Academics (Australian), research	Bandung Conference in Indonesia, 188
productivity of, 79-80	Bargaining set stability, 295-296
data, 88–90	Baruch, Bernard, 179
ethnic fragmentation index of, 87-88	β index, international tension, 197–203
human capital index of, 85-87	artificial construct, 203
literature on, 81	assumptions, 197–198
measurements of relevant variables,	axioms, 199–200
85–88	efficiency of global portfolio, 201
methodology, 84-85	empirical study, 203–209
postulated models on, 81-84	global portfolio of terror assets, 201
preliminary findings, 90–92	intertemporal movement of, 209–217
Agglomeration, 151, 152	of nations, 204–209
Agrarian societies, clientelism in, 19-21	Biofuels, and food crops
Allied causes, American foreign policy	choice between, 276–277
towards, 175–176	Cournot–Nash equilibrium, 279–282
American foreign policy, towards Allied	crisis, 270–272
causes, 175–176	as rent-seeking instrument, 277–279
Anarchy, 108	simple model, 275–282
Arab–Israeli negotiations, 291	Brezhnev, Leonid, 189
Aristocracy, small farmers and, 19–21	Breziniev, Leonid, 109
Australian universities, 76–80	Castro, Fidel, 187
academics, research productivity. See	Central America, violence in, 11–12
Academics (Australian), research	arguments for, 12
productivity of	Central Powers, in World War I, 176
cultural shift in, 77–78	Churchill, Winston, 183
international rankings of, 80	Civil conflict, defined, 289
multicultural team dynamics, 78	
structural reforms and, 76–77	Clausewitz model, 14
Autocracy, vs. democracy, 4	Clientelisation, of labour market, 6–9 Clientelism
Autonomy, for resolving ethnic conflict,	
70–71	in agrarian societies, 19–21
Deller and interest of the second of the sec	in Georgia, 16–19
Balkans, intrastate conflicts in, 15–16	in Yugoslavia, 14–16
Dayton Peace Accords, 15	CMP. See Conflict management
US involvement in, 15	procedure (CMP)

Coalitions, tensions between.	Data, international tension, 217–221 GDP, 219
See Multi-party conflict, negotiations in	
Coase theorem, 295–296	inequality, 218
	military expenditure, 218–219
Cold War, 179–181	openness, 219
dynamics of, 186–189	regression results, 220
genesis of, 181	Dayton Peace Accords, 15
second. See Second Cold War	Defence spending
Conflict management procedure	economic impact of, 127–129
(CMP), 285	electoral equilibrium of. See Electoral
interlinked stages, 294	equilibrium, of defence spending
theoretical tools, 293	in European nations, 128–129
Conjectural variations model, 130	grievances and, 125
Constructivist thoughts, on ethnic	Hirshleifer-type model, 123–124, 126
conflict, 69–70	Nash equilibrium and, 125
Corn market, 19–21	overview, 123–126
Cournot-Nash equilibrium in,	rebel group and, 124-125
23–24	spatial consequences of, 127-129
credit offering, 22	in Switzerland, 128
duopoly, 23–24	in United States, 127-128
entry-deterring strategies.	Democracy
See Entry-deterring strategies,	in economic growth, 288-289
corn market	with economy and peace, 5-6
fragmentation without explicit	vs. autocracy, 4
switching costs, 39–45	Developing nation, state fragmentation
static framework of, 21–22	in, 9-10. See also Corn market
static model of, 21–24	Disarmament, 303–311
Cournot model, of predatory activity,	Keynes, John M. on, 305-306,
114–121	308-309
assumptions for non-equilibrium	Marxist ideas, 307
dynamics, 117–120	Pigou, Arthur C. on, 305
capture and seizure, 115–117	presuppositions and value judgments,
Nash equilibrium, 117	304
overview, 114–115	Robbins, Lionel on, 306
zero conjectural variation, 117	Veblen, Thorstein and, 304–305
Cournot–Nash equilibrium	Wicksell, Knut on, 305
biofuels and food crops, 279–282	Dual Alliance, in World War I, 173–174
in corn market, 23–24	,
Credit market leverage, 19–21	Economic agglomeration. See
Criminal gangs, 13. See also Maras, in	Agglomeration
Guatemala	Economic geography, 151–154
Cuban Missile Crisis, 187	Economic growth, democracy in,
Cuban Revolution 187	288–289

Index 365

Economic inequality, 4–5 Economy, with democracy and peace, 5–6 Eisenhower, Dwight, 186 Electoral equilibrium, of defence spending, 135–141 comparative-static results, 138–141 Nash equilibrium, 137–138 and nature of competition, 137–138 probabilistic voting theorem for, 135–137	Famines, and food crisis, 274–275 Farmer-traders, stockholding hoarding, 258–259 and market clearing, 256–258 production, 260 profits, 254 proposed game model for, 255–256 storage technology for, 254 FDI. See Foreign direct investment (FDI) Food crisis, 264–275
El Salvador, violence in, 11	biofuels and, 270–272 famines and, 274–275
Entente Cordiale, 174 Entry-deterring strategies, corn market,	long-term strategy, 266-268
24–31	prices. <i>See</i> Food prices and crisis Food crops, and biofuels
entry accommodation, 29–30	choice between, 276–277
entry-preventing interest rate, 26–27 extortion, 27–28	Cournot-Nash characterisation, 279–282
interest rate, choice, 27–28	crisis, 270–272
post-entry competition, 24–26 subgame perfection and, 30–31	as rent-seeking instrument, 277-279
upward price distortion. See Price	simple model, 275–282 Food entitlements. See also Food
distortion (upward), and corn	markets
market Ethnic conflict	basic model for, 253–264
autonomy for resolving, 70–71	overview, 247–251
constructivist on, 69–70	Food markets, 251–253
defined, 69	and crisis, 268–270, 273–274
instrumentalist on, 69	farmer-traders in. See Farmer-
primordialist on, 69	traders, stockholding
Ethnic intolerance, 94–98	government in. See Government,
Ethnicity	stockholding
from collective consciousness, 68	Nash equilibrium in, 260–263
concept of, 67-68	speculative activities in, 252–253
conflict. See Ethnic conflict	stockholding in, 252–264
and globalisation, 71–72	Food prices and crisis, 264, 265,
group formation, 68	268–270
as mental model, 68	in India, 269
Europe	market manipulation, 273–274
factors of conflicts, 174–175	in South East Asia, 269–270
split of, 174	Food riots, 251
European Union (EU), 150-151	Foreign direct investment (FDI), 149

Fragmentation of state. See State fragmentation France and World War I, 173–174, 178 and World War II, 179 France and Germany, relations, 292	Government, stockholding, 253, 258 demand and supply, 254 and food price, 254–255 hoarding by, 259 market clearing, 256–258 proposed game model, 255–256 Great Britain
Game equilibrium, and defence spending, 131–132 electoral equilibrium, 135–141 product market competition, 133–135 GATT. See General Agreement on Tariffs and Trade (GATT) General Agreement on Tariffs and	and Korean War, 185 and World War I, 174, 175 and World War II, 178, 179, 181, 183 Group formation, ethnicity, 68 Guatemala, violence in, 11 culture of, 13 Maras, 13–14 politically motivated, 12–13
Trade (GATT), 150 Georgia Rose Revolution in, 16–18 territorial integrity of, 18–19 Germany invasion of Russia, 182 and World War I, 173, 174, 175–176 and World War II, 178–179 Germany and France, relations, 292	Higher education, in Australia. See Australian universities Hirshleifer-type model, 123–124, 126 Hoarding, food stock by farmer-traders, 258–259 by government, 259 Honduras, homicide in, 11 Hunger index, 249
Ghettos, 53–54 Global firms, ethnicity and, 74–76, 92–93 case study. <i>See</i> Australian universities Lazear, Edward on, 78–79 unintended consequences of, 93–94 Global Hunger Index, 249	Hybrid regimes, 3–4 ICBM. See Intercontinental ballistic missile (ICBM) IFPRI. See International Food Policy Research Institute (IFPRI) India
Globalisation, 149 emergence of, 195–197 and ethnicity, 71–72 in India, 54–57 and information technology, 150, 154 and local governance failure, 47–49 and local public goods, 49 and sub-national governments, 50–53 and transport cost, 150, 153, 154 Global stability, 292 Gorbachev, Mikhail, 187, 193–194	food crisis in, 269 ghettos in, 54 globalisation in, 54–57 local governance failure in, 48–49 local public goods, 54–57 urbanisation in, 54, 57 India-Pakistan relations, 291–292 Information technology, and globalisation, 150, 154 Instrumentalist thoughts, on ethnic conflict, 69

Index 367

Mafias, 289 Intercontinental ballistic missile Maras, in Guatemala, 13-14 (ICBM), 187 International Food Policy Research bifurcation in, 14 Institute (IFPRI), 249 Marginalisation, 6-9 International tension, 171-172 source of, 8 β index of, 197-203 types of, 7-8 Cold War. See Cold War unemployment and, 7 overview, 171-173 Marxist ideas, of disarmament, 307 World War I. See World War I Millennium Development Goals, 249 World War II, 178-179, 181-183 MNC. See Multinational corporations Intrastate conflict, 1, 14–16 (MNC) in Balkans, 15-16 MS 13, 14. See also Maras, in Clausewitz model, 14 Guatemala multidimensional political MS 18, 14. See also Maras, in implications, 15 Guatemala Investment models. See Strategic trade Multilateral tax reforms, and MNC, and investment models Israel-Arab negotiations, 291 Multinational corporations (MNC), Israeli-Palestinian conflict, 291 154-155 Italy multilateral tax reforms, 155 and World War I, 173, 175 Multi-party conflict, negotiations in, and World War II, 178-179 295-296 baseline models of, 296-301 Kahneman, Daniel, 109 equal relative concession principle, 301-303 Keynes, John M., on disarmament, Mussolini, Benito, 178-179 305-306, 308-309 Khrushchev, Nikita, 186 Korean War, 183-186 NAFTA. See North-American Free Kosygin, Alexei, 189 Trade Agreement (NAFTA) NATO. See North Atlantic Treaty Labour markets, marginalisation and Organization (NATO) clientelisation of, 6-9 Negotiations basic tenets, 287–289 Lazear, Edward, on global firms, 78-79 CMP. See Conflict management Lippmann, Walter, 180 procedure (CMP) Local governance failure, and state for disarmament. See Disarmament fragmentation, 47-49 economic governance, 286-289 in multi-party conflict. See Multiindex of, 56 Local public goods party conflict, negotiations in and globalisation, 49 principles of, 291-292 private institutions and, 289-291 in India, 54-57 Local stability, 292-293 step-wise dynamics of, 292-293 as zero-sum game, 285-286 Long Telegram, 183

Nicaragua, violence in, 11 Regional integration. See also Privatisation North-American Free Trade Agreement (NAFTA), 150, 151 and globalisation, 149-154 introduction, 147–149 North Atlantic Treaty Organization Replicator dynamics, of social (NATO), 185 behaviours, 102-103 Nuclear arms race, 187-188 Rich farmers and market fragmentation without OPEC. See Organization of Petroleum explicit switching costs, 39-45 Exporting Countries (OPEC) Robbins, Lionel, on disarmament, 306 Organised crime, 289 Rose Revolution, in Georgia, 16-18 Organization of Petroleum Exporting background, 16-17 Countries (OPEC), 189 Rural market. See Corn market Pakistan-India relations, 291–292 Saakashvili, Mikheil, 17 Pareto, Vilfredo, 303 Second Cold War Pigou, Arthur C., on disarmament, armed insurgency, 192 ending, 192-195 Potsdam Conference, 183 Small farmers Price distortion (upward), and corn and aristocracy, 19-21 market, 31 and market fragmentation without incentives to adopt, 35–37 explicit switching costs, 39-45 post-entry game, 32-34 Smith, Vernon, 109 rich farmer, 34-35 Social behavious, replicator dynamics, separating and pooling equilibrium, 102-103 Social contract, 72-74, 112-114 Primordialist thoughts, on ethnic Social dynamics, and social conflict, 69 interactions, 98-102 Private institutions, and negotiations, Social interactions, and social dynamics, 98-102 key problems, 289-290 Social marginalisation, source of, 8 organised crime, 289 South East Asia, food crisis in, 269–270 Privatisation, 149. See also Soviet Union, and United States. See Globalisation Cold War game, 160-165 Spatial consequences, of defence major issues, 155-157 spending, 127-129 post-privatisation outcome, 166 SPUTNIK, 187 rationales for, 157-160 Stalin, Joseph, 183 simulation analysis, 167–168 State, defined, 2 Probabilistic voting model, 130 State fragmentation for electoral equilibrium, clientelism and. See Clientelism 135-137 in developing world, 9-10 Pseudomorph, 74 elements of, 1

Index 369

6–9 overview, 1–6 rural market and. See Corn market violent conflicts, 11–19 Static model, of rural markets, 21–24 Cournot–Nash equilibrium, 23–24 framework, 21–22 Stockholding Truman, Harry, 183 United States defence spending in, 127–128 and Soviet Union. See Cold War and World War I, 175, 176, 177 and World War II, 179 Urbanisation, in India, 54, 57
rural market and. See Corn market violent conflicts, 11–19 Static model, of rural markets, 21–24 Cournot–Nash equilibrium, 23–24 framework, 21–22 Starle lebit of the lebit of the see Corn market defence spending in, 127–128 and Soviet Union. See Cold War and World War I, 175, 176, 177 and World War II, 179 Urbanisation, in India, 54, 57
Charles I din a
Stockholding Value Thanstein and disamnament
farmer-traders. See Farmer-traders, stockholding food market, 252–264 government. See Government, stockholding in Central America, 11–12
Strategic trade and investment models
129–131 forms of, 110–111 in Georgia, 16–19
Sub-Saharan Africa, 249–251 problems in region, 250–251 Switzerland Africa granding in 128 Sub-Saharan Africa, 249–251 in Guatemala, 12–14 origin and resolution, 112–114 overview, 107–110
Swope, Herbert Bayard, 180 social contract and, 112–114 in Yugoslavia, 14–16
Tax reforms, 155 Von Bismarck, Otto, 173
Terrorism, global partnerships in, 239–245 heuristics, 240–244 observation, 244–245 overview, 239–240 Terrorist organisations, 221–231 group formation, 222–224 partnership formation, 224–230 Terror strikes, temporal cycle of, 231–239 full-blown model, 236–239 Weber, Max, 2 Welfare sclerosis, 7 Wicksell, Knut, on disarmament, 305 World War I, 173–178 American policy, 175–176 Central Powers in, 176 Dual Alliance in, 173–174 Triple Alliance in, 173 World War II, 178–179
model, 232–234 and post-war complexities, 181–183
Transport cost, and globalisation, 150, WTO. See World Trade Organization (WTO)
Treaty of Westphalia, 2 Triple Alliance, in World War I, 173 Yugoslavia, intrastate conflict in, 15–16