analysis of the case of Central African Republic where the theory does not successfully predict the outcome of the conflict. The analysis of that case sets the stage for the second half of the dissertation by introducing the concept of conflict recurrence.

Introducing the Case of Cambodia

To better understand the results from the large-n statistical analysis and to also explore the hypothesis about location of criminal networks and war duration, we turn to the case of the Cambodian civil war to better illustrate the mechanisms. Before introducing the variables for the spatial analysis, it is necessary to understand what makes Cambodia a strong candidate for a within case analysis. The case was chosen based on the framework of nested analysis, which is further explained in the next paragraph (Lieberman, 2005).

The structure that Lieberman proposes in his 2005 study is to first run the statistical analysis, which was completed in the previous section. The results in that section backed the underlying theory of the dissertation, namely that when rebel groups rely on transnational criminal financing they are more likely to fight longer wars. To assess the model, I must pick an on-the-line case, which can be done either randomly or purposively. I pick a case purposively because I am comparing the results of multiple regressions, both at the conflict and group level. Cambodia is an interesting case for comparison because within the conflict are multiple rebel groups that have various funding decisions and outcomes. The GIS mapping will illuminate whether the regions where criminal rebel groups are present experience longer conflicts, while the within-case analysis will allow me to consider whether rebel decision making over financing drove conflict outcomes or whether there are other variables driving the process that were not accounted for in the statistical analysis. By looking at this individual country, I am able to control for many state-level explanations and focus instead on the local decision-making process of each rebel group involved in the conflict.

To better understand the conflict in Cambodia, I rely primarily on a series of primary and secondary sources that are housed at the Center for Khmer Studies in Siem Reap, Cambodia. In

the summer of 2012, I consulted the archive, which includes not only all news reports on Cambodia for the period of the civil war, but also all United Nations documentation from their time in the country in the early 1990s. These primary and secondary sources were complimented with interviews with both scholars and former United Nations workers in Cambodia that focused on the financial incentives and actions of each of the rebel groups in the conflict. Additional case information was collected back in the United States using the LexisNexis archive and books written on Cambodian politics.

Table 4.1: Major Rebel Groups in Cambodia and Funding Source

<u>Rebel Group</u>	<u>Years Active</u>	<u>Criminal Support</u>	<u>External</u>	<u>Years Fighting</u>
Khmer Rouge	1970-1975, 1979-1998	Gem and Timber Smuggling	China; USA	24 (Government between 1975- 1978)
FUNCINPEC	1982-1991, 1997	None	USA	10
KPLNF	1980-1991	None	China	11
KNUFNS	1978-1979	None	Vietnam	2 (Became Government)

The civil war in Cambodia lasted nearly three decades, from 1970-1998 and over a quarter of the pre-war population perished during this conflict. The conflict featured four rebel groups whose actions are analyzed in the within-case analysis. The longest running rebel group was the Khmer Rouge, which began fighting the Cambodian state in 1970 and actually became the government in 1975. During this time, they instituted a program that became known as the Cambodian Genocide, as they sought to remake the state in their ideological image. They were driven from power in 1979, but continued to fight armed battles until 1998. The Khmer Rouge lost control due to third-party intervention of Vietnam, which installed a new regime. The presence of the Vietnamese led to the creation of the Khmer People's National Liberation Front

(KPNLF), which began fighting in 1980 until the cease fire in 1991. The third major rebel group that fought during this time was FUNCINPEC, which was a royalist-backed rebel army that sought to reinstall the monarchy that lost power in a military coup that began the civil war in 1970. FUNCINPEC began fighting in 1982 and continued until the cease fire in 1991. The Vietnamese-backed rebel group that ousted the Khmer Rouge in 1979 is the final rebel group analyzed in this section and is known as the Kampuchean National United Front for National Salvation (KNUFNS). The rebel group emerged in response to the Cambodian Genocide and fought only in 1978 and 1979 (Uppsala Conflict Database, 2013).

As it can be seen from this brief introduction, there is significant variation in the motivations, potential funding sources and the length that each of these groups fought during the Cambodian conflict. The next section will first consider the conflict as a whole and demonstrate that there was significant regional variation in where the conflict was located. The regions that experienced the longest bouts of fighting were those where transnational criminal financing were present. The goal is to control for geographic factors to prove that it is the role of transnational crime that best explains which regions are experiencing longer conflict episodes. After exploring the geographic variation through GIS analysis, I then return to the experiences of each individual rebel group to trace the causal relationship between their financial decisions and how many years they fought in the Cambodian conflict.

Geographic Location and the Duration of Conflict

The level of analysis for the GIS spatial examination of the Cambodian conflict is the province, of which there are twenty-three in the country. The motivation in choosing this level of analysis is due to significant missing data problems at more micro level in Cambodia. The historical period in which the Cambodian civil war, coupled with the destruction of the

Cambodian genocide means that it is impossible to get micro-level data for the pre-war period of the 1960s. Data on the location of violent attacks are quite limited, thus are aggregated to the province level to ensure the highest possible accuracy in examining the relationship between crime and war duration.

The fourth duration hypothesis proposed in this dissertation is that regions where transnational criminal activities are occurring will experience longer conflict periods. To explore this, I first code each province on whether transnational crime was present during the civil war. Locating transnational crime is accomplished by using data on the presence of gem deposits in the country and United Nations reports from the early 1990s that documented smuggling issues throughout western Cambodia. I then coded the crime variable as a dichotomous variable as whether the province hosted transnational crime or not.

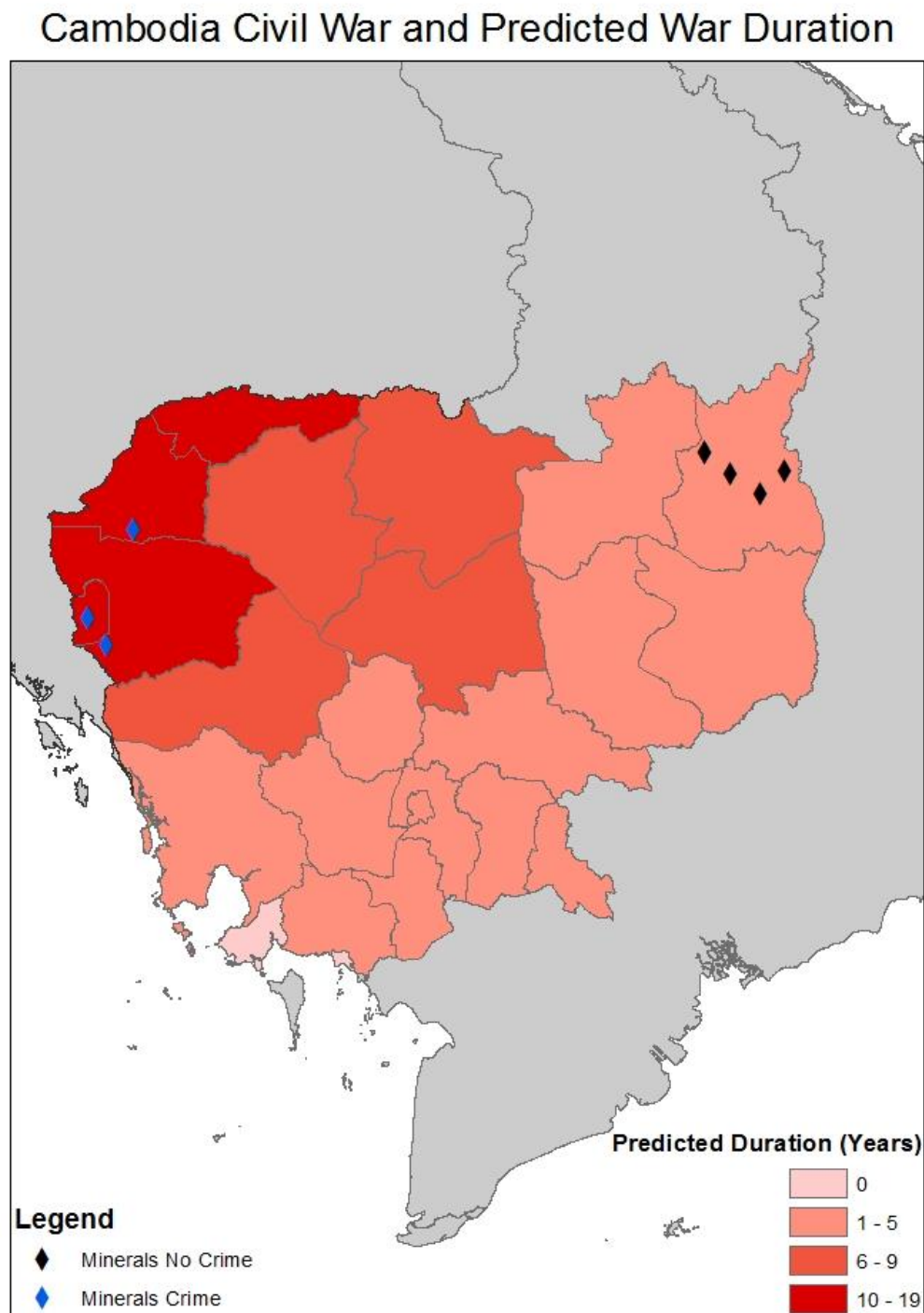
To map the conflict, I am interested in the number of years that the province experienced conflict. To measure whether the conflict occurred in each province each year, it was necessary to rely on a series of sources on the patterns of the Cambodian civil war. First, the Armed Conflict Location Events Dataset (ACLED) is an effort to code individual georeferenced violent events throughout the world. However, this effort focuses primarily on contemporary conflicts and they have data for Cambodia only between the years 1997-2010. Because the Cambodian conflict ended in 1998, it is necessary to expand the data beyond the ninety-nine violent events documented for the years 1997 and 1998. The second source used for tracking the patterns of violent activity was to use the National Consortium for the Study of Terrorism and Responses to Terrorism (START) data on individual terrorist attacks. In this data, all rebel groups in the Cambodian conflict are present and this dataset allows for the documentation of the conflict into

the early 1990s. These two datasets unfortunately do not provide documentation for the previous decades of the conflict.

To conclude the coding conflict location for the exploratory map, I use the same coding rules developed by ACLED to provide full coverage of the conflict from 1979-1998. I chose to focus on these years of the conflict because these are the years after the end of the Cambodian genocide and the fall of Khmer Rouge in power. Coding definitions in the conflict literature treat the change of the government as the end of a civil war, as the regime actors have changed (Sambanis, 2004). In coding the missing years of the conflict, I relied on the LexisNexis database using the keywords of conflict, battle, death, and the names of the respective rebel groups. In addition to using major world publications, I also relied on various local Thai publications and resources from the Center for Khmer Studies located in Siem Reap, Cambodia to document the patterns of the conflict. While these reports obviously do not capture all individual events during the civil war, studies have found that public reporting of conflict events correlate with publicly undocumented attacks (O'Loughlin, et al., 2010). In addition, because the focus is on documenting whether the province experienced conflict in a given year, not the total number of attacks, I am confident that this coding effort accurately depicts the course of the civil war.

The other variables considered in the GIS mapping are measures of the distant of the province to the capital city, as civil wars often center on the capture of the capital city and the province's proximity could be driving the length of the conflict. The GIS analysis also allows to examine whether the geographic properties of each province, such as mountainous terrain allows the conflict to continue for a longer period of time. Unfortunately, socio-economic indicators such as infant mortality rates and GDP per capita are not available for the beginning of the civil

Figure 4.1: Criminal Resources and Predicted War Duration

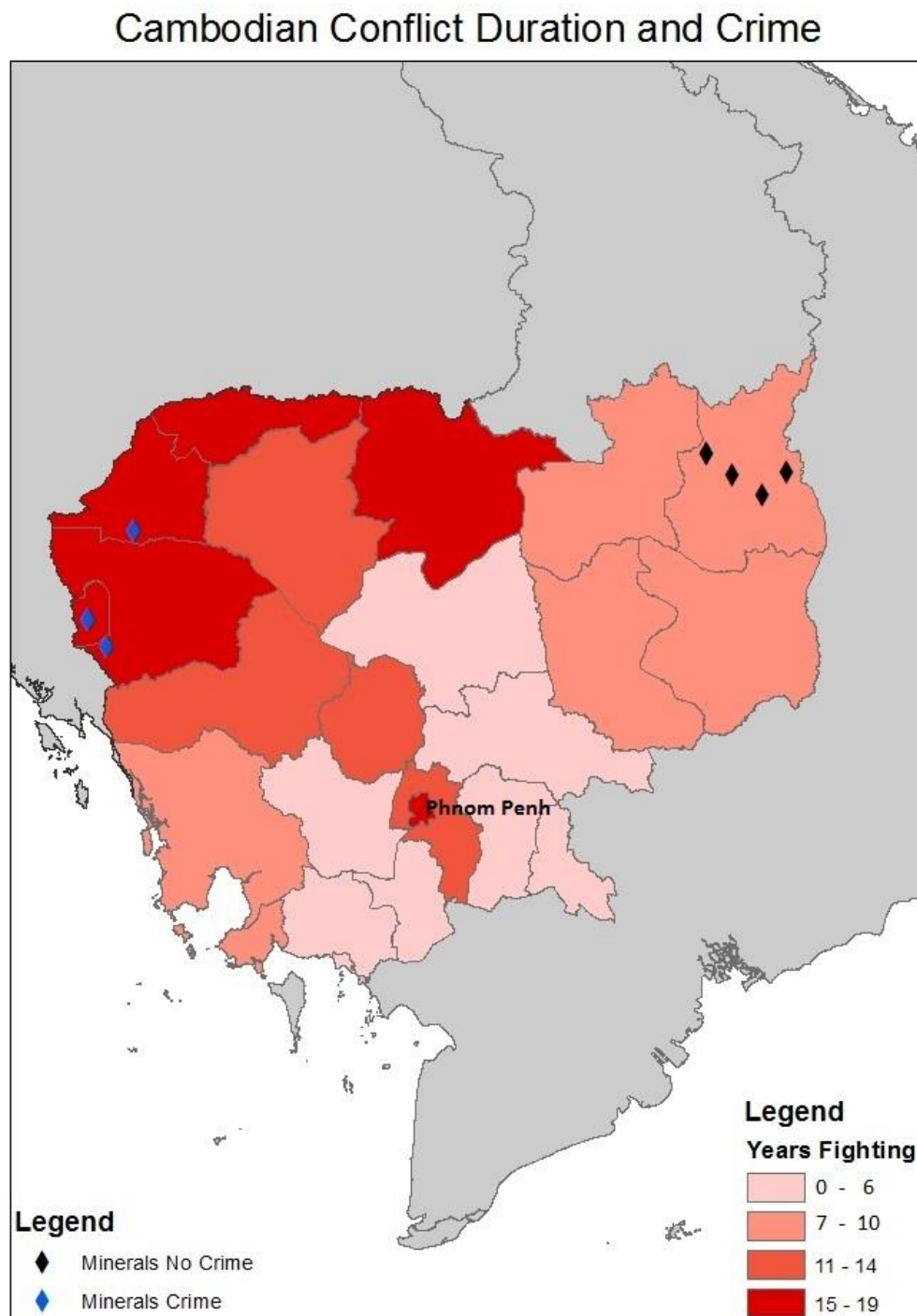


war. Hence, the mapping effort focuses only on the geographic variables that are available, while the case evidence presented in the next section will capture the human interactions occurring during the civil war.

Figure 4.1, reproduced above, provides a geographic illustration of where I would expect the conflict to have lasted the longest based on the presence of crime. Figure 4.2, which follows on the next page shows the results of coding, which demonstrates that the four western provinces where transnational criminal financing were present experienced the longest periods of fighting, registering conflict events for each of the nineteen years of the conflict. The map demonstrates that in addition to the presence of transnational crime, proximity to the capital city is also related to the duration of the conflict. Otherwise, even though rebel groups maintain territorial control of most of the provinces in the war, there is much variation in where the conflict is being fought, providing evidence that there is substantial variation within countries as to which citizens are actively experiencing conflict.

Also included in the map is the presence of natural resources which were not used in transnational criminal financing, primarily in the eastern provinces of the country. While fighting by the Khmer Rouge does occur here, these attacks are more infrequent, not only in conflict years, but also in sheer number. Hence, the mere presence of natural resources may not contribute to the duration of the conflict; instead, what matters is how the rebel group interacts with their surrounding community. The relationship between the individual rebel groups and their financial resources is explored in the next section, which will provide further micro-level evidence of the importance of financial decisions in determining the length of intrastate conflict.

Figure 4.2: Duration of Conflict in Cambodia by Province



Rebel Groups During the Cambodian Conflict

The various rebel groups that fought during the Cambodian civil war had different bases of support and chose to rely on different financial resources. In this section, I examine each of the rebel groups that emerged during the Cambodian conflict and consider how their financial resources shaped decision making. In doing this, it is possible to trace the causal mechanisms of rebel decision making and its relationship with conflict duration.

When analyzing the intrastate conflict in Cambodia, it is necessary to start with the Khmer Rouge, as the group's actions during the war influences the rise of the other rebel groups included in the sample. The Khmer Rouge was a radical Marxist regime that began fighting against the state in 1970. During this initial time period, the traditional monarchy that had ruled Cambodia since independence in the 1950s was overthrown in a military coup. The military coup was relatively peaceful, which is why it is not included as an intrastate conflict. However, anger at the displacement of the monarchy, whose head was not only considered the ruler of the country but was also seen as a religious figure, provided an opportunity for other actors to recruit citizens for war (Kamm, 1998).

The Khmer Rouge began fighting soon after the coup in 1970, with the backing of some members of the now exiled royal family. The royal family's support is a little surprising considering that the Khmer Rouge was a communist rebel group, yet the rebels appeared to be the only chance of dislodging the new military regime. Hence, initially, the Khmer Rouge received financing from a rich diaspora population, in addition to receiving support from local recruits. When the Khmer Rouge began to have traction in their guerilla war in Cambodia, they also started to receive support from North Vietnam, a neighboring communist country. The Khmer Rouge fought a shorter than average civil war and took over the country in 1975. There

are many reasons that the Khmer Rouge fought a short civil war and were able to take power in 1975. The first, is that the military regime based in the capital of Phnom Penh was quite unpopular with the citizens due to the abolishment of the monarchy. Not only did the local population find themselves more willing to support the Khmer Rouge after such a decision, but also the royal family itself provided funds to the rebel group. Hence, in this first stage of the conflict, the rebel group was quite popular with the masses (Becker, 1998; Short, 2004; Brinkley, 2011).

The Khmer Rouge ruled Cambodia from 1975-1978, which means for these years they drop from all data sets. After capturing power, the Khmer Rouge refused to reinstate the monarchy and instituted a series of policies that culminated in the Cambodian genocide. During this year three period, it is estimated that nearly a fifth of the country's population was killed, as the Khmer Rouge sought to rid Cambodia of all western influence. Such an extreme policy decision angered many citizens in the country and isolated the regime from its constituents. The civil war recommenced in 1978, with the Khmer Rouge quickly losing power and retreating to the countryside (Short, 2004).

The rebel group with the shortest duration in the data set is the KNUFNS, which fought in 1978 and 1979. The group emerged in the late 1970s as a response to the Khmer Rouge and their policies. The KNUFNS was heavily supported with arms and monies from North Vietnam, which was concerned about the large refugee presence growing on their border, fearful that the instability could lead to a spillover conflict, which the North Vietnamese did not want since they were in the process of integrating South Vietnam into a unified country and were also becoming involved in a border spat with China in the north. The result is that KNUFNS, which was made up of disaffected Khmer Rouge officials, were able to win control of Phnom Penh and the

government in 1979. KNUFNS was able to fight a short war because of the overwhelming support provided by North Vietnam, enough support that some in Cambodia view this period of history as a Vietnamese occupation (Becker, 1998).

The KNUFNS, which will henceforth be referred to as the Cambodian government, was also a communist regime, but decidedly less extreme than the Khmer Rouge. However, their communist ideology meant that once again, the monarchist elements were excluded from power. The KPLNF began fighting in 1979 and continued until 1991, yet they never emerged as a serious fighting force against the Cambodian government. The KPLNF sought to be a moderate, democratic force in the region, neither communist nor for the full restoration of the monarchy. They were able to receive some funding from China, which supported them as a proxy ally against the Chinese's enemy of Vietnam. The group had a minimal presence during the conflict and relied on these external donations. Eventually the group lost external patronage and was forced to rely on local donations. Rather than seeking to overthrow the regime, their strategy seemed primarily focused on continuing their control of their territory (Becker, 1985).

The next rebel group to emerge was that of FUNCINPEC, which was the royalist backed rebel group and began fighting in 1982 until 1991, then reemerged in 1997. FUNCINPEC sought to drive the communists from power and restore the monarchy. The rebel movement could rely on the funds provided from the royal family and they were also able to rely on nearly fifteen million dollars a year in aid from the United States that were funneled through various non-governmental organizations (Becker, 1998). What is apparent is that FUNCINPEC functioned much like the other rebel organizations during the initial stages of the Cambodian civil war, as they all received significant funds from the outside world, a diaspora population or the local community. These groups either achieved success in overthrowing the ruling regime or they

fought for around a decade, which is about the average length of an intrastate conflict. These groups were constrained by these funds in their decision making, as all of them were forced to the negotiating table in the late 1980s and signed a comprehensive peace deal that FUNCINPEC, KNUFNS and the KPLNF all upheld. However, even with a peace deal signed in 1991, the war continued. The major impediment to peace was the continuing presence of the Khmer Rouge (Widyono, 2008).

After being driven from power, the Khmer Rouge was an incredibly unpopular organization within Cambodia. Many officers defected from the group and worked for one of the other rebel organizations or fled to neighboring Thailand. The local population and the diaspora wanted nothing to do with an organization that had tried to exterminate them and their relatives. While some external states tried to funnel funds to oppose the new Vietnamese-backed communist regime, it became harder for external states to send money to the Khmer Rouge due to negative externality of being associated with the regime. Thus, in 1979, the Khmer Rouge was a weak rebel group on the brink of collapse, with no easily identifiable source of income necessary for continuing the rebellion (Brinkley, 2011).

Yet, the Khmer Rouge was able to fight a new conflict against the government for an additional nineteen years and a full seven years after the signing of a peace accord. After losing control of the government, the Khmer Rouge retreated to the western provinces of the country along the border with Thailand. In this region, the group was able to reorganize as a rebel group and continue fighting the state, albeit as a minor conflict, where most years during the 1980s fatalities hovered around twenty-five battle deaths each year (Uppsala Conflict Data Program, 2013). When asserting control over the western regions of the country, the Khmer Rouge discovered that the region had relatively rich minerals and timber resources. It is in the early

1980s that the group realized that they no longer had to rely on satisfying local or even external constituents for their major revenue sources. Instead, the group began extracting gems, cutting down rare timber and smuggling both products across the border into Thailand (Brinkley, 2011).

Soon the process became quite lucrative for the Khmer Rouge, the Thai military and the local criminal population on both sides of the border. By the late 1980s, Pol Pot, the leader of the Khmer Rouge, wanted to attempt to retake Phnom Penh and rebuild the communist utopia he had envisioned. His reasoning was that the regime was more vulnerable because the Vietnamese had withdrawn their military support (Short, 2004). However, his soldiers and commanders vetoed the idea. They had been fighting off and on for almost twenty years and had no desire to overtly challenge the state. The reason for this was that many of them had become quite wealthy and were afraid of jeopardizing the logging and gem wealth by losing their lives in new battles. Instead of challenging the state, the Khmer Rouge instead focused on controlling their resource-rich region and while also ensuring that no outsiders could monitor what they were doing (Pokempner, 1991; Widyono, 2008; Brinkley, 2011).

Most of the rebel actors in Cambodia disarmed in 1991 as the result of an internationally backed peace deal. The groups did this because since they had relied on external support for their rebellion international actors had an undue influence on the rebel group decision process (Becker, 1998). Thus, while others have argued that the presence of more veto players can lengthen the conflict (Cunningham, 2006), these same veto players can hasten the conflict's end. In this case, the end of the Cold War reduced the capabilities of some states to provide funding, while reducing the strategic need of supporting other rebel actors. However, the Khmer Rouge, while sometimes receiving some outside assistance, chose to continue fighting and did until 1998 (Brinkley, 2011).

The structure of the Cambodian peace deal that was signed in 1991 split Cambodia into multiple zones under the control of the various rebel and state actors (Brinkley, 2011). The treaty thus codified the Khmer Rouge control over the western provinces, which were mineral rich. The United Nations arrived in 1992 to monitor the peace agreement and assist with resettlement. To accomplish this, the United Nations took over the administration of the country in 1992, something to which all parties had agreed. Yet, when the United Nations attempted to move into Khmer Rouge territory they were rebuffed. The Khmer Rouge made the strategic decision to sign the peace deal, but they were afraid that full implementation of it would mean that they would no longer have access to the lucrative resources (Widyono, 2008).

At this time, it was becoming increasingly clear to both the United Nations and regional journalists that most of the Khmer Rouge was motivated by the desire to continue harvesting these rents. The United Nations put pressure on Thailand to more closely monitor the border, but the returning refugees coupled with the continuing corruption of Thai military elements allied with the Khmer Rouge made this nearly impossible. The Khmer Rouge spent the early 1990s making sure that their hold on the territory remained secure by launching sporadic attacks along their transportation routes. The Khmer Rouge did not surrender until 1998, with disagreement on the reasons for doing so. Some argue that the death of Pol Pot, the infamous leader of the organization, explains the disarmament of the Khmer Rouge (Short, 2004). The reasoning is that the leadership was afraid of surrender because the legacy of the genocide could lead to a war crimes tribunal. Others in the region have pointed to the fact that when the group disarmed in 1998 and the Cambodian authorities entered the resource-rich regions, the region had been stripped bare. The group had surrendered only because they had exhausted their ability to enrich themselves through criminal financing. Some were surprised to enter former Khmer Rouge

territory near the Thai border to find that rebel members were not only participating in gem smuggling, but also various illegal logging activities (Brown and Zasloff, 1998; Brinkley, 2011). Khmer Rouge had ceased being interested in maintaining a fighting force.

While it remains unclear why the Khmer Rouge ended their struggle against the state, it is clear that the role of criminal financing throughout the conflict allowed them the ability to fight until 1998. In fact, when Ieng Sary, known as “Brother Number Three” in the Khmer Rouge passed away in 2013, it was found that he still had hidden millions from his years of fighting (Fawthrop, 2013). The other three rebel groups that fought throughout the Cambodian civil war fought sporadically and relied on external patronage for their funds. The Khmer Rouge, after losing power in 1979, fought an additional nineteen years because they had access to funds that required little continuous internal or external support. In fact, transnational criminal financing was the only option available to the group as by perpetrating the genocide they had made it impossible for sustained support from other sources.

The combination of GIS mapping and examining the case of the Cambodian civil war in detail has provided additional evidence for the importance of transnational criminal financing in understanding the duration of internal war. In the case of the Khmer Rouge, the areas under their control experienced longer periods of conflict than those under the control of other violent non-state actors. The Khmer Rouge exhibited behavior that they were more interested in pursuing their criminal rents than continuing the conflict, yet would launch sporadic attacks to ensure continued access to their logging, gem mining and smuggling business ventures (Widyono, 2008). Other rebel groups were forced to the negotiating table because their funding sources were cut-off, yet the Khmer Rouge was able to maintain their independence because of the large amount of rents being generated from criminal activities.

Alternative Explanations Concerning the Duration of Conflict

The Khmer Rouge provides an interesting challenge in understanding the duration of conflict because they were able to reconstitute themselves after losing control of the state. In this chapter I have argued that their continued success as a fighting force was due to their ability to control the lucrative gem mining and logging industry in Western Cambodia, trafficking items into Thailand for immense profit. Alternative explanations can be offered about their success throughout the 1980s and 1990s, however, and the focus of this section is to briefly analyze the persuasiveness of these potential explanations. The conclusions from this section is that the rents generated from crime remain the most compelling story of the Khmer Rouge's continued war against the state, while also acknowledging that in certain cases other explanations may be salient in understanding the duration of intrastate conflict. In this case though, the financial sources of the various rebel groups are driving the duration of the conflict.

Returning to the results of the large-n empirical analysis, there are some geographic determinants of conflict duration. At the country-level, it is found that mountainous terrain can increase the duration of conflict, as difficult terrain can make it more difficult for the state to defeat rebel groups. Cambodia does have mountains in the southwestern and northern parts of the country, regions where Khmer Rouge were based. Yet areas of the country where there was no difficult terrain also experienced longer conflict episodes suggesting that terrain alone does not determine which parts of the country are subjected to longer periods of fighting. It does however provide some insight to which countries overall may experience longer conflicts. At the same time, these regions of the country are also where the gems and logging resources were located that the Khmer Rouge were able to secure for their financing. The documentation from the period after the Khmer Rouge flee Phnom Penh suggests that they reconstitute there not

because they need to hide from the regime, but because they want to secure these riches (Becker, 1998). Thus, mountainous terrain may be important because it is more likely to provide the necessary environment for transnational crime. Additionally, other rebel groups like FUNCINPEC also used the mountains of Cambodia to provide cover and shelter from the government, but fought for a much shorter period than the Khmer Rouge (Becker, 1998). It appears that terrain matters depending on how the rebel group interacts with the surrounding territory.

Turning to the rebel level characteristics, the empirical analysis finds that the ability to procure weapons and having a strong central command are related to shorter conflicts. The question is then whether the rebel groups that fought the shorter conflicts in Cambodia did so because of their relative strength vis-à-vis the Khmer Rouge and the Cambodian state. There are many ways to judge the central command characteristics of rebel groups. The variable coding from Cunningham, Gleditsch and Salehyan (2009) provides little insight in how to judge central command. Looking at the rebel groups though, it appears that there is little variation among the major actors as all have strong central leaders fronting their organizations. Pol Pot remained the leader of the Khmer Rouge until his death in 1998 and it is death that might have finally provided the group with the opportunity to surrender, which would instead suggest that strong central command leads to longer conflicts.

FUNCINPEC, which was led by various members of the exiled royal family, thus also had a clear leadership structure and central command. The role of the monarchy in Cambodian life, where the king was considered a deity before the 1970 coup that removed him from power meant that the decision-making processes of the royals were rarely questioned and that this organization had a strong central command (Brinkley, 2011). The other two rebel groups

analyzed in this chapter had weaker leaders and subsequently fought shorter wars. For the Cambodian conflict at least, it appears that a strong central command does not illuminate whether the rebel group fought for a longer or shorter period.

Another specific rebel level characteristic that leads to shorter conflict is the ability to procure weapons, as it is argued these rebel groups are able to mount more of an effective challenge against the state (Cunningham, Gleditsch and Salehyan, 2009). It is possible that this finding is driven by the presence of coups in the cross-national sample, as coups tend to be led by the military, which would have the greatest chance of arms procurement. In the case of Cambodia, all of the rebel groups are considered to have low arms procurement ability, which would suggest a longer civil war as witnessed (Cunningham, Gleditsch and Salehyan, 2009). Each of the rebel groups fighting in the Cambodian conflict relied on weapons that could be captured from the government or their external patrons (Crossette, 1988). The main weapon used by the rebel groups is the ubiquitous AK-47, which is common of many of the twentieth-century guerilla conflicts (Kahaner, 2007). Because this weapon, along with land mines, is reported as being the most common weapons used it is not surprising that the conflict lasted for such a long period in Cambodia. Yet, the lack of variation on the independent variable, namely that all rebel groups had low procurement abilities, leave this explanation wanting.

Analyzing the alternative explanations of conflict duration, it is found that by looking at the Cambodian civil war that these variables do help contribute to an understanding of the conflict. The mountainous terrain in Cambodia is where the Khmer Rouge was based during the nineteen years of fighting. Yet, their motivations for doing so appear to financial, rather than strategic, as foreign intelligence officials noted that the region was rich in minerals and otherwise not of strategic or tactical importance (McCullough, 1990). With other variables that are found to

influence conflict duration, namely central command and arm procurement ability, both of these explanations are found lacking in Cambodia because each rebel group maintained a strong central command, while each group struggled to procure advanced weaponry to more effectively challenge the Cambodian state. Variation can be found when looking at the financial resources of each rebel group, as three of the four rebel organizations that fought during the civil war relied extensively on both popular support and external patronage. When the external patronage was withdrawn, these groups were brought to the negotiating table. The last group, the Khmer Rouge, instead chose to rely not only on external support, but also transnational criminal financing. As the conflict continued, the soldiers regulated and controlled the gem and timber trade and were unwilling to surrender those rents. While these alternative explanations may have played a role, it is the financial decisions of rebel groups that provide the best understanding of how rebel groups were able to fight for so long. But this outcome is not a guarantee. The next section will consider situations in which transnational crime does not lead to longer conflicts by looking at rebel decision-making in the Central African Republic.

When Crime Does Not Lead to Longer Conflicts

In the interest of better identifying the causal mechanisms between transnational criminal financing and conflict duration, I now briefly consider the country of the Central African Republic and the actions of the Union of Democratic Forces for Unity (UDFR) in their civil war for the year 2006. The presence of transnational criminal activity would suggest a long conflict, yet it lasts a single year. The group arose in response to the rule of Francois Bozize, a former army officer in CAR who had taken power in a civil war with foreign assistance in 2002. While there were reports that Bozize profited from transnational crime in the form of diamond

smuggling, his army is not coded as relying primarily on transnational crime because of the large external assistance he received from countries such as Chad (Jane's Information Group, 2003).

While the Bozize factions might not have relied extensively on transnational crime during the rebellion, the relationships soldiers forged with diamond smugglers continued during his administration. By 2006, the UFDR was formed by a faction of those who felt that Bozize was not properly sharing the mineral wealth with all segments of the country. The UFDR was based in the northern part of the country and was able to rely on banditry and diamond smuggling to buy supplies for their soldiers (Dalby, 2011). The presence of transnational criminal opportunities should have led to a long, drawn-out conflict, but instead Bozize's government was able to negotiate with UFDR and integrate them into the government by the end of the year. In the case of CAR, the regime was able to seemingly co-opt transnational criminal financing by forging an agreement in which both the regime and the rebels could profit from what now should be a legitimate enterprise (International Crisis Group, 201).

The UFDR has not since taken up arms again against the state, yet it is worth noting that other rebels did in 2008 and then again in 2012 (Uppsala Conflict Database, 2013). While these are all short conflicts that involve transnational criminal financing, they demonstrate that in addition to leading to longer conflict that the presence of transnational criminal financing might lead to multiple, or recurrent, conflicts (AFP, 2011). In the case of CAR, the government was made up of former rebels that had some ties to transnational criminal financing, which allowed them to negotiate and incorporate other rebels with more explicit transnational criminal activities. The next chapter will explore the relationship between transnational crime and recurrent conflict in greater detail and test whether an empirical relationship exists. What the case of CAR demonstrates is that if the government is willing to allow the rebels to maintain

some level of control over the criminal networks in the country by giving them a degree of legitimacy, it is possible for the conflict to come to an end.

Conclusions

What are the underlying causal mechanisms between transnational crime and intrastate conflict duration? To answer this question, I explored the local mechanisms driving the relationship between crime and conflict by looking at the 1970-1998 intrastate conflict in Cambodia. Using GIS to illustrate subnational geographic factors, I found that regions with transnational crime during the Cambodian civil war experienced more fighting than regions without transnational crime. That finding was confirmed with further case analysis which looked at how of the four rebel groups that fought the Cambodian conflict, only one, the Khmer Rouge, relied on transnational crime to fund their struggle against the state. By looking at the Cambodian case, it was possible to trace the underlying reasons why transnational crime leads to longer conflicts. For the Khmer Rouge, they were able to resist both internal and outside pressures to end the fighting. Additionally, the incentives for certain members of the Khmer Rouge to continue fighting were increased, as the access to transnational crime had many some rebel commanders quite rich. Thus, the combination of large rents and a high degree of independence allowed for the Khmer Rouge to fight for nearly three decades. However, sometimes rebel groups adopt transnational criminal financing and fight short conflicts, as the nested analysis of CAR demonstrates. To see if that relationship holds cross-nationally, I turn now to understanding the relationship between rebel financing and recurrent conflict.

Chapter Five: Rebel Financing and Recurrent Intrastate Conflict

Introduction

The conflict trap is seen as one of the largest impediments to economic growth and stability in developing societies (Collier, 2007; World Bank, 2011). In previous chapters of this dissertation, I have introduced the problem of the conflict trap for development and have argued that the financial decisions made by non-state actors during conflict has a significant impact on the duration and recurrence of these conflicts, further impeding development. When violent non-state actors become involved in transnational criminal rents, they develop an independent source of financing that allows them a large amount of strategic flexibility in challenging the state. In particular, they can focus on capturing these lucrative criminal rents at the expense of the general population, thus the group fights longer conflicts as the end of the conflict means that they would not have continued access to these rents.

In this chapter, the focus turns to testing the hypotheses concerning the presence of transnational criminal rents and recurrence of conflict. The theory previously introduced argues that transnational criminal rents in the previous conflict episode create a greater probability of new conflict episodes emerging. These new episodes should occur in the following ways. First, countries with a large transnational criminal presence should experience recurrent conflict episodes. Secondly, based on the theory, rebel groups that adopt transnational criminal financing should also be more likely to fight recurrent conflict episodes. The two hypotheses are tested using a traditional logit model on the probability of conflict recurrence. The findings in this chapter confirm the relationship between transnational crime and the conflict trap in developing societies. The next section outlines the data collection process, followed by an analysis of transnational crime at the country level and rebel level confirming the hypotheses that transnational crime leads to new conflict episodes.

Description of Variables

There exists much debate within the subfield as to what should be considered intrastate conflict recurrence. The first challenge is to define when war ends. For the purposes of this study, I shall utilize a definition that considers conflict episodes. This means that for each year of conflict in which there are belligerents challenging the state, it shall be treated as an intrastate conflict. A conflict episode becomes active when it satisfies all three components that are measured in the Uppsala/PRIO conflict database. These components include a stated incompatibility with the government, the presence of organized groups contesting this incompatibility and this contestation results in at least twenty-five battle deaths a year. Any year where the government and its opponents do not register twenty-five battle deaths is considered the end of that conflict episode.

To illustrate this, let us return from the introduction to the case of Sendero Luminoso in Peru. The group was founded during the 1970s and expressed a desired incompatibility, but spent that decade focusing on organizing for violent rebellion. When the group emerged to challenge the state, it refrained initially from doing so in the form of organized violence, hence relying on symbolic attacks like burning the ballot boxes. That initial action did not attract much attention and was lightly reported in the national media. It is not until 1982 that the group satisfies all three components of a conflict episode when the death toll reaches around five hundred combatants. The conflict episode continues for the next seventeen years, ending in 1999. By that time, much of the Sendero Luminoso leadership is in disarray, with most of the senior command either dead or in jail. There is no peace treaty or negotiated agreement between the government and Sendero Luminoso to officially mark the end of the conflict, but the group was considered by most experts to have been defeated on the battlefield (Burch, 2013).

In 2007, the group reemerged and began fighting the state again, albeit at a much lower intensity than before. This conflict episode lasted for four years until the end of 2010 (Uppsala Conflict Database, 2013). Uppsala/PRIO utilizes a lower death threshold than other datasets on intrastate violence, yet the low death threshold is necessary for the purposes of this study. I argue in the theory section of this study that transnational criminal financing is a unique financial decision that allows rebel groups to survive and continue to challenge the state's monopoly on the use of force long after the general population might conceive supporting such a group. Other datasets, such as the Correlates of War, only include major civil wars that reach a threshold of a thousand battle deaths. In the case of Sendero Luminoso, that civil war would have ended in the early 1990s and would still be considered inactive. However, when trying to understand uneven development and a country's inability to escape the conflict trap, we do not need to witness a major civil war to have instability. It is only the presence of a violent non-state actor that is challenging the state that matters. If the state is unable to maintain a monopoly on the use of force within its territory, then it will be unable to provide basic services for all of its citizenry. Finally, the use of the Uppsala/PRIO data for this study is desirable because their database has increasingly become the closest social scientists have to an industry standard. The same shared definitions of this study with these other studies will demonstrate the importance of understanding rebel group financing in increasing the probability of conflict recurrence.

The dependent variable in this study then is a simple dichotomous variable denoting whether there is a new conflict episode following a gap of at least one year from the original conflict episode. When conducting the analysis at the country level, the variable does not delineate who is the perpetrator of this new conflict episode. For example, Chad experienced a conflict episode that began in 1965 and continued until 1994. After two years of peace, a new

conflict episode arose in 1997 and ended in 2002. A final conflict episode began in 2005 and then ended in 2010. We see here two episodes of recurrence in 1997 and 2005, but the data makes no distinction of whether the actors participating in this conflict are the same actors as before. All that matters for the country-level hypothesis is that another conflict episode is registered. For the rebel group level hypothesis, the same coding rules apply in determining the beginning and the end of a conflict episode, but this time the analysis is done on the actor level. Now when a conflict episode ends, I seek to measure whether the same group participates in another conflict episode with the state. Returning to the example of Chad, the various groups that participated in the 1965-1994 conflict episode are examined to see whether they proceed to challenge the state again. If none of those groups participated in the conflict episode that began in 1997 or 2002, there are no episodes of recurrence and are coded as such. When conducting analysis at the actor level, I also code recurrence occurring if the rebel group changes their target. The Islamic Movement of Uzbekistan, discussed earlier, is an example of this phenomenon. Initially, the group fought the Uzbek government in conflict episode, but was unable to maintain a viable challenge to the state. The group then moved across the border into Tajikistan to reorganize and then experienced another conflict episode by fighting the Tajik government. In this case, the group is coded as experiencing a new conflict episode. Together, these two recurrence variables are the dependent variables for the econometric analysis that follows.

Coding Rebel Financing

Previous attempts at coding rebel financing have focused on very broad measures that often fail to take into account variation among various rebel groups or distinguish in finer detail the exact relationship between the conflict and the financial source. Initial studies provided a dichotomous variable of whether contraband was reported to be a part of the conflict, which made no distinction between types of contraband financing, nor when it was introduced into the

conflict or whether all groups were utilizing the contraband resource. Other studies have sought to break down the concept of contraband financing, but have often conceptualized contraband as either being drug or diamond related. The social and economic endowment dichotomy also runs into this problem, as it collapses the various financial sources discussed earlier into two overarching categories and are only tested at the conflict level (Weinstein, 2007). A more recent attempt to acknowledge the local variations in conflict comes from the geography discipline in which scholars use GIS analysis to capture whether potential lootable resources exist in the conflict zone, with a focus on drugs, diamonds, gemstones, minerals and oil. However, the mere presence of these resources in the territory tells us little about how both the rebel group and the state utilize and contest the resource. In addition, the geographic approach fails to account not only for non-geographic forms of crime, but also groups that participate in transnational crime, but traffic items that are not found in their territory.

Having outlined the problems with previous approaches to crime during conflict, I now turn to the introduction of a new conceptualization of rebel financing that accounts for all possible avenues of revenue that were covered in the theoretical chapter of the dissertation. The measurement used in the econometric tests is trichotomous and accounts for outside financing, subnational criminal financing and transnational criminal financing. When a rebel group relies on donations from either the local population or external patrons, they were coded with a zero value. Groups that rely primarily on subnational forms of criminal activity such as extortion of local businesses, robbery and banditry were coded with a value of one, whereas groups that focus on transnational forms of criminal activities were coded with a value of two. All three of these categories will now be discussed below, with an explanation of the threshold required for coding.

Outside financing collapses the two categories of subnational and transnational support for rebellion. Generally speaking, this type of financing can include, at the most basic, basic food supplies and gifts from local citizens that want to support the rebel movement without actively engaging in the contestation with the state. A good example of this type of support includes the locals who housed and fed Castro's forces in late 1950s Cuba (Perez-Stable, 2011). This type of support relies on a constant renewal of support by the individual or organization with the rebel group, as does the other two types of financing that are included in this variable. The transnational sources of popular financing come from two distinct locations: the diaspora and external governments. A rebel group is considered to have received significant diaspora financing if most of its funding comes from an externally based in-group, such as the support that the RPF received from the Tutsi diaspora community before launching their war against Rwanda in 1990 (Kinzer, 2008). The diaspora support for financing can often overlap with the final type of transnational support: an external state. External states can have many motivations for supporting a rebel group, which is outside the purveyance of this study, and also many avenues of support, from offering arms to overt financial support. Based on the theory presented here, the type of financing from an external government does not matter; rather it is only its presence that influences conflict outcomes. All three of these popular financing sources are collapsed into the transnational criminal variable with the value of zero, denoting the absence of criminal funds for the rebel group.

Subnational criminal financing are instances when the rebel group relies on the capture of illicit rents that originate within the state that they are contesting. For it to be considered subnational criminal financing, the rebel organization must procure all of the rents within the territory of the state. If the illicit rents come from overseas or the product they are trafficking is

sold abroad, it is considered to be transnational criminal financing. To illustrate this, consider the case of extortion. Extortion is when the rebel group uses the threat of violence to intimidate the local population into offering rents. The population necessary for the rent and the collection of that rent are found wholly within the territory under contestation. What differentiates it from other subnational forms of rent collection is the presence of implied violence, the fact that the citizens give up the money out of fear of harm. Other types of subnational criminal financing include bank robberies, banditry and kidnapping. Groups that primarily rely on this form of financing are coded with a one for this particular variable.

The final category is transnational criminal financing. A group is considered to have participated in transnational criminal financing if the rebel group procures the rent by moving a product or a service across borders. The rebel group must be actively participating in the transnational commerce to be considered a transnational criminal actor. If the group merely taxes drug shipments as it passes through its territory, that is considered to be subnational criminal financing because the group is not interacting with the greater international community, just intercepting rents on the way to the marketplace. However, if the group moves the product across borders, then it is considered to be transnational in scope. The distinction is necessary for capturing the degree of independence the group receives from operating on the international stage itself instead of just capturing rents from other actors as they transit through rebel controlled territory. Types of transnational criminal activities that are included in this category include drug trafficking, diamond mining, mineral exploitation, logging and kidnapping of foreign nationals. In all of these instances, the rebel group participates in the procurement of the rent both at the subnational and transnational level. It is this interaction that creates the highest

freedom of action and generates the largest number of rents. Groups that participate in transnational criminal financing are coded as a two in the variable.

All five hundred and seventy violent non-state actors found in the Uppsala/PRIO conflict database were coded for their financial funding source, with descriptive statistics provided in Chapter Three.. Each group was coded utilizing a collection of academic and policy resources to capture the nuances of rebel financing. Multiple sources are used for each group because there are incentives for both the rebel group and the government to mislead the general public about the funding source. Governments want to discredit the rebel group by proclaiming that the organization are just criminal thugs and are not legitimate challengers to the state. Rebel groups that participate in transnational criminal financing will seek to obfuscate their true funding source if they are still trying to replace the ruling regime. Hence, the mere mention of criminal elements in the rebellion is not enough to code the rebel group as such.

Two academic databases were initially used to capture the source of rebel financing. These two sources are the Uppsala conflict narratives found in their online database. The other source is the National Consortium for the Study of Terrorism and Responses to Terrorism (START) database. While both databases remain incomplete in regards to financing, they provide an initial unbiased source of information regarding the actions of rebel groups. The next source used for rebel group financing is *Jane's Insurgency and World Terrorism*, which is a biannual report that seeks to provide policymakers with in-depth information about current non-state violent actors. While their documentation only goes back to the 1990s, it does provide clearly documented evidence of rebel groups up to the present. After utilizing these three database sources, a search of major world newspapers is undertaken using LexisNexis. Major world publications are used in the hope of reducing potential reporting biases from local

newspapers where the reporting may not be coming from disinterested actors. These academic and popular sources are then cross-referenced with books and reports from think tanks in the hope of confirming the accuracy of all coding decisions.

Competing Explanations

Most of the approaches to understanding intrastate conflict recurrence are split into categories arguing that it is either what occurred in the previous conflict that matters for understanding the possibility of recurrence, while the other side of the debate believes that it is the post-war condition that matters for understanding whether a new conflict emerges. The financing variable that is introduced here bridges these two groups, as the argument is that rebel funding decisions during conflict can influence the post-war environment. To account for these competing explanations, I will outline the variables that are utilized in the econometric analysis.

To account for what occurred in the previous conflict, a series of variables are used to capture conflict processes. The major variable used here is victory, which is when one side is defeated in the armed conflict, which is caught by announcement by one or both sides. If a group does not admit defeat, but has lost its ability to maintain an effective military challenge to the other side, the variable is also coded as a victory. The variable is coded at the conflict level and the rebel group level, which captures the added nuance of whether the particular rebel group in question won the conflict. For conflicts that do not end with a clear rebel or government victory, there is also the possibility of the conflict ending through a peace agreement. These are easier to delineate than victory in certain cases, as both sides must be party to the agreement. To distinguish from cease fires that may break down, peace agreements must address the major issues of contention along with a cessation of hostilities. Such an approach is complimentary to other coding decisions within the literature (Kreutz, 2010), which is further confirmed with a reliability check of the variables.

Another argument is that conflicts based on ethnicity might lead to a higher probability of conflict recurrence. To capture the possibility that deep rooted ethnic divisions might be explaining the conflict trap, I rely on two variables. The first codes dichotomously whether the conflict being thought can be considered an ethnic conflict. The other variable is a dichotomous variable that captures whether the result of the conflict was a partition of territory. Another variable that is used primarily as a control variable is the ethnic-linguistic fractionalization index, which can represent the difficulty in distributing public goods in post war societies. Utilizing all three variables should account for the role that ethnicity can play during and after conflict.

One of the major insights in the recurrence literature has been that the post-war conditions are what matters for understanding how certain states become stuck in the conflict trap. Walter (2004) introduces a series of variables that are meant to capture the post-war experience for most citizens. To capture infant mortality rate, two measures are used. The first is the infant mortality rate which comes from Abouharb and Kimball (2005). The second measure looks at the change in infant mortality rates as it may be the relative change in conditions that leads to recurrent conflict. This measure is calculated by calculating the difference between infant mortality rates between the current and preceding year.

Regime type is another indicator of the post-war environment faced by former rebels and the local population. The Polity IV measure of regime type, from -10 to 10 is used to account for regime type. Other conceptualizations of regime type are also used to account for post-war societies. Hence, this study accounts for whether there has been a change in the Polity score from year to year. The final way I measure regime type is by introducing two dichotomous variables to reflect whether the regime in question is a pure democracy or pure authoritarian society based on the Polity rankings. Pure democracies, according to Polity, are those countries which receive

a score of six or higher. Pure authoritarian regimes are those that receive a Polity score of negative 6 or lower. While issues have been documented in recent years about the appropriateness of the Polity variable's inclusion in the intrastate conflict literature (Vreeland, 2008), I use this particular specification to allow for comparability with previous studies of conflict recurrence.

Most of the variables described above are presented in both the country and rebel group level analysis which follows. In addition, there are numerous variables used in this study that are meant to account for the various decisions made during rebellion by rebel groups. My argument is that the financial decisions made by rebels are the critical decisions of conflict and demonstrate this by looking at other internal factors of rebellion. The majority of the variables introduced in this section come from Cunningham, Gleditsch and Salehyan's (2009) dyadic analysis of rebel group duration, with a brief explanation to follow of how their variables have been coded.

The first variable used from the CGS dataset is the size of the rebel group. The size of the rebel group has a low of forty to a high of over one million, which was the size of the People's Liberation Army in China at the end of the Chinese Civil War (CGS, 2009). To allow for ease of interpretation, I also log the size variable. A theoretical reason for including this variable is that size could be an important indicator of personal discontentment with the regime and that the larger the group, the lower the barrier of entry for a future rebel group as they know they have a potential recruitment base.

The next two rebel group variables look at the organizational structure of the rebel group by first looking at whether the rebel organization has a political wing. This is coded dichotomously, with only explicit connections between an armed group and a political party

considered. The second dichotomous variable that looks at organization sees whether the rebel group's political wing is a legal organization within the country. The inclusion of these two variables is utilized because the emergence of a political wing that can negotiate and whether that organization is granted legal status by the regime should reduce the possibility of conflict recurrence as the former supporters of the group can rely on legal political means to achieve their goals. A related variable, though from Walter's (2004) data is that of total goals of the rebel group. Walter considers total goals to be the removal of the entire government from power. If a rebel group articulates such an agenda, it is coded as having total goals. If the goal is partition or reform, the organization is coded as not having total goals. Total goal organizations should be less likely to have a political mean of changing power and would be more likely to fight recurrent conflict.

The following two variables try to offer a measure of strength and capability. Central strength refers to how centralized the command structure of the rebel organization is during rebellion. The information for this variable is also taken from the CGS (2009) data. The other variable from their data that is taken for capability is looking at the level of mobilization capacity that each rebel group possesses. The argument here is that both of these variables should denote a high level of independence for the rebel group, which means that the organization should be able to better regroup and challenge the state after the end of a conflict episode. In addition to financial decisions, organizational decisions could influence the durability of rebellion. However, it is my theoretical argument that these decisions are secondary to the pursuit of rents.

Other factors that may allow a rebel group to begin another conflict episode against the state is the presence of a transnational base of operations for the group. Various rebel groups have launched their rebellion from a neighboring territory and can cross the border to escape

punitive measures by the state. The group then has the ability to reorganize and launch a new conflict episode. It is an important control variable for the transnational crime argument by demonstrating it is not the mere presence of transnational territory that matters, but it is the pursuit of transnational criminal rents that drives conflict recurrence. A final variable that relates to land looks at whether a rebel organization controls territory during the conflict. A rebel organization that is able to maintain a zone of control during rebellion may make it harder for the state to reassert its authority following a conflict episode, increasing the probability that conflict will recur.

The Statistical Analysis

In the first statistical analysis, reproduced in Table 5.1 below, a logit model is utilized with adjusted standard errors to account for clustering on country. The logit model is used not only because of the binary nature of the dependent variable, but also because it allows for comparability with previous studies on recurrence (Walter, 2004; Kreutz, 2010).⁶ Table 5.1 contains three models that allows for variation in conceptualizing democracy and infant mortality rates, both of which have been hypothesized to be strong predictors of the emergence of new conflict episodes. What follows in this section is a consideration of the determinants of recurrent violence at the country level.

Results at the Country Level

The transnational crime variable is statistically significant in all three models that are run at the country level. Thus, states that face rebel groups that have access to transnational crime are more likely to face recurrent conflicts. At the country level, these new conflict episodes could either be motivated by the original rebel group fighting again against the state to protect their

⁶ In fact, the models reproduced in Table 5.1 are Kreutz's 2010 recurrence model tests of previous studies, with the new financing variable included to allow for a comparability with previous studies.

Table 5.1: Effects of Transnational Crime on Conflict Recurrence at Country Level

	<u>Model One</u>	<u>Model Two</u>	<u>Model Three</u>
Transnational Crime	.492*** (.142)	.499*** (.150)	.495*** (.140)
Victory	-.845** (.299)	-.645** (.310)	-.828** (.297)
Peace Agreement	-.513 (.408)	-.282 (.444)	-.539 (.422)
Partition	-.431 (.912)	-.273 (.237)	-.382 (.924)
Ethnic Conflict	.595* (.331)	.577 (.375)	.637* (.327)
Total Goals	.725** (.299)	.758** (.335)	.694** (.296)
Battle Deaths	.010 (.061)	.024 (.068)	.003 (.062)
Duration	-.081 (.082)	-.098 (.094)	-.070 (.086)
Infant Mortality Rate	.003 (.002)	----- -----	.003 (.002)
Change in Infant Mortality	-----	-.005 (.008)	-----
Democracy	-.005 (.013)	-.010 (.013)	-----
Change in Democracy	-----	-.128** (.049)	-----
Clear Democracy	-----	-----	-.322 (.251)
Clear Authoritarian	-----	-----	-.230 (.257)
Ethnic Fractionalization	.753 (.515)	.966** (.485)	.695 (.509)
Duration of Peace	.132 (.124)	-.761*** (.209)	.135 (.124)
Year	.003 (.009)	.0004 (.008)	.002 (.008)
Spline 1	.014*** (.005)	-.013* (.007)	.014** (.005)
Spline 2	-.008*** (.003)	.003 (.003)	-.008** (.002)
Spline 3	.002*** (.0005)	.0007* (.0004)	.002** (.0005)
Constant	-9.707 (16.893)	-2.312 (16.664)	-7.870 (16.535)
Log Likelihood	-386.96	-348.97	-386.36
Pseudo-R	.1370	.2006	.1383
N	2733	2521	2733

Standard errors adjusted for clustering on country. *** p<.001, **p<.05, *p<.10

rent, or as we saw with the case of CAR in the previous chapter, new rebels emerge to capture these illicit networks from which they have been excluded. To further consider the strength of the model, I will consider the how previous explanations do in this analysis.

If the previous conflict episode ended in a victory by either side, it significantly reduces the probability of conflict recurrence. This is a consistent finding across all models, which makes theoretical sense. If the government, for example, is able to defeat the rebel group with a clear victory then the group should be unable to successfully recruit among the population again, as the perceived costs of supporting the rebels would be too high. The presence of transnational crime should provide rebel groups with more resources, making it less likely that they would be defeated in a decisive military engagement. If the rebel group was able to win the conflict, their ability to decisively defeat the government troops would suggest that the organization maintains an operational level that would make it quite costly to challenge.

Moving past the crime and the victory explanations of recurrent conflict episodes, the other explanation that is consistently significant throughout the models is the total goals variable. Total goals refer to the desire of the rebel group to overthrow and replace the government versus non-total goals such as political reform or more autonomy. Hence, when a rebel group takes a non-negotiable position of replacing the government, the state is more likely to see a subsequent conflict episode emerge if they do not end the first conflict episode with a victory. This finding is consistent with recent work about recurrent conflict (Kreutz, 2010), but differs from Walter's (2004) original argument. These differences could be attributed to the definition of recurrent conflict. Walter's definition is more exclusive, whereas the definition utilized here focuses on the importance conflict episodes, which have a lower threshold for exit and entry. For example, Walter's (2004) study focuses on intrastate conflicts that are found in the Correlates of War

(COW) data, which has a battle death threshold of one thousand for inclusion into the sample. In addition, her data incorporates all intrastate conflicts until 1996, while the data here incorporates all conflicts until 2010.

These data differences are critical for our understanding of the conflict trap. Walter's findings are predicated upon the idea of a major civil war and understanding when a subsequent major civil war occurs in these countries. In this formulation, the conflict trap is quite different, as we look only at states experiencing something akin to total war and whether development indicators after a major civil war are predictive of another civil war. Theoretically and substantively, the argument employed in this paper argues looks at minor and major conflicts and a subsequent conflict episode can also be major or minor. For the regions experiencing rebellion, the distinction between major and minor civil wars does not matter, for as long as there are violent clashes in that area, it is impeding development and contributing to the conflict trap. The Sendero Luminoso case which was discussed at the beginning of this chapter illuminates the difference between the COW and Uppsala/PRIO datasets. In COW, Sendero Luminoso fights a rebellion against the Peruvian state that ends in the early 1990s and has not recurred. However, the group did not disappear in Peru and has reemerged in the 2000s. The group retreated to the highlands in Peru and continued to participate in transnational criminal financing. Their total goal of overthrowing the states was not achieved and they have continued to engage in clashes with the state, but on a much lower threshold because of their geographic isolation. These clashes and the control of territory by the rebel group are critical for understanding underdevelopment in the Peruvian highlands, yet this case disappears from the COW data. Total goals, a variable utilized by Walter (2004) and found to be insignificant in her study, is

significant here because these groups often do not lay down their arms, but instead continue to fight low-intensity wars in the periphery.

The second model in Table 5.1 provides some variation in the findings, as the introduction of the change in regime type variable provides the only instance of when regime type is significant in predicting new conflict episodes. Thus, regime type does not predict subsequent conflict episodes, but when the regime in charge shifts to becoming more democratic, it reduces the probability of a new conflict episode emerging. Instead of measuring the absolute Polity score for a country in each year, measuring the difference perhaps gives a better understanding of the changing dynamics in post-war society. As it has been theorized elsewhere, if the Polity score increases, it signals to potential rebels that there are nonviolent means of affecting change in the country (Cunningham, Gleditsch and Salehyan, 2009). Additionally, because this model centers on the country level, it signals to those individuals considering a new war, rather than a subsequent conflict, that there are additional means of pursuing their political and economic goals.

The second model is also the only one of the three where the duration of peace variable is significant. The longer it has been since a conflict episode, the less likely there will be the initiation of a new conflict episode. Another difference from this model is that the ethnic-fractionalization variable is significant instead of the ethnic conflict variable. Other than these discrepancies, the three models tell the same story. The introduction of transnational criminal rents into the conflict zone significantly increases the probability of a new conflict emerging, either from the original rebel group or from new actors that find it easier to gain rents to challenge the state. In the second set of models, I will now separate out the effects of

transnational crime on subsequent rebellion by analyzing the internal processes of individual rebel groups and see whether their financial decisions lead to multiple conflict episodes.

Results at the Rebel Group Level

Table 5.2 reproduced below provides the results of three models that test the effects of rebel financing on conflict recurrence at the rebel group level. In Model Four, I focus primarily on rebel level attributes for understanding the recurrence of conflict episodes among rebel groups. What becomes apparent in this model is that the rebel group attributes such as size, political wing, and mobilization capacity are not significant in the model. The only rebel group level explanation that holds is that of their financing. Rebel groups that adopt criminal financing, especially those that adopt transnational criminal financing are more likely to fight recurrent conflict episodes. In fact, no matter which controls are introduced sense for rebel groups, as I argue that the type of financing decision made during intrastate conflict shapes all other organizational decisions made by the rebel group, from recruitment (Humphreys and Weinstein, 2005) to territorial control (Kalyvas, 2006) and their treatment of civilians (Weinstein, 2007). Of course, the coding of rebel level attributes remains somewhat blunt and perhaps further refinement of mobilization capacity and other dyadic variables will provide further insights into the internal aspect of rebel decision making that can complement the focus on transnational criminal financing in rebellion.⁷

The fifth model drops the rebel group variables other than the financing variable and looks at other dynamics of the conflict to see what competing explanations for rebel group reemergence can be found. If the regime under challenge is a democracy, it reduces the likelihood of that rebel group instigating a new challenge against the state. We also find that the

⁷ Another issue could be that of missing data. Many rebel groups hide their true strength and other aspects of internal organization, making it harder for coding decisions for the various Uppsala/PRIODATA efforts on the dyadic level.

Table 5.2. Effects of Transnational Crime on Conflict Recurrence at Rebel Group Level

	<u>Model Four</u>	<u>Model Five</u>	<u>Model Six</u>
Transnational Crime	.821** (.330)	1.536** (.588)	.967** (.375)
Rebel Group Size	.122 (.145)	-----	-.295 (.273)
Rebel Political Wing	.178 (.493)	-----	.167 (.687)
Rebel Legal Wing	.179 (.493)	-----	1.515 (1,355)
Central Strength	-.287 (.196)	-----	.087 (.228)
Mobilization Capacity	-.501 (.366)	-----	-.374 (.581)
Transnational Presence	.043 (.283)	-----	.286** (.110)
Territorial Control	1.264 (.459)	-----	2.497** (.087)
Total Goals	-----	.460 (.494)	-.188 (.820)
Infant Mortality Rate	-----	.0004 (.006)	-.009 (.008)
Democracy	-----	-.051** (.024)	-.097** (.038)
Battle Deaths	-----	.035 (.133)	.095 (.134)
Victory	-----	-1.76*** (.462)	-3.19** (1.05)
Peace Agreement	-----	-1.014 (.670)	-2.86*** (.724)
Ethnic Fractionalization	-----	1.32* (.770)	2.63 (2.13)
Duration of Peace	.545 (.182)	.355 (.357)	.312 (.384)
Year	.014 (.016)	-.020 (.018)	-.006 (.015)
Spline 1	.040*** (.012)	.034* (.018)	.021 (.015)
Spline 2	-.026** (.009)	-.027** (.013)	-.014 (.009)
Spline 3	.007** (.004)	.010** (.005)	.002 (.003)
Constant	-32.454 (30.836)	35.301 (35.491)	10.010 (28.299)
Log Likelihood	-114.401	-128.97	-82.774
Pseudo-R	.2545	.2663	.3502
N	3988	3988	3988

Standard errors adjusted for clustering on country. *** p<.001, **p<.05, *p<.10

victory variable is strongly significant, demonstrating that counter to previous theoretical arguments, how the previous conflict ends does matter for understanding recurrent conflict. If either the rebel group or the state is defeated conclusively on the battlefield, it reduces the chances of this rebel group emerging to fight the state again. If the rebel group has won a decisive victory, it means that the group is able to consolidate their enormous gains and ensure that no other challengers emerge to fight them.

The final model at the dyadic level considers a full model of rebel group attributes along with conflict level attributes that can influence recurrence. As before, the financing variable remains significant, suggesting that the introduction of these rents makes it harder to ensure post-war stability following the conclusion of a conflict episode. The consistency of the financing variable across all models suggests the importance in understanding transnational criminal rents when working in post-war societies. No matter what competing explanations are introduced into the model, it remains a strong predictor of post-war recurrence.

When looking at the combined model, we also see that a more complete picture emerges of the rebel group considering starting a new conflict episode. The territorial variable also increases the probability of conflict recurrence, which makes sense and complements the financial argument. Often, for a rebel group to capture transnational criminal rents, they need to maintain territorial control over some of the country to access these rents. Sendero Luminoso in Peru needs to maintain control of the coca fields in the highlands region, while UNITA in Angola was able to initiate new conflict episodes with their protection of the diamond mines in the south and east of the country. Even groups that do not cultivate a resource within their territory, but instead smuggle illicit items through countries need to maintain some degree of territorial control to capture the rent. The Islamic Movement of Uzbekistan (IMU) and the

Kurdish Worker's Party (PKK) both represent groups that do not produce a transnational criminal rent, but instead use their territorial control to smuggle goods into other markets.

The other interesting results from this final model is that both victory and peace agreement significantly decreases the probability of a new conflict episode from emerging. This suggests that rebel groups that sign peace agreements are likely to keep the peace, suggesting that these treaties might be more than mere scraps of paper. Rebel groups that are defeated on the battlefield or those that sign peace treaties are less likely to participate in subsequent conflict episodes. Such a finding suggests that conflicts that seek to incorporate all warring parties and increase the stakes for each actor in the peace might be able to prevent a slide into recurrent conflict episodes. Of course, the introduction of transnational criminal rents makes it harder for a state to negotiate with such a rebel group perhaps providing more insight into why we see recurrent conflicts when transnational criminal financing is present.

Shifts in Predicted Probabilities

To fully understand the effects of transnational criminal financing on new conflict episodes, I now consider some predicted probabilities for the variable of interest, holding all other variables at the mean. In the conflict level model, I find that a shift from utilizing either subnational or transnational popular financing to transnational criminal financing increases the probability of a new conflict episode by three percent in that year. When considering the effects of transnational criminal financing on the dyadic level, a shift from popular financing to transnational criminal financing increases the probability of a new conflict episode that year by two percent across the models. Considering the rareness of conflict episode recurrence, this is a significant increase in probability and suggests that policymakers and regimes that face transnational crime in post-war societies must address the rule of law to reduce the chances of new conflict emerging, which is addressed further in the concluding chapter.

Conclusions

The conflict trap remains one of the major problems facing developing societies throughout the world (Collier, 2007). The purpose of this chapter has been to provide statistical and case evidence to demonstrate that decisions made during the first conflict shape the possibilities of recurrent conflict episodes. The results of this chapter have shown that when a rebel group utilizes transnational criminal financing to challenge the state, it increases the probability that state will face another challenge to its sovereignty. When shifting the level of analysis to the rebel group level, we find that those groups that participate in transnational criminal financing are more likely to fight recurrent conflict episodes. Transnational criminal financing may not change the motivations of rebel groups that are fighting the state, but it does lower the barriers of entry for rebel groups, allowing them to capture a large amount of rents quickly. The introduction of crime networks also weaken state capacity and make it harder for the state to reassert authority in post-war societies. In the next chapter, I will turn to the conflict in the Democratic Republic of the Congo to better identify the causal mechanisms between criminal financing and conflict recurrence. The conflict in the DRC provides a strong chance to test the final recurrence hypothesis that regions with transnational criminal financing will be more likely to experience new conflict episodes because of significant within-case variation due to the large number of rebel groups that have fought in the country between the years 1996-present. In looking at this case, it is possible to build a stronger picture of how crime presents a significant hurdle for post-war environments.

Chapter Six: Recurrent Conflict in the DRC

Introduction

The previous chapter established that there exists a strong cross-national relationship between the presence of transnational crime and recurrent conflict episodes. The focus of this chapter is to build upon this empirical insight by identifying whether the theoretical causal mechanisms are present in a particular case, which allows for a further examination of the fifth and sixth hypotheses about crime and conflict recurrence and also an initial test of the seventh hypothesis in this dissertation. In Hypothesis 7, I propose that regions where transnational criminal financing is present during a previous conflict are more likely to be the source of recurrent conflict episodes. To test this hypothesis, I employ a mixed-method approach in this chapter using geographic information systems (GIS) mapping, subnational data and process tracing case research.

The rest of this chapter is structured as follows. First, I will explain why I chose the case of the Democratic Republic of the Congo for this subnational within-case analysis. From there, I will introduce the subnational variables used for the logit analysis and then present the results to see whether there exists a statistical relationship at this level. After the subnational regression, I then look at the various rebel groups involved in the various Congo conflicts of the past fifteen years, identifying the funding sources of each while also examining their relationship with the surrounding geography. After looking at the presence of transnational crime and other financial opportunities for DRC rebel groups, I briefly consider whether competing theories of recurrent conflict can help understand conflict processes in the DRC. I conclude the chapter with a brief summation of the benefits using case and GIS mapping techniques to complement large-n work in contemporary studies of conflict.

Introducing the Case of the Democratic Republic of the Congo

The conflicts in the Democratic Republic of the Congo (DRC) are considered to be the deadliest series of conflicts since the end of the Second World War (Prunier, 2009). In choosing the case of the Democratic Republic of the Congo, I relied on the same principles of nested analysis that was outlined in previous chapters (Lieberman, 2005). Like the case of Cambodia for the duration analysis, I deliberately picked the DRC and its various rebel groups deliberately as part of a model testing analysis. As discussed previously, the focus of the case and subnational test is to better understand how the causal mechanisms between crime and conflict recurrence operate. The conflict in the DRC is an on-the-line case when examining the statistical models in the previous chapter, which means that the theoretical expectations were met in the statistical findings, namely that the presence of transnational crime increased the probability of new conflict episodes. I have demonstrated that in the cross-national analysis that the empirical relationship exists, but the focus here is to properly identify the causal mechanisms, which makes this another example of a model-testing analysis or a pathway analysis (Gerring, 2007). Another motivation in choosing the DRC is that there is a phenomenally large amount of rebel actors operating within the past fifteen years. That allows for a within-case analysis in which many of the competing explanations for conflict recurrence can be held constant.

Additionally, the presence of valuable natural resources in the country has led to a significant policy debate between non-governmental organizations about the link between resources and conflict which culminated in the passing of section 1502 of the Dodd-Frank Bill which seeks to regulate these materials. Yet, many scholars remain unconvinced about the relationship between these minerals and conflict (Seay, 2012). The hope of this subnational

analysis is to identify some of the underlying mechanisms involved to gain a stronger understanding of the relationship between transnational crime and recurrent conflict episodes.

The following analysis begins with a subnational analysis about the geographic relationship between transnational crime and the location of recurrent conflict. From that, I then turn to the case analysis of major rebel groups involved in the recurrent fighting. Information about the rebel groups come from two sources: archival research based on information from policy and. The combination of spatial and case analysis together provides an opportunity to better capture the micro-foundations of conflict in the DRC. The combination of mixed methods provides a better opportunity to understand exactly how rebel participation in the criminal economy leads to the emergence of new conflict episodes.

The Subnational Analysis

Variables at the Subnational Level

The final hypothesis that is to be tested regarding the role transnational criminal financing can play in creating recurring conflict episodes examines the subnational effects of crime on war patterns. The introduction of transnational crime networks into a specific region makes it harder for the state to reassert control following the cessation of a conflict episode. In addition, those who were able to enrich themselves during the war will seek to protect their rents with violence when the state attempts to reincorporate territory. Thus, the presence of transnational rents should be a predictor of where recurrent conflict episodes emerge. This last hypothesis will be examined using geographic information systems (GIS) mapping, econometrics and process tracing to capture the subnational variation of conflict.

The benefits of undertaking a subnational analysis is that it allows for us to control many of the country level variables that are argued to matter in understanding recurrent conflict

(Walter, 2004). In addition, a burgeoning group of scholars have argued that the local determinants of violence are critical for understanding conflict processes, as many conflicts do not occur throughout the country, but are instead concentrated in certain regions (Buhaug and Gates, 2002). GIS mapping will provide the opportunity to capture the local dynamics of conflict and illustrate how international processes play out at the local level. The level of analysis for this study will be at the cell level of the Democratic Republic of the Congo. The Democratic Republic of the Congo was chosen for this subnational study because it has important variation on the dependent variable, as almost all provinces experience conflict during the 1997-1998 war, yet the recurrent conflict episodes during 1998-2003 and 2004-2011 have clustered in a small number of provinces. The vast number of rebel groups fighting this conflict also runs the gamut of funding sources from subnational local donations to proxy groups fighting with the support of regional rivals and those groups involved in the procurement and smuggling of vast mineral resources.

To get at the presence of transnational criminal financing shaping local politics, I utilize the new PRIO-Grid data set (Tollefsen, Strand and Buhaug, 2012). The PRIO-Grid data is a new project that divides the terrestrial world into quadratic squares. The reason for doing so is that while scholars have increasingly noted the importance of spatial and temporal dependence in shaping politics, these relationships rarely recognize political borders. This is especially true in the case of the Democratic Republic of the Congo. After Mobutu fell from power in the late 1990s, the regime created new administrative districts. To have comparable statistics over time, using a gridded structure allows for a comparison of territory without compensating from changes in political boundaries. The gridded cells used in the GIS analysis are with 0.5 x 0.5 degree resolution, projected using the WGS84 geographic reference system, which is also the

system used for global positioning systems. WGS84 projects the Earth as an ellipsoid and is used as a way to create a common reference system for the world. Each individual cell represents a segment of territory within the DRC. The observational unit for this study is cell-year and because this study centers on recurrence, I have focused on the PRIO-Grid data and all explanatory variables for the years 1997-2008. The result of these specifications is nine thousand, one hundred and fifty six unique observations on which to test the data.⁸

The dependent variable is the presence of conflict within a given cell. The conflict data comes from Uppsala/PRIO and measure what is considered the conflict zone. If a given cell is within the conflict zone, it is coded as hosting the conflict. All information on conflict zones come from the PRIO Conflict Site data (Dittrich Hallberg, 2012). Of the nine thousand cells, three thousand, six hundred and thirty are coded as being subjected to conflict between the years 1997-2008. I then collapse the cells into one observation to generate a count of the number of conflict events for each cell.

To initially map the presence of transnational criminal networks in the country, I created a new shapefile of transnational crime. To operationalize this variable on the subnational level, I use a combination of geo-referenced variables. The first comes from Lujala (2009), which looked at the presence of resources as a predictor of the severity of conflict. Her data includes information on drugs, diamonds and oil resources that rebel forces could utilize in their struggle against the state. However, in the DRC, there is also much artisanal mining that is not captured in this data. To map where these artisanal mines are, I use Mineral Resource Data System (MRDS), which comes from the United States Geological Survey (USGS). That data allows us to measure the presence of all natural resources within the DRC. In addition, there could be a difference

⁸ For more specifications and the structure of the data, I recommend consulting the project's extensive codebook at http://www.prio.no/upload/cscw/PRIO-GRID/PRIO-GRID_codebook_v1_01.pdf.

between presence of minerals and active mines, thus we also use the “Mineral Operations Outside the United States” point data from the USGS. These shapefiles allow for a comprehensive measurement of the presence of potential criminal resources in the country.

I combined these three variables to create a new mineral presence in the DRC variable. At this juncture, I now have a complete variable that captures the possible economic endowments that could be enticing for rebel groups, yet this does not provide information about the criminality of the resource. There are multiple mines in the DRC that were not taken over by rebel groups during the conflict, thus suggesting a need to move past the geographic determinism of previous studies. To capture the presence of transnational criminal networks, I relied not only on the same reports that was used to code the presence of transnational criminal networks during rebellion, but also the United Nations Office of Drug and Crime’s annual report that identifies the presence of transnational criminal groups throughout the world. These sources allowed me to take the geographic shapefile and recode it to capture only those resources that were utilized in the pursuit of transnational criminal rents. Because of missing data concerns of not fully capturing transnational criminal activity, in the subnational logit model, I use a test of purchasing power parity at the subnational level as a proxy for the rents of transnational crime, as wealthier areas in the DRC tend to be associated with higher crime rates (US State Department Travel Warning, 2013).

For competing explanations of recurrent conflict and violence during war, I relied upon variables that have been geo-referenced and coded by the PRIO-Grid project. I use a measure of distance from capital as a proxy for state capacity in the model. Especially when considering African politics, there are many reasons to believe that state capacity is concentrated in the capital city (Herbst, 2000). The measure of distance from capitol originally come from the

Cshapes dataset (Weidmann, et al., 2008) and measure the distance from the capitol city to the cell. Because rebellions often occur on the periphery of the country, it is important to account for this geographic indicator to see whether it is merely location or the presence of transnational criminal rents that matter. A competing measure that is included is the travel time from the capitol city to the cell in question (Nelson, 2008), which is another useful measure considering that lack of transportation options in the DRC.

To control for socio-economic features, I utilize gridded population data that is readily available online (CIESIN, 2005). This commonly used source in GIS analysis has population numbers for 1995, 2000 and 2005. Another variable used, since it is one of the key variables in previous explanations of recurrence is infant mortality data, which comes from the SEDAC Global Poverty Mapping Project (Storeygard et al. 2008). The indicator is only from data for the year 2000, but I assume that values stay constant for this brief period of analysis.

Other control variables that are included for this study are mountains and forests, which might provide opportune bases for rebels and are taken from various geological surveys. I also control for average temperature and rainfall, as these two variables can be strong indicators for either grievance or deprivation during hard times. The final variable is a gross cell product, which controls for the wealth of the region. The data originally comes from the G-Econ dataset (Nordhaus, 2006).

In conclusion, the set of tests, which will be done using GIS mapping to illustrate individual conflict episodes, coupled with both a logit model of conflict recurrence at the subnational level and also a brief case analysis, illustrates important subnational variation in intrastate conflict, demonstrating that different strategies might be needed depending on where recurrent conflict episodes are occurring within a country. Taken together, these tests will

provide more evidence that regardless of the level of analysis, that transnational criminal financing provides the resources necessary for rebels to launch multiple conflict episodes against the state.

A Subnational Analysis of Recurrence in the DRC

In this section of the chapter, I shall consider the unique spatial dynamics of how transnational criminal financing relate to the emergence of new conflict episodes. The subnational regression analysis allows for explicit consideration to the location of geographic units. The theoretical argument advanced in this dissertation is that the introduction of transnational criminal rents provides rebel groups and subsequent actors an importance resource for challenging the state. The final recurrence hypothesis posits that regions where transnational criminal financing is present are more likely to experience new conflict episodes. Spatial regression analysis allows us to consider this explicit geographic hypothesis by accounting for the spatial errors that may be present in our data (Ward and Gleditsch, 2008).

There are two major reasons for considering the explicit spatial relationship. The first is that intrastate conflicts have rarely occurred throughout the entire country (Buhaug and Lujala, 2005). Instead, conflicts are often located in distinct regions, suggesting that there are local conflict dynamics driving the process. In a cross-national analysis, it is possible to be missing out on the micro-foundations of the conflict, as the statistical tests consider, for example, the national level characteristics of the DRC. The subnational analysis allows for a consideration of within-case variation on these variables to better identify the relationship between crime and conflict recurrence. Secondly, the clustering of new conflict episodes might be occurring within a country due to the inherent properties of that region, thus it is necessary to control for these properties so there are not biased estimators in our results. Together, the result is that using

subnational regression analysis coupled with case evidence helps illuminate the local dynamics of conflict and demonstrate the long-term effects of crime on conflict zones.

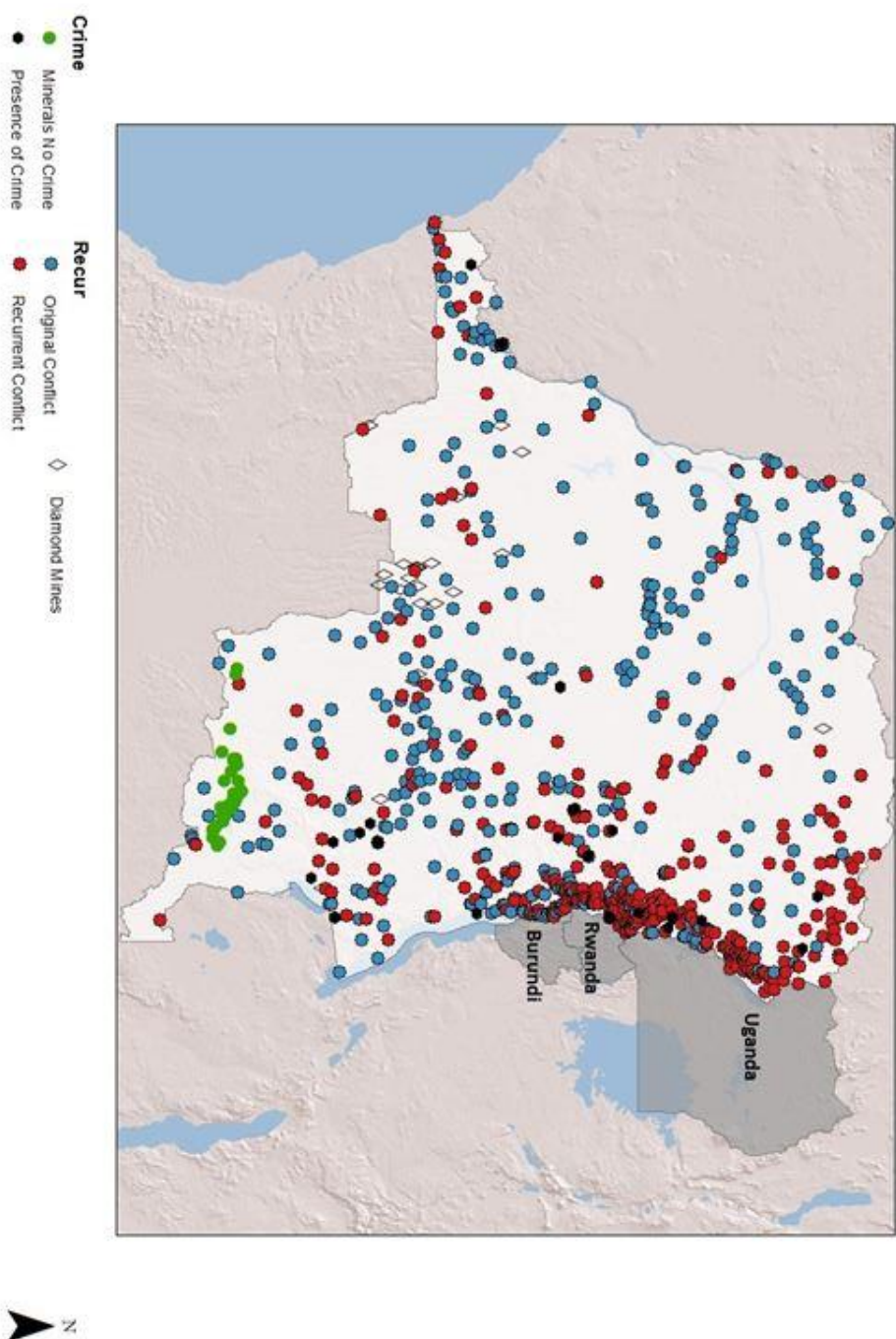
The Wars in the Eastern DRC

There have been multiple conflict episodes in the DRC since the mid-1990s. The war began in 1996 in Eastern DRC when the AFDL rose to challenge Mobutu Sese Seko, the ruler of what was then called Zaire.⁹ The AFDL was a rebel organization with strong ties to neighboring Uganda and Rwanda; in fact some sources have reported that Laurent Kabila, the rebel leader, had been recruited at a Tanzania nightclub to wage a proxy war against Mobutu (Prunier, 2004). The Ugandan and Rwandan governments were both frustrated with Mobutu's continuing support of rebel armies that would weaken the respective governments' hold on their territories. In particular, Rwanda was recovering from the genocide of 1994 and wanted to eliminate the continued threat that the genocide perpetrators posed to their post-war rebuilding efforts (Gourevitch, 1997).

Hence, the war began with a rebel organization that had strong popular and transnational support. The strength of that transnational support was supplemented by troops from Uganda and Rwanda in Eastern DRC coupled with an alliance with the Angolan army in the western part of the country (Stearns, 2011). The AFDL unseated Mobutu in just over a year and Laurent Kabila became the new ruler of what was rechristened the DRC (Uppsala Conflict Encyclopedia, 2013). However, the defeat of a long-standing dictator was just the beginning of the conflict episodes in the DRC. While the victory of one rebel group should have increased the costs for other potential rebel groups to challenge the regime, the years since then have instead seen many

⁹ The Democratic Republic of the Congo was officially named Zaire until 1997. For purposes of this study, the country will be referred to as the DRC throughout.

Figure 6.1: Map of Original and Recurrent Conflicts in the DRC, 1997-2010



recurrent conflict episodes in the various provinces of the east.¹⁰ This is demonstrated in Figure 6.1, which highlights where individual conflict episodes occurred in both the original and then recurrent conflict episodes.

Looking only at the maps in the figures, it becomes apparent that it is not only the presence of natural resources that matter for understanding continuing conflict in the DRC seemingly providing support for the spatial analysis. Instead, it appears that it is how rebel groups decide to interact with the surrounding environment that determines whether there are recurrent conflict episodes. As Figure 6.1 demonstrates, areas where natural resources present are not necessarily magnets for conflict. Instead conflict centers in the east, where mineral and gem resources were captured by rebel groups and then utilized for procuring arms and rewarding supporters. While there has also been much focus on the importance of “blood diamonds” in many press reports of African conflicts (Macalister, 2001), a quick look at the map also shows that where diamond mines are located also do not see as much conflict when they are not taken over by rebel groups and utilized in the global illicit economy. Thus, it is not the mere presence of a resource that seems to be driving the conflict, but rather how it is utilized by the rebel group.

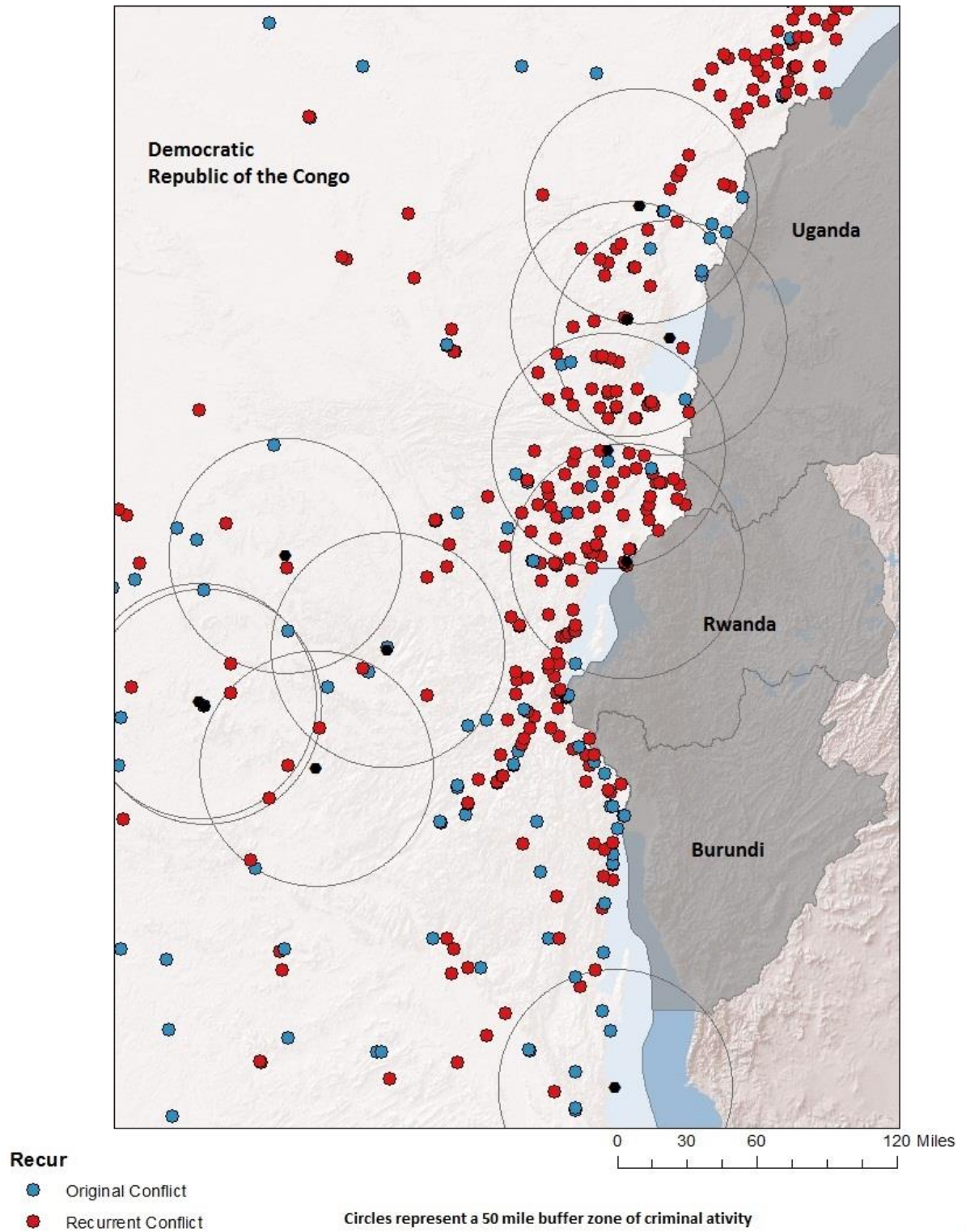
The conflict episodes represented in this map and subsequent ones come from the Armed Conflict Location Events Data (ACLED). We can see that while in the original conflict between the AFDL and the government spread across the country (which is represented with the color blue), subsequent episodes cluster in the east. The exception to this is a brief conflict in the western provinces during 2006-2007, which remained unrelated to the wars in the east. The spatial regression that was undertaken is to see whether there is something unique about the space in which these conflict episodes occur.

¹⁰ It should be noted that as of the writing of this chapter that a new rebellion has started in Eastern DRC by a group calling itself M23. Because this rebellion started after data collection, it is not included in the statistical analysis, but is discussed in the case narrative.

Figure 6.2 provides a close-up on the presence of conflict episodes in the DRC and the presence of transnational crime networks. Conflict episodes are not going to exist solely where transnational criminal rents are procured, but will instead spread out across the region. I utilize a fifty-mile buffer to account for not only the capture of this rent, but the transport and control of networks throughout the region. These maps are not meant for confirmation of hypotheses, but instead to highlight the clustering of conflict in certain regions of the country.

While the AFDL relied primarily on the external patronage of Uganda and Rwanda during their march west towards the capital city of Kinshasa, other rebel groups emerged during the rebellion that did not have the same privilege. First, the Army for the Liberation of Rwanda (ALiR), which was made up of Hutus who had participated in the genocide against Tutsis in Rwanda, lost the patronage of Mobutu as his regime crumbled (Gourevitch, 1997). However, this group was based in the east of the country so they could launch raids into Rwanda, which meant that there were based near the large diamond and mining sector found in the region. ALiR was able to capture resource rents to continue fighting the AFDL and both national armies that were advancing into the eastern provinces. Long-standing grievances between various ethnic groups throughout Eastern DRC also became militarized during this first war, as both sides forged alliances with promises of representation, property and more political rights to potential recruits. Because the eastern provinces were hard to reach from the capital city and also because the allies of AFDL had limited funds that they could provide to their own soldiers and allies, the capture of these resource mines became increasingly important. The end of the first war meant that even though the AFDL had captured the capital city in a stunning victory, there were many militarized groups throughout the country that had their own demands upon the state. The peace did not last long and soon the new regime found itself engulfed in war again (Prunier, 2009; Stearns, 2011).

Figure 6.2: Recurrent Attacks and Crime in Eastern DRC



The main challenger to the ruling regime in the second conflict episode that began in 1998 was the Congolese Rally for Democracy (RCD), which was again allied with Rwanda. Rwanda and its regional allies in the Eastern DRC were upset that the new government in Kinshasa had failed to dislodge the former Hutu groups such as the ALiR from DRC territory. The RCD were disaffected soldiers that had fought with the AFDL in the previous conflict. These rebels had stayed in the east and managed the mines under their control. This meant that they had the necessary money to pay soldiers and procure arms to fight a second conflict episode against a new government. So began a conflict which has been called the “World War of Africa” due to staggering involvement of ten countries and thirty rebel groups (Prunier, 2009). However, unlike the first conflict, fighting was more contained, clustering primarily in the east and north of the country, with very little fighting in the western provinces. The end of this war came in 2003, with the signing of what was believed to be a comprehensive peace treaty that welcomed in United Nations peacekeepers (Uppsala Conflict Database, 2013).

New conflict episodes continue to emerge in the eastern provinces since the signing of the peace treaty in 2003. The sheer number of groups involved in these new conflict episodes defy summary, but what is observed is continued fighting over access to mining resources.¹¹ To better understand this relationship, we now turn to Table 6.1, which reproduces the findings of the subnational analysis. Looking at the results of the logit model, we find that the presence of transnational criminal networks is significantly related to the probability of new conflict episodes emerging. However, that finding is only preliminary due to missing data concerns at the subnational level.

¹¹ The emergence of fighting over conflict minerals in the DRC has led to legislation by countries such as the United States to prevent the enrichment of rebel groups who trade in illicit items. Such legislation has led to significant debate about whether resources cause conflict. The argument put forth in this dissertation does not pretend to know the motivations for the outbreak of conflict. Rather, the argument here is that these resources lower the barriers to entry for rebellion for these groups and further weaken state capacity, making it more likely conflict will recur.

Table 6.1: Transnational Crime and Conflict Recurrence at the Subnational Level

	Model 7
Transnational Crime	6.67*** (.702)
Distance to Capital	-.00004 (.0008)
Population	-2.84** (1.44)
Infant Mortality	.004 (.002)
GDP Per Capita	-.032*** (.005)
Mountains	1.49 (.872)
Forests	.026** (.008)
Irrigation	-.703*** (.183)
Constant	6.67 (3.69)
Log-likelihood	-128.05
N	763
Pseudo-R Squared	.3347

Dependent variable is a count of the number of conflict episodes in a spatial square. Robust standard errors in parentheses, ** p<.05, ***p<.001

The importance of the criminalization of the resources and the associated wealth is reflected in the fact that when we look only at diamond mines or mineral resources in the country by looking at the maps, we see by ocular inspection that these resources are not associated with higher levels of recurrent attacks. It is the agency of the individual rebel group that decides to utilize this resource and participates in the transnational criminal economy that matters for understanding why certain regions of the country are caught in the conflict trap. The mere

presence of resources is not associated with the onset of new conflict episodes. Turning to the map of natural resource presence, we see that the mineral presence is quite diffuse throughout the country and are not easily accessed by rebel groups. In addition, mines that are firmly under the control of the government, such as those in the south of the country, do not become targets for capture. The overall result demonstrates that regions with natural resources are not susceptible to recurrent conflict episodes, only those regions where the mineral resource was previously captured by rebel groups that became involved in the global illicit economy. Such a finding provides preliminary support for the hypothesis that the presence of transnational criminal financing makes it harder for the state to reassert its authority in the post-war environment and can be an easy rent to use to start a new conflict

The other variables in the model tell a mixed story. Surprisingly, the distance to the capital, the proxy used in this study for state capacity is not significant. However, this could be because capital cities are valuable prizes during war, especially in Africa, where capture of a capital is equated with international recognition and legitimacy. Coup attempts and efforts by rebels to push towards the capital perhaps explain the non-finding here. The infant mortality statistic is also not significant in the models, which confirms the larger analysis, but is not surprising as infant mortality levels are high throughout the country, yet we do not witness conflict everywhere. Considering the geographic variables, we find that forested regions are more likely to experience conflict, but areas that have been irrigated are less likely to experience recurrent conflict episodes. That suggests that the recurrent conflict episodes that emerge in the DRC are primarily located in rural or undeveloped areas, where rebel groups operate artisanal mines to secure criminal rents. Finally, GDP per capita is strongly significant in decreasing the probability of new conflict episodes, which suggests that even at the subnational level, this might

be a more useful proxy for either state capacity or that those who are well off are not motivated to fight. What is beyond the scope of this study or the available variables is whether there is inequality in certain regions that could be contributing to new conflict episodes.

Concluding the subnational analysis, looking at the DRC, I find some preliminary support for the possibility that transnational crime increases the probability of recurrent conflict episodes. However, to better understand the role of crime at the subnational level, it is necessary to look at the actions of individual rebel groups to better understand the causal mechanisms between rebel financing and the possibility of recurrent conflict.

Examining the Conflict Processes in the DRC

Finally, returning to the case narrative of the Democratic Republic of the Congo, we see that there have been multiple armed groups that have emerged since the beginning of the first conflict episode in 1996. Table 6.2 presents the location, funding source, years active and whether there were recurrent conflict episodes by that group. The narratives of these groups highlight the importance of having transnational criminal financing as a potential funding source for rebel groups. Rebellions continue to emerge in the east because the introduction of transnational criminal rents have incentivized rebels to start new conflict episodes to protect their rents, while lowering the costs of entry for new rebel groups that seek to challenge the state. The large transnational criminal networks in the eastern provinces make it hard for the state to reassert its authority. The government in Kinshasa has failed to address the underlying grievances driving rebel groups in that region because of their weakness (Autesserre, 2010). The presence of these transnational criminal rents contributes to this weakness and makes rebellion a viable option for those who disagree with the state. Without a plan that fully addresses the local

conditions of conflict in the DRC, it is quite certain that low-intensity conflict shall continue in that region for the foreseeable future.

Table 6.2: Major Rebel Groups in the DRC and Funding Source

Rebel Group	Years Active	Funding Source	Location	Recurrent Conflict
AFDL	1996-1997	Uganda & Rwanda	Eastern Provinces	No (became government in 1997)
RCD	1998-2001	Uganda & Rwanda Gem Smuggling	Eastern Provinces	No
RCD-Factions	2001-2004	Mineral Exploitation Gem Smuggling	Eastern Provinces	Yes
MLC	1998-2001	Uganda, Taxation	Northeast	No
ALiR	1996-2000	DRC, Mineral Exploitation	Eastern Provinces	Yes (as FDLR)
FDLR	2001-Present	Gold Smuggling	Eastern Provinces	Yes
CNDP	2006-2009	Mineral Exploitation	Eastern Provinces	Yes (as M23)
BDK	2006-2007	Local Support	Western Provinces	No
Mai-Mai Groups	1997, 1999- 2002, 2007- Present	Mineral Exploitation	Eastern Provinces	Yes
M23	2012-Present	Rwanda, Smuggling	Eastern Provinces	Ongoing

Examining the Legacies of Rebel Groups in the DRC

The focus of this section is to identify the legacies of individual rebel groups that fought in the DRC to understand how the funding decisions made by each group influenced their subsequent decision-making on whether to fight in additional conflicts. Due to the sheer number of rebel groups fighting in the conflict, I briefly consider each group before concluding this section with an analysis of competing explanations of recurrent conflict in the DRC.

The first groups I consider will be the AFDL and the RCD, as both of these groups are present in the early stages of the conflict and both rely primarily on the external support of

Uganda and Rwanda. The AFDL ceases to be a rebel group due to the overthrow of the Mobutu regime in Kinshasa and subsequently becomes the government (Uppsala Conflict Database, 2013). The group is able to achieve this due to the large amount of military and economic support provided by their external patrons. The RCD, which will fight in the 1998 conflict also receive significant financial support from both Uganda and Rwanda and will not participate in subsequent conflicts once their war comes to an end in 2003. Instead, the group will become a registered political party and compete in the DRC elections. The RCD, considered to be a proxy group of Ugandan and Rwandan interests (Prunier, 2004), are forced to the negotiating table by their external patrons and abide by the agreement as they no longer have access to the rents necessary to fight the state. The RCD does not have access to local support as they remain quite unpopular with the local population because they are seen by the locals as a puppet of the government in Kigali, Rwanda (Stearns, 2011).

The RCD-factions are the first group considered that relies on transnational criminal financing to fund their multiple conflict episodes (Eichstaedt, 2011). The rebels of the RCD break off from the main group during the 1998-2003 conflict against the Congolese government due to internal bickering over the goals of the organization. Because the group has little to no popular support in the eastern provinces, the rebels turn to monopolizing the artisanal mining trade. The rebels then smuggle these precious resources into Rwanda for resale on both the black and legitimate market. The RCD-faction rebels will be willing to eventually enter into a peace agreement, but do not actively participate in the DRC elections. In 2006, these rebels will reconstitute as the CNDP and fight another conflict, relying on the mineral trade to fund their war against the state. The CNDP eventually signs a peace treaty in 2009 in which these soldiers are expected to be integrated into the national military. However, these former rebels maintain

control of some smuggling routes (Hawkrige, 2011). These rebels then reemerge in the summer of 2012 as the M23 rebel group, which is fighting sporadically at the time of this writing.

Other rebel groups such as AliR and their subsequent organization the FDLR also rely on the mineral trade to fund their activities (United Nations, 2009). These rebels can initially be traced back to the remnants of the Hutu government from Rwanda which fled at the end of the 1994 genocide. Because these groups had no local constituency in the DRC to rely upon, they quickly gravitated towards the mineral trade and smuggled goods out of the DRC to fund their rebellion. A report from the United Nations Group of Experts documented how the process worked and created working relationships among rebel groups:

“The Group received further detailed information on the FDLR’s control of gold in this area: an FDLR ex-combatant confirmed that FDLR battalion commander Colonel “Dmitry” based near Kasugho was in charge of the gold trade and was working with Mai Mai units in exploiting several gold deposits in Lubero and Walikale territories. Interviews with two separate FDLR ex-combatants from Oninga, a remote location in the territory of Walikale further west from Kasugho, mentioned in June 2009 that Col Dmitry had also been receiving at least three kilos of gold a month (roughly 90,000 US dollars equivalent) from their own specific FDLR units which, in turn, were taxing and trading at gold mines near Oninga. Local chiefs and Mai Mai militia interviewed by the Group in October 2009 stated that, despite the fact that the FDLR had been pushed out of Oninga town, the FDLR still controlled and taxed many gold mining zones south east of Oninga and south west of Lubero town. The Group received testimonies and MONUC reports that FDLR and various Mai Mai units, including those of Gen. Lafontaine, have formed an alliance covering parts of Lubero and Walikale territories where significant gold reserves are being jointly exploited(United Nations, 2009, 127).”

The rebels of FDLR have continued to launch attacks in both the DRC and into neighboring Rwanda. Because these rebels have neither external patrons nor local legitimacy, they are beholden to no other veto players and are able to use criminal financing to launch new attacks whenever they deem it necessary. Looking at these rebel groups, at the subnational level, it is possible to isolate how the financial decisions by rebel groups provide the opportunity to

launch new conflicts, as they continued to make significant amount of monies during peacetime that allowed them to buy more arms. The next section will consider some of the competing explanations for why rebel groups in the DRC are seemingly so prone to conflict.

Competing Explanations for Recurrent Conflict Episodes

The above analysis has sought to identify and understand the underlying causal mechanisms between transnational criminal financing and recurrent conflict. The plethora of rebel groups in the DRC has provided the chance to evaluate the theory by looking at the decisions of various rebel groups involved in the fighting. Much like the previous case chapter in Cambodia, the analysis reveals that groups relying primarily on the support of external patrons, in this case Uganda and Rwanda, are more constrained in their actions, especially as those two nations' interests diverged over the course of the conflict. Groups that were aligned with Uganda had to either change their source of funding or disband after Uganda decided it was too costly to remain involved in the DRC conflict (Prunier, 2009). But there could be other explanations beyond financing that explain the emergence of new conflict episodes in the DRC. The focus of this section is to briefly consider explanations found in other articles on conflict recurrence.

As discussed throughout the dissertation, previous studies of conflict recurrence have focused on whether conditions during the first conflict or those after the completion of fighting lead to new conflict episodes. When looking at the subnational analysis, many of the post-war explanations fail to help us understand the location of recurrent conflicts nor the individual decisions of rebel groups to begin new conflict episodes. Returning briefly to the spatial analysis, the infant mortality rate, which is used as a proxy for post-war living conditions, is found to be insignificant in predicting the location of recurrent conflict. GDP per capita is significant, but I would hesitate in considering that a proxy for post-war living conditions, as the measurement has

been used in political science studies for other proxies such as state capacity, which is a stronger theoretical explanation in understanding the onset and recurrence of conflict.

There are other competing explanations that are more salient in understanding the emergence of new conflict episodes in the DRC conflict. Whether a rebel group relies on ethnic mobilization to support its goals has a checkered past in cross-national studies, though the most recent statistical evidence finds support for such an explanation (Kreutz, 2010). Looking at the individual rebel groups in the DRC, I find that this explanation cannot be discounted, especially when looking at the Mai-Mai militia groups, of which there are estimated to be more than ten operating in the eastern provinces (Stearns, 2011). These groups first arose in response to the collapse of the state during the first DRC war between the years 1996-1997. They recruited along ethnic lines to provide security as the major rebel groups and the government waged war across the country. The Mai-Mai militias did not disband with the AFDL victory, but instead continued fighting in the security vacuum against other militia groups (United Nations, 2009). In fact, they often fall out of intrastate conflict data as some rarely clash directly with the government (Uppsala Conflict Database, 2013). Thus, while these groups relied on some banditry, mineral smuggling and looting to finance their organization, the ethnic mobilization theory also provides an explanation for the recurrent conflict episodes of certain organizations.

There are also some competing explanations that do not find support in the case of the DRC. There is a clear victor in the 1996-1997 conflict when the AFDL wins a decisive victory against the government of the DRC. While this does prevent the recurrence of conflict from the AFDL and the government, this victory did not discourage other groups and nations from fighting subsequent conflicts in the DRC. Additionally, the presence of an United Nations peacekeeping force following the end of the second conflict in 2003 did not prevent the

emergence of new conflict episodes in subsequent years between rebels and the state. The failure of the United Nations peacekeepers in the DRC has inspired its own literature (*see Autesserre, 2010 for a book-length examination of the topic*) and will be considered in greater detail in the concluding chapter of this dissertation.

Conclusions

What are the micro-foundations of recurrent conflicts? In this chapter, I have argued that the presence of transnational criminal financing in the DRC conflict created the conditions necessary for subsequent conflict episodes. To demonstrate this, I conducted a within-case analysis of the various DRC conflicts since 1996 by using both subnational statistics and case analysis that relies on both archival and field research. At the local level, the presence of transnational crime lowers the barrier of entry for rebel groups that either still have grievances against the state or are motivated to fight new conflict episodes to protect their criminal rents. The findings of this chapter finds support for understanding the micro-foundations of conflict by demonstrating that conflict recurs primarily in the regions where transnational crime was present in the previous conflict. The case of the DRC also finds support for the feasibility approach of understanding rebellion. There may exist many grievances within the state of the DRC, but it is in the regions where mineral trafficking are already present that have a higher probability of conflict episodes.

The DRC is a controversial case in the policy community, as many argue that it is either ethnic grievances or greed driving the conflict episodes there (Autesserre, 2010; Eichstaedt, 2011). The results of the chapter have shown that this dichotomy is misleading and that some nuance is needed for understanding the continuing conflicts in the country. Ethnic grievances are present in the eastern provinces and it was ethnic mobilization in past conflicts that also helps

understand the emergence of a new conflict in the western part of the country. However, ethnicity alone does not explain the inability of the national government, the international community and various rebel groups to create a lasting peace in the region. Groups that have participated in transnational crime have launched multiple challenges to state authority over the past fifteen years, demonstrating the importance of transnational crime in understanding recurrent conflict. However, those who criticize the international approach of regulating conflict minerals have a valid point. It is not just the presence of natural resources that predicts conflict at the subnational level, but instead, it is how rebel groups choose to operationalize those resources. The policy implications of these findings will be considered further in the concluding chapter.

Chapter Seven: Conclusions

Introduction

In the small city of Tarkint located in the northern provinces of Mali, a Boeing-727 made an emergency landing in 2009 that left the plane stuck in the sands of the Sahara (The Guardian, 2010). As the US embassy recounted in private documents that were subsequently part of the Wikileaks scandal, the plane was found empty by the authorities soon after. The plane had been carrying what is estimated to be eleven tons of cocaine that northern separatists were using to fund their challenge against the state (Harding, 2013). A plane full of drugs in a weak West African state unfortunately has not been an exception in recent years and rebel groups in the region have adopted such funding methods to fund their war (UNODC, 2012). Until recently, however, this security concern has not grabbed international headlines.

Mali briefly dominated headlines at the beginning of 2013 as French military forces intervened to dislodge a group of Islamist rebel groups that had taken over the Northern provinces. Mali had been considered a “success” story of democratization in Africa, but in 2012 twenty-years of stable democratic rule fell apart as the ethnic rebellion of the Tuaregs spread throughout the country, which culminated in a coup by the military. After the coup by the military, the country was divided between the northern Tuareg regions and the southern military regime. Northern Mali, a region the size of Texas, proved to be too much territory to control and radical Islamist rebel groups soon started taking over the country. The emergence of these new religious rebel groups and the fear that northern Mali was becoming a base for terrorism prompted the French intervention. The French have promised to stay as long as it takes to rebuild the country, focusing on how to destroy militant bases and incorporate the ethnic Tuareg population (Leibovich, 2013).

Yet, as of the time of this writing, the French and regional security forces have not addressed one of the main reasons that so many rebel groups emerged in North Africa in the past decade, namely the presence of those transnational smuggling networks that connect West Africa to Europe. The presence of transnational crime in the region has provided a source of funding for outlawed and isolated rebel groups throughout the Sahara and Sahel region. It is estimated that Al-Qaeda in the Islamic Maghreb has made anywhere from forty to sixty-five million since 2008 by kidnapping foreigners for ransom (Harding, 2013). In this concluding chapter, I shall consider the policy implications of the presence of transnational crime during wartime and what it means for post-war reconstruction. Brief illustrative examples from post-war landscapes will illustrate how the international community is often unprepared to deal with the presence of transnational criminal networks and have often become immersed in them. From there, I will consider extensions of the research, focusing on projects that would determine which rebel groups choose to become involved in transnational criminal financing in the first place and developing an instrumental variable approach to satisfy concerns about endogeneity. After considering both the policy implications and theoretical extensions of the dissertation, I conclude with a brief summary of the contribution of this dissertation to the field of International Relations and Comparative Politics within Political Science.

Theoretical and Empirical Extensions

The focus of this dissertation has been on the effects of transnational crime on intrastate conflict duration and recurrence. However, there exist many theoretical and empirical extensions that are left unexplored in this dissertation. In this section, I will highlight just a few of these, focusing broadly on war outcomes, the origins of rebel group financing and introducing an

empirical approach that uses instrumental variables. Together, these theoretical and empirical extensions provide a roadmap for future academic work.

Understanding Conflict Outcomes

In 1992, soon after Moldova gained independence due to the collapse of the Soviet Union, the country faced its own secession movement. A small geographic region in the east of the country named Transdniester declared independence with encouragement from Russia. The encouragement from Russia was not surprising, throughout the late 1980s and early 1990s, various politicians in Russia encouragement nationalistic revolts for their own strategic reasons. Russian support for the Transdnieser revolt led to a brief conflict with the residents of Transdniester achieving “independence” from the Moldovan government. Twenty-years later, the territory of Transdniester has still not been reincorporated into Moldova and the legitimacy of its independence has not been recognized by the international community. Yet, some individuals in Transdniester have been able to prosper and resist all attempts by Moldova to end this “frozen conflict (Glenny, 2008).”

The territory of Transdniester represents what can occur when transnational crime is introduced into an intrastate conflict zone. Transdniester relied primarily on Russian support at the beginning of their conflict with Moldova, but since the cease fire has been signed, the territory has reinvented itself as a hub for transnational crime. The result of such a decision is that powerful citizens that have leadership positions in Transdniester have no impetus to reach a peace agreement with the government in Moldova. For the past twenty years, Moldova has been unable to assert its sovereignty over all of its territory (Naim, 2005). Moldova is not alone in this predicament, as the Burmese(Myanmar) military faces the same problem with drug trafficking rebels on their territory, even if there is not active fighting. Future research should focus on how

the introduction of transnational crime can thus affect conflict outcomes. The results presented in this dissertation only looks at whether fighting stops between the two or more actors. What is not considered is how the conflict ends. The example of Transdniester illustrates how transnational crime could prevent the emergence of comprehensive peace agreements, as the large rents generated by crime creates “frozen conflicts,” where actors have no incentive to formally end the conflict. Frozen conflicts differ from the lengthier civil wars analyzed here because there is no active or recurrent fighting that is measured.

Additionally, it is still unclear as to whether the adoption of some types of financial resources for rebel groups increases their chances of winning the conflict. In the case analyzed throughout the dissertation, we see that the rebel groups using transnational crime appear unable to dislodge the government. In Cambodia, the Khmer Rouge was able to fight for nearly twenty years after losing power thanks to their gem resources, but they were unable to make significant territorial gains. In the DRC, there have been multiple rebellions since the late 1990s where conflict minerals were used to fund their challenge, but the Kabila government in Kinshasa has been able to hold onto power. It is possible that because rebels relying on transnational crime are less likely to recruit large numbers of supporters, they are unable to gain enough support from the population to win control of the government.

Other cases suggest, however, that transnational criminal financing can lead to a successful conflict outcome for the rebel group. In the Central African Republic, Bozize was able to win power after relying on criminal rents, but has struggled to remain in charge. In other parts of Africa, we see the same outcome, as governments in Liberia and Sierra Leone, which were swept to power with the support of blood diamonds, soon fell from power. Moving forward, it is important to capture these conflict dynamics by looking at how crime can shape various conflict

outcomes and provide a better picture of post-war societies in which transnational crime has been introduced.

Underlying Conditions for Crime

Another area for future empirical study is the origin of financial decisions during intrastate conflict. The theoretical argument put forth in this dissertation argues that rebel groups make decisions on their funding based on the desire to achieve a certain level of operational independence coupled with the number of rents that they believe is necessary to win concessions. It is noted throughout that some countries do not have the natural resources present that are necessary for crime, but rebel groups can overcome this problem by smuggling illicit items through their territory. At the same time, it is left unanalyzed as to whether certain conditions make it easier for certain violent non-state actors to become immersed in the transnational illicit economy. In the Eastern DRC, for example, rebel groups that spoke the same language as neighboring Rwanda and Uganda were able to deal with criminal actors in those countries to begin smuggling valuable mineral resources across the border (United Nations, 2009). To become involved in transnational criminal financing, the rebel group has to have a presence or allies operating in other countries.

Thus, future research should center on the conditions necessary for a rebel group to participate in transnational criminal financing. It is quite possible that certain violent non-state actors just do not face the conditions needed for accessing these valuable rents. Even if the rebel group in question makes the strategic calculations outlined in this dissertation, they may be unable to begin pursuit of these criminal rents. The presence of co-ethnics living in neighboring territories might be a significant predictor of the emergence of a transnational illicit economy and

should be a focus of further study to better understand the dynamics between rebel group and their surrounding environment.

The importance of the surrounding region in determining the possibility of successfully utilizing transnational criminal rents means that there also might be a diffusion element involved with transnational crime. When transnational criminal rents are introduced into one conflict, it could heighten the possibility that transnational crime is used when violent non-state actors emerge in neighboring territories. In Senegal, a rebel group fighting a separatist conflict for over twenty years has relied on growing and trafficking marijuana to support its cause. To do this, the group worked with contacts in neighboring Guinea-Bissau. Eventually this drew the attention of the military in Guinea-Bissau, which due to regional rivalries and a lack of secure funding decided to not disperse the criminal actors on its territory, but become involved in the criminal activity.

Eventually, the Guinea-Bissau military used their criminal rents to fund a series of military coups against the government. As of this writing, the current military regime in charge of the country is seen by the international community as a hub for cocaine trafficking from Latin America that is being smuggled into Western Europe (Nossiter, 2012). To help smuggle these illicit items into Western Europe, the military and its allies have forged contacts throughout West and North Africa, including militant groups that are involved in current conflicts in Mauritania, Algeria and Mali. Future studies can build off of this example by seeing whether there is a contagion effect as one government or rebel group becomes involved in transnational criminal financing. If such a relationship exists, it is not only an issue of academic interest, but a significant policy implication for the international community.

Further International Implications

Another implication of this study is that the presence of transnational criminal rents means that these particular intrastate conflicts should be more likely to become internationalized. There are two possible mechanisms for further study. First, these transnational rents that rebel groups rely on mean the movement of illicit goods to a destination country. That means these criminal activities do not remain localized. In response, destination states should be more likely to intervene in conflicts where transnational crime is present as a way to deal with the negative externality created by transnational crime. A good example of this has been the United States and the billions of dollars that they have given to the Colombian government to eradicate the coca leaf that provides criminal rents for the FARC rebel group. Instead of coordinating policy responses on regulating the illicit trade, which is discussed below, some destination states might prefer a military solution to the criminal problem. Going forward, an interesting study would be to determine whether the emergence of transnational crime increases the probability of international intervention into the conflict.

A Brief Discussion of Endogeneity

The final area of future study that will be examined in this dissertation is a methodological issue. The argument put forth in this dissertation is that certain rebel rents, specifically transnational criminal financing, leads to unique conflict outcomes. Yet an unresolved issue in this dissertation and conflict studies more generally is the issue of endogeneity. I will approach the issue of endogeneity from two perspectives: first, what could be meant by endogeneity in this dissertation and how to resolve general concerns from a statistical standpoint.

From a theoretical standpoint, there are some interesting future research questions that are generated by the possibility of endogeneity. For example, one issue of endogeneity that may

exist in the dissertation is that it is not transnational crime that leads to longer conflicts, but instead that in longer conflicts groups are more likely to adopt transnational criminal financing as they exhaust other funding options. Thus, in future study, it would be of theoretical and empirical interest to identify as closely as possible as to when rebel groups adopt criminal financing to better understand whether there are possibly other interactions driving the process and determining when rebel groups turn to transnational crime.

More recently, scholars have sought to address the endogeneity problem with an instrumental variable approach (Blattman and Miguel, 2010 *document a few ways that instrumental variables have been used in conflict studies*). To further understand the impact of transnational crime on intrastate conflict, an instrumental variable for crime would be desirable. An instrumental variable would be employed to show that the adoption of transnational criminal rents during wartime is not endogenous to other factors that lead to longer or recurrent conflicts. The instrument would be a variable that correlates with our dependent variable of duration and recurrence, but only affects the duration and recurrence probability through the explanatory variable of transnational crime. Instruments such as the previously derived measures of natural resources were considered for the dissertation, but did not wholly satisfy the requirements necessary. Another possible instrument would be the presence of co-ethnics in neighboring territories, but I rejected this instrument because of the possibility that co-ethnics might be influencing duration and recurrence through other mechanisms.

Conclusions to Extensions

The focus of this section has been to outline a research and empirical agenda based on the theory and findings of this dissertation. I have argued that there are many fruitful areas of future research in the next three to five years. By looking at the presence of transnational crime during

intrastate conflict, it should be possible to understand what underlying conditions are necessary for transnational crime, the impact these rents have on neighboring states and whether the presence of transnational crime increases the probability of international intervention into intrastate conflicts. This not an exhaustive list of the implications of transnational crime and the next section moves past academia to consider what the presence of transnational crime means for the broader policy community.

Policy Implications

Solving Negotiation Problems for the State and Rebels

It often takes time for regimes facing intrastate conflicts to negotiate with a rebel challenge. Incorporating any type of agreement that addresses the underlying economic characteristics has proven challenging for both sides when transnational criminal financing is present during the conflict. When considering off-the-line cases in the duration chapter, I briefly highlighted how transnational criminal financing in the Central African Republic lead to a series of recurrent conflicts over the past decade. After the first conflict, Francois Bozize, the authoritarian leader of CAR, attempted to address the transnational criminal element of the rebellion by ensuring that the rents generated from diamond smuggling was split between the state and the rebels. It has also been posited that the Burmese (Myanmar) government made the same type of agreement with various ethnic rebellions during the early 1990s (Ballentine and Sherman, 2003). Yet, in researching transnational criminal activity, these cases seem to be outliers. Many governments find it impossible to negotiate and overcome the commitment problem of transnational crime during intrastate conflict.

The negotiation or commitment problem, which other authors have considered in brief (Fearon, 2004) comes from the fact that transnational criminal activities generate rents that are

sometimes hundreds of millions of dollars a year. If the rebel group is motivated primarily by profiting from these economic endowments, then the state has to offer a certain amount of rents to the group to convince them to cease fighting. However, the state is often weakened by the presence of the intrastate conflict and does not have the resources to convince the group to disband. Looking back at the Cambodian civil war, we see that the Khmer Rouge, which originally started as a Marxist organization, became more immersed in transnational crime as the conflict continued. By the time that the United Nations brokered a peace deal, they were unable to provide the rents necessary to entice the rebel group to surrender. It was only when the rents were exhausted did the Khmer Rouge comply with the peace deal. The Cambodian state was bankrupt from the decades of fighting and there was no rent the state could provide that competed with the mineral smuggling racket of the Khmer Rouge.

The lingering commitment problems from the presence of transnational crime are also reflected in the difficulty of the Colombian government reaching a peace deal with the Revolutionary Armed Forces of Colombia (FARC). In February of 2013, the rebel organization proposed to the Colombian government that as part of the peace agreement that the government legalize marijuana and cocaine for recreational use. Over the four decades that FARC has been fighting the government, it has progressively become more immersed in the global illicit economy. While the group has seemingly given up hope of defeating the Colombian military, they want a future where they can continue to accrue large rents from drug production. The problem, of course, is that even if the Colombian government wanted to legalize drug production to end the civil war, the international community would never support such a decision. While those groups which focus on transnational criminal rents seek to reach an agreement that

guarantees continued access to those rents, the presence of crime can sometimes obscure other commitment problems that remain between rebels and the state.

Rebel groups use transnational criminal rents as a way to ensure independence in decision making, as they are not beholden to either internal or external actors. But that does not mean that using transnational criminal rents always has to change the motivations of the rebels. Rebels can still believe that the original grievance articulated is what must be addressed by the state. In these instances, such as in the Democratic Republic of the Congo, the rebel organizations are still angry with the lack of compliance by the state to address their political and economic grievances. Hence, what looks on the surface like a commitment problem due to transnational crime is actually a commitment problem due to other unresolved issues. The presence of transnational crime exacerbates the problem because the availability of rents means that the rebel group can more easily return to the battlefield when negotiations break down between the rebel group and the state.

The policy implications for the international community are twofold centering on how transnational rents are being used in the conflict. If the rebel group has become a criminal organization, then the state and perhaps the international community need to address the criminal elements of rebellion and remove the source of financing for the rebels. However, if the rebel group uses transnational criminal financing only as a way to challenge the state, then the international community must consider how to incorporate the informal economy into any lasting peace agreement, while addressing the underlying grievances. Hypothetically, this could be accomplished by an international peacekeeping presence, but as the following section will document, the international community has often contributed to the post-war crime problem.

International Peacekeeping Missions

The international community has become increasingly involved in post-war reconstruction efforts in the past twenty years. The United Nations peacekeeping force, originally designed primarily for interstate conflicts, has been applied increasingly towards stability operations in internal conflicts. In fact, the largest United Nations force can be found in the Democratic Republic of the Congo, a case that was the focus of chapter four of this dissertation. In the DRC, the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) has provided over ten thousand troops, yet has failed to promote a peaceful post-war environment. Previous authors looking at the inability of the UN to successfully solve the conflict have argued that the failure is due to inclusion of all rebel groups in the cease fire and ignoring local grievances (Autesserre, 2010). Another element worth further consideration is the presence of crime.

A large challenge for the international community and the state in the post-war environment is to reestablish the rule of law. During the war, the state has lost certain territorial regions to rebel groups. When the state ends the conflict, the regime thus has to restore sovereignty and the rule of law to promote stability. For the state to be the legitimate actor among a constituency that recently was under rebel control, it is important for the regime to not only provide peace, but accountability. Transnational crime, as has been documented in this dissertation, makes this more difficult, as even if the rebel group has decided to stop fighting, there are still actors who are motivated to continue accruing the large rents from illegal actions. In post-war environments, the criminality of these actions are not only often ignored by the state and the international community, there has been much documentation that these actors become involved in criminal activity.

While ignoring the importance of reestablishing the rule of law, the participation in the informal economy is worse because it contributes to corruption and creates further grievances for the population. The UN is seen as ineffective not only because of their often stringent rules of engagement, but also because they are perpetuate the criminal economy. In Kosovo, members of the international post-war stabilization force were found to have been involved in drug smuggling and human trafficking operations. Pakistani peacekeepers in the DRC have been arrested for taking bribes and participating in the smuggling of illicit resources across national borders. These instances not only erode both national and international legitimacy, they increase the possibilities of future conflict in the country that these actors are seeking to prevent. The corruption of international actors breeds resentment among the local community, as corruption and continued instability erodes support for the post-war regime. In Afghanistan, the perceived corruption among state and local officials motivate some local communities to reject regime programs for local militias and leaders who might not be tainted (Peters, 2009).

The result is that the United Nations and other regional peacekeeping operations that are deployed into postwar environments where crime is present need to develop concrete plans on how to regulate the informal economy and not perpetuate it. Solving this issue will not be easy for the United Nations as many of the soldiers provided for peacekeeping missions come from countries where they do not collect a large salary. In addition, the United Nations is often struggling to fund these missions, making it hard for the organization to offer the large salaries needed to deter peacekeepers from participating in the illicit economy. The case of the DRC illustrates the danger of sending unprepared peacekeepers into regions where crime is present. Once there, the peacekeepers traded arms from the United Nations weapons cache in exchange for access to gold and diamonds. There are also reports that during the peacekeeping mission last

decade that peacekeepers used United Nations equipment to exchange arms for ivory, perpetuating the illegal wildlife trade that provides necessary rents for some ethnic militias. Going forward, it will be necessary for the UN to send in professional soldiers that are not tempted by the rents of the illicit economy, while also providing more education to ensure that those who are there to help are not perpetuating the conditions for further rebellion.

Crime and the State

While the discussion thus far has focused primarily on the difficulties facing the international community in dealing with transnational crime in post-war environments, another policy implication is that the post-war environments in Cambodia, DRC and the Central African Republic have been dominated by allegations of criminality by the government. These three countries, which have been analyzed throughout the dissertation, were all host to transnational crime during periods of intrastate conflict. The DRC and CAR have both witnessed recurrent conflict episodes partially based on disputes over access to mining, while in Cambodia, government workers have been linked to increasing corruption and the smuggling of valuable timber. Even when rebel groups have been eliminated or encouraged to lay down arms, the illicit economy created by the war can enrich government workers contributing to the disconnect between the regime and general population. While Cambodia did not experience another conflict, there are yearly reports of government abuse of its citizens, including the violent eviction of citizens from timber-rich regions.

The concern here is that not only does transnational crime make it more difficult to end an intrastate conflict, it creates a post-war environment where it is difficult to enforce the rule of law leading to overt acts of criminality by government officials because they believe that they will not be punished. The high levels of corruption in these post-war societies, encouraged by

illicit networks, contribute to post-war instability and reduce trust in the government. The presence of government officials who profit from the presence of these wartime networks can prevent further state development, as corruption can impede economic growth under certain conditions.

The role of criminality in weak states could end up being one of the defining security issues of the twenty-first century. Thinking back to the empirical and theoretical extensions of this project, the contagion effect of crime on developing societies also has significant policy implications. While crime levels within countries are fundamentally a domestic issue, the international repercussions are becoming increasingly apparent. The conflict in Mali may have dominated the headlines, but drugs and other criminal activities are eroding state capacity throughout West Africa (Lebovich, 2013). However, it has been difficult for the international community to regulate the flow of illicit commerce for various reasons. First, there is not always an agreement as to what is illegal, as there are normative implications of the term. Some states consider copyright infringement and intellectual property to be of paramount importance and unapproved reproduction of these materials to be a significant criminal issue, while other states feel no need to regulate such activity, allowing web servers to host and disseminate bootleg material. Such activity might seem miniscule compared to drug trafficking, yet some violent non-state actors secure rents in such a manner.

Hence, the international community has to consider how domestic legislation about what is legal and illegal in their country can have significant repercussions. The informal economy can have significant negative externalities for surrounding countries. The Mexican drug war, which began in the mid-2000s resulted from the cocaine trade that emerged from both Colombia and Peru during their civil wars in the 1990s. The Colombian and Peruvian rebels and cartels

smuggled their wares through Mexico as a way of reaching the large domestic market of the United States. To reach the Western European market, the same rebels and cartels trafficked their items through the states of West Africa. In both Central America and Western Africa, the result has been weaker states and, in the case of Guinea-Bissau, a criminal state.

The internal decision process during war in individual countries generates externalities that have led to a higher crime rate in Mexico and the other states of Central America. In addition, these states in Central America argue that it is the decisions not made during wartime, but instead the domestic policy considerations of the United States that have created the growing criminal problem for the Americas. The military has not only been deployed most famously in Mexico, but also in these smaller states as the various regimes seek to hold onto their sovereignty that is under threat from the rise of violent non-state actors. What this highlights is that the international community cannot address the presence of transnational crime in a vacuum. Source, transit and destination countries will need to come together to figure out how to best deal with the production, transit and consumption of illicit items. Without all three sets of actors coordinating their actions, the global illicit economy will continue to weaken developing states and creating more opportunities for violent non-state actors to achieve their financial goals.

The Legitimacy of Violent Rebellion

A final policy implication of this study is that there may be a further rise in the use of transnational crime during rebellion. Recent studies on the use of violent versus non-violent tactics during protest find that non-violent tactics are more successful (Chenoweth and Stephan, 2011). These findings complement arguments that violence is going down throughout the world (Pinker, 2011; Goldstein, 2011). One implication is that if violence is not seen as a legitimate protest option against the state, then groups that choose to challenge using violence will be less

likely to either achieve support from the local population or external benefactors. If these funding options are unavailable for rebel actors, they will be forced into using transnational crime as a way to become viable organizations. The international community may have to consider the emergence of violent non-state actors not as a legitimate challenge to the state, but instead as a law enforcement problem for international actors. Political science has reflected this development, as violent actors such as the Mexican cartels are not coded in the intrastate conflict literature because they are not articulating a grievance against the state. However, this decision means that scholars are not capturing the phenomena of criminal actors and their interactions with the international community.

Concluding the Policy Implications

The policy implications outlined above highlight the difficulty in capturing the impact of transnational crime on intrastate conflict and the broader international community. For the policy community, the introduction of criminal rents into civil war can obscure a number of underlying issues. First, criminal rents make it more difficult for the state to negotiate with rebels, represented in the empirical findings of this dissertation that transnational crime leads to longer conflicts with a greater chance of recurrence. The state has to figure how to counter the criminal rents that are available to the violent actors. From there, the international community has to consider how to best address criminal activity in post-war environments, as peacekeepers have been involved in perpetuating the role of transnational crime, which prevents the reassertion of state authority in lawless regions. In addition, the presence of transnational crime generates large negative externalities, as transnational crime involves not only the source state, but transit and destination countries. Hence, by failing to address the presence of criminal networks during rebellion, the international community is creating the environment for further state failure and

violent rebellion. That is an especially difficult situation for the international community, as it has been difficult for states to address what actually is illicit and how to coordinate actions to address these rents. Finally, the policy community must be prepared for a future in which transnational crime becomes more of a problem for states as violent non-state actors seek revenue sources for their rebellion. The international community needs to take an active role in addressing the growth of transnational criminal rents because these rents are not only detrimental to the host state, but also for the broader international community.

Concluding Remarks

The conflict currently engulfing the country of Mali at the time of this writing poses many of the problems explored in this dissertation. Smuggling networks that connect the drug fields of Western Africa to the markets of Southern Europe provide the rents necessary for violent non-state actors to challenge the state regardless of whether the general population supports such a rebellion. The desire to control these rents is part of the reason that groups such as Al-Qaeda in the Maghrib (AQIM) operate transnationally, not only can it afford them protection, it provides them with greater access to resources (Harding, 2013). While the multinational force might be able to defeat the rebels in the field, without addressing the rule of law and state weakness present in North Africa and the Sahel region, AQIM and like-minded groups should be able to continue to operate for the foreseeable future, dooming Mali, Mauritania and other countries to the conflict trap which prevents much needed economic development (Lebovich, 2013). To ensure post-war stability, the international forces need to focus not only providing elections, but also rule of law that will increase the costs of the illicit economy.

When violent non-state actors rebel against the state, they need to quickly establish an organizational structure to ensure their own survival. I have argued in this dissertation that the most important decision made by these rebel groups is how they will finance their challenge. Rebel groups can either choose to pursue rents from illicit means or rely on donations from either local or external patrons. Rebel groups that choose illicit criminal rents are able to often secure larger rents than those available from relying on popular support. In addition to receiving larger rents, they are also able to secure for themselves a higher degree of operational independence. By relying on rents as diverse as drug trafficking, kidnapping, extortion or logging, violent non-state actors do not need the approval of the international or local community for their actions. In contrast, when a rebel group relies on either a local or external benefactor, they cannot be certain that these funds will continue to be available to them, which means that they can be compelled to the negotiating table.

The result is that when a rebel group makes a financing decision between criminal or non-criminal rents, it structures the rest of their organization and strategy. Groups that rely on the population for money are protective of their constituents and are aware of the possibility of war weariness that a population may experience. However, rebel groups with transnational criminal rents are focused not only protecting their constituent population, but the land necessary for continued access to rents. From this changed relationship to the land and population comes differing outcomes within intrastate conflicts. Rebel groups that are not beholden to the local population do not have to take into account their experiences and are less susceptible to government retaliatory measures. Even if the population wants peace, the rebel group has access to exclusive rents that allow them to continue fighting. The result is that rebel groups that rely on transnational criminal financing create wars that last longer than average. Even if the state is able

to compel these conflicts to end, there is a greater chance of post-war instability due to the presence of these criminal networks, which leads to an increased probability of conflict recurrence.

To demonstrate the importance of rebel financial decisions during conflict, I researched and coded the financial resources of four hundred violent non-state actors that fought between the years 1946-2004. In coding the financial resources of rebel groups, I classified whether each organization received funds from the local population, external states, kidnapping, bank robberies, extortion, smuggling, drug production, logging, diamond and gem mining and general banditry. Using the first comprehensive dataset on the financial resources of rebel groups, I ran a series of duration and probability models to demonstrate that the presence of transnational criminal financing allows rebel groups to fight for longer periods of time and leads to a higher probability of recurrent conflict.

After demonstrating the empirical relationship between transnational criminal financing and longer periods of conflict, I used two within-case analyses of the conflicts in Cambodia and the Democratic Republic of the Congo to further examine the causal mechanisms of rebel financing and conflict episodes. These within-case analyses were accomplished by using geographic information systems (GIS) mapping and process tracing qualitative research. Using these methods, it was possible to show that the regions where transnational crime is present are more likely to experience more years of conflict. Combined with the large-n empirical analysis, these levels of analysis demonstrates the need for both the scholarly and policy community to understand the micro-foundations of conflict, as the decisions made by individual rebel groups can have a significant effect on the country long after the fighting stops.

In recent years, the number of new interstate and intrastate conflicts has decreased around the world (Goldstein, 2011). At the same time, mounting evidence has suggested that the use of mass nonviolent tactics can be more successful in generating change than the use of violence (Chenoweth and Stephan, 2011). Yet, in some corners of the globe, insurgencies drag on for decades or seemingly end before restarting a few years later. As the international community believes in the legitimacy of nonviolent tactics, the ability for potential violent non-state actors to attract internal and external benefactors will continue to decrease. The result will be the emergence of violent non-state actors that rely on the large international illicit economy to fund their campaigns. The world community has already seen this in locations as diverse as Peru, Uzbekistan and Mali. The challenge going forward will be to further examine the explicit linkages between the global illicit economy and vulnerable states to ensure that new violent actors do not emerge that weaken developing states. Only by understanding the linkages between crime and rebellion is it possible to help states emerge from the conflict trap of never-ending war.

Works Cited

- Abouharb, Rodwan and Anessa Kimball. 2005. A New Dataset on Infant Mortality Rates, 1816–2002” *Journal of Peace Research* 44(6): 743–754.
- Agence France-Presse. 2011. “Ceasefire in Central African Diamond Feud.” October 9, found on the web at:
<http://www.google.com/hostednews/afp/article/ALeqM5hYFmjAzHxbwR6ZvJKBNI3Usfc19g?docId=CNG.a2ec4dff919c0c0c8daae31aaa148af4.d1>
- Andreas, Peter. 2008. *Blue Helmets and Black Markets: The Business of Survival in the Siege of Sarajevo*. Ithaca, NY: Cornell University Press.
- Andreas, Peter. 2013. *Smuggler Nation: How Illicit Trade Made America*. New York: Oxford University Press.
- Andreas, Peter and Kelly Greenhill (eds.). 2010. *Sex, Drugs and Body Counts: The Politics of Numbers in Global Crime and Conflict*. Ithaca, NY: Cornell University Press.
- Andrew, Christopher and Vasili Mitrokhin. 2005. *The World Was Going Our Way: The KGB and the Battle for the Third World*. New York: Basic Books.
- Autesserre, Severine. 2010. *The Trouble With the Congo: Local Violence and the Failure of International Peacebuilding*. University of Cambridge Press.
- Azam, Jean-Paul. 2006. “On Thugs and Heroes: Why Warlords Victimize Their Own Civilians,” *Economics of Governance* 7, 53-73.
- Ballentine, Karen and Jake Sherman (eds.). 2003. *The Political Economy of Armed Conflict: Beyond Greed and Grievance*. Boulder, CO: Lynne Reiner Publishers
- Bapat, Navin . 2006. “State Bargaining with Transnational Terrorist Groups.” *International Studies Quarterly* 50, 213-229
- Becker, Elizabeth. 1985. “Cambodia's Non-Communists Fight Back.” *The Washington Post*, January 13 (Outlook), B1.
- Becker, Elizabeth. 1998. *When the War Was Over: Cambodia and the Khmer Rouge Revolution*. New York: Public Affairs Books
- Bennetto, Jason. 2006. “Police End Vicious Reign of UK's Heroin Godfather,” *The Independent (London)*, (February 17), 17.
- Blattman, Chris and Edward Miguel. 2010. “Civil War.” *Journal of Economic Literature* 48(1), 3-57.

- Bob, Clifford. 2005. *The Marketing of Rebellion: Insurgents, Media, and International Activism*. New York: Cambridge University Press.
- Box-Steffensmeir, Janet and Bradford Jones. 2004. *Event History Modeling: A Guide for Social Scientists*. New York: Cambridge University Press.
- Brinkley, Joel. 2011. *Cambodia's Curse: The Modern History of a Troubled Land*. New York: Public Affairs Books.
- Brown, McAlister and Joseph Zasloff. 1998. *Cambodia Confounds the Peacemakers, 1979-1998*. Ithaca, NY: Cornell University Press.
- Bruce, Victoria, Karin Hayes and Jorge Enrique Botero. 2010. *Hostage Nation: Colombia's Guerilla Army and the Failed War on Drugs*. New York: Knopf.
- Bueno de Mesquita, Bruce, Alastair Smith, Randolph Siverson and James Morrow. 2004. *The Logic of Political Survival*. Cambridge, MA: MIT Press.
- Buhaug, Halvard, Scott Gates and Paivi Lujala. 2009. "Geography, Rebel Capability and the Duration of Intrastate Conflict." *Journal of Conflict Resolution* 53(4), 544-569.
- Buhaug, Halvard, and Päivi Lujala. 2005. Accounting for Scale: Measuring Geography in Quantitative Studies of Civil War. *Political Geography* 24 (4): 399-418
- Burch, Michael. 2013. "Natural Resources and Recurrent Conflict: The Case of Peru and Sendero Luminoso." *United States Institute of Peace*.
- Campbell, Greg. 2004. *Blood Diamonds: Tracing the Deadly Path of the World's Most Precious Stones*. Boulder, CO: Westview Press.
- Cederman, Lars-Erik and Kristian Skrede Gleditsch. 2009. "Introduction to the Special Issue on Disaggregating Civil War," *Journal of Conflict Resolution* 53, 487-495.
- Chenoweth, Erica and Maria Stephan. 2011. *Why Civil Resistance Works: The Strategic Logic of Nonviolent Conflict*. New York: Columbia University Press.
- Chin, Ko-Lin. 2009. *The Golden Triangle: Inside Southeast Asia's Drug Trade*. Ithaca, NY: Cornell University Press
- Coll, Stephen. 2004. *Ghost Wars: The Secret History of the CIA, bin Laden and Afghanistan From the Soviet Invasion to 9/11*. New York: Penguin Books.
- Collier, Paul. 2000. "Rebellion as a Quasi-Criminal Activity." *Journal of Conflict Resolution* (44), 839-853.
- Collier, Paul. 2007. *The Bottom Billion: Why the Poorest Countries are Failing and What Can*

Be Done About It. Oxford University Press

- Collier, Paul and Anke Hoeffler. 2004. Greed and Grievance in Civil War. *Oxford Economic Papers* 56 (4): 563-96
- Collier, Paul, Anke Hoeffler and Mans Soderbom. 2004. "On the Duration of Civil War," *Journal of Peace Research* 41(3), 253-273.
- Cornell, Svante. 2005. "The Interaction of Drugs and Conflict." *Journal of Peace Research* 42(6), 751-760.
- Crossette, Barbara. 1998. "New Khmer Rouge Drive Feared as Buildup of Weapons Goes On." *The New York Times*, April 1.
- Cunningham, David E. 2006. "Veto Players and Civil War Duration." *American Journal of Political Science* 50(4)875-892.
- Cunningham, David, Kristian Skrede Gleditsch and Idean Salehyan. 2009. "It Takes Two: A Dyadic Analysis of Civil War Duration and Outcome." *Journal of Conflict Resolution* 53(4): 570-597.
- Dahl, Brock. 2009. "The Business of War: How Criminal Organizations Perpetuate Conflict and What to Do About It." *Colloquium* 2 (1), found on the web at: <https://coin.harmonieweb.org/Knowledge%20Center/Colloquium/Dahl.pdf>
- Dalby, Ned. 2011. "Central African Republic: The Dark Side of Diamonds," *International Crisis Group* found on the web at: <http://www.crisisgroup.org/en/regions/africa/central-africa/central-african-republic/op-eds/the-dark-side-of-diamonds-Ned-Dalby.aspx>
- DeRouen, Karl Jr. and David Sobek. 2004. "The Dynamics of Civil War Duration and Outcome." *Journal of Peace Research* 41 (3): 303-320.
- DeShazo, Peter, Johanna Mendelson Forman, and Phillip McLean. 2009. "Countering Threats To Security and Stability in a Failing State: Lessons from Colombia." *Center for Strategic and International Studies*. Found on the Web at: <http://csis.org/publication/countering-threats-security-and-stability-failing-state>.
- Dittrich Hallberg, Johan 2012. PRIO Conflict Site 1989–2008: A Geo-Referenced Dataset on Armed Conflict. *Conflict Management and Peace Science* 29 219-232
- Doyle Michael and Nicholas Sambanis. 2000. "International Peacebuilding: A Theoretical and Quantitative Analysis." *American Political Science Review* 94:779–801
- Eichstaedt, Peter. 2011. *Consuming the Congo: War and Conflict Minerals in the World's Deadliest Place*. Chicago, IL: Lawrence Hill Books.

- Fawthrop, Tom. 2013. "Khmer Rouge Leader Ieng Sary had US\$20m in Hong Kong Account," *South China Morning Post*, (March 31). Found online at: <http://www.scmp.com/news/asia/article/1203492/khmer-rouge-leader-ieng-sary-had-us20m-hong-kong-account>
- Fearon, James D. 2004. "Why Do Some Civil Wars Last so Much Longer than Others?" *Journal of Peace Research* 41(3), 275-301.
- Fearon, James D. 2010. "Governance and Civil War Onset." *World Development Report 2011*. Washington, DC: The World Bank.
- Fearon, James D., and David D. Laitin. 2003. "Ethnicity, Insurgency and Civil War." *American Political Science Review* 97(1): 75-90.
- Fischer, Manfred and Jinfeng Wang. 2011. *Spatial Data Analysis: Models, Methods and Techniques*. New York: Springer.
- Flores, Thomas Edward and Irfan Nooruddin. 2009. "Democracy Under the Gun: Understanding Postconflict Economic Recovery." *Journal of Conflict Resolution* 53(1), 1-29.
- Fortna, Virginia Page. 2004. "Does Peacekeeping Keep Peace? International Intervention and the Duration of Peace After Civil War." *International Studies Quarterly* 48(2): 269-292.
- Gberie, Lansana. 2005. *A Dirty War in West Africa: The RUF and the Destruction of Sierra Leone*. Bloomington, IN: Indiana University Press.
- Gerring, John. 2007. 'Is There a (Viable) Crucial-Case Method?' *Comparative Political Studies* 40(3), 231-253.
- Giustozzi, Antonio. 2009. *Empires of Mud: War and Warlords in Afghanistan*. New York: Columbia University Press.
- Gleditsch, Kristian Skrede. 2007. "Transnational Dimensions of Civil War." *Journal of Peace Research* 44 (3): 293-309.
- Glenny, Misha. 2008. *McMafia: A Journey Through the Global Criminal Underworld*. New York: Random House.
- Goldstein, Joshua. 2011. *Winning the War on War: The Decline of Armed Conflict Worldwide*. New York: Penguin Books.
- Gorriti, Gustavo. 1999. *The Shining Path: A History of the Millenarian War in Peru*. Chapel Hill, NC: University of North Carolina Press.
- Gourevitch, Peter. 1978. "The Second Image Reversed: The International Sources of Domestic Politics." *International Organization*. 32(4), 881-912.

- Gourevitch, Philip. 1997. *We Wish to Inform You That Tomorrow We Will Be Killed With Our Families: Stories From Rwanda*. New York: Farrar, Straus and Giroux.
- Gonsalves, Marc, Keith Stansell, and Tom Howes with Gary Brozek. 2009. *Out of Captivity: Surviving 1,967 Days in the Colombian Jungle*. New York: William Morrow Books.
- Guardian, The. 2010. "The US Embassy Cables: The Documents," found online on December 20, 2012 at <http://www.guardian.co.uk/world/us-embassy-cables-documents/246478>.
- Harding, Luke. 2013. "Mali: Jihadist Fighters Melt Away as French Begin to Regain Control," *The Guardian* (January 27), found online on February 1, 2013 at: <http://www.guardian.co.uk/world/2013/jan/27/mali-france-islamist-rebels-north>
- Hawkrige, Claire. 2011. "Militias Rearming in the DRC." *Al-Jazeera English* (November 24), found online on March 24, 2012 at: <http://www.aljazeera.com/indepth/opinion/2011/11/2011112074454189674.html>
- Hegre, Håvard, Gudrun Østby and Clionadh Raleigh. 2009. "Poverty and Civil War Events: A Disaggregated Study of Liberia," *Journal of Conflict Resolution* 53(4): 598-623.
- Humphreys, Macartan and Jeremy Weinstein. 2008. "Who Fights? The Determinants of Participation in Civil War." *American Journal of Political Science* 52(2): 436-455.
- International Crisis Group. 2010. "Dangerous Little Stones: Diamonds in the Central African Republic." *Africa Report* (167), found online at: <http://www.crisisgroup.org/~media/Files/africa/central-africa/central-african-republic/167%20Dangerous%20Little%20Stones%20-%20Diamonds%20in%20the%20Central%20African%20Republic>
- Jane's Information Group. 2003. *Jane's World Insurgency and Terrorism*. Alexandria, VA.
- Kahanner, Larry. 2007. *AK-47: The Weapon that Changed the Face of War*. Hoboken, NJ: John Wiley & Sons.
- Kaldor, Mary. 1999. *New and Old Wars: Organized Violence in a Global Era*. Stanford, CA: Stanford University Press.
- Kalyvas, Stathis. 1999. "Wanton and Senseless? The Logic of Massacres in Algeria." *Rationality and Society* 11(3), 242-286.
- Kalyvas, Stathis. 2001. "New and Old Civil Wars: A Valid Distinction?" *World Politics* 54, 99-118.
- Kalyvas, Stathis. 2006. *The Logic of Violence in Civil War*. New York: Cambridge University Press.

- Kalyvas, Stathis and Matt Kocher. 2009. "The Dynamics of Violence in the Vietnam War: An Analysis of the Hamlet Evaluation System (HES)," *Journal of Peace Research*, 46:3, 335-355
- Kalyvas, Stathis and Laia Balcells. 2010. "International System and Technologies of Rebellion: How the End of the Cold War Shaped Internal Conflict." *American Political Science Review* 104(3), 415-430.
- Kamm, Henry. 1998. *Cambodia: Report from a Stricken Land*. New York: Arcade Publishing.
- Kan, Paul. 2009. *Drugs and Contemporary Warfare*. Washington, DC: Potomac Books.
- Kaplan, Robert. 2001. *The Coming Anarchy: Shattering the Dreams of the Post-Cold War*. New York: Random House.
- Katzenstein, Peter. 1985. *Small States in World Markets*. Ithaca, NY: Cornell University Press.
- Kinzer, Stephen. 2008. *A Thousand Hills: Rwanda's Rebirth and the Man Who Dreamed It*. Hoboken, NJ: John Wiley & Sons.
- Kirk, Robyn. 1997. *The Monkey's Paw: New Chronicles from Peru*. Amherst, MA: University of Massachusetts Press
- Kirk, Robin. 2003. *More Terrible Than Death: Massacres, Drugs and America's War in Colombia*. New York: Public Affairs.
- Kreutz, Joakim, 2010. 'How and When Armed Conflicts End: Introducing the UCDP Conflict Termination Dataset,' *Journal of Peace Research* 47(2)
- Le Billon, Phillipe. 2012. *Wars of Plunder: Conflicts, Profits and the Politics of Resources*. New York: Columbia University Press.
- Lebovich, Andrew. 2013. "Mali's Bad Trip: Field Notes From the West African Drug Trade." *Foreign Policy.com* found on the web March 15, 2013 at: http://www.foreignpolicy.com/articles/2013/03/15/mali_s_bad_trip?page=full
- Lewis, Paul. 2002. *Guerrillas and Generals: The Dirty War in Argentina*. Westport, CT: Praeger Publishing.
- Lichbach, Mark. 1995. *The Rebel's Dilemma*. Ann Arbor: University of Michigan Press.
- Lintner, Bertil. 1994. *Burma in Revolt: Opium and Insurgency Since 1948*. Boulder, CO: Westview Press.
- Lovell, Julia. 2011. *The Opium War: Drugs, Dreams and the Making of China*. London, UK:

Picador Books.

- Lujala, Paivi. 2009 "Deadly Combat Over Natural Resources: Gems, Petroleum, Drugs and the Severity of Armed Conflict." *Journal of Conflict Resolution*. 53, 50-73.
- Lujala, Paivi 2010. "The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources." *Journal of Peace Research* 47(1), 15-28.
- Macalister, Terry. 2001. "Diamonds are a Rebel's Best Friend: Illicit Gems are the Currency of Choice for Africa's Warlords. A New Deal Aims to Curtail the Trade," *The Guardian* (December 12), 22.
- Marten, Kimberly. 2006/07. "Warlordism in Comparative Perspective." *International Security* 31(3): 41-73.
- McClintock, Cynthia. 1998. *Revolutionary Movements in Latin America: El Salvador's FMLN and Peru's Shining Path*. Washington, DC: United States Institute of Peace Press.
- Mueller, John, 2000. "The Banality of Ethnic War." *International Security* 25 (1), 42-70
- Mydans, Seth. 2000. "Burmese Boy Rebels Languish in Jungle," *The New York Times*, July 18 (Section A), 14.
- Naim, Moises. 2005. *Illicit: How Smugglers, Traffickers, and Copycats are Hijacking the Global Economy*. New York: Random House.
- Nawa, Fariba. 2011. *Opium Nation: Child Brides, Drug Lords and One Woman's Journey Through Afghanistan*. New York: Harper Perennial.
- Neuman, William. 2012. "Peru Forced To Confront Deep Scars Of Civil War." *The New York Times*, May 27 (Section A), 6.
- Neuman, William. 2013. "Kidnapping Imperils Talks with Rebels in Colombia." *The New York Times*, February 2 (Section A), 8.
- Nilson, Desiree. 2010. "Turning Weakness into Strength: Military Capabilities, Multiple Rebel Groups and Negotiated Settlements." *Conflict Management and Peace Science* 253-268.
- Nordhaus, William D. 2006. "Geography and Macroeconomics: New Data and New Findings." *Proceedings of the National Academy of Sciences of the USA* 103(10): 3510-3517.
- Nossiter, Adam. 2012. "Leader Ousted, Nation Is Now a Drug Haven," *The New York Times*, November 1 (Section A), 1.
- O'Loughlin, John and Clionadh Raleigh. 2008. "Spatial Analysis of Civil War Violence." *The SAGE Handbook of Political Geography*. Kevin Cox, Murray Low and Jennifer

- Robinson (eds.).
- O'Loughlin, John Frank Witmer, Andrew Linke, and Nancy Thorwardson. 2010. "Peering into the Fog of War: The Geography of the WikiLeaks Afghanistan War Logs 2004-2009." *Eurasian Geography and Economics*, 51(4): 472-95.
- Perez-Stable, Marifeli. 2011. *The Cuban Revolution: Origins, Course, and Legacy*. Oxford, UK: Oxford University Press.
- Peters, Gretchen. 2009. *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al-Qaeda*. New York: St. Martin's Press.
- Pinker, Steven. 2011. *The Better Angels of Our Nature: Why Violence Has Declined*. New York: Penguin Books.
- Pokempnar, Diana. 1991. *Cambodia at War*. New York: Human Rights Watch.
- Pool, David. 2001. *From Guerrillas to Government: The Eritrean People's Liberation Front*. Athens, Oh: Ohio University Press.
- Prunier, Gerard. 2004. "Rebel Movements and Proxy Warfare: Uganda, Sudan and the Congo." *African Affairs* 103(412), 359-383.
- Prunier, Gerard. 2009. *Africa's World War: Congo, The Rwandan Genocide and the Making of a Continental Catastrophe*. Oxford University Press
- Quinn, J Michael; T David Mason & Mehmet Gurses. 2007. "Sustaining the Peace: Determinants of Civil War Recurrence," *International Interactions* 33(2): 167–193.
- Regan, Patrick and Aysegul Aydin. 2006. "Diplomacy and Other Forms of Interventions in Civil Wars." *Journal of Conflict Resolution* 50(5), 736-756
- Reno, William. 1998. *Warlord Politics and African States*. Boulder, CO: Lynne Rienner Publishing.
- Reno, William. 2011. *Warfare in Independent Africa*. Cambridge, UK: University of Cambridge Press.
- Richardson, Michael. 2000. "Burma's New Export / Methamphetamine Menace: Pills Follow a Path Into Thailand Blazed by Heroin," *The New York Times* (October 27), found on the web at: http://www.nytimes.com/2000/10/27/news/27iht-drugs.2.t_0.html
- Romero, Simon. 2009. "Cocaine Trade Helps Rebels Reignite War in Peru." *The New York Times*. March 18 (Section A), 1.
- Rosen, Armin. 2012. "The Warlord and the Basketball Star: A Story of Congo's Corrupt Gold

- Trade.” *The Atlantic* (March 1), found online at:
http://www.theatlantic.com/international/archive/2012/03/the-warlord-and-the-basketball-star-a-story-of-congos-corrupt-gold-trade/253813/?single_page=true
- Ross, Michael. 1999. “The Political Economy of the Resource Curse.” *World Politics* 51(2), 297-322.
- Ross, Michael. 2004. “What Do We Know About Natural Resources and Civil War?” *Journal of Peace Research*, 41:3, 337-356.
- Ross, Michael. 2006. “A Closer Look at Oil, Diamonds and Civil War.” *Annual Review of Political Science* 9, 265-300.
- Salehyan, Idean. 2009. *Rebels Without Borders: Transnational Insurgencies in World Politics*. Ithaca, NY: Cornell University Press.
- Salehyan, Idean. 2010. “The Delegation of War to Rebel Organizations.” *Journal of Conflict Resolution* 54(3), 493-515.
- Salehyan, Idean, Kristian Gleditsch and David Cunningham. 2011. “Explaining External Support for Insurgent Groups.” *International Organization* 65(Fall), 709-744.
- Sambanis, Nicholas. 2004. “What is Civil War?: Conceptual and Empirical Complexities of an Operational Definition.” *Journal of Conflict Resolution* 48: 814-858.
- Seay, Laura. 2012. What’s Wrong with Dodd-Frank 1502? Conflict Minerals, Civilian Livelihoods, and the Unintended Consequences of Western Advocacy.” *Center for Global Development Working Paper* 284.
- Sheffer, Gabriel. 2003. *Diaspora Politics: At Home Abroad*. New York: Cambridge University Press.
- Short, Philip. 2004. *Pol Pot: Anatomy of a Nightmare*. New York: Henry Holt Company.
- Simpson, John. 1994. *In the Forests of the Night: Encounters in Peru with Terrorism, Drug-running and Military Oppression*. New York: Random House.
- Stearns, Jason. 2011. *Dancing in the Glory of Monsters: The Collapse of the Congo and the Great War of Africa*. New York: Public Affairs Books.
- Storeygard, Adam; Deborah Balk, Marc Levy & Glenn Deane. 2008. “The Global Distribution of Infant Mortality: A Subnational Spatial View.” *Population, Space and Place* 14 (3): 209-229
- Strong, Simon. 1992. *Shining Path: Terror and Revolution in Peru*. New York: Times Books

- Taylor, Lewis. 2006. *Shining Path: Guerilla War in Peru's Northern Highlands*. Liverpool, UK: University of Liverpool Press
- Tilly, Charles. 1978. *From Mobilization to Revolution*. Reading, MA: Addison-Wesley.
- Tilly, Charles. 1985. "War Making and State Making as Organized Crime," in Evans, Petere, Dietrich Rueschemeyer, and Theda Skocpol. *Bringing the State Back In* Cambridge, UK: Cambridge University Press.
- Tollefsen, Andreas Forø; Håvard Strand & Halvard Buhaug. 2012. "PRIO-GRID: A Unified Spatial Data Structure." *Journal of Peace Research* 49(2): 363-374.
- Uppsala Conflict Data Program. 2013. *UCDP Conflict Encyclopedia*: found on the web at: www.ucdp.uu.se/database, Uppsala University.
- United Nations. 2009. "Final report of the Group of Experts on the Democratic Republic of the Congo," found online at: <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N09/601/43/PDF/N0960143.pdf?OpenElement>
- United Nations Office of Drugs and Crime. 2012. *World Drug Report 2012*. New York: United Nations Publications.
- Valentino, Benjamin Paul Huth, and Dylan Balch-Lindsey. 2004. "'Draining the Sea': Mass Killing and Guerrilla Warfare," *International Organization* 58(2): 375-407.
- Vreeland, James. 2008. "The Effect of Political Regime on Civil War: Unpacking Anocracy." *Journal of Conflict Resolution* 52 (3):401-425.
- Walter, Barbara. 2004. "Does Conflict Begat Conflict? Explaining Recurring Civil War." *Journal of Peace Research* 41 (3), 371-88.
- Walter, Barbara. 2009. "Bargaining Failures and Civil War." *Annual Review of Political Science* 12, 243-261.
- Ward, Michael and Kristian Gleditsch. 2008. *Spatial Regression Models*. Thousand Oaks, CA: Sage Publications.
- Wood, Elisabeth. 2003. *Insurgent Collective Action and Civil War in El Salvador*. Cambridge: Cambridge University Press
- Weidmann, Nils B; Doreen Kuse & Kristian Skrede Gleditsch. 2008. "The Geography of the International System: The CShapes Dataset. *International Interactions* 36(1): 86-106.
- Weigert, Stephen. 2011. *Angola: A Modern Military History, 1961-22002*. New York: Palgrave Macmillan.

Weinstein, Jeremy. 2007. *Inside Rebellion: The Politics of Insurgent Violence*. New York: Cambridge University Press

Widyono, Benny. 2008. *Dancing in Shadows: Sihanouk, The Khmer Rouge and the United Nations in Cambodia*. Lanham, MD: Rowan & Littlefield Publishing.

The World Bank. 2011. *World Development Report: Conflict Security and Development*. Washington, DC: World Bank Publications.