

Socio-economic development policies and conflict prevention

By Frances Stewart

Importance of identifying causes

Violent conflict is one of most important obstacles to development.

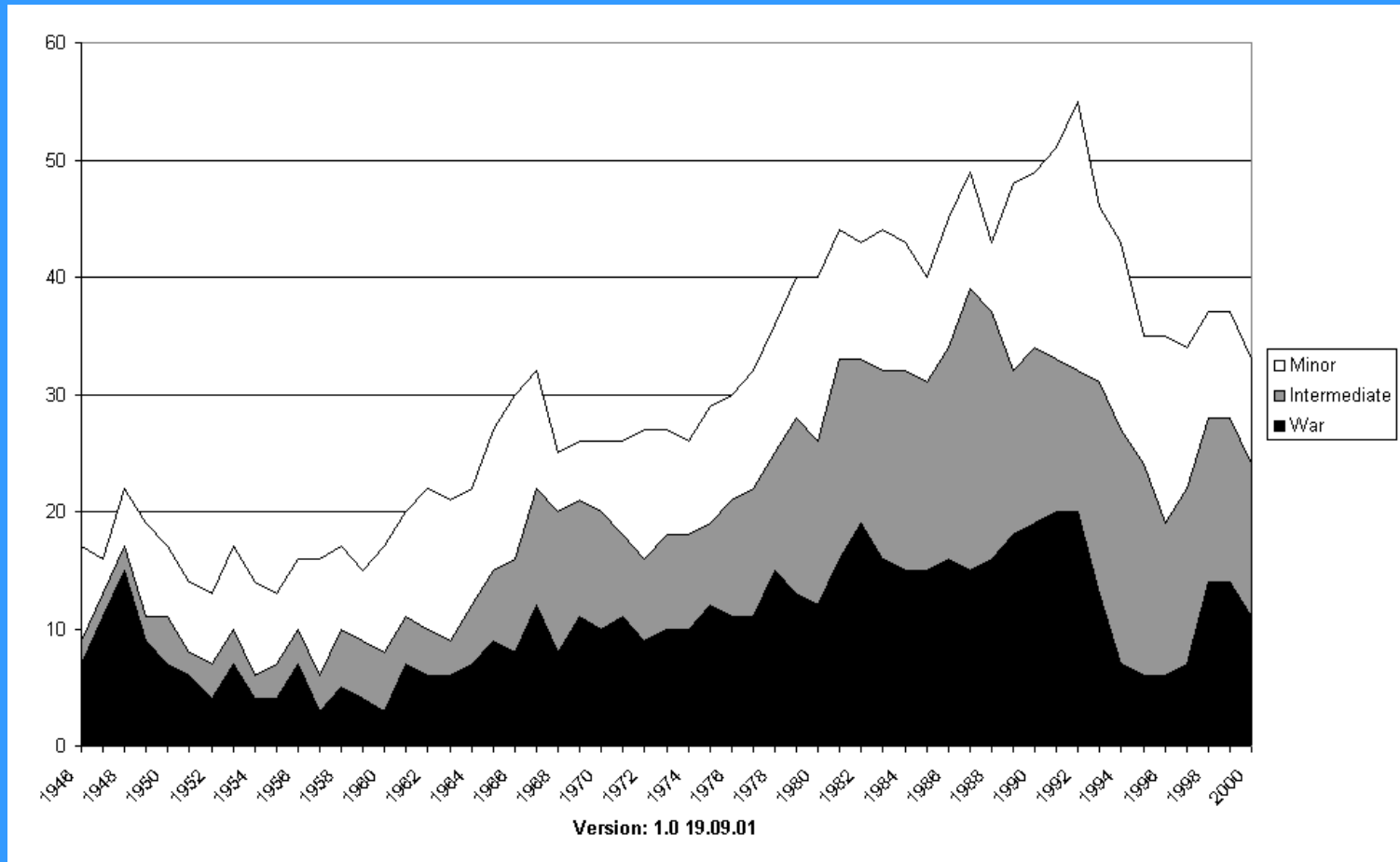
- Leads to many direct deaths
- Many indirect consequences, via weakened political and economic institutions.
- Falling GDP per capita, worsening human condition common consequence [e.g. Cambodia 3% of population extra infant deaths; 2% Uganda; GDP loss = annual, 4% Liberia; 5% Nicaragua).

High incidence today > 1000 deaths p.a.

The number of serious wars has been rising since 1950.

- Acceleration immediately after 1989 (end Cold War).
- Some decline post-1995, but resurgence, from 1998
- Majority of conflicts are intra-state (generally most costly).

Number of conflicts by level: all types



Source: Nils Petter Gleditsch, Peter Wallensteen, Mikael Eriksson, Margareta Sollenberg & Håvard Strand, 2000, 'Armed Conflict 1946–2000: A New Dataset', www.pcr.uu.se.

Nature of wars

- Mainly intra-national not international, despite international interventions.
- Incidence heaviest in low-income countries:
 - 1960-95, 0.5% of population of low-income died;
 - 0.25% of middle-income;
 - 0.2% of high-income.
- Incidence heaviest in Africa – 1.5% of pop. died. Resurgence end 1990s greatest in Africa.
- Deaths far greatest among civilians (90% typical); differs from international wars.

Aim to consider causes, and try and identify some preventative policies

- First explore some cultural and economic causes
- Policy implications

Fundamental causes of conflicts

– alternative views

- Cultural: ‘Age old enmities between ethnic groups’ ‘Clash of civilisations’.
- Economic: group motives; and individual greed/grievance
- Political – particular events; or political systems

Cultural explanations:

Conflicting identities, arising from fundamental differences between people

- Gives too much emphasis to cultural differences. In many contexts no major conflict despite plurality of cultures (Tanzania; Malaysia; Brazil).
- Identities *constructed*, not given. Constructed and accentuated by leaders to achieve objectives – e.g. economic political/administrative (colonial governments); conflict – as mobilising agent.

Constructions of identity

- *Colonial influence*': Modern Central Africa tribes are not so much survivals from a pre-colonial past but rather colonial creations by colonial officers and African intellectuals..' (Wim van Binsbergen)
- Use of identity for *economic purposes*:
 - Hausa in Nigeria; trading networks
 - Lebanese in East and West Africa
 - Immigrant groups in US
- Mobilisation for political purposes/sometimes for conflict

Use of identities for mobilising support for conflict

- Powerful mobilising agent. Bosnia, Rwanda, Sudan....(many non-ethnic conflicts also)
- But not plucked from air – constrained by history, language etc. Those with perceptions of common identity share some markers (language, behaviour, rituals..).
- Differences seem real to participants.
- Turton the ‘very effectiveness [of ethnicity] as a means of advancing group interests depends upon its being seen as “primordial” by those who make claims in its name’

For conflict, other elements needed as well as perceived differences in identities

- Cultural differences only become salient when OTHER factors present.
- Cohen AMen may and do certainly joke about or ridicule the strange and bizarre customs of men from other ethnic groups, because these customs are different from their own. But they do not fight over such differences alone. When men *do*, on the other hand, fight across ethnic lines it is nearly always the case that they fight over some fundamental issues concerning the distribution and exercise of power, whether economic, political, or both@

Economic explanations – motives for war

1. Group motives: group differences
2. Individual greed: profits and jobs from wars (Keen; Collier and Hoeffler)
3. Failure of social contract (inequality and poverty and lack of social services).

1. Group motives

- Horizontal inequalities.
- Multidimensional: political, economic and social dimensions.
- Economic and social lead to deep grievances and potential for mobilisation among ‘followers’
- Political inequalities (especially exclusion) provokes leaders to mobilise.

Examples of HIs in conflict situations

Political Participation	Economic		Social access and outcomes
	Assets	Empl/ incomes	
Political participation in Government <i>Fiji,, Burundi, Bosnia and Herzogovina, Uganda Sri Lanka</i>	Land, <i>Fiji, Cambodia, El Salvador</i>	Incomes <i>Malaysia, Fiji, Chiapas</i>	Education <i>Rwanda, Burundi, Haiti S.Africa, Uganda, Kosova</i>
	Private capital <i>S.Africa, Burundi, Rwanda</i>	Govt. employment <i>Sri Lanka, Fiji</i>	Health services <i>Burundi, N.Uganda, Chiapas</i>
	Govt. infrastructure <i>Chiapas, Burundi</i>	Private employment <i>Fijo, N.Ireland</i>	Safe water <i>Uganda, Chiapas</i>
Army/police <i>Fiji N.Ireland Burundi Kosova</i>	Aid <i>Afghanistan Sudan, Rwanda</i>	‘elite employment’ <i>Fiji, Chiapas, N.Ireland</i>	Housing <i>N.Ireland, S.Africa</i>
	Natural resources <i>Liberia, Sierra Leone</i>	Unemployment <i>Algeria, N.Ireland S.Africa</i>	Poverty <i>Chiapas, Uganda, Safrica N.Uganda</i>

Different types of conflict depending on

- Geographical distribution of population
- Relative numbers in different groups
- Ties and support from outside (diaspora)
- Role and nature of government

Examples of types of HI-provoked conflict

Government dominated by:	Privileged (P) Govt. aims to perpetuate situation	Underprivileged (UP) Govt (Up) aims to redistribute resources from P to Up.
Groups mixed geog.	a.Up revolts (<i>Guatemala; Cote D'Ivoire; N.Ireland</i>). b.P. suppresses Up preemptively (<i>Burundi</i>) c.P. offers concessions to keep peace(<i>US affirmative action</i>) d.Political cooption of the elite (<i>Bolivia</i>)	a.Govt attacks P physically (<i>Zimbabwe; Rwanda</i>) b.Redistributes and provokes protest (<i>Sri Lanka, Fiji</i>) c.P tries to seize power (<i>Haiti, Algeria</i>) d.Govt. redistributes without provoking conflict (<i>Malaysia; Trinidad and Tobago</i>)
Groups separate geog.	a.Separatist revolt of Up area (<i>Philippines</i>) b.Up accepts position because of lack of resources (<i>Brazil</i>) c.Govt. redistributes to poor area (<i>Ghana; EU</i>).	a.Redistribution leads to separatist movt. (<i>Indonesia; Biafra</i>) b.Failure to redistribute; unequal devt. leads to pressure for govt. overthrow (<i>Philippines; Sudan</i>).

HIs very serious in many countries. Not all in conflict. Preliminary conclusions from CRISE on when HIs are more likely to promote conflict:

- When HIs are durable (Tilly).
- and widening over time.
- When group boundaries are relatively impermeable.
- Large numbers in few groups
- HIs consistent across dimensions, especially political and economic.
- Aggregate incomes are stagnant.
- Groups are cohesive (not fragmented) to support collective action.
- Leaders emerge and are not coopted by government.
- Where the government is unresponsive or provocative so protest becomes conflict (contrast Ghana and Cote DIvoire; Indonesia and Malaysia; Guatemala and Bolivia).

Private motivation – individual greed and opportunity costs balanced

- Worse where
 - there are natural resources and rent-seeking possibilities (also a group incentive);
 - High levels of poverty
 - High levels of unemployment.
- Case studies: Sudan; Sierra Leone; Congo; Liberia...Rent-seeking (Burma, but can also be peace-making).
- Econometric evidence of higher conflict potential where there are natural resources.

Conclusions on private incentives

- ‘very few contemporary conflicts can be adequately captured as pure instance of ‘resource wars’...Economic incentives have not been the only or even the primary causes of these conflicts’ (Ballentine and Sherman).
- More likely (and accepted) that these can PROLONG conflicts, than that they cause them
- But need to be considered in ‘solutions’

Failed social contract

- Strong econometric evidence that there is more conflict among poorer countries; countries with lower life expectancy; and lower economic growth (cause and effect issue).
- No systematic evidence on share of government or provision of services. But some indications.
- IMF etc. NOT statistically associated with more conflict.

Conclusion on evidence of socio-economic causes of conflict

- All types of explanation have some support.
- All predispose, not simple cause/effect
- More than one explanation applies to many cases:
 - e.g. Sudan: horizontal inequalities and ‘greed’;
 - Rwanda; horizontal inequalities and greenwar;
 - Sierra Leone: ‘greed’ and failed social contract.
- Different types of conflict – different explanations.

Policy conclusions

- Policies for prevention and post-conflict need to address:
 - Horizontal inequalities.
 - Poverty and underdevelopment.
 - Unemployment, especially associated with HIs.
 - Policies towards natural resources.
- HIs NOT included in normal economic or political policies, even post-conflict.

Focus on Policies towards HIs

1. Aim to improve HIs in salient dimensions, political as well as economic/social.
2. First need is **for accurate monitoring and diagnosis.**
3. Essential to avoid policies being politically provocative.
4. Policies need to be addressed to all situations where HIs large, not just conflict/post-conflict.

Economic and social policies

- Meaning: NOT ‘equal playing field’ because difficult to define. Much implicit, long-term and cumulative disadvantage which needs to be countered.
- More aimed towards greater equality of outcomes: but which outcomes?
- Three types of policy:
 - Policies towards *processes* - ‘fair’ processes
 - Subsidies/assistance – promotional policies.
 - Targets/quotas.

Categories of economic/social policy

- **Assets**

- Land (Malaysia; Zimbabwe; Fiji; Namibia)
- Financial capital (Malaysia; S.Africa)
- Terms of privatisation
- Credit (Fiji; Malaysia)
- Education (Malaysia; Sri Lanka).
- Skills and training (Brazil, New Zealand)
- Public sector infrastructure (S.Africa).
- Housing (N.Ireland).
- Social capital? [neighbourhoods; clubs]

- **Incomes**

- Employment policies;
 - Public sector (Malaysia; Sri Lanka)
 - Private sector (S.Africa)
- Transfer payments (often for age or gender, not for ethnic group)
- Terms of trade

Main consequences of economic and social action

- Mostly successful in reducing gaps, but rarely eliminates them. (But N.Ireland educ.; Sri Lanka).
- Does not seem to reduce efficiency. *May increase it.*
- May reduce inter-group inequality, but increase intra-group. (But depends on nature of policies: intra-group decreased in Malaysia – more evidence needed).
- Does it entrench ethnicity? Depends on type of policy.

Policies towards political HIs also critical

- Structures to ensure each group *participates in political decision-making and power*. Westminster majoritarian political system means minorities are excluded politically. Power sharing is NOT natural consequence of the way many understand democracy.
- Participation can be at many levels (central, regional, local) and in different types of decision (defence, economic, social) and in different activities (army, police, civil service).

Policies towards political HIs

- Constitution:
 - Federal or unitary (and design)
 - Voting system – majoritarian; PR; alternative vote.
 - Voting system within assemblies.
 - Job allocation (and numbers). Three Presidents in Bosnia-Herzegovina.
 - Political parties:
 - Multiparty?
 - Restrictions on parties
 - Citizenship rights. Who is a citizen?
 - Extent and nature of decentralisation

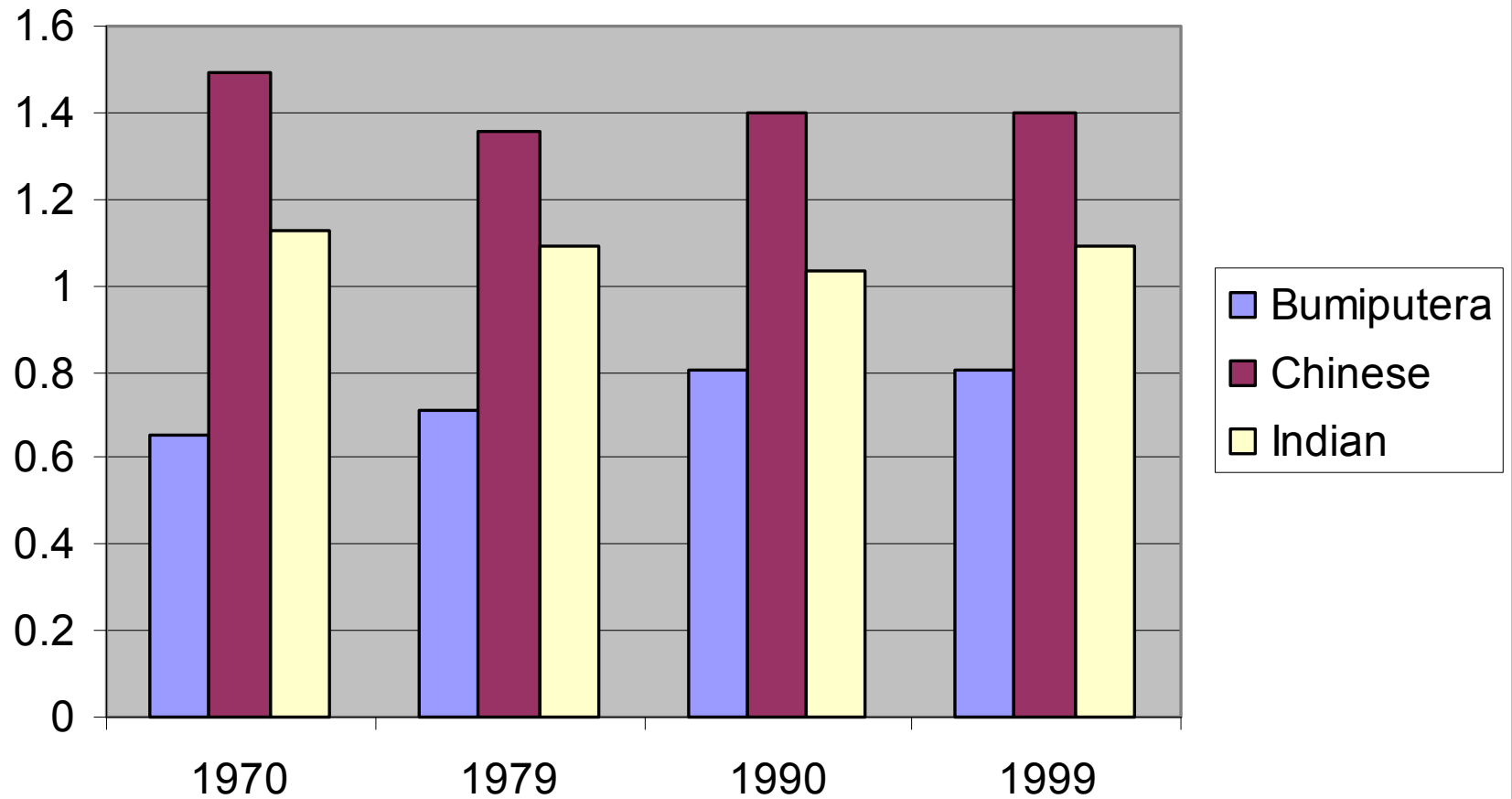
Policies towards political HIs (cont).

- Formal or informal provisions for fair share of political posts at every level:
 - Presidential;
 - Cabinet
 - Senior civil service
 - Military
 - Police
- Nigeria: Federal character (formal); EU formal and informal; Ghana, Bolivia, informal.

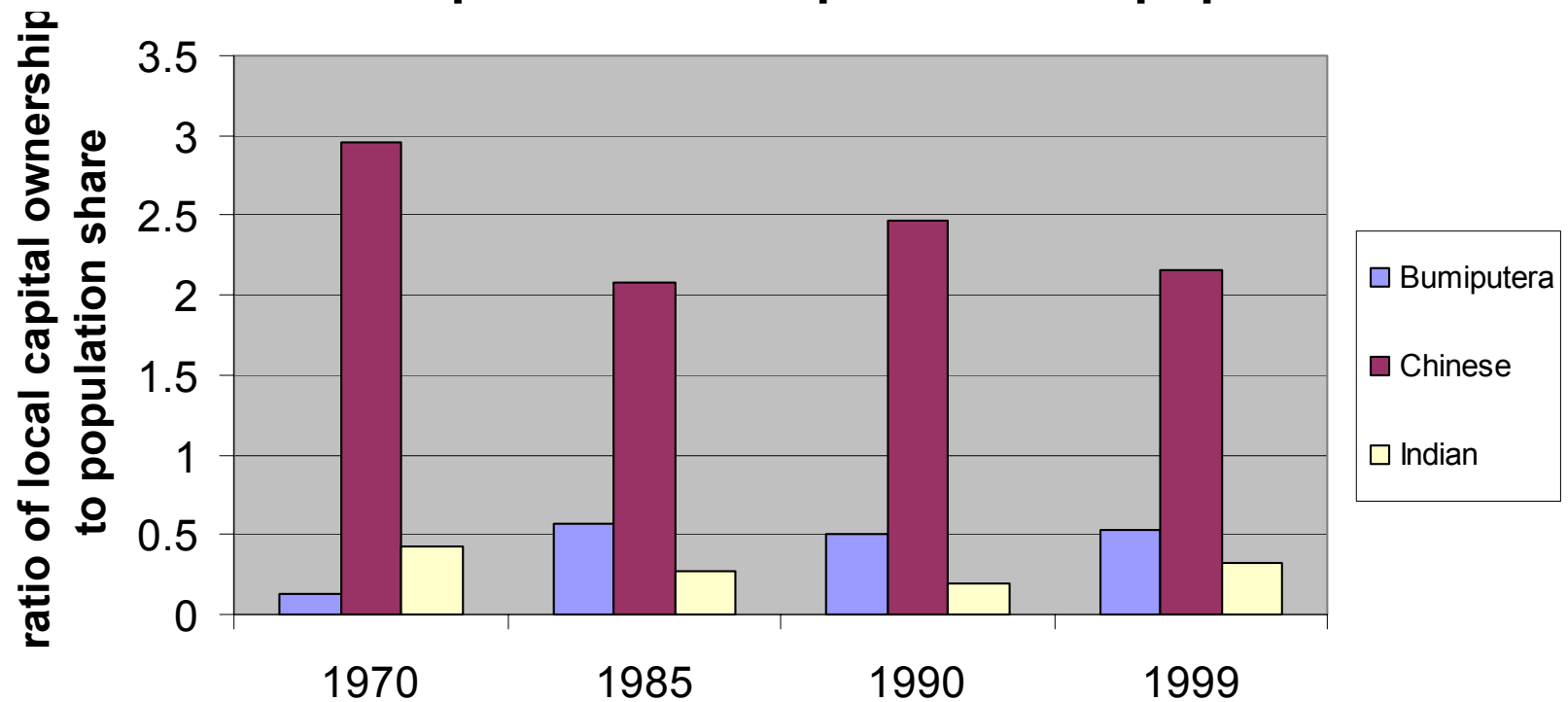
Examples: 1. Malaysia: a successful case of reducing econ/social HIs.

- 1971, following anti-Chinese riots, 1969. NEP. Aim to secure national unity.
- Characteristics.
 - Two prong: ‘to reduce and eventually eradicate poverty’; and ‘to accelerate the process of restructuring Malaysian society to correct economic imbalance so as to reduce and eventually eliminate the identification of race with economic function’ (Second Malaysian Plan 1971-1975)
 - a variety of anti-poverty policies (rural development; social services).
 - restructuring:
 - o expand Bumiputera share of capital ownership to 30%.
 - o 95% of new lands to be settled on Malays;
 - o educational quotas in public institutions laid down, in line with population shares;
 - o credit policies favoured Malays, with credit allocations and more favourable interest rates.
 - o Conflict avoided, including post-1997; high growth; reduced poverty.

Malaysia: Mean incomes relative to average



Share of capital ownership as ratio of pop share



Malaysia : share of total registered professionals as a ratio of population share*

		1970	1980	1990	1999
Bumiputera		0.08	0.24	0.47	0.47
Chinese		2.03	2.12	1.86	1.80
Indian		2.91	2.18	1.65	1.94
s dev.		1.45	1.10	0.75	0.81

2. N.Ireland: a success?

- His large, persistent and consistent over all dimensions over a long time period
- >By the end of the nineteenth century Protestants controlled the vast bulk of the economic resources of east Ulster - the best of its land, its industrial and financial capital, commercial and business networks, industrial skills=(Ruane and Todd 1996)
- no narrowing of the gap between the communities from 1901 to 1970s, with Catholics disadvantaged at every level.
- u/e gap widened
- New policies to reduce gaps from late 1970s: Fair Employment Acts, 1976; 1989; housing policy. Police Acts 1998,2000, 2003: 50% recruitment aim.

Horizontal Inequalities in N.Ireland

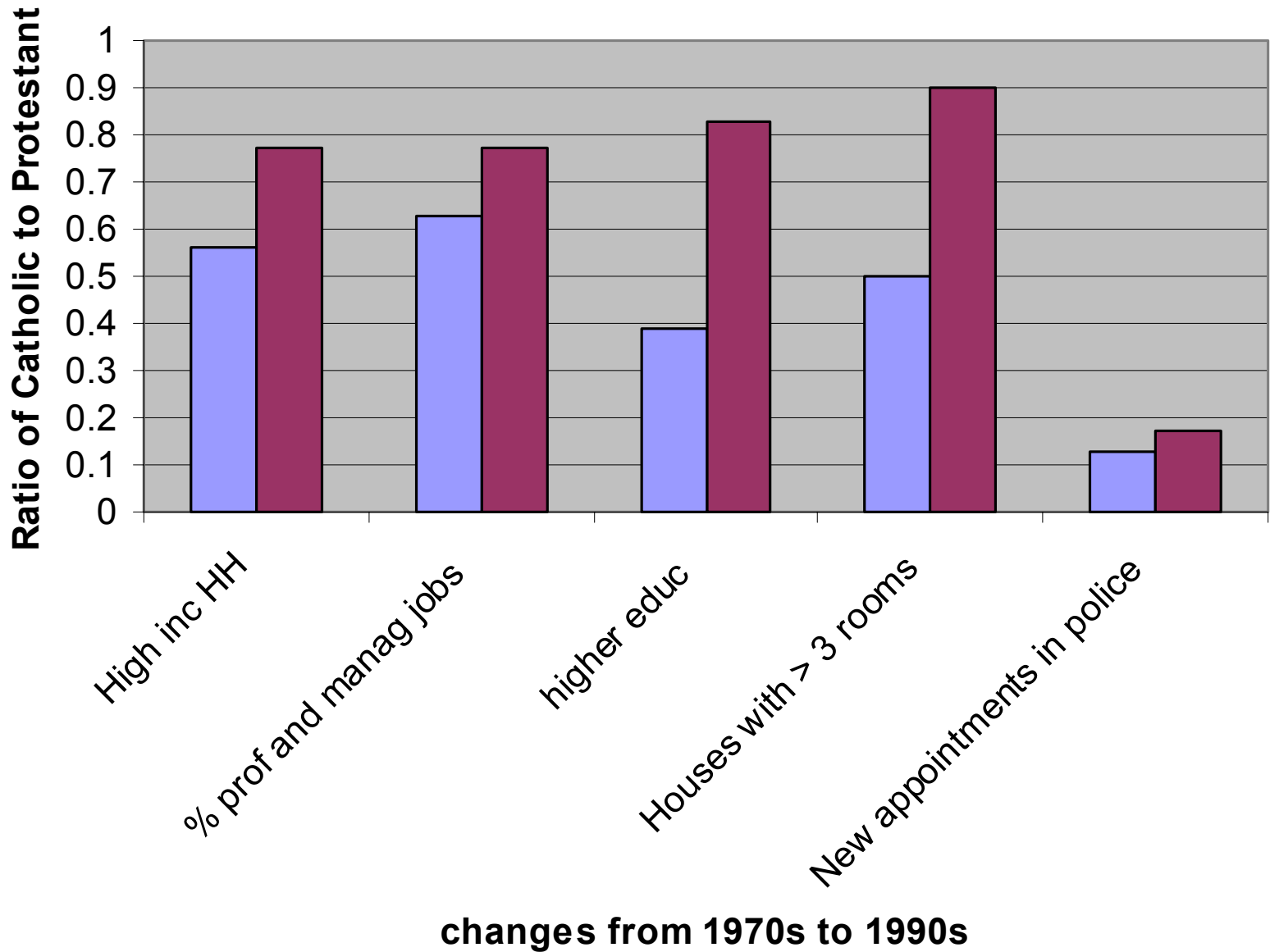
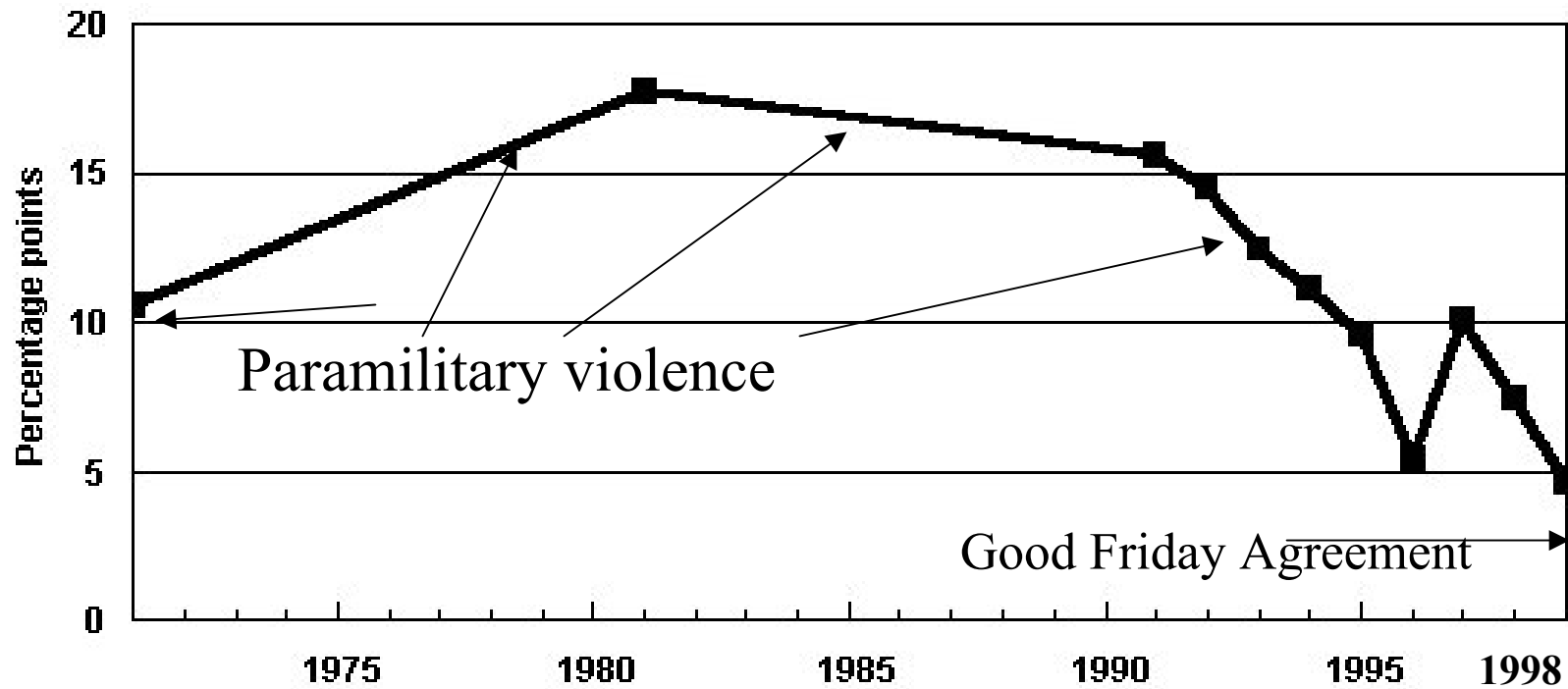


Figure B3.2a Community differential in unemployment rates - Men
Catholic rate minus Protestant rate (percentage points)

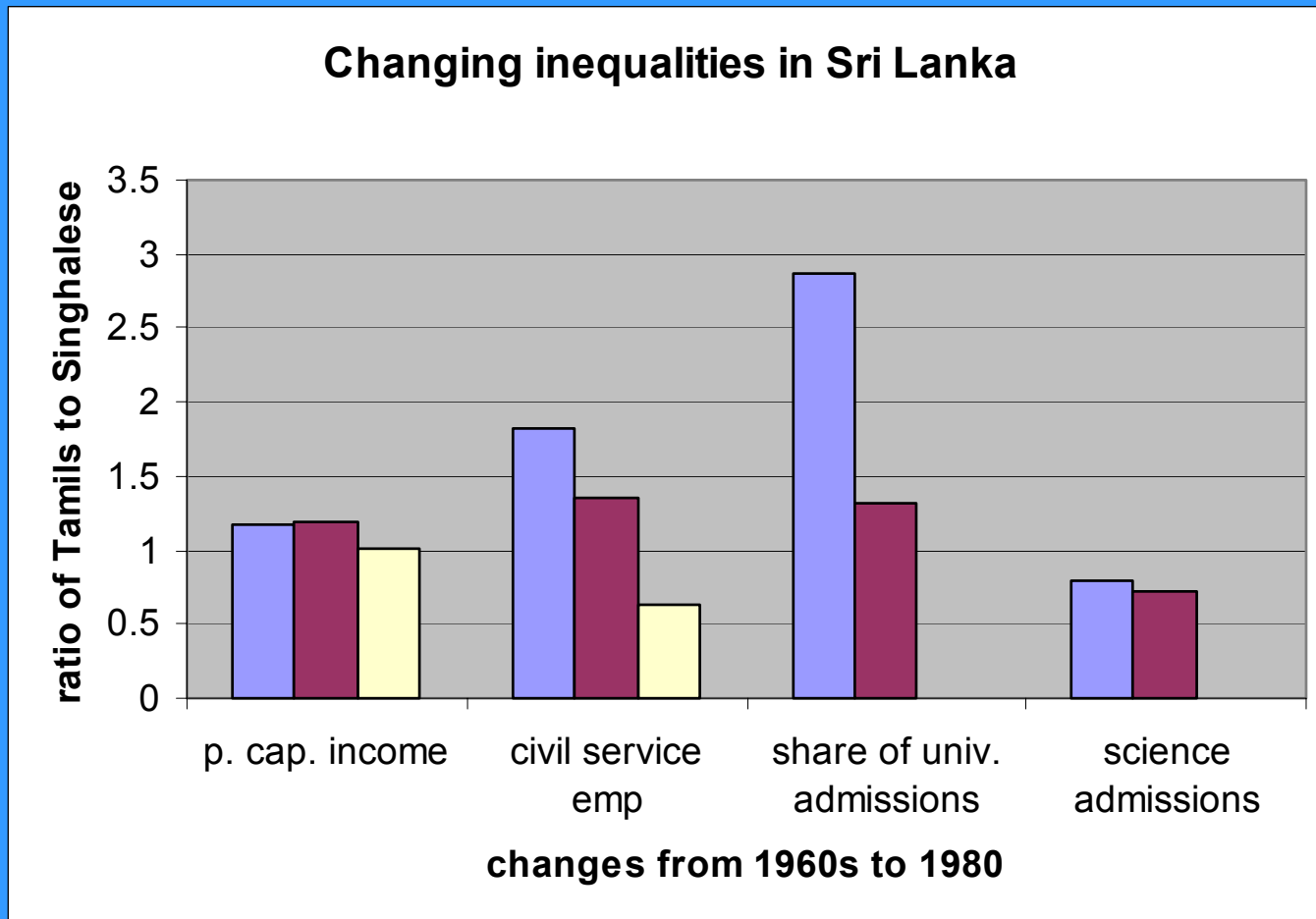


Source: LFS, 1992-1999; Census of Population 1971, 1981, 1991

But Protestant discontent

- Case shows that action on HIs may need to *precede* peace.
- ‘It is unusual to find such a rate of social change within a generation. It is quite dramatic. In many areas Catholics have caught up with or surpassed Protestants’ (Osborne)
- Exodus of young Protestants to GB.
- Ps. perceive themselves disadvantaged. 39% believe they are worse off than six years ago.
- 1996, 44% of Ps and 47% Cs thought inter-community relationships were better than five years previously.
- 2003, 25% Ps and 33% Cs.

Political sensitivity: Sri Lanka case



In conclusion:

- Where HIs are significant, important to address them.
- Fairness between groups needs to become accepted norm, with implications for monitoring/data and policy.
- Aim for policies that do not entrench ethnicity (e.g. process; human rights)
- Policies needed in ANY society with sharp divisions, not only those with recent conflict.
- Internationally as well as nationally.
- Policies NOT part of many policy agendas.

Policies must reflect country situation

- In terms of fundamental causes;
- In terms of political possibilities and political constraints.