

Chapter 1. Democracy, Ethnicity, Religion, and Civil War: Endogeneity Bias

Abstract

Chapter 1 reevaluates Fearon and Laitin's (2003) civil war model. Because Fearon and Laitin's study fails to account for endogeneity problems in their single equation logit model, the estimated results are biased at best and inaccurate at worst. More specifically, the use of an erroneous estimation technique leads Fearon and Laitin to conclude that, contrary to popular belief, democracy, ethnicity, and religion are not causes of civil conflict. However, a reexamination, using a simultaneous equations model to correct for the endogeneity bias, provides evidence that these three variables are indeed important determinants of civil violence. While well-established democracies and religiously diversified countries tend to experience fewer civil wars, ethnically diverse countries are more vulnerable to this type of violence.