The Political Economy of Territorial Ambitions

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Great transformations

End of empire

Democratic peace
Core claim

Why did states’ territorial preferences change in the 20th century?

Claim: Preferences shaped by combination of
• Energy modernization
• Regime type
Two Intellectual Moves

• Democratic Peace is fundamentally intertwined with economic factors
  – Not just economic
  – But ‘democratic triad’ is inaccurate

• Key role of economics is within states, not interdependence
Energy modernization

• Energy modernization = stage of development when engines powered by fossil fuels or electricity become dominant.
  – Distinct from 19thC industrialization

• Multiple effects, but key is shift in domestic political coalitions
## Dates of energy modernity

<table>
<thead>
<tr>
<th>Country</th>
<th>Energy Modernization</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>1952</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1960</td>
</tr>
<tr>
<td>Belgium</td>
<td>1955</td>
</tr>
<tr>
<td>France</td>
<td>1955</td>
</tr>
<tr>
<td>Portugal</td>
<td>1977</td>
</tr>
<tr>
<td>West Germany</td>
<td>1958</td>
</tr>
<tr>
<td>East Germany</td>
<td>1957</td>
</tr>
<tr>
<td>Austria</td>
<td>1960</td>
</tr>
<tr>
<td>Italy</td>
<td>1963</td>
</tr>
<tr>
<td>Japan</td>
<td>1968</td>
</tr>
<tr>
<td>China</td>
<td>--</td>
</tr>
<tr>
<td>Russia</td>
<td>1967</td>
</tr>
<tr>
<td>USA</td>
<td>1918</td>
</tr>
</tbody>
</table>

-- indicates transition had not occurred by 2008
Theory

• Energy modernity empowers sectors that do not favor foreign occupation (generally)
  – Primary sector shrinks, in relative terms
  – Finance sector grows, and changes its interests

• Regime type affects probability that narrow interests favoring war can seize power
### Monadic Predictions

**DV: Preference for Foreign Territory**

<table>
<thead>
<tr>
<th>Regime Type</th>
<th>Personalist/Narrow</th>
<th>Energy Modernity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democracy/Coalition Rule</td>
<td>Strong Low</td>
<td>Varies, but weaker on average</td>
</tr>
<tr>
<td>Strong</td>
<td>Weak High</td>
<td></td>
</tr>
</tbody>
</table>

- Strong
- Weak
Research design

• Qualitative perspective on four time periods
  – DV = preferences; not directly observable
  – Correspondence testing on the IVs and DV for each of 6 states in each period
  – But *also* check the causal mechanisms by process tracing

• Quantitative approach: dyadic regression analysis of conflict
  – Existing analysis of MIDs supports theory
  – Analysis awaits better measure of “territorial conflict”
1850-1900

Regime Type

Democracy/Coalition Rule

Personalist/Narrow

Energy Modernity

- USA
- UK
- Russia
- France
- Japan
- Germany

Low

High
1900-1930

Regime Type

<table>
<thead>
<tr>
<th>Democracy/Coalition Rule</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personalist/Narrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td></td>
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</tr>
</tbody>
</table>
1930-1960

Regime Type

Energy Modernity

- Personalist / Narrow
- Democracy / Coalition Rule

- Low
- High

- Japan
- Russia
- Germany
- France
- UK
- USA

- Germany to High Energy Modernity
- Japan to Low Energy Modernity
- France and UK to USA
1960-2000

Regime Type

Democracy/Coalition Rule

Personalist/Narrow

Energy Modernity

- USA
- UK
- Germany
- France
- Japan
- Russia
Conclusion

• Energy modernization lowers preferences for territory and imperialism

• Contributions:
  – Provides more satisfying account of Long Peace
  – Provides a corrective to the negative way energy is often viewed in the existing literature
  – But: Israel as a deviant case
Appendix
Energy Modernity Index

WB sector data covers 1960-2014
Energy data covers 1816-2014
Methods

• **DV: Territorial preferences**
  – Not directly observable
  – Inferred from three behaviors
    • Territorial conflicts
    • Long-term occupation after military victory
    • Decolonization

• **IV1: Energy modernization**
  – Quantified index based on three variables

• **IV2: Democracy**
  – Dichotomous measure based on Polity IV score
UK
Germany
France
Japan
USSR