



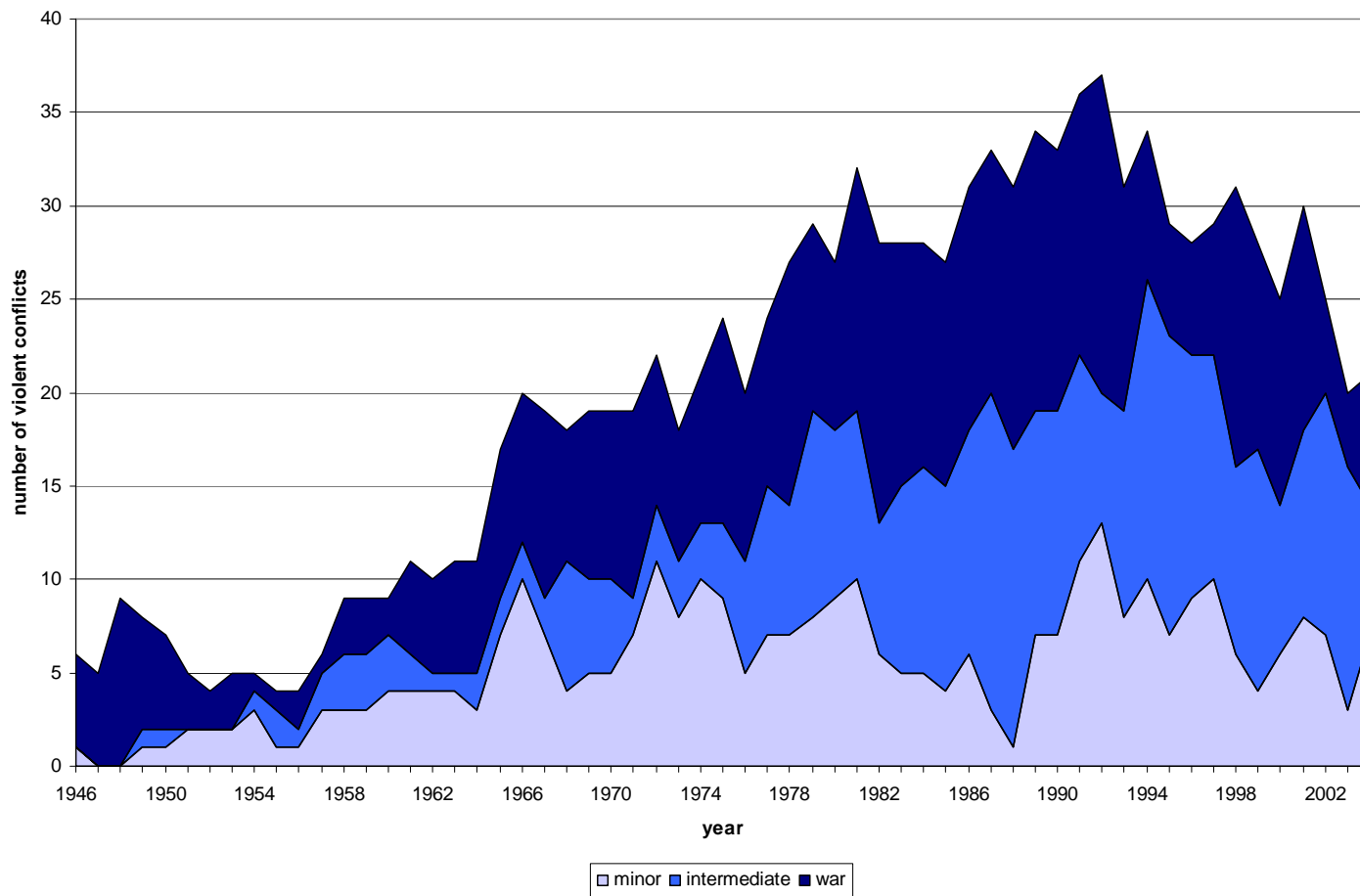
# Natural Resources, Civil War and Democracy

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## Global Incidence of Civil War: 1946-2004





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Civil War  
Research

Onset

Duration

Post-War



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# Post-Conflict Challenges

Economic Recovery

Risk Reduction



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## Onset of Civil War: Natural Resources and Conflict Risk

- economic, historical, geographical factors make a country more conflict prone
- Income: level, growth, structure
- Natural resources: non-linear relationship with conflict risk
- Highest risk when natural resources make up about 30% of commodity exports to GDP
- Different explanations: weak state, rebel loot



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# The Duration of Civil War: Natural Resources and Conflict Duration

- civil wars last a long time
- factors that make a country more prone to civil war do not determine the duration
- wars continue when the incentives for peace are weak
- rebel finance important
- a 10% reduction in price leads to a 12% reduction in the war duration



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# Post Conflict: Natural Resources and Post Conflict Recovery & Risks

- Peace is fragile: 40% break down within a decade
- Peace dividend
- Aid and good policies can help to increase the dividend



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# Post Conflict: Natural Resources and Post Conflict Recovery & Risks

- Resource curse
- Resource abundance - poor institutions
- Electoral competition not sufficient, checks and balances important
- In the short run: elections do not decrease the conflict risk
- In the long run: countries must create institutions that limit the resource curse



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