CONTACT: Puja Sangar Tel: 650.724.4211 Fax: 650.736.1784

Email: puja.sangar@stanford.edu

After War

The Political Economy of Exporting Democracy Christopher J. Covne

(Forthcoming from Stanford University Press, November 2007)

Why does liberal democracy take hold in some countries but not in others? Historically, the United States has attempted to generate change in foreign countries by exporting liberal democratic institutions through military occupation and reconstruction. Despite these efforts, the record of U.S.-led reconstructions has been mixed at best. For every West Germany or Japan, there is a Cuba, Haiti, Somalia, or Vietnam, and more recently, Afghanistan and Iraq. Are efforts to export democracy by military intervention doomed to fail? Should we consider other ways of fostering democratic reforms?

In *After War* (forthcoming in November 2007), Christopher Coyne addresses these foreign policy questions by applying an economic mindset to a topic traditionally tackled by historians, policymakers, and political scientists. Economics focuses on how incentives influence human action. From an economic standpoint, a successful reconstruction effort requires finding and establishing a set of incentives that make citizens *prefer* a liberal democratic order over any available alternatives. Coyne provides insight into why occupiers have failed in their efforts to create the incentives that underpin liberal democracy.

Coyne argues that the ability of foreign occupiers to create incentives for the local population is limited by several constraints. While the characteristics of liberal democracy—the protection of civil, political and property rights, as well as the rule of law—would seem to have universal appeal, we know very little about how to foster them. The book illustrates these central arguments with examples from past and current reconstruction efforts.

After War sheds light on how the U.S. political system contributes to failure in reconstruction efforts. For example, there are major problems of coordination, both within and across the numerous bureaucracies involved in reconstructions. Further, both domestic and foreign interest groups attempt to influence the U.S. government's policies in a manner benefiting their own self-interest at the expense of the goals of the broader reconstruction effort.

Focusing on Iraq, Coyne shows how U.S. reconstruction efforts have been hindered by infighting between the various government bureaus and agencies. He also demonstrates how special interests can shape the reconstruction agenda. Coyne traces the unintended

consequences of the occupation of Iraq, including the alienation of the Iraqi citizens and the potential for retaliation and blowback against the United States in the years ahead.

The book's bold conclusion is that the failure of reconstruction efforts in Iraq and elsewhere is not a matter of political ideology or of the political party in charge. Nor is it an issue of trying harder with more troops or better planning. Instead, failure is due to the fundamental inability of *any* government to centrally plan economic, political, and social institutions abroad.

Coyne argues that policymakers and governments cannot impose democratic reforms because they fail to provide local populations with the incentives necessary to adopt sustainable liberal democratic institutions. A U.S. commitment to free exchange in goods and ideas provides one means of allowing others to adopt the values that underpin liberal democracy. Free trade combined with principled non-intervention affords the best chance for finding a common ground between cultures and for laying the foundations of global peace.

Christopher J. Coyne is Assistant Professor, Department of Economics, West Virginia University, a Research Fellow at the Mercatus Center, and The North American Editor for the Review of Austrian Economics.

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For media inquiries, please contact Puja Sangar at 650.724.4211 or puja.sangar@stanford.edu.