

Eurasian Peace Science Workshop 2015

Date: 12/06/2015

Location: Sabanci University Karakoy Minerva Palas
(Bankalar Caddesi, No 2)

Sabancı
Üniversitesi



ÖZYEĞİN
ÜNİVERSİTESİ

Morning Session

10:00-12:00

Emre Hatipoglu and Dursun Peksen, *“Economic Sanctions and the Political Economy of Banking Crises”*

Resat Bayer and Ali Fisunoglu, *“Understanding and Forecasting Order and Change in the Northern Middle East Region”*

Kerim Can Kavakli and Arzu Kibris, *“Urbanization and Civil Wars”*

Imran Demir, *“Causes and Consequences of Overconfidence in Foreign Policy Decision Making”*

Afternoon Session

13:30 – 15:30

Lisa Hultman and Dursun Peksen, *“Successful or Counterproductive Coercion? The Effect of International Sanctions on Conflict Intensity”*

Arzu Kibris, *“The Flight of White-Collars: Civil Conflict, Availability of Medical Service Providers and Public Health”*

Konstantinos Travlos, *“Regulating Ares: Major Power Managerial Coordination and the Status-Quo”*

LIST OF PRESENTERS

Resat Bayer – Koc University

Imran Demir – Marmara University

Ali Fisunoglu – Ozyegin University

Emre Hatipoglu – Sabanci University

Lisa Hultman – Uppsala University

Kerim Can Kavakli – Sabanci University

Arzu Kibris - Sabanci University

Dursun Peksen – University of Memphis

Konstantinos Travlos – Ozyegin University

ABSTRACTS

Emre Hatipoglu and Dursun Peksen, “*Economic Sanctions and the Political Economy of Banking Crises*”

What effect do economic sanctions have on the financial stability of target countries? Despite much publicized humanitarian and socio-political effects of economic coercion, scant attention has been paid to the adverse economic effects of sanctions beyond the immediate impact on trade and foreign direct investment. This manuscript explores the extent to which economic sanctions contribute to the banking sector fragility prompting systematic banking crises. We posit that foreign economic restrictions increase the likelihood of banking crises by undermining macro-economic conditions. To test the hypotheses, we gathered data for over 125 emerging economies for the years from 1970 to 2005. The findings indicate that economic sanctions are likely to raise the probability of banking crises.

Kerim Can Kavakli and Arzu Kibris, “*Urbanization and Civil Wars*”

What happens to a country’s risk of civil war as people move from rural areas to cities? Despite globally unprecedented rates of urbanization, this important question remains unexplored. We offer a theory of social control, which predicts that, all else equal, urbanization will increase the chances of civil war onset. As people migrate to cities the tight social bonds that keep rural population docile are frayed. People become more exposed to new ideas and develop new identities relatively unconstrained by rural, conservative family or clan ties. They can then act on these new identities without being detected and shunned by their traditional communities. As a result, in cities potential rebels can find each other and start rebellions more easily. Consistent with this argument, our cross-national evidence shows a strong positive relationship between urbanization and civil war onset. This finding is robust to controlling for country fixed-effects and reverse causality. In addition, to test our theory we collected new biographical data on rebel leaders across the world. We find that these individuals were radicalized predominantly in urban centers even though most were born in rural areas. Our argument is linked to previous eras of radical movements such as 19th century national separatists and, more broadly, shows how certain aspects of modernization can increase social unrest.

Imran Demir, “Causes and Consequences of Overconfidence in Foreign Policy Decision Making”

The present study outlines a theoretical framework, in which the concept of overconfidence is assigned a central place for explaining risk-seeking behavior. Different lines of theoretical formulations are utilized to construct a model to explore the relation between prior performance outcome, overconfidence and risk seeking behavior. In the model, prior outcomes influence how individuals subsequently act because these outcomes serve as sources of information both to reduce uncertainty and on one’s capacity. Key predictions of our model are, first, that decision makers will be stimulated by a shock or past event, second that the successful outcome of their response to that event will induce them to over-adjust themselves to their knowledge and leading them to attribute too much of their success to their own skills and efforts. Third, having over adjusted to their priors, decision makers, upon observing a set of similar signals to that of their past, will be emboldened to take more risks as a result of increase in their confidence. The fourth prediction of the model is that since decision makers risk attitude is biased by overconfidence these decisions are more likely to result in failed commitments.

Lisa Hultman and Dursun Peksen, “Successful or Counterproductive Coercion? The Effect of International Sanctions on Conflict Intensity”

Despite the frequent use of economic and military-specific sanctions against countries affected by civil conflicts, surprisingly little is known about the possible impact that these coercive tools have on conflict dynamics. This paper examines how threats and imposition of international sanctions affect the intensity of conflict violence. We formulate and test two competing views on the possible effect of economic and military-specific sanctions on conflict dynamics by combining data on fatalities in battle-related violence in all internal armed conflicts in Africa from 1989 to 2005 with data on economic sanctions and arms embargoes. The results indicate that threats of economic sanction and arms embargo are likely to increase the intensity of conflict violence. Similarly, imposed economic sanctions are likely to contribute to the escalation of battlefield violence. Imposed arms embargoes, on the other hand, are likely to reduce battlefield violence. We conclude that international sanctions appear to be counterproductive policy tools in mitigating the human cost of civil conflicts unless they are in the form of imposed arms embargoes attempting to limit the military capacity of the warring parties.

Arzu Kibris, *“The Flight of White-Collars: Civil Conflict, Availability of Medical Service Providers and Public Health”*

Analyzing novel data sets from Turkey, we provide empirical evidence for our theoretical argument that a major mechanism through which civil conflicts exert their long term negative influences on public health is by discouraging medical personnel to practice in conflict regions. We show that the long running civil conflict in Turkey has been driving away doctors and other highly trained medical personnel from conflict areas. We then assess the effectiveness of certain policy measures that have been tried out by Turkish governments over the years to counteract this dynamic. We show that while extra pay policies do not provide much relief, mandatory service requirements do serve as effective counter measures.

Konstantinos Travlos, *“Regulating Ares: Major Power Managerial Coordination and the Status-Quo”*

The concepts of satisfaction and the status-quo play an important role in the study of the conflict dynamics of international relations. And yet the majority of measures used to operationalize them do not permit us to capture the robustness of the systemic status quo. This is due to methodological and conceptual reasons. Past measures tend to be dyadic as opposed to systemic, tend to capture the structure instead of the system, and face replication and reliability issues. They also express a monolithic view of the status quo, which leads to measures capturing one dimension of the multi-dimensional status quo applied to different dimensions. After a review of extant measures of satisfaction and the status quo, I address these issues in two ways. First I, conceptualize a specific important element of the status quo, the distribution of the use of force in international relations. Specifically I capture the robustness of the status quo in this dimension through the quality of major power collective regulation of this distribution, major power managerial coordination. To measure the intensity of major power managerial coordination I present the scale of major power managerial coordination intensity (MPMCI). A series of validity evaluations and replications of extant research provide indicators about the usefulness of the concept and measure.