
What is the relationship between international economic trade and interstate conflict? This is the central question addressed in Mark Crescenzi’s book Economic Interdependence and Conflict in World Politics. The author notes on the opening page that “. . . global trade volume has increased sixteen-fold in less than fifty years, almost three times the increase in total output.” (p. 1) This figure alone suggests the global community is increasingly intertwined and connected and while scholars have attempted to explain how economic trade might affect international relations the puzzle remains largely unresolved.

As the author discusses clearly and concisely in the first portion of the book, the unfortunate reality is international relations scholars have argued and produced evidence indicating three possible relationships between trade and interstate conflict. Scholars working from the liberal tradition of international relations believe (and have provided empirical evidence) that high levels of bilateral trade can only pacify interstate relations since states that trade are likely to be affable to one another as it is and, most importantly, will be unwilling to engage in any conflict that could disrupt their mutually beneficial relationship. A second group of scholars have argued and also provided evidence that high levels of trade actually increase the number of issues states can fight about, therefore making interstate conflict more likely depending on the terms of the trading relationship. Lastly, realist scholars maintain the structure of the system (that is, the distribution of military power) trumps all other facets of international political arrangements, such as trade, and therefore there is no discernable relationship between trade and conflict since powerful states will simply do as they please.

The author cuts right through these three competing arguments by drawing a critical theoretical distinction between their previous efforts and his own. He argues previous studies have mistakenly assumed high levels of economic trade constitute economic interdependence. By defining two key concepts the author successfully demonstrates how two states can enjoy high levels of trade without being interdependent. These two concepts are first, market structure, meaning the ability of a state to find goods, resources, and services from other states; and second, asset specificity, meaning the ability of a state to alter its own means of production to easily adapt to the changing needs of different/new trading partners. In conjunction with one another, these two concepts determine the extent to which two states are interdependent with one another, and thus the exit costs one or both states can expect to suffer if the relationship is damaged.

Crescenzi proceeds to use much of the same data from past studies but strategically reorganizes those data to account for market structure and asset specificity in order to produce the primary independent variable of exit costs (representing a much more accurate measure of economic interdependence). The
dependent variable of interest, interstate conflict, is constructed by using global events data (gleaned from major newspaper sources) from 1966-92 categorized as either low-level conflict, such as sanctions or reduction in aid, or high-level conflict, such as military threats or attack. His statistical analysis produces — among other results — two new and more detailed findings than previously observed: that first, as a target state’s exit costs increase so does the likelihood of low-level conflict but that second, as these target state’s exit costs continue to increase the likelihood of high-level conflict decreases. The intuition here is compelling: a target state being threatened by its trading partner (the challenger state) will be willing to engage in low-levels of conflict so long as the target state’s exit costs do not pass a certain threshold — this threshold being a function of the market structure and asset specificity discussed earlier. As the target’s exit costs continue to increase, it becomes more and more crucial for the target state to maintain the economic partnership and thus high-level conflict becomes much less likely.

This book offers an accurate and concise summary of the trade and conflict literature in international relations and then updates this tradition by providing compelling and influential empirical evidence of its own. The author successfully produces simple and readable mathematical models outlining what conditions of interdependence interstate conflict (either low- or high-level) is likely to occur. Beyond an impressive scholarly contribution, this book succeeds in its potential ability to educate a wide audience ranging from interested casual readers to professional students and scholars alike.

Victor Marin is a graduate student in the Department of Political Science at Rice University.


Christopher Cramer’s Violence in Developing Countries attempts to answer one of the central questions of peace and conflict studies: is it possible to make sense of war? The book aims to prove that it is indeed possible and to decide how making sense of war can help us to mitigate its affects. On this count the book is based on a rather straightforward reformulation of theories of conflict resolution and transformation in the tradition of Johan Galtung and Louis Kriesberg, and does not innovate much in terms of its understanding of the nature of violent conflict. Where it does diverge creatively, however, is in its critique of development as a technique of peacebuilding. Whilst the mainstream literature on peace and conflict studies tends to affirm development — in particular eco-