

Exploring Realist and Liberal Explanations of Armed Conflict

Related to Economic Interdependence

Research Thesis

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by

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Defining the Question

Over the course of the world's history war between states has existed as a constant possibility. War over land, over the acquisition of resources, over cultural norms and religion, misconceptions, quests for power, etc. There has never seemed to have been a shortage of reasons for war between states, there has however been a shortage of answers to truly explain the trend of why states take the risk of war knowing there is so much to be lost. In the early 1800's a new era of modernization was introduced to the Western world as the Industrial Revolution, French Revolution, and Revolutions of 1848 took place sending Europe and the Western Hemisphere into a new realm of economics and politics. This wave brought about new ideas of economic relations, of a state's ability to specialize in the production of a good or a service and supplement another state's inability to produce the same item. Since this time, the world has seen economic growth and prosperity, completely unfathomable in the eras before. As economies have grown and developed, ideas of specialization and comparative advantage have taken over national ideas of development.

Since the 1800's domestic manufacturing has skyrocketed in much of the world and along with that, so has international trade. This has led to many advancements inside states and in the national community, but this has also become a point of contention between states. With this economic integration, many great thinkers were able to begin to try and answer the question of why states go to war. Liberalism appeared as a theory of international relations, suggesting that the more integrated economies become the less war oriented they are. Many who subscribe to this line of thinking point to assertions of less violent conflicts since the modernization of the world economy, and the use of economic relations as a reason for states to avoid the use of conflicts. In the creation of this theory there also arose the opposite, other scholars of international relations point to the modern economic era and the interdependence between states and use that to explain the current rates of armed conflicts. Realists believe economic interdependence can lead to more conflict in the global world and to mitigate these levels, states need to focus efforts inwards and towards defense, not getting tied up with the economies of others. As these two

theories appeared within the modern economy, neither brought any definite answers as to why countries go to war and the benefits of doing so. From this, my intentions are to look at what both theories argue on the relationship between the modern economy and its relation to states and rates of armed conflict. Using that information to analyze key cases in history that possess both economic interdependence and conflict, it is possible to find which theory does a better job of explaining why armed conflicts continue to occur and if the modern economic state of the world influences them.

Taking these key historical factors into account, this paper aims to answer the question: Does Liberalism or Realism do a better job of explaining the outcomes of international armed conflict that involve economic interdependence? Answering this focuses on an independent variable of economic interdependence which encompasses the economic connection between a state and those around it while also having the potential to be a state's chosen connection to other states around the globe. Further expanding upon the variable, economic interdependence can look like regions/states exchange goods and services with the purpose of filling the needs of the other state. For this paper, it would specifically apply to situations of intensive trade occurring to ensure the proper availability of products and resources. The dependent variable in this question then is international armed conflict which shows how states go about acts of aggression, important decisions and pressures that drove the aggression, as well as the results for states and state economies from the paths of conflict taken. To ensure a proper understanding of a globally recognized state, all states mentioned will be a political division of a people that occupy a territory defined by frontiers, is sovereign, and has the authority to enforce a system of rules over the people living inside it. In this case, armed conflict is a resort to force by states as well as armed violence between governmental authorities and organized armed groups.

To methodically answer the question presented, the paper will be broken down into key parts with subtopics and smaller developments in each part. To begin, each theory will have an overview to allow for a basic understanding of the concepts starting with general concepts and then an in-depth understanding of theorists and relevant works to the question at hand. By starting with this a solid foundation of understanding each theory can transition into the next step of looking back at the question posed and then

understanding how the theories chosen will work to provide both answers and explanations in the analysis to come.

Once the relevant works' role is established, the paper will shift to defining the analysis system. In this part of the paper, the process for examining the cases will be presented, building upon the understanding of realism and liberalism that was given in the previous sections. From there, a more in-depth explanation of aspects of the analysis will be given, such as an explanation for the design of two tables that aid in the analysis process and the process of selecting cases to be analyzed.

Once the background information is established and the system of analysis is presented the paper will transition into the application of the research design. This section will first include the components of each case to provide all the details that were found relevant to answering the question posed in this paper. Immediately after each case is presented economic interdependence will be established to demonstrate the justification for the case being chosen and to build upon an understanding of the events to be analyzed. This section will aid in connecting the cases back to the beginning of the paper which presents key theorists and their views on economic interdependence. From there, the research design will be applied using the system presented as well as the tables created to break down the cases. The design will analyze each theory's presence in and relevance to the details and outcomes of the cases.

In the concluding section of the paper, the case analysis and research will be presented to summarize the general findings and establish the key takeaways. The paper will then transition to discuss the patterns observed to demonstrate identified trends relevant to both cases. The identification of findings and patterns then moves into a section focused on the potential future research that can be done to expand upon this paper. Finally, a general conclusion will be given to summarize the paper and conclude the findings presented. Providing one last clear and concise section to connect all the information given as well as that discovered throughout the paper.

Understanding Liberalism and Realism

In attempting to answer the question of whether liberalism or realism does a better job of explaining the outcomes of international armed conflict that involve economic interdependence, key

works were found to define each theory's stances. It was important to understand the position each held on international politics and conflict as well as their thoughts on the connection of international economies. Understanding the position of each theory also means using current thinkers and those present in the economies and conflicts of the 20th and 21st centuries. In finding publications and scholars from each view, a clear picture begins to form of where the philosophies stand on international conflict and economic interdependence.

Liberal thinkers like Moaz, Oneal, and Russett make arguments about the power of trade and economic relationships as conflict mitigators. Making it out to be a tool that leaders can hang their hats on to steer away from international conflict and even in some cases toward international peace and better relations. On the inverse side of things, realist thinkers believe that economic integration between nations is a breeding ground for conflict. Theorists like Hoffman and Waltz argue that allowing another state to hold that much power is a mistake to make in such an anarchic world. Many of the key differences between their views seem to stem from their opposite understandings of international order. Liberalism thinks that a cooperative global world moving away from war can be aided or at the very least unharmed by interdependent state economies. Realists, on the other hand, see the world just as anarchic as it was before, and with no change in the rates of conflict, there is nothing to be gained from interdependent economies.

Liberalism:

When it comes to economic interdependence, liberalism views it as a great tool to mitigate conflict and boost the state of international relations. Most liberalism pushes in the modern era have been pro-trade and economic integration, understanding that while political conflict can arise the factor of linked economies keeps states away from war. So, while it accepts the idea of international conflict as a key part of politics it sees economic integration as a stronger force than any act of armed conflict. Even in these conflicts, the theory asserts that many can be explained by asymmetrical power imbalances between dyads, which are possible to balance back out in economics and typically will not result in violent exchanges. Liberalism states that military power does not appear to be as centralized and useful as many

realists make it out to be, especially in comparison to the power economics seems to hold between states. The theory also argues that states learn throughout their history how to avoid armed conflict and move towards alliances, both social and economic. Liberalism states that economic gain is one of the best, if not the best conflict deterrents a state can use, and the power gained through good economic relations outweighs the power created through military prowess.

Work from scholars like Moaz, Oneal, and Russett does a lot to show the liberal idea of interconnected economies and the effect it has on conflict rates. In a publication by all three, the point is raised that trade is an immensely powerful influence for peace and that when looking at especially war-prone nations, trade can help contain their trends towards violence and calm a contagion of regional conflict¹. The same publication references the importance of external economic relations, that international conflict is far less likely when executives are constrained, and societies are governed by non-violent norms of conflict resolution like those presented in states that are intertwined with others by economic interdependence¹. In a separate publication, Oneal was a part of, suggests that trade between democratic states can help counteract the tensions created by a shared border, going beyond not affecting rates of conflict but instead providing a shared benefit created by the action². In a publication by Oneal and Russett focusing on dyadic trade between democratic nations, an analysis of Cold War-era data shows that classical liberal theorists were right³. Their publication shows higher levels of economically important trade being associated with lower incidences of militarized interstate disputes³. These findings work in conjunction with Oneal's other publication showing that economic openness is inversely related to the likelihood of armed conflict involving dyadic states². This work actively demonstrates that states are becoming aware of the serious economic consequences armed conflict has and that even limiting bilateral trade does not make states unconstrained from economic ties.

¹ Oneal, Maoz, and Russett. "The Liberal Peace: Interdependence, Democracy, and International Conflict, 1950-85." *Journal of Peace Research* 33, no. 1 (1996): 11-28. <http://www.jstor.org/stable/425131>.

² Oneal, Russett, and Berbaum. "Causes of Peace: Democracy, Interdependence, and International Organizations, 1885-1992." *International Studies Quarterly* 47, no. 3 (2003): 371-93. <http://www.jstor.org/stable/3693591>.

³ Oneal, and Russett. "Assessing the Liberal Peace with Alternative Specifications: Trade Still Reduces Conflict." *Journal of Peace Research* 36, no. 4 (1999): 423-42. <http://www.jstor.org/stable/425297>.

Not all liberal scholars are fully convinced of the power of economic interdependence, however even those who do not see interdependent economics as a positive force still do not see it as a move towards armed conflict. Thinkers like Gasiorowski accept some basic ideas realists present such as dependence creating conflict, however instead of seeing this as a negative Gasiorowski still seems to suggest that economic prosperity outweighs the negative of conflict⁴. Polacheck presents ideas like Gasiorowski where the argument is raised that dyadic international relations have heightened conflict levels. However, when there are symmetrical gains and losses in the interdependent economies that bind them, the prospect of loss is much stronger than anything to be gained from military disputes⁵. This means that while there may be a heightened level of conflict and dispute due to economic interdependence the benefits brought to the individual economies outweigh any benefit from armed conflicts coming to fruition⁵. Overall, liberalism and its scholars agree that states being interconnected and in interdependent economic systems does not lead to heightened levels of conflict and that in some cases the outcome can include increased economic prosperity and peace for the states taking part in the exchange.

Realism:

Realist theory is the opposite of liberalism; it suggests that economic interdependence can lead to conflict and make states more vulnerable to an anarchic international world. The theory suggests that conflict is always a potential with trade as one nation is putting its security in the hands of another, an extremely dangerous decision considering the theory's general understanding of international order. The theory states that there is no central power or system in international relations, creating this Hobbesian state referred to. In this system, joining another state economy is not a move that would offer any security but would instead threaten to pull a state into conflict and loss of power. Realists argue that alliances do the opposite of aiding in relations, the opposite of boosting economies, and instead can create a standoff or chain reaction of states jumping into conflicts. Lastly, realists seem to think that economic ties create a

⁴ Gasiorowski. "Economic Interdependence and International Conflict: Some Cross-National Evidence." *International Studies Quarterly* 30, no. 1 (1986): 23–38. <https://doi.org/10.2307/2600435>.

⁵ Polacheck. "Conflict and Trade." *Journal of Conflict Resolution* 24, no. 1 (March 1980). <https://doi.org/https://doi.org/10.1177/002200278002400103>.

greater risk of conflict and obligation leading to greater economic loss than can be gained through any sort of alliance or dependence.

Realism works as the opposite of liberalism in almost all ways, one work exemplifying these ideas is presented by Hoffman. In his works, Hoffman argues that the international political game stays the same regardless of what is on the line⁶. Economic interdependence is a dangerous system to get caught up in as military power is decentralized among political units giving no real idea of who has control, this results in an anarchic state and no true sense of who has power over whom⁶. Under this theory, the act of intertwining one state's economy with another is a dangerous idea that creates a negative outcome as international life is in a constant state of conflict. States typically only have economic loss to expect in a system like this. Mearsheimer has publications that agree with Hoffman's assessment arguing that all international relations are conflict-oriented, meaning that relations about economic interdependence will also be conflict-oriented⁷. Mearsheimer goes on to argue that not only is the international structure geared towards conflict but that the structure presented by liberalism is not rigid enough to provide a necessary order in international relations⁷. Another reason realist theory argues for avoiding economic interdependence comes from one state prioritizing itself over connections to others due to wariness of potential armed conflict. The argument is also presented that even if a liberal hegemony were to gain unipolar power it would not be able to last or complete any sort of long-term goals, resulting in massive economic instability and conflict with other powers.

Waltz is another realist theorist that subscribes to this line of thinking. In his writings, Waltz states that international order is anarchic and there is no central authority, with a system like this there is no guaranteed stability, and any economic interdependence can prove to be disastrous for the state taking part⁸. The argument stands that all states act in the form of survival and aim to help themselves above all

⁶ Holsti, K. J. *The Canadian Journal of Economics and Political Science / Revue Canadienne d'Économie et de Science Politique* 33, no. 1 (1967): 161–63. <https://doi.org/10.2307/139882>.

⁷ Mearsheimer, John J. *The Tragedy of Great Power Politics*. New York, NY: W.W. Norton & Company, 2014.

⁸ Waltz, Kenneth. *Theory of International Politics*. Reading, MA: Addison-Wesley, 1979.

others, meaning war and conflict are never off the table. With this idea, tying one's economy to others is not a beneficial action as the moment that the relationship is no longer beneficial to the other state the economic union will be dropped or abused⁸. For Waltz and other realists, the structure of the world order is changed by force, meaning states try to act against each other in ways to balance out losses in a Hobbesian state⁸. Creating interdependent economies in a system like that, the state would be inviting conflict and aggression into national business and creating internal instability. This is partly because any sign of getting ahead through economic relations would be met with aggression by those falling behind. Due to the state of relations in the world being seen as anarchic, realist theory does not support any ideas of positive advancement based on economic interdependence, instead, the theory views the idea as a potential detriment and an invitation of armed conflict into a state's existence.

Examining the Theories' Role in Understanding the Question

Motivating Role:

The leading role of the literature is defining liberalism and realism in the context of the puzzle at hand. The puzzle asks about the differing perspectives each has to offer on the relationships between international conflict and economic interdependence. The literature then becomes a way to understand both liberalism's and realism's views on economic interdependence and conflict rates. It is also important to understand what both theories say about ideas of conflict and why states end up at war with each other. Once each is well understood the findings can be taken and applied to the cases being used to see if either theory has a better grasp of the situation and/or a better predictor of the outcomes.

As previously stated in the puzzle of this research, international relations always have the potential for armed conflict. For centuries, the world has known conflict between states to be a reckoning force and a constant detriment to the advancement of governments through violent means. With such a topic being so prevalent in explanations of international order it can be easily understood why many theories attempt to explain the concept and its origins. Since both theories survived this long, one can

assume that both have a lot to offer and can explain instances to a satisfying extent. Due to both possessing those qualities they are useful in the analysis of the cases, leading the key question to be which does a better job of explaining the outcomes of armed conflict that involve economic interdependence.

As previously stated, liberalism and its thinkers like Moaz, Oneal, Russett, Gasiorowski, and Polacheck all sit on the side of this debate that holds a more optimistic view of the current state of international order. Those scholars would take the question asked in this paper and look at the growth in relations and alliances since the start of the modern era of economics. For them, it is a matter of increased relations and cooperation that makes it so they can claim decreased levels of conflict between states and increased levels of trade. To see these as inverse factors means explaining economic cooperation as a force against conflict. Bringing this back to the puzzle, the liberalist idea would mean that in answering the question and looking at the cases it would be found that international conflict did not emerge from international economic interdependence. Some thinkers would even go as far as to argue that not only does economic interdependence not create conflict, but it can be a motivating force toward international peace.

This means that when analyzing the puzzle, cases should have elements of trade creating common interests and common benefits leading to higher rates of peace. Elements should also show weariness towards military occupation and use of force out of concern for supply chains and the economic prosperity of oneself and others. Additionally, elements of discussion and moves towards other means of conflict resolution would then be present in cases where liberalism was correct in explaining economic interdependence's effects on a situation. If some or all these things are present, then it could be reasonably assumed and argued that liberalism is correct in explaining the impact of economic interdependence on conflict between states.

The inverse of that ideal comes from realist thinkers such as Hoffman, Mearsheimer, and Waltz. This side of the debate holds a more negative view of the current state of international order and a state's survival. Instead of looking at growth in relations after the modern economic era, scholars of realism point to consistent rates of conflict between states and see no difference in rates from the 16th and 17th

centuries to now. To realist thinkers there are no inverse factors or cause and effects, the situation now remains the same as it has up until this point meaning one cannot expect economic interdependence to improve relations. Instead, the argument holds that economic interdependence ties one state to another and can potentially worsen the burden of surviving in such a Hobbesian system, dragging a state into more conflicts than it already must deal with to survive. This idea plays into the puzzle because it means that for realists to be right, one would look at the cases used and see a natural state of anarchy in international politics worsened by the dependencies created by linked economies. If this were to be found in these cases, then it would suggest that realists have a better understanding of the system at hand and that no amount of cooperation will change the natural state of chaos in international relations.

Seeing this in action in these cases would mean seeing elements of disruption of gains entangled in conflicts, or no change at all in economic relations as well as a general apathy towards economic growth through interdependent economic moves. It would also mean seeing elements of economic loss due to conflict while also seeing economic ties dragging nations into conflict. Overall, the realist's perspective would mean seeing the opposite effects of what liberalism argues can and should happen. If the inverse of liberalism is seen in these cases, then one can assume that realist theory does a better job at answering the puzzle.

By understanding what each perspective expects to see when it comes to economic interdependence and armed conflict, one can analyze the events and the outcome of specific historical cases of international conflict and see which theory holds more water. Elements can be located by breaking down cases into major events to see the effects realists and liberals identify as being important and then focusing on the outcomes to see if each theory was correct. Literature plays a strong role in solving the puzzle as it can make sense of an outcome created by mixed choices. Any case is likely not to be all realist or liberal thinking, therefore understanding the literature makes it possible to take the mechanisms into account and analyze the outcome to get the best answer of which theory is better at explaining each case.

Research Design

To answer the question of if liberalism or realism better explains international conflict related to economic interdependence, Table 2 will locate mechanisms in cases used and identify liberal and realist theories. The mechanisms listed allow for an understanding of what kind of choices were made, if more liberal mechanisms are identified then liberalism does a better job at explaining the outcome and if more realist mechanisms are identified then realism does a better job at explaining the outcomes. Once the central theory is defined it will then identify the centrality of the influences of liberal mechanisms compared to the influence of realist-identified mechanisms for each case. A rationale will then be presented for each conclusion using the previously stated theorists of either liberalism or realism to tie together outcomes with theories.

The mechanisms that should be identifiable if liberalism is correct can be seen in the second column of Table 2. To elaborate on those mechanisms, what should be seen will involve high-level trade, important/substantial imports and exports exchanged combined with lower levels of armed conflicts. Other mechanisms could be talks of de-escalating potentially violent conflict to protect economic assets, higher levels of economically important trade (e.g., oil and energy producing products), higher levels of contact and communication between private actors as well as between governments, and the use of alternative methods to solve disputes such as tariffs and negotiations. These mechanics do not all have to be present, if more liberal mechanisms are identified than realists then the conclusion can be made that liberalism had a stronger effect on the case. This can be done by taking the mechanism found and comparing the findings to the simplified points in the table, if liberalism is correct then the findings will mostly or completely align in column two.

For realism, the mechanisms that should be present are placed in column three of Table 2. Elaborating on them, there is detrimental or no effect on relations when trade agreements take place, no improvement in conflict rates, and overall, the opposite of liberal theory. Other potential mechanisms include economic ties that do not bring the prospect of mutual gain and instead transmit economic ills or give one nation greater power over another (likely leading to military force/disputes), political moves

towards minimizing economic dependence out of fear of violence of state security risk, and unfettered economic exchanges leading to weakened/undermined national security of a state. The realist ideology is typically presented as the opposite or absence of liberal assumptions as to what will happen, so in this case, if any of these mechanisms are present or the opposite of liberalism's mechanisms are present then it can be assumed that realist theory does a better job at explaining. This can be demonstrated by taking the mechanisms identified and once again comparing the findings to the table. If the mechanisms mostly or fully fill the third and final column, then it can be accurately assumed that realism is the better explanation of the case.

Once all relevant aspects of each case have been analyzed using Table 2, conclusions can be drawn by going through all the outcomes and comparing the qualitative aspects and individual significance and weight of each category. At this point, the strength of each decision as well as the weight that decision and category played into the case's outcome will be taken into consideration. The weighing of the categories will occur by looking at what decisions played into another. Many categories yield similar outcomes or have similar driving factors such as a state's willingness to take alternative steps to conflict and a state's economic consideration taken regarding choices in international relations and because of that overarching patterns and themes may be observable. Once all categories are weighed and compared the findings can be compared to Table 1 to identify which theory does a better job of explaining each case in a more general sense and understanding than the specific aspects analyzed using Table 2.

Designing Tables 1 and 2

To develop each table general ideas were pulled from the theorist used to analyze liberalism and realism. For realism, these thinkers included Hoffman, Mearshimer, and Waltz while liberalism included theorists such as Gasiorowski, Moaz, Oneal, Polacheck, and Russett. For realism in Table 2 the first mechanism identified is the use of armed conflict, the understood outcome for the theory is that the use of armed conflict will be high as Waltz points out an anarchic international structure with no central order and all actors behaving in terms of survival which can and do use armed conflict⁸. Combining this with

Mearsheimer's understanding of international relations as being conflict-oriented, it holds that realists would see the need for the use of armed conflict to be high⁷. The next category is the level of contact between states, categorized as low to protect state security. This generalization was made based on Hoffman's understanding of international political games remaining the same regardless of who is involved and what is on the line, meaning that no level of connection changes the likelihood of armed conflict⁶. Combining this understanding with Waltz and Mearsheimer's understanding of conflict being a natural state of international relations, the level of contact for realism is expected to be low. The next category is the likelihood to promote peace which is low or neutral due to distrust of other states. Waltz holds a view of the international order as being Hobbesian and anarchic, meaning that all attempts to promote peace would be futile and not a beneficial use of resources⁸. The other possibility is for realism to see the likelihood to promote peace to be neutral as in having no effect, this conclusion comes from the aspect of realism that is simply the argument that liberalism does not work which is most strongly argued by Mearsheimer⁷. The category of economic considerations taken regarding choices in international relations is listed as being low or neutral for the same reasons as the level of contact between states being low. This is because there is a general distrust of other states no matter what is on the line, so the willingness to link economies and create constraints on the ability of a state to survive in the international world is low, creating little to no economic consideration. The willingness to take alternative steps to conflict to promote or protect the economy also follows, again realists argue against the intertwining of economics as it leads to potential dangers and transmitted weaknesses, which are detrimental to states operating in a world that Mearsheimer argues is conflict-oriented⁷. The final category of expected effects from higher levels of trade on conflict is also listed as low or neutral since Hoffman theorizes that regardless of what is on the line the international game remains the same so there is no reason to intertwine economics as it only leads to greater issues⁶.

All of these ideas can be found in a more general table, that is Table 1, which lists the theorists mentioned above and summarizes the findings each would expect overall in the cases. Realists see economic interdependence as being detrimental as explained in the categories regarding the likelihood to promote peace and the levels of contact between states. Realism also expected low levels of trade as explained in Table 2 in the 5th and 6th row. The expected levels of armed conflict are neutral or potentially higher if economic interconnections are made as they transmit ills and weaknesses due to the Hobbesian nature referenced in rows 3 and 4 of Table 2. So lastly the expected level of conflict is elevated for the same reasons, or it remains neutral due to the realist idea presented by Mearsheimer that liberalism simply cannot work in the international world, and aspects of realist theory can be understood as just the absence or failure of liberalism ⁷.

Liberalism understands each category's outcome as being the opposite of realism. Starting with the first category, armed conflict is expected to be low to promote economies. This choice is best explained through the work of Moaz, Oneal, and Russett, which finds that international conflict is less likely when external economic relations are placed at a prominent level of importance¹. This level of importance constrains executive action and therefore affects societies as they become governed by non-violent norms of conflict resolution. These findings lead to the conclusion that liberalism would expect lower levels of armed conflict. The reasoning for the category of armed conflict also applied to the level of contact between states as it is expected to be high to improve state prosperity.

Since liberals view prosperity as coming from communication and joint economic endeavors linking states, the aforementioned ability to find other ways to resolve conflict results and requires a high level of contact¹. The next category is the likelihood of a state to promote peace, this is expected to be higher to protect economic relations. This conclusion is largely supported by Polacheck's argument that when symmetrical gains and losses occur through economic interdependence, states are likely to choose alternative methods to armed conflict and promote more peaceful resolutions⁵. Another factor in the assertion that states are more likely to promote peace comes from Oneal and Russett's findings looking at

Cold War Era data it was found that higher levels of economically important trade were associated with lower levels of military disputes so when trade is present the likelihood for peace is also present and heightened³. Looking at the economic considerations taken regarding choices in international relations, the expected outcome is high due to an emphasis placed on the importance of an interconnected economy as well as the willingness to be interconnected. This comes from the same reasoning mentioned for levels of contact between states: liberalism understands economic interconnection to be beneficial and because of that it is placed at a prominent level when deciding what international action to take. Next is the willingness to take steps alternative to conflict to promote and protect the economies, this is listed as being high due to an emphasis placed on the importance of the economy and a willingness to stay interconnected. This explanation comes from Gasiorowski's understanding of economics and its role in conflict. Gasiorowski accepts the realist claim that interdependent economies and trade can create conflict, but he suggests that instead of leading to conflict it leads to a recognition of mutual benefits where the costs outweigh the gains that armed conflict creates and is, therefore, peace-promoting despite the likelihood for conflict⁴. All these categories play into the expected effect of higher trade levels on conflict. Liberalism expects the outcome of this category to be a high to moderate level of improvement due to shared prosperity that connected economic creation, this conclusion is pulled from all theorists as each one refers to the idea that trade functions as a mutually beneficial act. It is also supported by the idea that economic interdependence leads to peace whether that is through improved levels of contact between actors or between the creation of risk and conflict-averse behavior out of fear of loss.

Condensing these categories down into Table 1, the theorists are as mentioned above:

Gasiorowski, Moaz, Oneal, Polacheck, and Russett. The view on interdependent economies is beneficial as demonstrated in all categories of Table 2 where multiple benefits of interconnected economies are laid out. The expected levels of trade for liberalism are high to increase cooperation which can be understood through the likelihood to promote peace and the level of contact as well as the general understanding that contact and interdependence are for the most part beneficial. These benefits play into the answers for the

final two rows of Table 1 which expect lower levels of armed conflict and lower levels of conflict overall.

Theorists see trade as a positive force for peace, shared gains, and armed conflict, and forms of conflict challenge those gains in unfavorable ways.

Table 1		
Theory	Liberalism	Realism
Theorists	Gasiorowski, Moaz ,Oneal,Polacheck, Russett	Hoffman, Mearsheimer, Waltz
Views on Interdependent Economies	Beneficial	Detrimental
Expected Levels of Trade	High levels to increase cooperation	Low levels to reduce dependence
Expected Levels of Armed Conflict	Lower	Neutral or potentially higher
Expected Levels of Conflict	Low due to interdependence	Higher or unaffected due to interdependence

Table 2		
Policy Choices	Liberalism	Realism
Use of Armed Conflict	Low to protect economics	High to protect states
Levels of Contact Between States	High to improve state prosperity	Low to protect state security
Likelihood to Promote Peace	High to protect economic relations	Low or neutral due to distrust of other states
Economic Considerations Taken Regarding Choices in International Relations	High due to emphasis placed on the importance of the economy and willingness to interconnect	Low or neutral due to a lack of emphasis on economic ties and a lack of trust in other states
Willingness to Take Steps Alternative to Conflict to Protect and/or Promote Economics	High due to emphasis placed on the importance of the economy and willingness to be interconnected with other states	Low or neutral due to a lack of emphasis and concern for economic ties as well as a lack of trust in the actions of other states
Expected Effects From Higher Levels of Trade on Conflict	High to moderate improvements due to shared prosperity and connected economies	Low or neutral due to a lack of trust of other states and resistance to reliance on outside factors and actors

Selecting Cases

The cases to be analyzed were selected as points in international history that had high levels of economic interdependence occurring in one or more important aspects of the overall case. The cases will be of instances that take place in modern history which has previously been defined as having occurred

after the industrial revolution and events taking place in the mid-1800s. To demonstrate this, a qualitative write-up will be conducted detailing where economic interdependence can be seen in each case. The cases will also be written out with the relevant details needed to answer the question possessed, clearly showing whether the outcome was conflict or peace. Once that is done the process listed under the research design can take place. The details of the case will be compared to the expected mechanisms of each theory and analyzed to see if the actions that apply to each category lean more toward realism or liberalism. From there the evidence from the cases will be weighed and a qualitative assessment of the findings will be carried out to answer the question of whether liberalism or realism does a better job of explaining interconnected economy's effects on armed conflict.

The cases provided below are instances in the modern economic era of both economic interdependence and potential instances of international conflict. The details provided for each case are factually relevant to the question. The cases will be presented and in the following steps broken down into the categories listed, showing how the actions and outcomes are related to realist and liberal expectations. From there the categories will be analyzed to see if they hold truer to liberal or realist thinking and applied to Tables 1 and 2 to identify the theory that best explains the outcome of the cases.

German Aggression Leading Up to WWI

Case #1 is an analysis of the origins of World War I focusing largely on the role German aggression played in instigating the war. Leading up to the events that triggered the first world war, it can be understood that Germany was partaking in a late quest for power due to a late start to colonization, meaning it was behind in both developing a strong international economy and a strong military⁹. At this point, Germany had few colonies, which meant few additional economic resources and the state perceived itself as falling behind its neighbors in the race to build international empires. This fear can be seen as the result of the fact that Germany's expansion did not truly begin until 1880 when the nation acquired Togo and Cameroon in the west, German Southwest Africa (today's Namibia), and German East Africa (today's

⁹ Bechhaus-Gerst, Marianne. "German Colonial Rule." Oxford Bibliographies, 2012.
<https://www.oxfordbibliographies.com/display/document/obo-9780199846733/obo-9780199846733-0020.xml>.

Tanzania, Rwanda, and Burundi)⁹. In addition, Germany obtained territories in the Pacific, such as German New Guinea and Samoa, as well as some smaller islands, and with the status of a concession territory, Kiautschou (Jiaozhou) in China⁹. The conditions attached to these acquisitions appeared to lead to extraordinarily little satisfaction for the state as all of Germany's colonized regions functioned as protectorates. Protectorates did not provide as many economic resources and advantages which therefore made them less beneficial to Germany than the colonies of surrounding states like France and Great Britain. Germany's efforts to expand up until WWI are also marked by the Herero-Nama War of 1904 as well as the Maji-Maji War where local populations were left devastated⁹. These wars not only demonstrate Germany's willingness to use force and military power, but it also shows how strongly it sought after the economic gains and military power colonies can bring which are key factors in the history of this case.

Alliances between the powers around also served as an agitating force for German expansion. An 1893 alliance between France and Russia resulted in German fears of military circling and entrapment leading the German government to pursue efforts to build a battle fleet to protect state security against powerful neighbors and appear as an international power¹⁰. This move initiated an arms race between Germany and Britain further straining relations between Britain and its allies against Germany and its allies which included Austria-Hungary by 1879 and Italy by 1882¹⁰. By July 1914, the German army had increased its spending by 79 percent and all surrounding nations had built up large armies as well¹⁰. Germany was also still interested in gaining power and expanding, it was in this time frame that the nation developed the September program of 1914 to take land from France by force and create vassal states boosting it to be a bigger empire and a stronger economic player in world building¹¹. Despite all the plans to world-build the German government felt as though they were being circled. As alliances built up

¹⁰ Lind, Michael. "Germany's Superpower Quest Caused World War I." The National Interest. The Center for the National Interest, June 30, 2014.
<https://nationalinterest.org/feature/germanys-superpower-quest-caused-world-war-i-10778>.

around them and military powers expanded, more and more Germany leaned on its closest alliance of Austria-Hungary. Due to this dependence and trust, the assassination of the Archduke resulted in Germany fully backing Austria-Hungary, sending ultimatums for Russia to demobilize troops placed at Austria-Hungary's border as they saw it to be an act of aggression¹¹. The day after the ultimatum expired resulting in Germany declaring war on Russia and catapulting Western Europe into the First World War¹¹.

The events in the decade leading up to the start of WWI were plagued with states searching for economic prowess and power, as older established nations conquered and depended on new territories for economic expansion. The more territories a state acquired, the more resources and money the state brought in, and the more beneficial the trade routes became. This period was also home to ideas of military building. Up through the 20th century, European military leaders saw military strength as one of the most essential elements a state could have to survive¹². Germany and other adjacent states built massive armies with required military service from male citizens and set out to plan and develop large-scale arms programs¹². The case of German aggression is a beneficial instance to look at as it was the first major conflict of the 20th century and in being so affected countless war efforts to follow and set precedents for those future wars. This event also served as a warning for potential future events under the historical context that existed leading up to the 20th century when older ideas of expansion and war collided with new military developments. The case demonstrates clear instances of choices regarding international conflict and alliances, economic interdependence between one or more states, and a powerful sense of nations' views on how the international order should and would function. Due to these factors, the case proves beneficial to examine.

Examples of Economic Interdependence in the Case of German Aggression

One identifiable example of economic interdependence in Case 1 comes from Germany and all its neighboring states as the regions set off to colonize the rest of the globe. Through the act of colonization

¹¹ "How the World Went to War in 1914." Imperial War Museums. Imperial War Museums. Accessed March 30, 2023. <https://www.iwm.org.uk/history/how-the-world-went-to-war-in-1914>.

¹² "The Economic Impact of Colonialism." UZH World Development . University of Zurich, June 9, 2016. <https://www.worlddevelopment.uzh.ch/en/research/impa/ecoim.html>.

financial resources were continuously sent back to the colonizing state from the state subjected to colonization. One factor, in this case, is the state of Britain, which was known to be the largest colonizer in the region, if not the world. The policy employed by colonizers such as Britain was not only to take the financial resources desired but also to charge for the economic ills that supporting another state costs¹². Britain had documented home charges which served the purpose of a service charge for unproductive debts in its colonies¹². Estimates range that the state of Britain saw between 40 to 50 million pounds a year in the charges they levied on their colonies alone¹². The exact amount of economic gain made by states through colonization has not been accurately calculated, as colonizers became increasingly intertwined with their colonies and their economic gains did the same. However, if documented numbers for colonies' taxes show to have brought in such substantial amounts per year, the colonizers' economies were deeply interconnected with the lands they took over. The same can be said for others as the same wealth acquisition on a slightly smaller scale also occurred for states like France in this same time period¹².

Germany was a latecomer to colonization as the infighting between its own regions stunted any ability for outside acquisition, meaning that until the 1870's Germany had not built any kind of an internationally interconnected economy¹³. Even the areas colonized by Germany did not truly serve any large economic purpose, instead, they served as economic burdens where the state would break even with the protectorates it had acquired¹³. This situation creates an interesting dynamic for the case as the economic interdependence and prowess that was held by other states in Western Europe had been established, and their success of colonizing their economies boomed as did their military might. When looking at German colonization one cannot find the same level of success but still sees a level of economic interdependence as they became responsible for maintaining their protectorates. A larger trend that can be seen is the fear and feeling of entrapment that the German state expressed due to the power held by their economically successful neighbors¹².

¹³ "German Colonial Empire." German Empire. New World Encyclopedia , 2005.
https://www.newworldencyclopedia.org/entry/German_colonial_empire.

The other example where a level of economic interdependence can be found is in Germany's relationship with Austria-Hungary. It is noted that this relation goes back to the 1870s when Germany originally found this connection and economic tie to be beneficial as the state saw connections in Europe and the Balkans as another way to gain international power as traditional colonial means failed¹⁴. Germany's connection with Austria-Hungary was not as one-sided as the state would have hoped, it still did not function as a colony and instead as a separate economic entity with its own goals and state aspirations¹⁴. The German view on the importance of expanding economic and political ties southwards as well as the Dual Alliance that came out of military protection from powerful neighbors combine to show a level of economic interdependence and state relations that are notable to this case¹⁵. Possibly the most notable factor about the economic interdependence and relations between Austria-Hungary and Germany is the fact that in Western Europe this was Germany's only real connection, for many reasons, Germany feared its neighbors to both west and east but was still willing to intertwine itself and its economy with its neighbor to the south. Through the threat created by the interconnected economies of others as well as the only true European alliance Germany had, there are key elements that demonstrate prominent levels of economic integration making Case 1 relevant to answering the question of how interconnected economic relations impact armed conflict.

The Development of the European Union

The second case used is the development of the European Union after World War II. Following the devastating actions of WWI and WWII much of Europe was destroyed, millions from almost every state were dead, displaced, and destitute. At large, the continent was not optimistic about its future and was struggling to get nations back into order after such a magnitude of loss. As nations recovered and started to develop plans to rebuild, they also had to figure out how to deal with the losing states at the end of WWII. As a result, NATO was created in 1949 which effectively linked 10 European states with the

¹⁴ Meyer, Henry Cord. "German Economic Relations with Southeastern Europe, 1870-1914." *The American Historical Review* 57, no. 1 (1951): 77–90. <https://doi.org/10.2307/1849479>.

¹⁵ Campbell, Heather. "Austro-German Alliance." *Encyclopædia Britannica*. Encyclopædia Britannica, inc., 2009. <https://www.britannica.com/event/Austro-German-Alliance>.

United States and Canada¹⁶. The original grounds of NATO were to be those of intergovernmental security, a month later the 10 European states involved built the Council of Europe to enforce human rights and democratic rule across Europe, an alliance was built to protect the lives of Europeans in ways that they could not lead up to and during WWII¹⁶. After the formation of an alliance for human rights, the French foreign minister proposed an alliance on economic grounds. Six states signed a treaty to run their coal and steel industries under a common management, meaning the economies were interconnected as was the ability of a state to develop weapons of war, the states that joined were Germany, France, Italy, the Netherlands, Belgium, and Luxembourg¹⁶. With that, the European Coal and Steel community was established in the early 1950s. Building off of that, the six founding countries expanded into the European Economic Community (EEC) as well as the European Atomic Energy Community (Euratom), as these bodies came into being towards the end of the 1950s¹⁶.

The EEC brought together six European states to work towards integration and economic growth through the trading of goods and services. This resulted in the creation of a common market based on the free movement of goods, people, services, and capital across member states borders¹⁶. The idea was to create an even closer union that ensured progress and economic prosperity among all member nations, creating a joint front for both progress as well as protection to move farther away from the conditions that led to the previous wars. The major goals presented here were the improvement of citizens' living and working conditions, balanced trade as well as fair economic competition¹⁶. Other benefits included the reduction of economic and social differences and disparities between all nations in Europe but specifically the EEC members¹⁶. The Euratom community held similar goals to that of the EEC. The general objective of the committee was to develop Europe's nuclear industries so that all the member states could benefit from the advancements of atomic energy and ensure a safe supply of it¹⁶. The treaty also had public safety in mind as the purpose of the committee was also to guarantee high safety standards and prevent

¹⁶ "Treaty Establishing the European Economic Community (EEC Treaty)." Access to European Law. The European Union, 2017. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM%3Axy0023>.

the use of atomic energy from being converted into military force, it intended to limit the use to peaceful and civic purposes only ¹⁶.

In the 60's the EEC panel expanded to take over the food industry, building on its humanitarian beliefs and ensuring that the citizens of all member states had enough to eat ¹⁷. It was not long after this that the European Free Trade Association (EFTA) was created, further promoting free trade and economic integration between countries not presently in the EEC which included Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom¹⁷. In 1965 The Merger Treaty was signed by the executives of the three Committees (the European Coal and Steel Community, the European Economic Community, and Euratom) in Brussels and was put into action on July 1, 1967¹⁷. From then on, the European Communities would have a single administrative arm (the Commission) and a single executive (the Council), soon after all customs were removed from member countries trading goods into another member state¹⁷. In the early 1970s, Denmark, Ireland, and the United Kingdom joined the European Communities building the number of members to 9¹⁷. In an effort to show solidarity with the rest of Europe, the committee set up a fund to transfer money from rich to poorer regions in an effort to improve infrastructure and continue to improve the continent following the end of the war¹⁷. Moving forward, in 2001 EU leaders signed the Treaty of Nice which aimed to reform institutions so that the EEC, now known as the European Union, could function properly with the 25 members it possessed and the new wave of members it expected to join¹⁷. Following this choice, the economies of each state were further integrated together as a multistate currency was created¹⁷. Per 2002 Euro notes and coins were in use in 12 member nations and the community as a whole took on the major logistical operation of printing, minting, and distributing¹⁷.

This era of the EU also demonstrated the organization's commitment to both economic and peacekeeping matters. In 2003 the EU took on peacekeeping operations in the Balkans, firstly in the former Yugoslav Republic of Macedonia (now North Macedonia), and then in Bosnia and Herzegovina¹⁷.

¹⁷ "History of the EU, EU Pioneers." European Union. The European Union. Accessed March 30, 2023. https://european-union.europa.eu/principles-countries-history/history-eu_en.

In both cases, EU-led forces replaced NATO unit¹⁷. In 2004 Cyprus and Malta joined the EU along with 8 Central and Eastern European countries — Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia — finally ending the division of Europe after the Second World War¹⁷. In the decade following similar actions took place as more states joined or began the extensive process of being admitted, however in a referendum in 2016, the United Kingdom voted to leave the EU¹⁷. Per January 1st, 2020 the United Kingdom has left the European Union following a sweep of nationalism inside the state's borders and has begun to pursue independent economic commitments and alliances with nations within the EU and outside of it¹⁷.

Case 2 presents a beneficial look into solving the puzzle, much like Case 1 it demonstrates a clear reflection of the dynamic of international order as well as instances of economic interdependence between several states with the goal of group prosperity. The case also allows for an understanding of states' regards to international conflict and the way in which those conflicts should come to a resolution, both of which seem to occur under an ideology much different from Case 1. As a result of all these factors, the case of the development of the European Union should prove to be beneficial in answering the question of whether liberalism or realism does a better job of explaining economic interdependence in relation to international conflict.

Examples of Economic Interdependence in the Development of the European Union

The second case being looked at is the development of the European Union, which is notably much more straightforward in how it pertains to instances of interconnected economies. The European Union was born out of a time of great destruction and economic downturn as much of the continent was in ruins at the end of WWII. Bombing and combat had destroyed major infrastructure such as bridges and roadways as well as taking a toll on farmable land and the number of civilians who could farm the land that was left¹⁸. This period of European and world history saw shortages in important consumer products

¹⁸ “Money Matters, an IMF Exhibit -- the Importance of Global Cooperation, Destruction and Reconstruction (1945-1958), Part 1 of 6.” Money Matters: An IMF Exhibit -- The Importance of Global Cooperation. International Monetary Fund. Accessed March 30, 2023. https://www.imf.org/external/np/exr/center/mm/eng/mm_dr_01.htm#:~:text=By%20the%20end%20of%20World,both%20military%20and%20civilian%20lives.

like fuel and saw elevated levels of inflation, funds owed to foreign debtors, trade deficits, and depleted economic and monetary systems¹⁸. The general sentiment that rose out of this situation was one of collective action, the states that wanted to survive the end of WWII viewed the way out as being together since no economy could stand on its own¹⁹. The other sentiment that fed into the interconnection of economies was the idea that in being with each other there were ways to stop aggression before it reached the level it did during WWII. This idea quickly evolved into programs to guarantee human rights and provide protections for rights, violations, and resentment that fosters war and armed conflict¹⁶.

The Council of Europe was created to protect and build human rights, and from there the European Coal and Steel Community arose to lay the foundation for the European Union and to create a way to regulate and mediate the cost of production of major goods¹⁶. Next was the European Economic Community and the European Atomic Energy Community, eventually becoming the European Free Trade Association in the 1960s¹⁶. All these committees and creations through the development of the European Union evolved to free trade between member states, economic support, and bailouts for struggling member economies, international standards for human rights, and food security¹⁶. Eventually, it even evolved into having a central monetary system that is collectively run allowing for several states to all use the same currency¹⁶. Economic interconnection became expansive as the European Union tried to preserve economic stability and has now held 27 countries on its council with many more in the transitional period to join¹⁹. Due to all of this, the development of the European Union stands as a clear example of economic interdependence that can be used to explore the question of how the dynamic affects armed conflict between states.

¹⁹ McBride, James. "How Does the European Union Work?" Council on Foreign Relations. Council on Foreign Relations, 2022.
<https://www.cfr.org/backgrounder/how-does-european-union-work#:~:text=The%20modern%20European%20Union%2C%20founded,and%20manage%20a%20common%20budget.>

Applying the Research Design

German Aggression Leading Up to WWI

Use of Armed Conflict:

Looking at the events leading up to WWI an early plan for Germany to expand and colonize can be found. Colonization for many states functioned to boost the resources available to a single nation without having to deal with the economies of others as well as expanding the state's economy and international reach. In the 1880s the state's acquisition of land in Africa and the Pacific are examples of both late quests for colonization and actions that go against liberal theory⁹. Liberal theorists such as Moaz, Oneal, and Russett suggest that by increasing trade and peacefully boosting economic relations, a state can see lower levels of conflict with its trade partners and in general as it acts in the international world¹. The liberal theory's understanding of peace and economic gains comes out of balanced relationships where each party has something to gain, or at the very least something to try and not lose. In the instance of German expansion, there is a heavy reliance on force to colonize areas like Togo and Cameroon, as well as examples of drastic war efforts to keep the land acquired as well as devastation and dominance over local populations⁹. Colonization as a whole was not meant to be a peaceful meeting of two parties to share economic gains and international power. Due to the goals of colonization, it fits more solidly with realist thought as theorists like Mearsheimer suggest that all international relations are conflict-oriented and that the structure of the international community is geared towards conflict⁷. As a theorist, Hoffman would second this opinion as he argues that the international political game stays the same no matter what is on the line, economic gains included⁶. Taking those two theorists together, the violence used by the German army was used in a realist way even though it was used to boost economic gains and interdependence.

Applying that same reasoning to another instance, Germany's use of armed conflict and ultimatums against Russia along the Austria-Hungary border fits with realist theorist Waltz's. This

demonstrates ideas that the international order is anarchic with no central authority and that in a system like this, there is no guaranteed stability so a state must act how it sees best⁸. However, the fact that Germany was tied to Austria-Hungary in an extremely powerful alliance would not go over well with realist theorists as many argue that creating interdependent economies and linking systems with another state invited conflict and aggression, and because of that strong alliances should be avoided. Despite realist theorists likely to disapprove of Germany's actions in the creation of the alliance, the outcomes are consistent with their predictions of what an alliance like this results in. Due to the fact that all of these instances can be better understood by realist argument and thinking, it is clear that in terms of the use of armed conflict in German aggression leading up to WWI, realism does a better job of explaining the use of armed conflict in this case.

Levels of Contact Between States:

As stated, in this case, the levels of peaceful contact between states did not consistently include Germany. Many other states in the region engaged in peaceful contact and alliances but Germany had excused itself from any dealings with such alliances and instead favored a strong alliance with its neighbor Austria-Hungary. Looking at the alliance between France and Russia that was later joined by Great Britain there are strong liberal elements. In a publication by Moaz, Oneal, and Russett it is suggested that trade and interconnectedness are a strong influence for peace, especially between neighboring states that are potentially war-prone¹. Gasiorowski is another liberal theorist who, while not as optimistic as the previous three, still argues that levels of contact and economic exchange will mitigate conflict and minimize it even if it does not rid a state of all contact⁴. This same reasoning can be applied to the alliance that strongly tied Germany to Austria-Hungary as this level of economic and institutional connection with a neighbor fit in with Moaz, Oneal, and Russett's arguments¹.

However, there is still the factor of Germany's fear of military circling that was caused by the contact between states. Mearsheimer argues that liberalism is not rigid enough to provide a necessary order to international relations and that a liberal hegemony would not have the strength to last and instead

would result in economic instability and conflict with other powers⁷. Conflict and economic instability are exactly what resulted from these alliances. Germany's perception of military encirclement from outside states led to the previously mentioned use of armed conflict which resulted in the launching of Europe into WWI where armed conflict and economic loss happened on a massive scale¹⁹. Looking at the actions that took place by the states as well as the overall outcome, the level of contact between states is more in line with liberalism. Since this paper is focused on explaining the outcomes, the levels of contact between states are best explained by realist theory due to the resulting conflict and loss that these connections created.

Likelihood to Promote Peace:

Immediately looking at the theory liberalism argues that peace can be created and promoted through economic interdependence. At the very least, liberalism and its theorists such as Polacheck and Gasiorowski suggest that even if liberalism cannot always promote peace, it will function as a neutral agent that will not perpetuate any form of conflict. This line of thinking is simply not present in case one. Germany's late quest for colonization and economic gains were not factors of peace and interdependence as shown by the Herero-Nama War as well as the Maji-Maji War. Other instances that do not fall in line with actions for peace are Germany's building of a naval fleet that launched an economically draining arms race with the region's naval power Great Britain⁹. Germany's plans to turn France into a vassal state also do not perpetuate any kind of ideas of peace-promoting action¹⁰. Interestingly all these actions so far can be seen as being economic promoting actions as land acquisition and colonization served as a resource boost for states. The wars that took place were violent, but they were violent for the ability to keep economic assets Germany had previously acquired and grown accustomed to having, and the plan to turn France into a vassal state functioned to quell an international and economic competitor while also boosting the states own economic prosperity¹⁰.

The last example used in this case for the potential to promote peace is Germany's actions of issuing an ultimatum for Russian troops to back down from the Austrian-Hungarian border¹¹. Liberal theorists such as Polacheck suggest that when economic ties and gains are potentially available, states will use other methods of conflict before jumping right into armed conflict⁵. However, such a short ultimatum between two states that were not very economically interconnected falls short of a liberal explanation for these actions. Since liberalism falls short, the clear explanation for the state's likelihood to promote peace comes from realism. Beyond the failure of liberalism to explain this category, realist theories argue that the international playing field is anarchic and conflict-oriented makes sense as an overall explanation for the lack of peace-promoting action. Most states in this example gravitated towards armed conflict as a means to resolve tension and boost each's own international and economic standing, which is far better explained by realists' understanding of the international world as being anarchic than liberalism's argument that interconnection is peace-promoting.

Economic Considerations Taken:

In the instance of German aggression leading up to WWI there was a clear element of economic consideration taken. Germany sought economic power to boost its international standings as well as to boost its economy and its military strength. Germany as a state seemed very aware of the power a strong economy held and that it was a leading factor in its ability to reach other goals regarding power. However, just because a state is thinking in terms of economic prosperity it is not automatically using liberal ideology. For the actions to be considered liberalist in Table 2 the actions should place an important level of emphasis on the economy as shown by a willingness to be interconnected with other states. Realism argues against the trusting of other states in all facets of international relations so economic considerations that are more self-serving and state-oriented would be the smarter and safer option according to realist theory. Taking that into consideration, it is far clearer that the overall economic considerations taken in Germany's aggression leading up to WWI were realist. The state generally acted in its own best interest in all considerations and especially the economic consideration as it gravitated towards armed conflict and

away from interconnectedness, which fits much better with realist thinking than it ever could with liberalism.

Willingness to Take Alternative Steps Other Than Conflict to Protect the Economy:

Looking at the details brought to Case 1, the only instance that can be observed where Germany used anything other than armed conflict was in a brief ultimatum it had issued to the state of Russia to back down from Austria-Hungary's borders¹¹. The ultimatum itself was arguably feudal and outside the assumed understanding that a war would be costly to a state economy lacking any direct connection to economic promotion. Instead, this case is filled with examples of Germany and neighboring states using armed conflict and aggression to achieve economic gains. The most powerful example of this is simply the era of history that was Western Europe's Colonization of the world. The standard was gained by taking over other states and having complete control over another group of people. This is clearly shown through Germany's dissatisfaction with having protectorate states as colonies and the devastation left by the Herero-Nama War, complete control was the goal and complete control came through armed conflict⁹.

If liberalism were to explain this category, there would be general outcomes that were brought about by a willingness for economies to become interconnected and work together. If realism were to explain this category, there would be a general outcome of a lack of emphasis on economic ties between states as well as a general distrust of other states. Considering arguments made by Hoffman and Mearsheimer it can also be inferred that for realism to be correct in explaining the outcomes one would also expect to see conflict as the international system is conflict-oriented and at its core, anarchic⁶. Looking at the events and comparing them to each theory's expectations of outcomes, realism is the clear explanation for the lack of willingness and lack of instances of using anything other than armed conflict to protect and promote economic gains.

Expected Effects From Higher Levels of Trade on Conflict:

For this category liberalism would expect to see that economically interconnected states and states that had high levels of trade would have moderate to high levels of improvement of the instances of

armed conflict due to shared prosperity and connected economies. This idea is developed out of a general sense of shared responsibility and prosperity that stems from economic interdependence, demonstrated in Oneal and Russett's findings of an analysis of Cold War Era data showing higher levels of economically important trade in direct association with lower incidences of militarized interstate disputes³. Realism's argument on this category would expect worsened or neutral levels of trade's ability to impact armed conflict as the theory suggests not trusting or relying on outside economies and states for anything⁶. This can be seen through Waltz's argument that all states simply try and survive, meaning they will act in ways that help themselves above any alliances or trade partners. This also means that there is always a possibility that if a trade relationship is more beneficial to one state over another that the less benefiting partner could easily leave or exploit the relationship⁸.

Taking these ideas into account and looking at the trade and connection that was occurring during Case 1, liberalism does a better job of explaining the outcomes. While all states, in this case, were conflict-oriented and quick to use armed conflict, the relationships and interconnected economies that existed were strong. France, Britain, and Russia demonstrated strong interconnected economies and alliances as a united front in Europe as well as against instances of German aggression¹². The same goes for Germany and Austria-Hungary as the states really only had connections to each other in the military and economic realm but the connections were extremely strong and created a united front in opposition to the previously mentioned three states¹⁵. The dynamic is also observable that the states that were not interconnected and did not experience high levels of trade, such as Russia and Germany, were more combative. This proves in multiple aspects of state relations in this case that liberalism does a better job at explaining the outcomes of this category regarding what outcomes to expect from higher levels of trade on armed conflict.

General Conclusion on German Aggression Leading up to WWI:

Looking at all the independent categories used in Table 2, there is an overwhelming realist outcome, except the last. However, while the outcomes are better explained by realism there must still be considerations made for the aspects of liberalism that are observable throughout most of the categories. Throughout the whole case, there is a clear and observable benefit towards leaning heavily on at least one other state for economic relations and support in the international world. This dynamic raises questions about how independent states can be in the international realm or if there are risks that must be taken for a state's survival. An additional factor that does not exactly fit with realism and should be observed is the power that economic relations and economic standings hold over the international realm. While realism argues that economics is a factor that can and will be governed by conflict, the overwhelmingly liberal regard for trade partners in this case calls into question if economics truly fits under the same umbrella of impending conflict that realists hold it under.

With all that said, one major factor present has a place in realism and does not fit in liberalism's explanation. That factor is the use of armed conflict. Liberalism does not see armed conflict as beneficial for economic gain and argues that armed conflict and economic gain/connection are inverse factors, when economic interconnection increases, armed conflict should go down³. However, throughout this entire case, the use of armed conflict for economic gain was prevalent through dynamics such as colonization and plans of acquisition of neighboring states. The use and/or threat of armed conflict was present in every category examined, making it both an overarching and defining theme for the case of German aggression leading up to WWI. Realism makes a compelling argument for the use of armed conflict in all aspects of international relations stating that in an anarchic world, conflict will always be the default. So, while there are some questions to be raised as to how so many instances of high levels of trade and connection were still gravitated towards by militarily aggressive states, when it comes to the question of explaining armed conflict and economically interconnected states realism wins out in explaining this case.

The Development of the European Union

Use of Armed Conflict:

Once again, looking at what each theory argues about armed conflict, liberalism would suggest that it would be decreased to protect and grow states' economies. This is demonstrated by theorists arguing that connected economies lead to connected benefits, which lead to lower levels of armed conflict. Realism argues against ever forming this economic connection and therefore the theory does not expect any change in the need to use armed conflict. If no economic connection happens and then the theory expects the same rate of conflict, if an economic connection happens state's self-serving nature will likely result in armed conflict.

Looking at Case 2, the strongest case for using or not using armed conflict comes from the formation of the European Union. After WWI and WWII, all states in Europe were very weak in military and economic terms¹⁸. The realist explanation here would be to isolate and build up a state without the danger of dependence on another state or to gain economic and military strength through the assertion of power. The actuality of this case is that no state saw either of those options as a real possibility, organizations like NATO and the UN had begun to form and provide aid and the potential for rebirth for many of the states in Europe which created an air of cooperation as well as the ability to lean on neighbors in a way not previously seen¹⁶. It is unclear if it was due to the weakened nature of the states or the help already provided through the cooperation of international neighbors but after the end of WWII and the start of the development of the European Union, the continent leaned heavily on liberalism's ideas. It was decided that armed conflict was not the solution, instead, an interconnected economy possessed as the solution to the ills each state experienced. Due to these discussions and such a strong rejection of the potential for new instances of armed conflict, liberalism is the more comprehensive way to explain this category's outcomes.

Level of Contact Between States:

Liberalism would expect the level of contact to be high in hopes of improving communication and the potential for group economic gains through connection and cooperation. Realism would expect the opposite, operating under the idea of a Hobbesian international system; its theorists would recommend low levels of contact and communications between states to protect state security and their economies. This case demonstrates an extremely high level of connection and communication. Starting with NATO in 1949 internationally, states were already linking, going across mountains and oceans to cooperate¹⁶. Being much more grouped together, the European Union was born out of 10 states that shared a small continent as the founding members developed a board that created a standard for human rights and democratic rule that superseded individual governments¹⁶. The connection was boosted further when the Council of Europe formed six of its member nations and promoted contact to regulate coal and steel production under common management creating contact and communication on a state's ability to grow and develop weapons of war¹⁶.

This trend continues to encompass nuclear energy, goods and services, monetary systems, and more as the level of connection and number of states that joined in on this connection steadily grew up until the 1990s marking decades of continuous and beneficial connections¹⁷. The fact that these connections became such a beneficial norm strongly suggests that liberalism's argument for the contact between states is a huge improvement for economies as well as possible overall gains for states. The fact that this holds true makes liberalism the better theory to explain the outcomes.

Likelihood to Promote Peace:

In the previous case it was seen that the likelihood to promote peace was almost non-existent, the exact opposite rings true for this case. The creation of the EU came out of decades of destruction, some of which are referenced in Case 1, where the continent and world were plagued with loss¹⁹. The general sentiment at the conclusion of the last World War was that more violence was not going to fix anything, in

fact, violence had resulted in the state the people of the world were currently in. This propensity for peace can be seen by the quick development of the Coal and Steel Coalition as well as Euratom, two facets of the European Union that worked to manage large industrial corporations but also groups that worked to regulate any state's ability to build weapons of war¹⁶. Each community had total control and knowledge of what each industry was doing and producing, making sure no nuclear warheads were in production¹⁶. The promotion of peace went beyond the mitigation of weapons and in the 1960s expanded into the regulation of the food industry, building on the humanitarian goals the European Union was founded on and working to ensure every citizen in Europe had enough to eat¹⁶. Taking such drastic steps to end instances of inequality and areas of frustration that rebellion and violence could take hold was both an indirect and direct peace-promoting action.

Moving even further towards peace promoting, in the 70's the European Union set up a monetary fund that worked to transfer money and aid to poorer member nations, working to prevent the same possible dynamics that can rise from food shortages¹⁷. The EU was an organization born out of the need for peace, and it became an organization that acted as an agent to perpetuate peace in place of potentially violent armed conflicts. Now taking the examples and applying them to theories, realism would argue that there is a great distrust present in international economics. Mearsheimer argues that this level of liberalism would never be able to set a truly international order and that the ability and willingness to use force is the only way to survive⁷. This argument does not seem to have a place in the instance of peace promotion in Case 2 as all efforts went to do the exact opposite and on a large scale appeared to succeed. This would imply liberalism is correct in explaining these outcomes and looking at what the theorist argues proves true. Moaz, Oneal, and Russett are the most optimistic of theorists in this analysis and they would argue that yes, the promotion of peace is and should be high due to the benefits found by each state that participates¹. In the development of the EU, economies of states were given aid when needed and some of the financial burdens were taken off the shoulders of the individual and put on the groups. The

redistribution of these burdens as well as the desire for peace resulted in economic interdependence as well as prosperity for most of the history of the European Union meaning that when looking at the likelihood to promote peace, liberalism has a solid explanation in Case 2.

Economic Consideration Taken when Making Choices

Economic consideration is seen from the start in the formation of the European Union as none of the states in Europe that had survived the Second World War could survive another armed conflict. Simply, their economies were too weak, their resources were depleted, and overall, the outlook for the future was bleak. All these states were becoming the recipients of international loans, some for the first time, and the idea of interconnectedness offered a solution for states to build each other and themselves up in unison to survive. The awareness of the weakness of the economy and the need for it to be rebuilt can be demonstrated by the amount of state control given up to the larger organization of the European Union as states left personal freedom and controls behind to enter such a vast economic and social union.

As previously stated in Case 1 realism would have low regard for economic consideration out of a distrust of other states meaning that if realism were to explain the development of the European Union the only thing that would have been seen would be a loose alliance with little tied into the connection of the states. Instead, what is seen is a union that is encompassing when it comes to economic and social assets and even includes the use of a common monetary system¹⁷. These actions are far more in line with liberalism as that theory expects a high level of emphasis on the importance of the economy, which was observed at the EU's creation. Combining this with a willingness to be interconnected was consistently demonstrated through the decades of development. Taking these factors into account liberalism is the better theory to explain the economic consideration taken in Case 2.

Willingness to Take Alternative Steps Other than Conflict to Protect the Economy:

Of the categories in Table 2 this is arguably the most clear-cut example of liberalism that is demonstrated. The formation of the EU and every asset it encompassed was the opposite of armed conflict. The states that built the EU and joined it had already seen and experienced what armed conflict

could do and seemed desperate to find any other solution to survive in the international world. As a result, the world got the European Union, which uses all possible violent alternatives by regulating several parts of the economies and human rights in most European countries. Looking at the table, the liberal argument is that the willingness to use alternatives would be high for economic protection and prosperity to take the palace. The willingness to experience the interconnection of economies and states would also be high. Both actions ring true as the European Union is a shining example of extremely integrated economies and states to avoid anything like that experienced during WWI and WWII.

Expected Effects From Higher Levels of Trade on Conflict

The expectations are as follows: liberalism would expect to see high levels of trade resulting in lowered levels of conflict as demonstrated by Oneal and Russett's findings in their Cold War Era analysis³. Realism would expect a detrimental or neutral effect of trade on rates of conflict as the theory suggests that trade is a way to give a state power over another and since other states cannot be trusted it should be avoided or conflict should be expected if it occurs. In the case of the European Union an extremely elevated level of economic integration and trade took place, so intense that it has resulted in an economic union that has an official monetary and commerce system as well as free trade between member states. Free trade operates as an excellent example of how these states have benefited as the benefits of trade have only increased and internal tariffs and blockages do not exist, boosting the economies of the members in ways conflict can not¹⁹. Realism's argument and understanding of the international world simply cannot take hold in this aspect of Case 2 as if it did the outcomes would be high levels of conflict between states in Europe. Due to the demonstrated gains from intensely integrated trade as well as the lack of any real place for realist theory to take hold, liberalism does a better job of explaining the outcomes of this category.

General Conclusion on the Development of the European Union:

Overall Case 2 seems extremely clear-cut as an example of liberalism explaining the levels of conflict in instances of economic interdependence. The story goes that as the states became increasingly

integrated, they benefited increasingly and had so much on the line that cooperation became the default. As the European Union grew, the levels of integration did as well and the economic benefit of member nations was so great that no benefit from armed conflict would surpass the benefits created through open borders, shared responsibilities, and programs to aid in the boosting of struggling member economies. However, it is in its creation as well as current events that the question of the choices made arises. Looking at the creation of the European Union economic integration appeared as the only viable option, no state in the region could have survived another war and the international system had swung so far leaning into conflict that a strong reaction the other way was expected. So, while choices were still made to create and join the European Union, the dynamics of a forced hand and then a self-fulfilling prophecy of success appear as an interesting dynamic in this case. The second instance that questions the ability to truly make a choice in the situation of the creation of the EU comes from the recent choice made by Great Britain to leave the European Union¹⁷. Brexit occurred largely due to pushes for nationalism from inside England and for states to take back some of the autonomy that it sacrifices to be a part of the European Union¹⁷. While this is an instance of one state it does hold a sentiment that if spread could have the potential to challenge some of the dominant liberal categories in the case such as economic considerations taken when making choices regarding international relations as well as a level of contact between states.

However, despite these questions and potentially recent problems, the case is still overwhelmingly liberal as it is defined by economic integration as well as the desire to promote peace and state prosperity more than anything else.

Overall Findings

Looking at the cases there are consistencies between the two. Both demonstrate clear aspects of economic interdependence, both are largely concentrated in the continent of Europe, and both occur between mostly democratic or democratic-leaning states. However, the outcomes of each case are extremely different. In Case 1 the observable outcome is that of armed conflict escalating into a war beginning between two allied groups in Europe. In Case 2 the observable outcome is increased

cooperation and the decrease of economic and social barriers between several nations in Europe. The overall outcome of Case 1 has been determined as being best explained by realism, while Case 2 has been determined to be best explained by liberalism. In looking at the patterns that occur in the policy choices made per each case, there appears to be a connection between the building of policy choices that follow each theory amounting to larger outcomes that are best explained by the theory in which the policy choices gravitate towards.

Patterns Observed

The Case of German Aggression:

In terms of Case 1 the policy choices that were referenced are ideas of isolationism that Germany demonstrated apart from Austria-Hungary which was Germany's strongest economic and military tie in Europe at the time¹⁵. Germany had a strong distrust of its neighbors for several reasons including but not limited to their economic power, military prowess, and interconnected nature¹². Due to these factors, the state adopted ideas and plans of isolationism to protect itself and its security as a state in fear of threats and violence from its strong militaries and economies¹⁰. The one choice that was an exception to this rule was its alliance with Austria-Hungary and that state alone, being its only alliance there was a high level of interconnectedness and dependence regarding economic resources and military strength¹⁵. Germany's strong connection to its neighbor to the south can be most strongly demonstrated in the referenced reaction it had to Russia's threats towards the ally leading to a response from Germany that combined with a few other factors to launch World War I¹¹. This choice to align itself with Austria-Hungary was due to the alliances forming around it between France and Britain and Russia which, in the eyes of Germany, possessed a major threat to state security as well as military and economic potential¹⁰. Another reaction demonstrated by the German government due to neighboring states was the naval arms race that took place between Great Britain and Germany. Germany felt pressured and trapped and because of that they made policy choices that leaned heavily on an increase in military spending, spending to the point of

a 79% increase to keep up and feel protected against its neighbors¹². This was a huge economic investment for a nation that did not have as many economic assets as surrounding states¹². Lastly, the choice that launched a world war, the German government made the policy choice to issue an ultimatum to Russian troops to back down from Austrian-Hungarian borders after the assassination of the Archduke¹¹. This demonstrates a strong level of confidence in one's own military prowess as well as a prominent level of distrust towards neighbor states, not to mention a strong connection with their ally. All these decisions appear to be made from fear for the state's sovereignty but also to grow and expand much like its neighbors had, showing the strong influence that the drive to become economically and militarily strong had on the state as well as many others.

Looking back at Table 2 as well as the previous analysis presented of the cases in conjunction with the tables, all these choices are largely based on realist thinking. The choices made in Case 1 are consistent with a distrust of other states, an understanding of the natural state of relations as being anarchic and determined by how well states can survive on their own and being a military state with strong defense prowess. Germany seems to accept the idea and benefits of economic interdependence as well as the power of economic gain but sets out to achieve them through means of armed conflict and acquisition. These choices are made through distrust and fear of its neighbors, meaning most decisions were made by looking at what was best internationally for the state as an individual actor and not as a larger connected piece. The same thinking is also largely demonstrated by Germany's neighbors as each state colonizes and acts in the sense of acquisition for individual growth and gain¹⁵. The realist policy choices ultimately lead to behavior and actions that create overarching realist outcomes, choices that occur due to perceived threats in the economic prowess and linkage of neighbor states leading to conditions that threaten the survival of smaller individual states.

The Case of the European Union's Development:

Taking the same look at Case 2, the choices observable are as follows. The policy choice that kicks it all off is that of ten European states choosing to build the Council of Europe as a way to enforce

human rights and democratic rule across all Europe¹⁶. This choice quickly involved six of those ten making a choice to create a coal and steel alliance, transfer the industries to common management, and interconnect the economies of all members regarding the industry¹⁶. Moving forward, the European Economic Community and the European Atomic Energy Community were created and joined in the 1950s, both of which are policy choices made to further integrate economies, regulate the production of weapons of war, and create greater connections between states in the region¹⁶. The EEC further connected states by regulating trading and movement of goods and services, creating a common marketplace¹⁶. Eventually, the policy choices amounted to a common currency and trade agency and even the choice to build a fund to help member states struggling economically rebound¹⁷. All these decisions seem to come from a willingness to integrate and the realization of economic benefit from integration. The policy choices ring true to what liberalism expects to see and how the theory understands these situations. The theory argues that choices to integrate economically will result in greater peace between nations and greater benefits. Taking these choices and comparing them to the overall understanding and explanation of the case there is a higher level of economic integration as well as peace and cooperation following the creation of the European Union. Similarly, to Case 1, liberal policy choices were made, and the larger outcome was dominated by liberalism and is then best explained by liberalism.

The observable pattern of policy choices being a factor for the overall outcome is a helpful tool to be able to predict future outcomes and understand what to look for in understanding the processes made and carried out by states. The pattern of policy choice also demonstrated a larger cycle and potential for future research to understand better why states make the policy choices they do.

Potential Future Research

While the findings of the cases observed have been extremely beneficial in observing patterns and getting some answers to the question posed in this paper, there are still limitations present that could be benefited by future research. One of the major limitations present is the number of cases observed

throughout the paper. Each case did tick important boxes of events that expressed economic interdependence and the potential for armed conflict, but more cases would allow for a more expansive conclusion to be made about the relationship between the variables observed. The findings could also be benefited from looking at cases that occurred in other areas of the world and different periods within the modern era of economics defined in this paper.

The future research of cases should follow the same process as presented in the research design, establishing economic interdependence, using Tables 1 and 2, and gathering conclusions for additional cases to aid in an overall understanding of the patterns observed here. One potential future case is the Iraqi invasion of Kuwait which was briefly considered for this paper. The case would serve as a prime example of economic interdependence with the escalation being heavily related to the economic resources of the oil fields in Kuwait and the policy choices made by Iraq being extremely aggressive militarily²⁰. There were rising tensions in the Persian Gulf over OPEC policies and the states that reaped many of the benefits from policies that capped production, Kuwait being a winner in this case and Iraq seeing itself as one of the losing states²⁰. This is one of the prominent factors that lead to Iraq's invasion and occupation of Kuwait that while only lasting a few days had devastating effects²⁰. This situation demonstrates a large amount of economic interdependence and the use of more aggressive international policy by Iraq, demonstrated by a general avoidance of peace and communication with its neighbors. The reactionary policy taken by the United States in this instance was also extremely aggressive and again had a large economic component as the United States was extremely economically integrated with OPEC²⁰. While the case is certainly broader than the brief information presented here, there is a clear presence of economic interdependence as well as action taken toward armed conflict.

The exact explanation of this case's outcome and how economic and armed conflict interplayed is unanswered but overall, the case of Iraq's invasion of Kuwait appears beneficial. By finding more cases that also demonstrate economic interdependence and the use of armed conflict or the possibility for armed

²⁰ Tikkanen, Amy. "Persian Gulf War." Encyclopædia Britannica. Encyclopædia Britannica, inc., March 2007. <https://www.britannica.com/event/Persian-Gulf-War>.

conflict the question posed in this paper can be even more understood. Conducting an analysis same to what was done previously in this paper, the overall findings could also be used to identify more patterns that occur throughout cases.

Another aspect of this paper that lends itself to future research is the idea of reactionary choices that were discussed in the Patterns Observed section of this paper. In that section, it is pointed out that many choices made by the Germans in the case of German aggression leading up to WWI felt as though they were reactionary to other standards and international policy choices at the time. The same can be said for choices made in the second case observed where the development of the different facets of the European Union appears to be aided by a standard of communication and success set previously in the entity's creation. Building off these observed patterns, a larger, more cyclical question arises.

To begin to ask and answer this question, one could use the findings of this case in regard to the importance of state policy choices as an indicator of overall action and begin to analyze the why behind the choice. In this paper the why behind the overall outcome was explored but by focusing on the why behind the policy choice more answers could be provided. The biggest question presented here is why policy favors realism over liberalism or vice versa, why in situations where both appear to be an option is one seen as a better solution? One potential path to answering this question could come from an analysis of economic growth between states to ideas of nationalism and state pride within a country. These two comparable factors could encompass both liberalism and realism in international theory. Economic growth is what plays into liberalism as the theory is in support of economic integration whereas realism sees the connection as likely detrimental to state security. The look at nationalism could then play into understanding more realist trends as realism argues for the survival and importance of the states as an individual created more internal-looking ideas and liberalism is more for the cooperation and development of less self-centric relations that nationalism typically entails.

Finding the way these two ideas have shifted throughout the modern economy which can be seen as a post-colonial economic era where completely asymmetrical and dependent economic relationships became less and less common. This economic era is a beneficial focus as its more symmetrical balance of

economic power allows for the use of both realist and liberal policy in analysis while previous eras of colonialism can be seen as an entirely different form of international relations. Using this era could potentially give rise to answers as to why realist policy is seen as more acceptable than liberal or times when the liberal policy is more acceptable than realist. In comparing these trends, it would be possible to see if an observable pattern is there or if the choices made by states completely fall to chance. Taking a step back from the recommended trends, this line of inquiry could build off the findings of this paper in any number of ways as long as one of the trends being observed could be defined as liberal and the other could be defined as a realist. Conducting future research on this topic can be built out of the conclusion found here on the importance of policy choice and can better explain patterns referenced here.

One more additional avenue of potential future research is taking the research design presented in this paper and applying it to a more global state of analysis. Due to the scope of the cases observed in this paper, the mechanisms developed were created to be able to be applied to several actors in one case. Each of the cases examined in this paper affect a multitude of states but they are still far from global, leaving that level of analysis open and unexplored. Since the mechanisms are already built to be encompassing, it would be easy for them to be transferred to an increased level of analysis such as the idea of being global. The thought to take the findings in this paper and move to a more global scale comes mostly from the second case analyzed regarding the European Union, throughout the timeline of the case the EU expanded to encompass 27 countries and has taken over the policy and economy of the continent of Europe¹⁹. Similar institutions can be found throughout the world as what is called Deep Trade Agreements appear to be becoming increasingly powerful and prevalent²¹. These agreements are akin to groups that state sign on to and support to experience economic benefits, but they usually do not stop at just economies and instead can affect many other dimensions of state policy²¹. Many of these agreements can be global in the number of states tied together from different regions creating a new dimension of the economic era where

²¹ Espitia, Alvaro, Aaditya Mattoo, Nadia Rocha, and Michele Ruta. "Deep Trade Agreements." DEEP TRADE AGREEMENTS (DTAs): Data, Tools and Analysis. The World Bank, 2019. <https://datatopics.worldbank.org/dta/about-the-project.html>.

seemingly random states from different continents can link economies in search of shared benefits and protections.

In this new development of more of a global economy that has developed in recent decades, looking at the question of realism and liberalism's explanations of potential armed conflict related to economic interdependence could take a new turn in understanding the relationship. Instances of armed conflict with global reverberations are happening today as the actions that are taking place between Russia and Ukraine have international consequences in not just economics but in the policy, and choices made by individual states²². By taking this idea of Deep Trade Agreements and an international interconnected economy as a greater level of analysis of the question asked in this paper, the mechanism created could be applied to an even larger scope than presented here. Much like the other aspects of future research presented, exploring this dimension of the question could shed an even greater light on the findings in this paper as well as overall patterns while also building in a new aspect that has not been explored which is the development of a more global economy and how that has the ability to affect armed conflict states engage in.

Conclusion

Armed conflict is not a new dimension of international relations, as stated in the paper's opening, it is a dimension that is always possible for an innumerable amount of perceived reasons. A more recent dimension in history is the creation of a modern economy, an economy that has championed greater integration of economies and linked states separated by seas in joint economic ventures as well as joint economic downturns. Looking at these two dynamics that occur simultaneously in international relations, one of the many questions that can arise is how these two factors play into each other. This paper explains international armed conflicts that involve interdependent economies through two prominent political theories, which are realism and liberalism.

²² Kammer, Alfred, Jihad Azour, Abebe Aemro Selassie, Ilan Goldfajn, and Chang Yong Rhee. "How War in Ukraine Is Reverberating across World's Regions." IMF Blog. International Monetary Fund, March 15, 2022. <https://www.imf.org/en/Blogs/Articles/2022/03/15/blog-how-war-in-ukraine-is-reverberating-across-worlds-regions-031522>.

Each theory brings about a different explanation and answer as realism views this new era of economic interdependence as a potential weakness for states to have and sees the idea of trusting another state as a potentially disastrous policy choice in an anarchic world of international relations and liberalism sees it as a step towards a more peaceful and interconnected future. Based on these theories, realism expects the question to be answered by showing that economic interdependence leads to states in conflict as each actor does what is best for oneself. The theory argues that the natural state of armed conflict in international relations is inevitable and intertwining economies with other states only leads to more armed conflict and security detriments. Liberalism and its shared prosperity require states to look at conflict differently to keep it, meaning states shy away from the armed conflict that can threaten economic growth and peace. Put into simplified terms, realism, and its theorists look at interconnected economies and expect the same or higher levels of armed conflict. Liberalism and its theorists look at interconnected economies and expect lower levels of armed conflict.