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The Economics of War and Peace

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Abstract and Keywords

This chapter identifies important changes and continuities taking place in the economics of war and peace. While the economic benefits of conquest have shrunk, there remain many incentives for states to fight each other. Both unipolarity and globalization make peace more likely. Despite contemporary fears, neither appears in danger of ending any time soon. The costs of building a modern military and fighting a modern war continue to rise, a trend that redounds to the United States' advantage. As has been the case since the Cold War's end, any undermining of these factors will be due to the unipole's own actions in pursuit of a domestically-oriented populism and illiberalism.

Keywords: political economy, war, economics, unipolarity, hegemony, globalization, revolution in military affairs, arms races

WITH apologies to Charles Tilly, war made the economy, and the economy made war. While neoclassical economics tends to start with a benign world full of property rights and free of predation, many prerequisites for such a world—sovereign credit markets, central banks, freedom of navigation—originate in warmaking and violence. This relationship continued to shape the international politics of the twentieth century. The punitive economic punishments in the First World War's Treaty of Versailles helped produce Weimar Germany's economic collapse and the Second World War's advent. The Cold War's Marshall Plan permanently shaped the economic nature of Western (and Eastern) Europe. The Vietnam War led Nixon to close the gold window. And the collapse of the Soviet Union, largely due to the pressures of competing militarily with the United States, led to both American unipolarity and the extreme economic interdependence we call "globalization."

Lest we think that such links are passé, the potential unraveling of both globalization and unipolarity (addressed below in Section 21.2) cannot be separated from the increasing security competition between the United States and aspiring great powers. In a rare statement of unvarnished truth by the American political class, the Obama administration sold the Trans-Pacific Partnership free trade pact as a means of competing against China, rather than of increasing gains from trade (Obama 2016). The continued relevance of the subject, given trends in contemporary international politics, drives this chapter.

This Handbook asks “what [about international security] is likely to change and what is likely to stay the same?” It is generally accepted that much about the politics of war is immutable, but have the *economics* of war evolved?

Those occupying the commanding heights of the global economy seem to think so. In 2015 the World Economic Forum (2015: 7) labeled “interstate conflict” the number one “global risk,” because “2015 differs markedly from the past, with rising technological risks, notably cyber-attacks, and new economic realities, which remind us (p. 305) that geopolitical tensions present themselves in a very different world from before. Information flows instantly around the globe and emerging technologies have boosted the influence of new players and new types of warfare.” Given this newly-found anxiety among Davos Men (and the occasional Woman), this chapter examines potential changes in the relationship between war and both national and global economies.¹

The chapter makes three major points. First, it highlights one major change in the economics of war and peace. The economic futility of conquest is both a rare spot of agreement in our field and an insufficiently appreciated development in international politics. Second, it skeptically reviews predictions of major change in two economic forces thought to make war less likely: unipolarity and globalization. Finally, the chapter explores other possible economic underpinnings to the perceived increase in conflict risk identified above, drawing upon recent research on the economics of *going to war*. Dramatic changes do appear to be taking place here, but they largely reinforce the current state of international affairs.

21.1 Conquest Does Not Pay

The field largely agrees on what *has* changed in the relationship between economics and war. The most direct link between these two practices—going to war in the pursuit of wealth—is largely irrelevant to contemporary international politics. The opportunity cost of war in terms of prosperity (for most states) seems profoundly high, and the gains from conquest seem equally low (Brooks 1999, 2005; Crescenzi 2003; Kim 2014).² While few debates in IR ever die, current scholarship is surprisingly reticent to argue that “conquest still pays,” the last major attempt being two decades old (Lieberman 1998). Oil, so often blamed for conflict (Klare 2001), is rarely its direct cause (Schultz 2015;

Meierding 2016; Colgan 2014). Some predict water wars in the future (Starr 2016), but evidence remains scarce to date (Wolf 1999).

None of the world's ongoing large-scale conflicts and plausible future ones—Indian-Pakistani tensions in Kashmir, Russian aggression in its Near Abroad, Saudi flailing in Yemen, the multinational cockpit of Syria and Iraq—can plausibly be described primarily as economic disputes. Even China's maritime "land reclamation" seems largely an attempt to protect itself from economic coercion and to expand its influence and prestige rather than a quest for rapidly depleting fisheries or unproven undersea resources.

But while its direct economic gains may have dissipated, war—as Richard Betts (1999) glumly observes—still seems to find a way, and thus the economics of *producing* war continue to matter greatly. Richer states have bigger ambitions. The scale economies of war shape international politics in profound ways. Even if many rich countries seem to lack the willingness to fight, wealth remains an essential prerequisite for war (and perhaps more broadly for "power"); arming and fighting are not free.

(p. 306) 21.2 The Robustness of Unipolarity and Globalization

Any investigation of the contemporary economics of war must reckon with the twin facts underpinning post-Cold War politics: the awesome relative economic and military power of the United States, and the current high degree of mutual economic interdependence among states, firms, and people. Whereas one senior IPE scholar as late as 2008 described hegemonic stability theory as "passé" (Cohen 2008: 9), a new generation of scholarship has explored the mutual influence of unipolarity and globalization (Kirshner 2006a; Mastanduno 2009).

There is a general assumption that, combined, these forces reduce the probability of war.³ While vague in many respects, hegemonic stability theory and its cousin "power transition theory" nonetheless make it clear that rapid and large power shifts make war more likely and that globalization in general makes war less likely. Realists and liberals can agree that the *decline* of American unipolarity, economic interdependence, or both bode poorly for peace.

And prospects appear grim. Trade makes up a smaller percentage of global GDP than before the 2007 economic crisis. The Doha round of global trade talks continues to flounder. Two United States-led trade agreements also appear stalled, supported by neither major 2016 presidential candidate. The Great Firewall of China restricts the exchange of information between the world's largest economy by purchasing power and the rest of the world (and protects indigenous competitors like Alibaba and Weibo). The one-two punch of Europe's internal fiscal imbalances and Brexit threaten the continued

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operation, much less the deepening, of the world's most successful project of international economic integration. The United States recently elected a president vocally antagonistic toward free trade, international institutions, and liberal norms.

Even scholars once at the forefront of linking globalization to American power see both as declining. Mastanduno (2009: 123) finds that "U.S. dominance in the international security arena no longer translates into effective leverage in the international economic arena." It appears to be of the United States' own doing. Many point to a self-defeating imbalance between US military spending and economic power (Layne 1993, 2012).⁴ Others underscore American sins such as excessive debt, failed wars, sclerotic government, profligate energy use, and the friability of the ideas underpinning the "Washington Consensus" (Freidman and Mandelbaum 2011). Kirshner (2006b: 5), who has done so much to analyze globalization's empowerment of the United States, now argues that the United States, "saddled by national debt, fiscal deficits, and record trade imbalances," is losing ground.⁵

But like Hymen Roth in *Godfather II*, the United States has been dying of the same heart attack for decades. American relative supremacy and increasing global interdependence both pre-date the Cold War's end, as do predictions of their demise. Responding to a previous wave of declinism, Susan Strange cannily identified the (p. 307) robustness of this relationship (Strange 1987, 1998). Strange's case still stands. To make this case I turn to several political economic truisms.

First, one cannot explain change with a constant; the continued structural advantages of the United States, especially relative to China, are hard to deny (Beckley 2011; Brooks and Wohlforth 2015). Although US actions may deserve some credit, much of it is dumb luck, such as the recent finding that 60 percent of economically viable oil production at \$60 a barrel is in American shale (Crooks 2016). As Bismarck noted, God watches over fools, drunkards, and the United States. Nor are many of America's sins all that new. Indeed its sclerotic domestic government has at times been considered the source of American power, constraining it from its worst excesses (Friedberg 2000; Colaresi 2014).

Second, voice does not imply exit (Hirschman 1970); indeed, squeals are often the only tool available when an actor cannot exit an asymmetric relationship. What Kirshner (2016) labels as "chronic squabbling" is not evidence of decline. If weaker partners do not complain during a round of economic bargaining, the stronger side is not squeezing hard enough.

Third, and relatedly, new ideas do not necessarily presage decline. Kirshner (2014) identifies a "New Heterogeneity" and Grabel (2011) a new "productive incoherence" over international economic management. Kirshner (2016) argues that the Global Financial Crisis will present a "learning moment" in world politics, and that "much of that learning will take place outside of the United States." I suspect that the United States will learn what it wants, and then other states will learn what they can. Periods of idea-shopping can certainly lead to change, but there must be no mistake about which state will get to decide among those alternatives. For example, TPP, ostensibly written in a time of relative

US decline, seems to be largely a United States-generated document and is designed to exclude its primary potential international challenger (Allee and Lugg 2016). And yet Donald Trump, the newly elected US President, rejected the pact as not being a sufficiently “good deal” for the United States.

Fourth, the perception of declining American agency is endogenous to structure. Many identify periodic US congressional squabbling over the debt ceiling and government shutdowns as evidence of: (1) financial overstretch and (2) a deadlocked government incapable of competently managing its own economy, much less the world’s. But the United States can indulge in these high jinks precisely because the international market is unable to discipline it. As embarrassing as they are, ill-advised invasions of Asian countries and brinkmanship with sovereign debt are symptoms of power, not signs of its decline.

The final, related social science truism that applies is that inefficiency and other forms of “bad behavior” tend to suggest the presence of rent rather than competition. The United States has tremendous slack in the system which allows it to provide side-payments to states for putting up with its hegemony. Scale and winner-take-all economies are readily apparent not only in the defense industry, but also in information technology and finance, where the United States continues to dominate. If anything this is getting stronger; what separates this century from the last, according to Anne-Marie Slaughter (p. 308) (2009), is that “the state with the most connections will be the central player.” The United States remains at the center of this network (Oatley et al. 2013; Starrs 2013).

21.3 Stretching the Sinews of Power

So far this chapter has argued that, while conquest does not seem to pay economically, there remain many reasons for states to use their military and thus leverage their economy accordingly. It then argued that transitions in the large, international political-economic forces of unipolarity and globalization range from slow to non-existent. This section narrows the chapter’s scope further by addressing potential changes in the production of one specific good or service: war.

The economics of warmaking matter greatly for the likelihood and conduct of both war and peace. The number of substantive issues on this front has steadily grown: the advent of military drones and robotics, renewed attention to nuclear proliferation, the strange rearmament of an economically reeling Russia, the development of “anti-access” weaponry to resist US power projection, and the estimated short-term cost of the Iraq and Afghanistan campaigns to the United States alone at \$1.6 trillion (Belasco 2014).⁶ Research has accumulated accordingly.

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Like the larger field of IR, much recent study of the production of military power and war has been shaped by unipolarity and globalization. From the 1991 Gulf War to the apparently triumphant United States invasions of Iraq and Afghanistan, security studies largely focused on the implications of the so-called “RMA,” the revolution in military affairs (Adamsky 2010; Dombrowski and Ross 2008), both a product of globalization and a hallmark of American power. Perhaps most importantly, the capabilities it made possible were relatively inexpensive for the United States, making the venerable idea of “imperial overstretch” appear less relevant.

More recently, alongside the larger fears of deteriorating unipolarity, some predict a fading of the stunning imbalance in global military capability. American struggles in Iraq and Afghanistan, the financial crisis, and newly aggressive, rapidly arming China and Russia have led many, not least in the Pentagon, to reconsider the robustness of this advantage. From a broad historical perspective, this makes sense. Traditionally, military power stems from economic growth (Gilpin 1981; Kennedy 1988). And there is no denying the shrinking wealth gap between the United States and the rest of the world. Globalization, and the apparently easy availability of sophisticated technology, reinforces this capability diffusion.

Yet Brooks and Wohlforth (2015: 9) argue that the “greatly enhanced difficulty of converting economic capacity into military capacity makes the transition from a great power to a superpower much harder now than it was in the past.” Even developed countries with a track record of large militaries and defense industries may struggle; Rachel Epstein (2006: 231) argues that “globalization may well undermine the state’s ability to provide certain public goods, including defense, at a level of expenditure acceptable to (p. 309) European politics” (see also Schilde 2016). Will these trends continue? Are more states or fewer likely to be able afford arming and fighting in the future?

21.3.1 Finding Bucks for the Bang

The cost of, and the ability to pay for, arming and war have always driven the approach states take to advance their interests. Major British defense reform efforts for example tend to follow economic crises rather than any objective change in that country’s strategic environment (Smith 2009: 47). Change in GDP is the single best predictor of the change in military spending. A state can of course buck the tyranny of economic growth in its strategic behavior. The Russian military, which only started issuing socks to its recruits a decade ago (Kramer 2013), has bounced back in quite remarkable fashion. But there are limits; the Kremlin’s defense budget is currently being cut in recognition of its economic troubles (due, in part, to the economic sanctions following its invasion of Crimea).

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We do not appear to be in an era of massive rearming or of large swings in the balance of military investment (and thus of capability). Figure 21.1 shows that global defense spending as a percentage of world GDP has hardly budged since the Cold War's end. Even an "aggressive," rising power such as China is spending a mere 2 percent of its economy on defense.⁷ Among "Heavily Indebted Poor Countries" (HIPC) spending as a percentage of the economy has never been lower (World Bank 2015).



Figure 21.1 Military spending as percent of GDP, 1989–2015

Source: SIPRI.

(p. 310) Perhaps lower spending is due to war becoming more affordable. The evolution of the US defense budget suggests

this. Its Second World War effort peaked at 37.5 percent of GDP. At the Cold War's height, US defense spending hovered around 10 percent. The Korean War cost a modest 13.2 percent and Vietnam 9.5 percent. The US military then internalized the previously hidden labor costs of conscription by shifting to a volunteer force, and war got cheaper anyway. Despite ongoing conflicts in Iraq, Afghanistan, and elsewhere, US spending peaked at 4.9 percent of GDP in 2010, and even that is partly a function of a contracting economy. The United States managed to invade and occupy (albeit with poor results) two massive countries for a mere 1.2 percent of GDP (Daggett 2010).

But it is not clear that war is so affordable for any other country. In Syria, Russia displayed considerable logistic capability in deploying forces, generated a high sortie rate from its small air wing, and pulled off sophisticated operations such as launching a cruise missile from a submarine. But the United States has performed these operations routinely for a quarter century. At the peak of the Syrian operation, Russia deployed 4000 personnel and 28 aircraft. The US war in Afghanistan is officially over, but the United States still has 10,000 personnel there (not counting contractors). Russia claims to have flown 5000–9000 air sorties from October 2015 to July 2016 (McDermott 2016). In the first seven months of 2016 alone, the United States pursued over 30,000 sorties in Operation Inherent Resolve, and another 23,000 in Afghanistan and other parts of Central Command (US Air Forces Central Command 2016). Judging by spending in Figure 21.1, the United States displays enormous economies of scale relative to its only serious rival in power projection capability.

Modern war is pricy. While inflation in the price of acquiring weapons routinely outstrips that for other products (Hartley and Solomon 2016), much of the economic effort required is not reflected in the costs of hardware. Indeed, the production of military capability resembles the rest of the modern economy in that services are where the money is. Saudi Arabia bought 72 Typhoon aircraft from the UK in 2008 for 4.3 billion pounds sterling; arming them cost 5 billion, and supporting them added another 10 (Smith 2009: 141).

And like the other aspects of the modern economy, the United States dominates this “service sector.” Karl Mueller (2006: 148) describes the “deceptively inconspicuous” aspects of modern war—intelligence collection, military command and control, training simulators—all American specialties. To paraphrase Eisenhower, aspiring powers talk strategy, but a superpower talks logistics. Military transportation, refueling, and command and control are almost exclusively the province of the United States, even when “leading from behind.” France, for example, had to rely on American military transport to fight its relatively miniscule Operation Serval in Mali.

Given these rather low levels of global military effort, as well as developments in capital-intensive technology (in both the traditional notion of capital and the human version), producing military capability has become an exercise in fiscal rather than social mobilization (Caverley 2014). Research has shifted accordingly, and the literature on war finance has grown considerably over the past decade.

(p. 311) The ability to extract resources from society, particularly tax revenue, drives the projection of military power. Capella Zielinski’s (2016: 5) ambitious book revisits an age-old dilemma for governments seeking to pay for war: you can depend on your public or you can depend on other states. Capella Zielinski finds that leaders are more likely to engage in direct resource extraction to finance a war when they fear inflation, when public support for the war is high, and when the state has the capacity to extract revenue.

How states manage this dilemma shapes conflict behavior. As with so much of the field, the first cut in war financing focuses on regime type. Democracies seem to have more difficulty in mobilizing resources for large wars (Carter 2015), and shifting away from non-military spending (Carter and Palmer 2016). Democratic leaders are punished more often than non-democratic ones for large mobilization costs, and thus differences in the conflict behavior of democracies and dictatorships should be largest when waging war requires a significant mobilization effort (Carter and Palmer 2015).

Good international credit allows for more military spending and responsiveness to international threats (DiGiuseppe 2015b). In general, contemporary states have largely avoided financing their wars through tax increases and inflation, regardless of regime type (Carter and Palmer 2016). In the United Kingdom and the United States, survey experiments show that borrowing shields the public from the direct costs of war, giving leaders greater latitude in how they carry out war (Flores-Macias and Kreps 2015). Again, regime type appears to play a role. Schultz and Weingast (2003) argue that states with better access to credit, specifically democracies, enjoy a significant military advantage in long-standing rivalries (see also DiGiuseppe 2015a). On the other hand, Shea (2014) finds that not only do borrowing costs have a substantial effect on war outcomes, but democracies are more sensitive to these costs than are non-democracies.

So while current research suggests a democratic disadvantage in raising wartime funds, it is hard to say whether this outweighs the fact that arming and war are growing more expensive in capital and less dependent on labor, an advantage for democracies which are generally wealthier than other regime types. Democracies are also flush with human capital, an essential component of modern military power (Biddle and Long 2004). Finally the costs of arming and war may vary within democracies, and are manipulable through tax policy (Caverley 2014; Kriner et al. 2015).

Once again it is hard not to recognize the unique American advantages in the context of this stream of research. The United States has succeeded in making copious use of military force less salient to its public (if not the rest of the world). The United States has one of the world's most progressive *federal* tax systems making the cost of conflict small for the average voter-taxpayer (Caverley 2014: 29), unrivaled abilities to borrow on the international credit market, and the most capitalized military on the planet. These are not coincidences. United States' military adventures are funded by a few rich Americans and a lot of poor Chinese.

(p. 312) 21.3.2. What Can You Buy?

Once money is found, what can it buy? Given secular trends in rising labor costs and accelerating information technology, advanced weapons appear to be the place to invest, potentially making the RMA no longer the exclusive province of the United States. While the concern that, "Over time, all states—not just the U.S. and its allies—will share access to much of the technology underpinning the modern military" (Defense Science Board 1999), is as old as the RMA itself (Bitzinger 1994), many regard this process to be finally accelerating, with renewed focus on the ability of non-top tier countries (particularly China) to design (often from stolen blueprints), build, and operate advanced conventional weapons rivaling the United States' (Work 2015).

Regardless of whether they are bullish and bearish students on the prospects of military technology diffusion, scholars agree that the "information age" differs from the "industrial age." Much of the bulls' case rests on the potential military application of readily available civilian technologies. In a poll of defense experts, nearly three-quarters think that commercial companies' influence on the defense sector will grow significantly by 2030 (Horowitz 2014). Coupled with a "second mover advantage" (Singer 2009: 239) this could lead to widespread proliferation of advanced weapons. Horowitz (2012: 223), speculates that "military technology ... could become increasingly 'lootable'." Bears point out that this diffusion has yet to happen on any appreciable scale, identifying a host of factors that make "copying" high end military technology all but impossible (Neuman 2006; Caverley 2007; Gholz 2007). Gilli and Gilli (2016) usefully divide the process of diffusion into two daunting components. First, a country faces a "platform challenge" in designing, developing, and manufacturing a combat-effective weapon system. Second, that country then must deal with the "adoption challenge," ensuring access to the

required infrastructural and organizational support (see also Horowitz 2010: 27–34). Moreover, like much of the modern economy, software is harder to copy, and thus more valuable, than hardware (Goldman and Andres 1999: 123).

Much of the substantive focus has revolved around the proliferation of remotely piloted vehicles, also known as “drones,” whose military potential has captured the imagination of both the world and academia. Well-established national security thinkers (Singer 2009; Zegart 2015) have predicted that “drones are going to revolutionize how state and non-state actors threatened the use of violence.”⁸ It is true that many countries are developing such weapons (Fuhrmann and Horowitz 2017). Lower-end drones are certainly cheap and provide a measure of tactical awareness, and perhaps very limited strike capability, that have previously only been the province of the United States. But in general, drones’ ability to alter the international status quo remains limited (Horowitz et al. 2017: 14–15). Larger, more sophisticated ones, capable of carrying out large attacks from a distance, surveilling across a massive spectrum and area, appear just as out of reach as ever for almost all states (Gilli and Gilli 2016). Drones, like much military capability, will probably bifurcate in terms of sophistication (Caverley and Kapstein 2016).

(p. 313) It is far too early to tell which side will prove correct, but I do caution against scholars making worst case assumptions about the United States and best case ones about rivals. Joint Strike Fighter (JSF) plans obtained through cyber-espionage may have saved China some development costs for its J-31 knockoff. But the ongoing, 1.5-trillion-dollar struggle by Lockheed Martin—which presumably also has the blueprints—to produce a viable production-ready fighter suggests that plans are far from enough. The JSF program costs the United States about \$12.4 billion, annually; a third to a quarter of China’s entire procurement budget. Second-mover advantages will have to be massive to overcome this disparity in scale.

Perhaps civilian technology will close the capability gap, but a statement like “access to cutting-edge technology from Silicon Valley could very well give large countries with large ambitions, like China, the boost they need to surpass the United States” gives much of the game away (Horowitz 2014). Civilian tech firms cluster because that makes it easier to incorporate each other’s innovations. Unless it is actually *simpler* to incorporate civilian technology into military platforms than into other civilian products, until China has its own Silicon Valley it is unlikely to have a cutting-edge military. The direction in which the gap between civilian and military applications is changing has yet to be answered conclusively. At the same time, it may be immaterial from a perspective of power. More than any other country, the United States excels at both.

Former Lockheed Martin CEO Norm Augustine (1997) famously and facetiously predicated that, based on cost trends, by 2054 the entire US defense budget would purchase just one tactical aircraft to be shared by the Navy and Air Force (the Marines would get Leap Day). Perhaps he is not far off, but that one American aircraft is going to be a heck of a plane, and will probably be the only one left in the world.

21.4 Conclusion

It is in the nature of most social scientists to focus on change, or variables. This is understandable and correct, given that we live in a time of great economic transformations. But by focusing on how these transformations might affect the international system, in particular with respect to globalization and unipolarity, scholars have forgotten the importance of identifying continuity in many crucial forces. Moreover, some changing factors are only doing so slowly. Finally several of the most important changes make the United States relatively stronger, not weaker.

In reviewing the capacity for change in the economics of war and peace, this chapter has taken several strong stances. First, the economics of conquest appear to have made war for financial gain a bad investment. Second, both globalization and US military and even economic preponderance will decline slowly, if at all. Finally, the financing of modern military power, and thus of warfare, continues to become prohibitive for all but the most wealthy and/or most aggressive states.

(p. 314) Writing in early 2017, one cannot conclude a chapter such as this without acknowledging that a new potential source of change in the economics of war and peace has emerged. The new positions apparently avowed by the Trump administration (with a Republican Congress and Supreme Court)—protectionism, nativism, rejection of international institutions and alliances, suspicion of liberal norms—look nothing like the policies usually blamed on United States decline reviewed in this chapter. Ironically, but not surprisingly, the largest prospect for undermining the American-advantaged status quo described in this chapter is a brand of illiberalism that comes from within the United States itself.⁹

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Notes:

(1.) This chapter does not address the economic *approach* to war and peace: statistical analysis (and the desperate search for exogenous instruments) and formal models. Instead it focuses on the broader idea of “economics” as the “production, consumption, and transfer of goods and services.” On the other hand, this chapter shares the economic approach’s materialist ontology, trusting that other chapters will cover alternatives. I also take to heart this Handbook’s focus on “International Security.” The amount of interstate war is at an almost historical low, yet the wide-scale death and destruction in the ostensibly “civil” conflicts of Syria, Iraq, Afghanistan, South Sudan, Yemen, and Libya would be inconceivable without neighboring (and not so neighboring) states employing their own military forces directly or indirectly. Much of the work reviewed here is from political science; see the excellent Ron Smith (2009) overview from the field of economics.

(2.) This is subtly different than the large literature on economic interdependence and peace. Interdependence can influence *any* reason to go to war. This section focuses on the argument that the economic value of conquest is pretty minimal, but there are plenty of other reasons to fight remaining.

(3.) Although see Monteiro (2014).

(4.) There are more structural approaches as well (Kupchan 2002; Zakaria 2009). Other analysis suggests unipolar durability (Norrlof 2014).

(5.) It is difficult to assess how unusual an individual as Donald Trump (or the domestic coalition that made him possible) fits into my argument, but he does not appear to result from any of the declinists’ mechanisms either.

(6.) \$4–8 trillion once interest payments and veterans’ health care are considered (Crawford 2016).

(7.) Note that China is not very transparent about spending, but one would have to be off by a lot to suggest that China is shifting its economy to rapidly arm itself into superpower status.

(8.) More modest estimates of their impact exist (Davis et al. 2014).

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