

# **On the Probability of Military Rule, Africa 1970-2007\***

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**DRAFT**

ABSTRACT

In this paper we empirically analyze the determinants of military dictatorships in Africa. A recent literature in political economy analyses the relationship between the civil undemocratic government and the military as an agency problem: the civilian government needs the army to avoid internal violence, but a larger army reduces the opportunity-cost for the military to run a coup d'état and seize power. These papers derive three main causes of military rule: income inequality, ethnic fractionalization, and external threat. We empirically analyze these issues by estimating probit models that estimate the probability that a country experiences a military rule. We consider 48 African countries over the period 1970-2007.

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## 1. Introduction

Since the start of the so-called third wave in 1974, and the acceleration after the fall of the Berlin Wall in 1989, democratization has been impressive. According to the Economist Intelligence Unit (2011), one-half of the world's population now lives in a democracy of some sort. More specifically, 12.3% lives in full democracies, 37.2% in flawed democracies, 14.0% in hybrid regimes, and still 36.5% in authoritarian regimes. Authoritarian regimes, in which the military plays a direct (when a *junta* rules the country) and indirect role (when the army guarantees the monopoly of violence for a civilian despotic government), are the second largest regime group. A similar ancillary role can be found in hybrid regimes. The report also claims that democracy is in retreat since 2008, however recent events in Northern Africa at least make room for its possible expansion in an area of strong autocracies. Yet, the military has played an important role in these changes, in particular in Egypt.

A recent literature in political economy (Acemoglu et al. (2010) and Besley and Robinson (2010)) analyses the relationship between the civil undemocratic government and the military as an agency problem: the civilian government needs the army to avoid internal violence, but a larger army reduces the opportunity-cost for the military to run a coup d'état and seize power. These papers derive three main causes of military coups: income inequality, ethnic fractionalization, and external threat. We analyze these issues on panel of 48 African countries over the 1970-2007 period controlling for a number of economic variables. The methodology applied is panel random-effect probit. We do not analyze the outbreak of military dictatorships, but the conditions that make it possible a steady military rule. Results cannot be interpreted as causal, since military rule can affect at least some of the economic and political variables that we use as independent ones. However, we also use one- and five-lag of the economic variables on the presumption that, for example, the GDP per-capita of five years ago is not determined by the presence of a military dictatorship today, whereas bad economic conditions at that time can influence the existence of such a dictatorship later on.

The paper is organized as follows: Section 2 reviews the literature on military dictatorships drawing both from economics and political science. Section 3 describes the empirical model and the data, whereas results are discussed in Section 4. Section 5 concludes.

## 2. Literature review

The argument treated in this paper is connected with the issue of sovereignty. As said in Potter (2004), what characterizes a weak, fragile, failed or collapsed state is a problematic relationship between the capability of the government to set the monopoly of the violence, and its internal and external dimensions. In particular, the domestic issue - i.e., the control of the land within the borders, the maintaining the security and the redistribution of public good – shows significant problems for the less developed countries around the World. In particular, to allocate public goods (healthcare, education, infrastructure, investments on law and property rights, bureaucracy enforcing contract, corruption and so on) is necessary that the central government and the institutions would have the monopoly of violence, as *sine qua non* condition (Potter, 2004; Besley and Robinson, 2009). Also North *et al.* (2009) addressed the relationship between violence and power structures in the society, underlying the process of progressive restriction of the role of violence during the movement from “natural order” to the open access social order. In this pattern of development, it changed the source of legitimacy and the relationship between elites and people – in particular referring to the ownership of the violence monopoly through the military - so that the society gives up disarming the violence. This progress is seen as the primary objective for a human social construction to guarantee order and development.

We could expect that central power will be able to allocate the rents of the state to everyone, excluding nobody. But here lies the difference with the developed country: because the ineffective actions of the weak states to promote an equal redistribution of income, the relations between civil government (both democratic and non-democratic) and army becomes basic to guarantee its survival. McGuire and Olson (1996) study the incentives for a leadership of roving bandits to take control of a state and its fiscal resources. In their model, public goods, tax and transfers redistribution are not constrained by limits or checks and balances, being extracted from the society and citizens to advantage of the elite, which can become richer then before. This process is easier in the autocracy than democracy, where the constraints are higher. This model underlines the existence of a relevant interest for bandits to become rulers of a state, taking control of fiscal resources to steal wealth and privileges. In this way, the dynamics of public goods production loose its fair character, driving to the unequal social redistribution, rising violence opportunity and breaking order. Therefore, in such a context, the military assumes two roles: first, it becomes the pre-condition for the

effectiveness of the state – being the ground for a efficient violence monopoly - but, when an unequal redistribution is in place, it becomes the guardian of the elite's interests.

This complex relationship between the civil power and the military, which could directly bring to a coup d'état, it is becoming important in the literature. In particular, it is possible to find this argument in the works of Besley and Robinson (2009), who analyze the opposition between civil government (democratic or non-democratic) and military dictatorship, and Acemoglu *et al.* (2010),<sup>1</sup> who analyze the three categories of non-democratic civil government, military dictatorship and democratic civil government. Both studies identify the army as agent of the powerful elite, an instrument to guarantee its survival through the repression, necessary because of the predatory policies they impose. The relationship between the unequal allocation of revenues and the relevance of the army becomes stronger, overall in a contest where the political confrontation is between polarized groups, which fight to obtain power and rents. These groups originate along different cleavages, as ethnic or regional origins, religion, ownership of the production factors and so on. The clash between these polarized and fragmented groups determines winners and losers, which violently fight for the control the State (Hammond and Axelrod, 2006; Montalvo and Reynal Querol, 2007; Alesina *et al.*, 2003 and Fearon, 2004). Therefore, a social situation with different groups fighting for power raises the opportunity for civil war and coup d'état.<sup>2</sup>

The two areas we are analyzing, Latin America and Sub-Saharan Africa, are characterized by the alternation between unconsolidated democracy, hybrid democracy,<sup>3</sup> civil autocracy and military dictatorship. Each system imposes its own rules, defining the winners and the losers. For example, authoritarian systems are based on a non-existent political pluralism and the power is shared between some organizations that guarantee support and

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<sup>1</sup> They follow the way opened by Acemoglu and Robinson (2006).

<sup>2</sup> We can see in this picture a dynamics showed by Carl Schmitt's theories: a dichotomic clash between “friend and enemy”, which characterizes the pattern of humanity in which the winners take all, instituting a political, economic, cultural and judicial system that respond to its nature and spirit. Being based on the concept of ethnos and identity, this constitution brings directly to the forced homogeneity of the state power and to the destruction of the liberal values on the democracies, explaining perfectly the situation in Africa and in South America, where the possibility of a durable democracy is under stress.

<sup>3</sup> According to Morlino (2011) these are political systems where institutions and procedures exist but in which competition and accountability are only formal and not really effective.

security to the regime.<sup>4</sup> In autocracy and fake democracy the army plays the role of the ally, helping the elite in keeping the power. In military dictatorship the army has the most important role on stage, its power is less checked and could show worrying examples, like kleptocratic regimes (Acemoglu e al., 2003), where the dictator can steal a lot of resources and guarantee his survival through the *divide-et-impera*. In this context, it is possible to see a challenge between the elite of different groups to gain the control of the State. In human history, moving from the land and agricultural production to the industry and manufacturing production, the social relations between the groups have produced cleavages and violence that characterize the different societies. The emergence of new groups gives rise to new elites that want to handle the rents and revenues (Acemoglu and Robinson, 2006). In the context of the developing countries - where productive sectors like manufacturing, productive agriculture, utilities, services and others are very weak - this process has the goal to obtain central power, with the wealth given by oil, diamond or others.<sup>5</sup> Reading this situation according to the Schmitt's point of view, we can see the groups fighting for the control of the three basic aspects regarding the production factors: appropriation, division and production. In our framework, this drives differences in the opportunity to enjoy the public goods between losers and winners, through different enforcement of the property rights and contracts (Tangerås and Lagerlöf, 2008; Gonzales, 2005, 2010; Dal Bò and Powell, 2007).

What consequence could be obtained from the breaking of this circle characterizing the political life in the developed countries? As some works have demonstrated, the lack of fairness and justice, and the presence of fear and inequality in the redistribution/allocation, reduces the cooperation between groups, and raises the opportunity for cooptation or competition (Fischbacher et al., 2009; Chassang and Miguel, 2009; Dal Bò and Powell, 2007). As said in Bolhken (2009), the risk of a coup d'état could be a stronger deterrent to uncontrollable episodes of rent-seeking, corruption and extra-budget funds than the electoral process in democracies. The combination between the democratic checks and military risk reduces the appropriation of the state wealth. This is the same dynamics that Acemoglu and

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<sup>4</sup> According to Ghandi and Przeworski (2007), the autocratic ruler could solve the problem constituted by the opposition in two ways: if the threat comes from inside the ruling groups, “consultative councils, juntas, and political bureaus” will be created to permit the confrontation between the different ideas; if there is an outside threat coming from powerful groups, institutions that nominally could be grouped under the democratic procedures are established.

<sup>5</sup> Caruso (2010) and Ricciuti and Costa (2010).

Robinson (2006) use to explain the transformation of the political system: 1) a situation without violence, because there is redistribution (fairness) between the groups, driving to cooperation. They claim that here income inequality would be very low, so that the elite does not feel threat from the extending of the redistribution; 2) to respond to the violence caused from no fairness in the redistribution, the ruling elite could co-opt the most productive and dangerous groups, sharing with them the wealth and the rents of the country. Here income inequality is higher than before, and this threatens the conservative elite; 3) the elite does not want to share the rents with other groups, therefore causing competition and violence. Once again, income inequality is very high. Hence, it is possible to say that higher income inequality could raise the probability of a civil war and, consequently, request a larger army for the repression. But, at least, this could increase the opportunity for coup d'état. In this contest, both Besley and Robinson (2009) and Acemoglu et al. (2010) see the army like guardian of the elite, as an agent that acts to defend it from the risk of civil war. The central government will choose the size of the army, but it faces an agency problem: the army may not only be the instrument to defend the elite, but may seize the power. If the government increases the size of the army to respond to a higher risk from the loser groups, this rises the opportunity for a coup d'état, because diminishes its opportunity-cost.

Besley and Robinson (2009) follow the way paved by Besley and Persson (2007, 2008, 2009) in which the state capacity, the quality of institution and the problem of violence are analyzed. In particular, state capacity is the quality of the legal and fiscal capability of the central power. The low level of these two aspects raises income inequality, unequal public good redistribution and bad use of wealth, creating tensions and grievances in the society. When property rights and contracts are not enforced (low legal capacity) and the taxation is collected from uncontrollable source - like the oil sector, the diamond or other natural resources (low fiscal capacity) - the redistribution of the public goods between the different groups is highly unequal, producing the risk of civil conflict and breaking of the civil and peaceful order. To maintain their economic, social and cultural insulation, the elite have to establish an efficient monopoly of violence, as said before. In a situation like this, the loser groups that are not protected by right and contract, and that could not check the use of taxation and state rents, presenting unequal and low income, have the opportunity to use the civil war to gain the central power. So, the government has to create an army to respond to this threat, incurring in the risk presented before: creating a bigger army is dangerous, because

the military have the force concretely in their hands. As said by both Persson and Robinson (2009) and Acemoglu et al. (2010), they could act no more like agent of the government, but in their own interest. If the military are not paid a fair wage, or there is unfair redistribution of the public goods produced in the State, they could act more like self-interested agent than agent of the central government. This situation increases the probability of a coup d'état, and that the civil government is deposed by the army.

Acemoglu et al. (2010) identify three different patterns to underline this: 1) the civil government could decide not to use the repression and hence establishes a little army, favoring the cooperation and a smooth transition to democracy. The new democratic government faces a big problem: in order to consolidate democracy it is necessary to reform the army, but they do not want to be reformed. Here it is possible to find a commitment problem, because the government has to promise to the military that it will not reform it – otherwise they will block the transitional process - but to permit the consolidation of the democracy this reform is necessary; 2) the civil government may want to use repression against social opposition. They create a big army but they pay a right price (wage and public goods) that avoid the recourse to coup d'état. The non-democratic government remains in office and the coup d'état does not happen; 3) The government uses the army to avoid the opposition take the power, so they create a big army but they are unable, or do not want, to pay the right price for their services. The army takes the power and transforms the non-democratic (but civil) political system in a military dictatorship. The same dynamics could be extrapolated from Besley and Robinson (2009): the civil government needs the help of the army, through the repression, to block the social opposition and the risk of civil war, but has to pay the right price for this action and protection. If this does not happen, the military seize the power putting down the previous government. This vicious cycle characterizes both models, helping to explain the relationship between the redistribution of public goods, civil war and coup d'état.

A low level of institutional quality is the first source of waste of the wealth of the state and of unequal redistribution of the public goods between different groups. So, a low level stimulates the grievances of the loser groups, boosting their willingness to use the violence and increasing the probability that a civil war happens. This makes more likely that central elite/government resort to the repression by the army, creating a larger one, rising the likelihood of a military dictatorship. The role of natural resources is strongly linked with this

argument. A large mining sector increases the size of “the pie”, the wealth of the State, rising the temptation for the loser group and for the military to take the central government and the associated revenue. In this way, natural resources contribute to the insulation of the elite in charge, reducing the enforcement of property rights and contracts, raising the risk that the loser groups use violence and civil war to depose the government. Natural resources increase the probability in the use of repression through the army, and, as consequence, the likelihood of a military dictatorship.<sup>6</sup>

External factors can also affect the probability of a coup d'état. We can identify two kinds of influences: the first comes from a powerful State willing to control a region, while the second is the presence of violent and bloody conflict on the border, which could threaten national safety. For the first point, we can underline the relation between the United States and South/Central America (labeled Monroe's Doctrine), as analyzed in Thyne (2010). In particular, it is important to underline that the US role is relevant to support a favored leader or to overthrow an undesired one, so favoring the rising of coup d'état. This is more likely when the US President is in middle of its mandate and when the economic linkages are strong. In fact, this argument has collected large attention in the historical literature, because of the role of the US with respect to some countries like Cuba, Chile, Nicaragua, Panama, Argentina, Ecuador, Grenada and so on (Maldwyn, 1983). Secondly, if a country has some neighbors experiencing ethnic wars and violence, and inside its borders it reproduces the same cleavages, it could be influenced by this circumstance, reproducing these problems. However, Besley and Robinson (2009) and Acemoglu and al. (2010) emphasize that if a country sees the threat of a war between two states, this could reduce the risk of a coup d'état because the army is now necessary for the survival of both the government and the state. Therefore, the politicians (democratic or non-democratic) have to pay the right wage to soldiers, solving the commitment problem that we have analyzed before. A credible threat on the borders can reduce the coup's risk.

### **3. Model and data**

We estimated the following panel data probit model:

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<sup>6</sup> Aslaksen and Torvik (2006), Collier and Hoeffler (2005), Collier et al. (2009), Caselli (2006), Lane and Tornell (1999), La Porta et al. (1999), Brunnschweiler and Bulte (2009) and Bornhorst et al. (2008).

$$Military_{it} = \alpha_1 + \alpha_2 \mathbf{X}_{it} + \alpha_3 \mathbf{Z}_{it} + \alpha_4 \mathbf{W}_{it} + \alpha_5 \mathbf{P}_{it} + \alpha_6 \mathbf{S}_{it} + \alpha_7 \mathbf{C}_{it} + \varepsilon_{it}$$

The dependent variable is a dummy equal to one in case the ruler is a Military and zero otherwise. Data are taken from the “Database of Political Institutions 2010” (Beck, 2001).<sup>7</sup> The vector  $\mathbf{X}_{it}$  includes GDP per capita, derived from Penn World Tables 6.3<sup>8</sup> (Heston et al., 2009), and the added value of the agricultural, manufacturing and mining sector as percentage of GDP, using the UNCTAD database.<sup>9</sup> The vector  $\mathbf{Z}_{it}$  includes variables concerned with ethnic fragmentation, distinguishing between polarization and fractionalization, we use the data from Reynal-Querol.<sup>10</sup>  $\mathbf{W}_{it}$  is a vector including variables concerned with the external sector: openness (the sum of imports plus exports over GDP, from the Penn World Tables 6.3) and the intensity of external treat, defined as level of hostilities on a 1-to-5 scale, taken from the database Militarized Interstate Disputes 3.10 (Ghosn, 2004).<sup>11</sup> The vector  $\mathbf{P}_{it}$  includes the Agricultural Raw Price, taken from Free Market Price Index, and the Crude Oil Price, derived from Free Market Price Index (calculated as the average of Dubai/Brent/Texas equally weighted (\$/barrel)) from UNCTAD. In this way we want to check whether higher levels of the commodity market prices can lead to riots, which in turn could influence the army to take action.  $\mathbf{S}_{it}$  is a vector consisting of urban violence – using the “Urban Social Disturbance in Africa and Asia” data, reporting the unrest of social violence in the more relevant city into every state, taken from PRIO.<sup>12</sup> We have also considered the growth rate of population from Penn World Tables 6.3 and a dummy for if landlocked countries.  $\mathbf{C}_{it}$  is a vector of dummy variables describing the colonial rule of a country. Finally,  $\varepsilon_{it}$  is a random error. All estimates are obtained by using random-effect probit panel data. The random effects panel probit model is the best viable option since it is not possible to estimate a fixed effects probit model consistently with a fixed number of

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<sup>7</sup> The dataset is available at <http://go.worldbank.org/2EAGGLRZ40>.

<sup>8</sup> The database is available at <http://pwt.econ.upenn.edu/>.

<sup>9</sup> The database is available at <http://unctadstat.unctad.org>.

<sup>10</sup> The dataset is available at [http://www.econ.upf.edu/~reynal/data\\_web.htm](http://www.econ.upf.edu/~reynal/data_web.htm).

<sup>11</sup> The dataset is available at <http://www.correlatesofwar.org/>.

<sup>12</sup> The civil violence variable is taken from <http://www.prio.no/CSCW/Datasets/Armed-Conflict/UCDP-PRIO/>, while the urban violence is taken from <http://www.prio.no/CSCW/Datasets/Economic-and-Socio-Demographic/Urban-Social-Disturbance-in-Africa-and-Asia/>.

periods (see Verbeek, 2000: 337). Variables are in logs. Table 1 reports the summary statistics.<sup>13</sup>

[Table 1 about here]

The results cannot be interpreted as causal, since military rule can affect at least some of the economic and political variables that we use as independent ones. Therefore, we also use one- and five-lag of the economic variables on the presumption that, for example, the GDP per-capita of five years ago is not determined by the presence of a military dictatorship today, whereas bad economic conditions at that time can influence the existence of such a dictatorship later on.

#### **4. Results**

Table 2 reports our baseline results. In column (1) to (3) we analyze Income per-capita, which turns out to be significantly negative. Higher income per capita reduces the likelihood of experiencing a military rule. This is probably related with the ‘modernization hypothesis’, which claims that higher income is related with higher interest for the bourgeoisie to play a role in the political arena, therefore leading to the establishment of democratic institutions. Then we analyze the role of shares of production in the probability of having a military rule. Manufacturing and Agriculture are significantly positive, raising the probability of having the army in office. While this seems understandable in agrarian economies in which large owners tend to support conservative political parties (and possibly the military) against the possibility of land reforms, we expected an opposite result for manufacturing since this is usually related with an emerging bourgeoisie, which pushes for democratic institutions. In contrast with our expectations, the share of natural resources is usually insignificant.

Polarization and fractionalization have opposite effects, the former increases the probability of a military rule, while the latter decreases it. Larger openness to international trade negatively affects military rule. A country that is more connected with the world, in which democratic countries play an important role, probably perceives negative effects (both

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<sup>13</sup> A correlation matrix is available upon request from the authors.

culturally and in economic terms) in the relationship with its partners of relinquishing democracy in favor of military rulers. The Oil price is usually insignificant, and negative when significant, while the intensity of external threat, urban violence and agriculture raw price are always insignificant.

[Table 2 about here]

Table 3 jointly estimates Income per capita and the shares of GDP coming from manufacturing, mining and agriculture. Income per capita now becomes insignificant, whereas the share of GDP variables do not change their behavior. The same basically applies to the other covariates.

[Table 3 about here]

In Table 4 we analyze a number of possible nonlinearities. First, we include income per capita squared. Its coefficient is significantly negative, maintaining that a the probability of experiencing a military dictatorship raises up to a certain threshold income level and then is reduced. This seems consistent with the notion of *developmental dictatorship*, a situation which is, for example, the case of Chile and South Korea. In both countries the autocratic shock led to economic policies that sustained growth. Second, we interact a number of variables. In some cases we interact variables that taken individually show opposite effects. In the case of Openness and Manufacturing these effect tend to cancel out, since the resulting variable is insignificant. In contrast, Openness tends to outweigh Agriculture when estimated together. This is also the case of Polarization with respect to Agriculture. The interaction between Intensity of external threat and Fractionalization is significantly positive, this is probably the case in which two neighbor countries are ethnic fractionalized and a group that has the majority in one of them is the minority in the other one. Given the exploitation exerted by the larger group on the smaller one, this can lead to threat by one country on the other one in an attempt to stand for the fellow ethnic group.

[Table 4 about here]

Table 5 addresses the issue of dynamic effects in the relationship between military rule and our covariates. We include as regressors one- and five-lag of all variables but fractionalization and polarization, which have very limited variability. Typically, five-lag variables are more significant than one-lag variables. Probably the most important variable that turns out to be significant is Intensity of external threat, in particular when lagged five. When a serious external threat occurs, the military is likely to become more powerful (in terms of resources and political role) and afterwards this can lead to a coup. This is in contrast with the predictions of the models we have considered.

[Table 5 about here]

## **5. Concluding remarks**

In this paper we have analyzed the probability of a country of experiencing a military dictatorship, using a panel of 48 African countries over the period 1970-2007. We found a number of results. Income per capita negatively affects military rule, with some nonlinearities, in particular lower levels of income per capita increases the probability of having the military in office, whereas as long as it increases the probability gets smaller. Manufacturing and primary sectors are positively related with military rule, whereas the share of GDP deriving from natural resources is insignificant. Larger openness to trade negatively affects military rule. Polarization and fractionalization have opposite effects, the former increases the probability of a military rule, while the latter decreases it. External threat becomes significantly positive only when lagged. Finally, crude oil may price negatively affect military rule, whereas agricultural price is usually non significant.

We plan to analyze the duration of military rule by using a Cox model.

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Table 1 – Summary statistics

	Mean	Std. dev.	Min	Max
Military	.409	.492	0	1
GDP per capita	7.547	.835	5.031	10.062
Manufacturing share of GDP	2.097	0.762	-3.432	3.702
Mining share of GDP	1.351	1.379	-3.971	4.526
Agriculture share of GDP	3.199	.757	.616	4.591
Polarization	.536	.190	.016	.842
Fractionalization	.632	.262	.049	.958
Openness	4.068	.655	.685	5.773
Intensity of External threat	.823	1.621	0	5
Crude Oil Price	4.133	.794	2.015	5.530
Agricultural raw price	4.621	.319	3.683	5.101
Urban Violence	.663	.826	0	2
Population growth rate	.026	.017	-.188	.176
Landlocked	.313	.464	0	1
UK	.416	.493	0	1
France	.333	.472	0	1
Belgium	.063	.242	0	1
Spain	.021	.143	0	1

Table 2 - Existence of Military Rule, baseline results (Panel RE Probit)

	1	2	3	4	5	6	7	8
GDP per capita	-.717*** (.120)	-.201* (.123)	-.386*** (.146)					
Manufacturing share of GDP				.284*** (.102)	.072 (.176)	.202** (.0921)	.708*** (.115)	.37*** (.0995)
Mining share of GDP				.022 (.042)	-.108 (.076)	.0101 (.0419)		
Agriculture share of GDP							1.503*** (.172)	.820*** (.121)
Polarization	.617*** (.137)	.794*** (.120)	.465*** (.136)	.133 (.118)	.757*** (.221)	.277** (.129)	.448*** (.127)	.0451 (.0700)
Fractionalization	-.586*** (.138)	-.498*** (.110)	-.698*** (.148)	-.038 (.116)	-.632*** (.284)	-.297*** (.105)	-.157 (.128)	
Openness		-.363*** (.0821)				-.340*** (.123)	-.017 (.118)	-.26*** (.0903)
Intensity of External threat	-.050 (.033)		-.053 (.035)	-.003 (.0346)	.079 (.500)		-.020 (.035)	
Crude Oil Price	-.155 (.155)	-.284*** (.0997)	-.158 (.159)	-.169 (.158)		-.238** (.117)		
Agricultural raw price	-.453 (.344)		-.467 (.348)	-.303 (.342)		-.205 (.320)		
Urban Violence					-.015 (.0945)			
Population growth rate					.111 (.083)			
Landlocked			.155 (.138)				-1.28*** (.157)	.010 (.129)
UK		-.918***	-.581***		-.322			

		(.176)	(.211)		(.325)			
France		1.005***	.104		1.361***			
		(.167)	(.217)		(.274)			
Belgium			1.158***		1.246			
			(.262)		(.396)			
const	7.94***	4.254	5.25***	1.60	-1.02**	2.678**	-6.149***	-2.941***
	(1.868)	(.907)	(1.951)	(1.601)	(.501)	(1.414)	(1.013)	(.720)
Obs.	1106	1353	1106	1105	593	1352	1106	1353
Groups	41	41	41	41	22	41	41	41
Log Likelihood	-429.69	-523.66	-418.93	-428.71	-196.71	-525.84	-412.97	-521.24
Wald $\chi^2$								

Notes: \*\*\* significant at 1%, \*\* significant at 5%, \* significant at 10%.

Table 3 - Existence of Military Rule, baseline results 2 (Panel RE Probit)

	1	2	3	4
GDP per capita	-.24** (.118)	-.03 (.147)	.02 (.175)	-.11 (.191)
Manufacturing share of GDP	.56*** (.101)	.343*** (.103)	.59*** (.117)	.64*** (.121)
Mining share of GDP				-.0315 (.056)
Agriculture share of GDP	1.04*** (.168)	.80*** (.163)	1.08*** (.167)	1.024 (.168)
Polarization	.626*** (.113)	.982*** (.127)	.49*** (.135)	.91*** (.152)
Fractionalization	-.304*** (.107)	-1.007*** (.131)	-.35*** (.125)	-.81*** (.149)
Openness	.132 (.092)	-.05 (.09)		
Intensity of External threat			-.002 (.035)	-.031 (.036)
Crude Oil Price		-.24*** (.101)	-.180 (.157)	-.183 (.157)
Landlocked		-.61*** (.116)	-.677*** (.152)	-1.00 (.138)
UK		-.45*** (.159)	-1.29*** (.187)	-.237 (.167)
France		.466*** (.159)	.058 (.162)	1.12*** (.191)
const	-2.78** (1.40)	-2.20 (1.64)	-4.25*** (1.83)	-3.86** (1.90)
Obs.	1353	1353	1106	1105
Groups	41	41	41	41
Log Likelihood	-532.627	-511.889	-406.218	-409.222
Wald $\chi^2$	118.65	115.06	183.63	140.79

Notes: \*\*\* significant at 1%, \*\* significant at 5%, \* significant at 10%.

Table 4 – Existence of Military Rule, nonlinear effects (Panel RE Probit)

	1	2	3	4	5	6	7
GDP per capita	6.58*** (1.597)	6.95*** (1.70)	4.34*** (1.851)	6.725*** (1.863)	6.72*** (1.878)	-4.16*** (.147)	7.539*** (1.581)
GDP per capita square	-4.97*** (.111)	-5.38*** (.119)	-.30*** (.131)	-.521*** (.131)	-.511*** (.134)		-.570*** (.112)
Manufacturing share of GDP		.337*** (.113)	.659*** (.254)	.367 (.317)	.113 (.139)	.469*** (.151)	
Mining share of GDP			-.147*** (.062)	-.200*** (.064)	.209*** (.055)		.177*** (.059)
Agriculture share of GDP			.989*** (.204)	.035 (.201)	-.498 (.335)		
Polarization		-.388*** (.088)	-.054*** (.079)	.414*** (.143)	7.56*** (1.623)	4.604*** (.963)	5.064*** (1.089)
Fractionalization				-.425*** (.154)	-1.442*** (.343)	.153 (.362)	-.640** (.343)
Openness * manufacturing			-.034 (.062)	.018 (.078)			
Openness * agriculture	.067** (.033)				.017 (.033)	.084** (.0392)	-.004 (.0361)
Fractionalization* manufacturing					-.801*** (.176)	-.296* (.171)	-.802*** (.148)
Polarization* agriculture					-1.983*** (.446)	-1.210*** (.270)	-1.095*** (.313)
External threat * fractionalization	.171*** (.059)	.168*** (.058)	.094* (.055)	.147*** (.057)	.168*** (.060)	.146*** (.060)	.144*** (.0601)
UK	-.332 (.243)	.148 (.214)		-.063 (.211)	-.753*** (.205)		
France	.851*** (.176)	1.014*** (.191)		.291 (.201)	.339* (.195)		

Belgium	.815*** (.247)	.446** (.249)		.260 (.284)	.090 (.311)		
Const	-22.68*** (5.695)	-23.24*** (6.009)	-20.77 (6.57)	-22.76*** (6.49)	-20.64 (6.238)	.225 (1.256)	-24.26*** (5.646)
Obs.	1106	1106	1105	11005	1105	1106	1105
Groups	41	41	41	41	41	41	41
Log Likelihood	-414.322	-412.228	-407.526	-409.4073	-394.956	-404.564	-405.27
Wald $\chi^2$	98.69	145.13	96.02	112.68	181.12	90.41	119.31

Notes: \*\*\* significant at 1%, \*\* significant al 5%, \* significant at 10%.

Table 5 - Existence of Military Rule, dynamics (Panel RE Probit)

	1	2	3	4	5	6	7
GDP per capita t-1	-.588*** (.252)			.0784 (.314)	.005 (.314)		
GDP per capita t-5	.283 (.263)	.515*** (.171)		.189 (.326)	.660** (.343)	.675*** (.251)	.460** (.242)
Manufacturing share of GDP t-1	.261** (.140)	.214 (.140)	.302** (.143)	.595*** (.189)	.281 (.176)	.303* (.179)	.434** (.180)
Manufacturing share of GDP t-5	.237** (.126)	.223** (.124)	.201* (.128)	-.308* (.186)	-.412** (.184)	-.463*** (.181)	-.520*** (.196)
Mining share of GDP t-1	.075 (.082)	.127 (.087)	.254*** (.086)	.207** (.111)	.220** (.109)	.194** (.107)	.389*** (.111)
Mining share of GDP t-5	-.273*** (.082)	-.354*** (.088)	-.258*** (.0835)	-.414*** (.114)	-.449*** (.116)	-.441*** (.111)	-.300*** (.111)
Agriculture share of GDP t-1		1.05*** (.300)	.902*** (.299)	1.157*** (.395)	.672* (.378)	.928*** (.367)	.971*** (.376)
Agriculture share of GDP t-5		-.061 (.300)	.014 (.319)	.130 (.400)	.169 (.402)	.060 (.387)	-.275 (.411)
Polarization	.643*** (.127)	.136 (.118)	.394*** (.121)	.483*** (.154)	.606*** (.149)	.783*** (.158)	.623*** (.171)
Fractionalization	-.187 (.123)	-.133 (.115)	-.474*** (.128)	-.220 (.162)	-.865*** (.152)	-.358** (.162)	-.572*** (.194)
Openness t-1			-.015*** (.004)	-.013*** (.004)	-.018*** (.004)	-.015*** (.004)	-.016*** (.004)
Openness t-5			.008*** (.003)	.017*** (.005)	.013*** (.005)	.013*** (.004)	.013*** (.005)
Intensity of External threat t-1				-.003 (.038)	.006 (.038)	-.007 (.039)	.019 (.039)
Intensity of External threat t-5				.093** (.0428)	.120*** (.043)	.103*** (.043)	.110*** (.042)
Crude Oil Price t-1					-.351**	-.380**	-.205

Crude Oil Price t-5					(.183)	(.182)	(.183)
					-.030	-.006	.471***
Agricultural raw price t-1					(.094)	(.0934)	(.150)
							-.0189
Agricultural raw price t-5							(.429)
							-1.471***
							(.344)
Landlocked					-.082	-.599***	-.046
					(.144)	(.152)	(.157)
UK	-.952***	-.648***	-.057	.189	-.184	-.612***	-.909***
	(.166)	(.167)	(.171)	(.213)	(.181)	(.193)	(.192)
France	-.008	-.373***	.886***	2.039***	.642***	-.497***	.400**
	(.166)	(.161)	(.161)	(.247)	(.191)	(.206)	(.189)
Belgium			2.107***	.757***			
			(.238)	(.282)			
Const	2.462***	-8.02***	-4.01***	-8.23***	-6.57***	-5.178	6.99
	(.963)	(-1.533)	(.868)	(2.46)	(-2.678)	(-2.449)	(-3.328)
Obs.	1351	1351	1351	1091	1091	1091	1091
Groups	41	41	41	41	41	41	41
Log Likelihood	-528.849	-.509.493	-508.459	-372.69	-369.502	-379.331	-371.826
Wald $\chi^2$	150.10	118.83	247.86	166.60	125.27	122.69	138.18

Notes: \*\*\* significant at 1%, \*\* significant at 5%, \* significant at 10%.