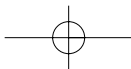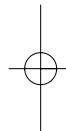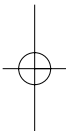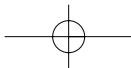PART II

WHAT FUELS CIVIL WAR?

PART I SHOWED THAT CIVIL WAR IS A MAJOR impediment to development and has spillovers that make it a problem of global concern. We now turn to what fuels civil war. An understanding of the factors that make civil war more or less likely is a helpful input into the formulation of policy responses, which is the subject of part III.

Chapter 3 analyzes what makes a country more or less prone to civil war and considers both the risk that a war will ignite and the factors that tend to sustain it once it has started. Although civil war is intensely political, some of the most important factors affecting proneness to conflict turn out to be closely associated with economic development: risks are much higher for the poorest countries. Furthermore, far from war resolving political struggle, countries are at risk of falling into a conflict trap whereby one civil war tends to lead to another. Chapter 4 scales this analysis up to the global level, trying to understand what has determined the global incidence of conflict and how it might change. The main statistical techniques that we use and a selective bibliography of the broader literature are set out in appendixes 1 and 2, respectively.

C H A P T E R   T H R E E

What Makes a Country Prone to Civil War?

CIVIL WAR IS FUELED PARTLY BY THE CIRCUM-
stances that account for the initial resort to large-
scale organized violence, and partly by forces gen-
erated once violence has started and that tend to
perpetuate it. We refer to the initial circumstances as
the root causes and to the perpetuating forces as the
conflict trap.

Most people think that they already know the root causes of civil
war. Those on the political right tend to assume that it is due to long-
standing ethnic and religious hatreds, those in the political center tend
to assume that it is due to a lack of democracy and that violence occurs
where opportunities for the peaceful resolution of political disputes are
lacking, and those on the political left tend to assume that it is due to
economic inequalities or to a deep-rooted legacy of colonialism. None
of these explanations sits comfortably with the statistical evidence. Em-
pirically, the most striking pattern is that civil war is heavily concen-
trated in the poorest countries. War causes poverty, but the more im-
portant reason for the concentration is that poverty increases the
likelihood of civil war. Thus our central argument can be stated briefly:
the key root cause of conflict is the failure of economic development.
Countries with low, stagnant, and unequally distributed per capita in-
comes that have remained dependent on primary commodities for
their exports face dangerously high risks of prolonged conflict. In the
absence of economic development neither good political institutions,
nor ethnic and religious homogeneity, nor high military spending pro-
vide significant defenses against large-scale violence. Once a country

has stumbled into conflict powerful forces—the conflict trap—tend to lock it into a syndrome of further conflict.

Each war is distinctive, with its own particular personalities, events, and antecedents. Any all-embracing, general theory of civil war would therefore be patently ridiculous, and sensibly enough most analyses are country-specific, historical accounts. However, when we pan back from the particular patterns emerge, some of them surprisingly strong, which suggests that some characteristics tend to make a country more or less prone to civil war. This chapter summarizes the evidence on these statistical patterns based on global experience since the 1960s. We abstract from triggering events: the day by day political and military changes that usher in war. Our focus is on a country's longer-term social, economic, and institutional features. Recall that we are using a precise definition of civil war that excludes several other forms of violence: civil war occurs when an identifiable rebel organization challenges the government militarily and the resulting violence results in more than 1,000 combat-related deaths, with at least 5 percent on each side.

Statistical patterns are useful in that they can suggest policies that might typically work in particular situations. They can also defend us from the temptation to overgeneralize from particular conflicts and from the tendency to pick out from the multiplicity of possible causes that which conforms with the beliefs of the researcher. We will see that the large differences in proneness to conflict reflect the conjunction of several risk factors. In this sense, a conflict will usually have multiple causes.

Patterns, however, are only a supplement to analysis, not a substitute for it. Patterns come about because of behavior. Civil war occurs if a group of people forms a private military organization that attacks government forces and ordinary civilians on a large scale and with a degree of persistence. The typical such organization has between 500 and 5,000 members, although a few, such as the Sudanese People's Liberation Army, range up to 150,000 (table 3.1). Globally, such organizations are rare, but they are relatively common in extremely poor countries. To understand the root causes of civil war we need to understand the formation of these private military organizations. Why are such groups formed, that is, what are their motives? How are they formed, that is, what are their opportunities?

Table 3.1   Size of rebel organizations, selected countries and years

Country	Rebel organization	Size of group and date
Azerbaijan	Republic of Nagorno-Karabakh	1,000 in 1988; 21,000 in 1992–94
Burundi	San Echec and San Defaite	A few hundred in the mid-1990s
	National Council for the Defense of Democracy	1,000 in the mid-1990s
	Forces pour la défense de la démocratie	10,000 in the mid-1990s
	Forces nationales pour la libération	2,000–3,000 in the mid-1990s
Colombia	Fuerzas armadas revolucionarias colombianas (FARC)	850 in 1978; 6,000 in 1987; 16,000 in 2000
	Ejército popular de liberación (ELN)	30 in 1965; 270 in 1973; 350 in 1984; 4,500 in 2000
	Movimiento 19 de Abril	1,500 in 1987; disbanded in 1991 to become a political party
	United Self-Defense of Colombia	10,000 in the 1990s
Indonesia	Gerekan Aceh Merdeka (GAM)	24 to 200 in 1976–79; almost disappeared by the early 1980s; 200 in 1986–87; 200 to 750 in 1989–91; 800 in July 1999; 2,000 to 3,000 and 24,000 militia in 2001; 15,000 to 27,000 irregulars in 2001–02
	Laskar Jihad	2,000 in May 2000
Mali	Mouvement populaire de la libération de l'Azaouad	7,000 to 8,000 in 1992
Mozambique	Resistência nacional Moçambicana (RENAMO)	200 to 400 in 1976–77; 2,000 to 2,500 in 1978–79; 6,000 to 10,000 in 1980–81; 20,000 in 1984–85
Russia	Chechen fighters	1,000 in 1994; 7,000 in 1995; 9,000 in 1999; 7,000 in 2000; 4,000 in 2001
Senegal	Maquis	3,000 at the end of 1990
	Mouvement de forces démocratiques de Casamance	2,000 to 4,000 in the late 1990s

Source: Sambanis (2003).

Understanding Rebellion

R EBEL LEADERS USUALLY PROCLAIM SOME NARRATIVE OF grievances against the government, that is, they are usually at least in part leaders of political organizations pursuing objectives of political change. While this is evidently an element in their for-

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mation, political opposition to governments is not usually conducted through military organizations. The normal vehicles for political opposition are political parties and protest movements. These are quite differently structured from a private military organization.

Most political opposition is somewhat democratic and participatory, whether structured political parties, such as the African National Congress during the apartheid era in South Africa and the Movement for Democratic Change in present-day Zimbabwe, or unstructured, nonhierarchical protest movements, such as the revolutions that overthrew the communist dictatorships in Eastern Europe. By contrast, a private military organization is typically small and highly hierarchical, with power concentrated at the top of the organization, often in a single charismatic leader, with a high degree of discipline and severe punishment for dissent.

Furthermore, most political opposition does not require substantial finance for the organization to be effective. Most participation is voluntary and part-time, and activities do not require a lot of expensive inputs. By contrast, a private military organization is a costly operation. It must meet a payroll, because most members are full-time and therefore dependent on the organization for their material needs, and it must be able to purchase a good deal of imported military equipment.

Thus as well as being a political organization, a private military organization is an army and a business. Those analyzing rebel groups must always keep this triple feature—political organization, military organization, and business organization—in mind. Rebellions occur predominantly in countries where circumstances are conducive to all three features. So what are the features conducive to each aspect of a successful rebel organization?

Rebel Groups as Political Organizations

Like all political organizations, a rebellion thrives on group grievances; however, political organizations opposing the government are found in virtually all societies. Even in societies where group grievances are relatively modest, as in the high-income societies where income is equally distributed, vigorous mass opposition parties exist. Political grievances and the political conflict they generate are universal. If the main impetus for rebel groups is the representation of political grievances, then

the obvious question is why does political organization take the un-usual form of small, hierarchical, violent rebellion rather than the more conventional forms of mass parties or mass protest?

Why Are so Many Rebellions Ethnic?   Many rebellions have an ethnic or religious dimension. This accords with an explanation of conflict common on the political right that ethnic and religious hatreds are the root cause of many wars. However, the statistical patterns are quite sur-prising. Here we use Collier and Hoeffler's (2002c) analysis (see box 3.1).

Substantial ethnic and religious diversity significantly reduces the risk of civil war. Controlling for other characteristics, a society is safer if is composed of many such groups than if everyone has the same eth-nicity and religion. Obviously such diverse societies are likely to be less harmonious than homogenous societies, in that people identify more with their own ethnic or religious group and less with the society as a whole, and they frequently dislike other groups, but evidently a major gulf exists between such disharmony and the resort to rebellion. An unresolved dispute in political science concerns whether such societies are better suited to proportional representation electoral systems, with each group represented by its own party, or by winner take all systems, which encourage the formation of two large, multi-ethnic parties. Overall, however, the basic circumstances of diversity may be much less dangerous than has popularly been thought (figure 3.1). Although eth-nically diverse societies are commonly seen as fragmented, ethnicity provides an effective basis for social networks. Such societies might therefore be less atomistic than homogenous societies. Some evidence indicates that ethnically diverse societies find nationwide collective ac-tion more difficult, but have an offsetting advantage in private sector activity that can benefit from ethnic networks (Collier 2001).

More limited ethnic differentiation can, however, be a problem. If the largest ethnic group in a multi-ethnic society forms an absolute ma-jority, the risk of rebellion is increased by approximately 50 percent (figure 3.2). Around half of developing societies have this characteristic of ethnic dominance. Presumably, in such societies minorities may rea-sonably fear that even a democratic political process will lead to their permanent exclusion from influence regardless of the electoral system. Ethiopia and Sri Lanka are examples of ethnically dominant societies with civil wars.

Box 3.1   Modeling the risk of civil war

EACH CIVIL WAR IS UNIQUE AND NEEDS TO BE studied accordingly, but investigating whether any patterns are common to many such wars is also useful. One such approach is that of Collier and Hoeffler (2002c). They adopt the conventional political science definition of a civil war, the same definition explained earlier in the chapter. Investigating all such wars that took place during 1960–99 they focus on 52 for which sufficient data are available to include in subsequent analysis. They then take all the countries in the world and divide the period 1960–99 into eight five-year subperiods. During each subperiod each country could potentially experience an outbreak of civil war, and the statistical challenge is to explain why this happened in the 52 cases but not in the others using only characteristics at the start of each subperiod. The typical developing country faced a risk of around 17 percent that rebellion would occur in each subperiod.

Collier and Hoeffler adopt an agnostic empirical approach in which, in principle, a wide range of characteristics—political, historical, geographic, economic, and social—could be significant and are introduced into a logit regression. Factors that are insignificant are gradually eliminated, and the resulting model is then tested for robustness. Three economic factors are significant: the level of per capita income, its rate of growth, and its structure, namely, the dependence on primary commodity ex-

ports. Doubling per capita income approximately halves the risk of rebellion; each additional percentage point on the growth rate reduces the risk by approximately one percentage point; and the effect of primary commodity dependence is nonlinear, peaking when such exports are around 30 percent of GDP. A country that is otherwise typical but has this high level of primary commodity exports has a 33 percent risk of conflict, whereas when such exports are only 10 percent of GDP the risk falls to 11 percent. Ethnic and religious composition also matters. Societies in which the largest ethnic group constitutes between 45 and 90 percent of the population—which Collier and Hoeffler refer to as ethnic dominance—have a risk of rebellion that is about 50 percent higher; however, other than this, ethnic and religious diversity actually reduces the risk of rebellion. Once a society has had a civil war its risk of rebellion goes up sharply, although this risk fades at about one percentage point a year.

Several other statistical models of the initiation of rebellion are available (see, for example, Elbadawi and Sambanis 2002; Fearon and Laitin 2003; Hegre and others 2001; Reynal-Querol 2002a). Approaches, and consequently results, can legitimately differ because of choices of statistical specification and of data, as this work often requires difficult judgment calls; however, all the studies agree that a link exists between poverty and civil war.

Just as dominance can cause problems, so too can polarization. Dominance occurs when one group is larger than others, polarization occurs when the society is split into two fairly equal groups. A completely polarized society, divided into two equal groups, has a risk of civil war around six times higher than a homogenous society (Montalvo and Reynal-Querol 2002). The risks polarized societies face depend on the political leadership. In normal circumstances each group tends to police its behavior toward the other group, maintaining nonviolent relations (Fearon and Laitin 1996). However, ethnicity is more easily

Figure 3.1   Ethnic fractionalization and the risk of civil war

Risk of civil war (percent)
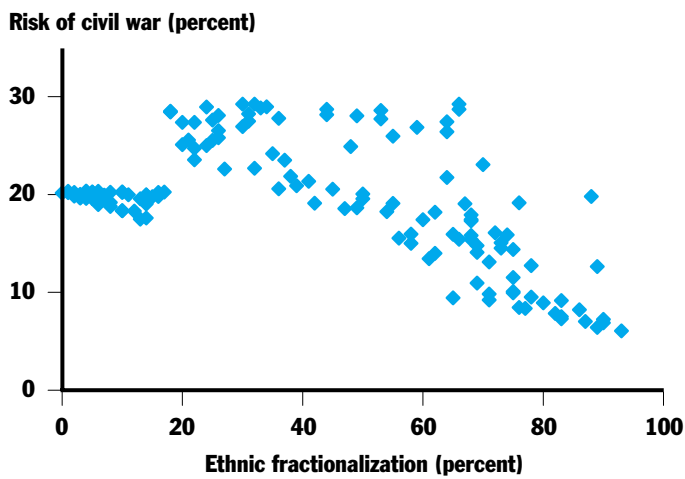
Source: Collier and Hoeffler (2002c).

Figure 3.2   Risk of civil war for the typical low-income country with and without ethnic dominance during a five-year period

Risk of civil war (percent)
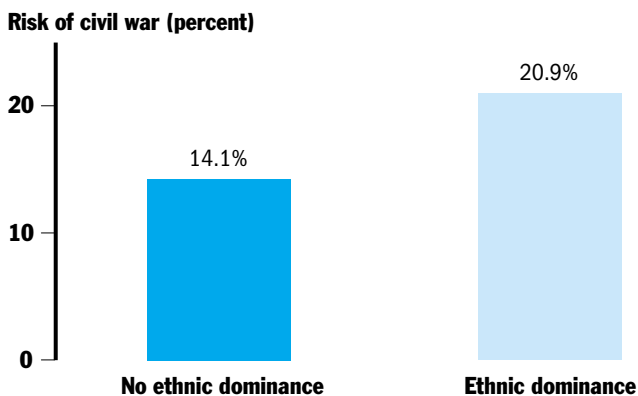
Source: Collier and Hoeffler (2002c).

manipulated by politicians than other bases for identity (Horowitz 1998). Elites can capitalize on ethnic networks to coordinate violence (Brass 1997; Gurr 2000; Hardin 1995). Thus while ethnic polarization and dominance are probably not inherently conflictual, populist politics may become disproportionately dangerous. Nationalism has often been used to counter ethnic particularity: this was how several Euro-

pean states were build in the 19th century (Hechter 2001). However, even nationalism can be manipulated for internal division. Irredentist nationalism attempts to extend the boundaries of a state by incorporating adjacent territory occupied by those of the same ethnicity.

An important circumstance in which ethnic differentiation can appear to be the cause of rebellion is if a country discovers a valuable natural resource such as oil. Natural resources are seldom found uniformly distributed over the entire country, but are usually concentrated in a particular part of it. The issue then arises as to who owns the resources, the whole nation or the lucky locality. The inhabitants of the lucky locality have an obvious interest in seceding from the rest of the nation and keeping the wealth for themselves. In all societies locality is one aspect of people's identity, and in ethnically differentiated societies ethnicity can be used to reinforce this sense of local identity. In most societies, wherever valuable resources are discovered some particular ethnic group is likely to be living on top of them that then has an incentive to assert its rights to secede. All ethnically differentiated societies have a few ethnic romantics who dream of creating an ethnically "pure" political entity, but resource discoveries have the potential to shift such movements from the margin of romanticism to the core agenda of economic self-interest. Take, for example, the politics of oil in the United Kingdom. Oil was discovered off the shores of Scotland during the 1960s, but it first became really valuable in 1973 when its price quadrupled. The following year the tiny Scottish Nationalist Party, which had only one seat in parliament, launched the "it's Scotland's oil" campaign, and gained 30 percent of the Scottish vote (Collier and Hoeffler 2003).

Statistically, secessionist rebellions are considerably more likely if the country has valuable natural resources, with oil being particularly potent (figure 3.3). Examples of this sort of secessionist movement are Cabinda in Angola, Katanga in the then Congo, Aceh and West Papua in Indonesia, and Biafra in Nigeria (see box 3.2). Some evidence suggests that rebel leaders massively exaggerate the likely gains from capturing ownership of the resources. Partly this exaggeration is strategic: the leaders of secessionist movements are often ethnic romantics who simply use the resource issue opportunistically to reinforce their support. Party leaders may themselves succumb to the glamour of natural resources and overestimate the likely gains. For example, leaders of the Gerekan Aceh Merdeka (the Aceh Freedom Movement or GAM) rebellion in Aceh told the local population that secession would raise

Figure 3.3   Risk of civil wars from natural resources endowment

(a) additional risk when the natural resource endowment is double the average
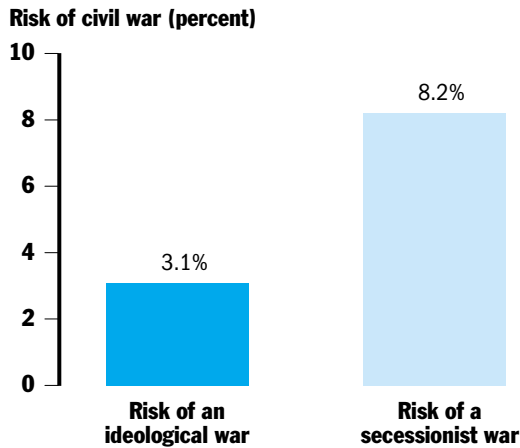
(b) the risk that the war is secessionist
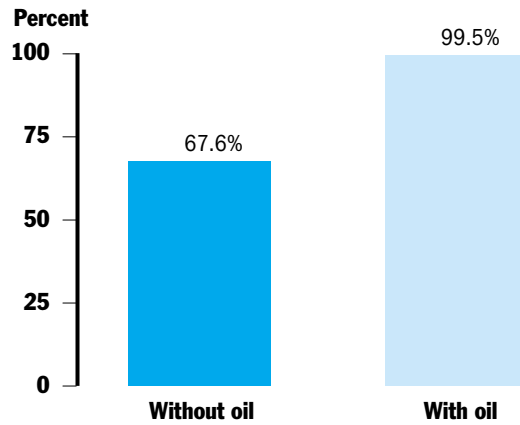
Source: Collier and Hoeffler (2002c).

Box 3.2   Oil and demands for secession in Nigeria

NIGERIA INHERITED A FEDERAL SYSTEM FROM ITS British colonial rulers in 1960. Upon independence, a British-style parliamentary democracy was created, with three semi-autonomous regions (North, East, and West). With intensifying competition over the distribution of revenues by the central government, and after the withdrawal of the British, ethno-regional conflict escalated into the Biafran war of independence in 1967 after the discovery of oil in the East. Ojukwu, the governor of the East region, de-manded that oil revenue be paid to the regional treasury, and the demand for independence grew when oil reserves were discovered. A history of political instability presaged the war: ethno-regional conflict over civil service appointments, electoral fraud allegations, a coup in 1966 followed by massacres of the Ibos, and a countercoup. Triggering the escalation in violence was the central government's decision to renege on regional autonomy arrangements after the 1967 Aburi Agreements.

Source: Zinn (2002).

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their incomes to the level of Brunei's, a more than 10-fold exaggeration. Although such natural resource secessions are ethnically patterned and deploy the language of historic ethnic grievances, regarding their root cause as ethnicity is surely naïve (see Ross 2002b for a detailed discussion of the civil war in Indonesia).

In many developing countries the government is unwilling to meet such demands for secession, even if a majority of the locality supports it. Indeed, strong ethical arguments can be made against secession. For example, the influential theory of justice proposed by Rawls (1971) asks us to imagine making our choices behind a veil of ignorance: would the secession still be as well supported if the local population did not know in what region of the country the resources were located? The government has a legitimate interest in retaining these resources for use by the poorer majority rather than permitting them to be expropriated to create a small, rich group. The local demand may well be rational, but were such demands met, the world would become more unequal. A more legitimate demand would be that the resources should indeed be used for the poor majority rather than for a small elite. In many countries natural resources have been associated with elite corruption. For example, the International Monetary Fund (IMF) has recently reported that more than US$1 billion per year of Angolan oil revenues have been misappropriated, with large sums being paid directly into offshore bank accounts. Where a region sees a corrupt national elite stealing "its" resources, secessionist pressures are surely more likely.

Another reason why rebel leaders promote ethnic grievances so prominently is that they are a plausible and legitimate smokescreen for less reputable agendas. The discourse of grievances articulated by rebel groups cannot necessarily be trusted. As with all political movements, the rebel organization needs to emphasize grievances, and if necessary it will attempt to exaggerate them or to disguise its true interests in terms of more populist ones. For example, a violent attempted coup d'état in Fiji appeared at first sight to be motivated by the interests of the indigenous ethnic group. It turned out, however, that the leader of the coup attempt was a businessman who had been seeking a timber concession for the private American company he was representing. When the government awarded the contract to a public agency instead, he launched the coup. The coup's rallying cry of "power to indigenous people" was undoubtedly more appealing, but perhaps less accurate, than had it been "give the timber contract to the Americans." Similarly, the litany of grievances proclaimed by the Revolutionary United Front (RUF) in Sierra Leone eventually led to the offer of a settlement by the government in which the rebel leader, Foday Sankoh, would become vice president of the country. Sankoh refused this offer and instead demanded political control of the diamond trade. When he was offered

this he accepted the peace settlement. As with most conflicts, that in Sierra Leone had multiple causes, including a history of clientalist politics. Natural resources are seldom the entire story behind a conflict, but they have the potential to compound other problems and make them unmanageable.

Rebel leaders often use some of the military force at their command to weaken the normal political movements whose objective is to advance the cause that the rebel group ostensibly supports. A common strategy is for a rebel organization to assassinate the moderate political leaders of the interests it purports to represent. If some of these political organizations are provoked into a military capability as a survival strategy, then one dimension of violent political conflict might be among rebel organizations with apparently similar political objectives. Civil war between rebel groups ostensibly representing the same cause or group is indeed common, for example, in Sudan (see Elbadawi, Ali, and Al Battahani 2002). Thus while the leadership may rely on a discourse of ethnic grievance and ethnic solidarity, its main energies may be devoted to a power struggle within the ethnic group.

Is the Motive Usually Greed?   While political scientists and anthropologists have tended to focus on political and ethnic agendas, respectively, as the motive for civil wars, economic theorists writing on conflict have treated the motivation quite differently. Grossman's (1991, 1999) model does not distinguish between rebels or revolutionaries and bandits or pirates. Hirshleifer (2001), probably the leading economic theorist of conflict, analyzes rebellion as the use of resources to exploit others for an economic gain. The natural resource secessions discussed earlier broadly fit this economic model: political and ethnic agendas piggyback onto what is basically an attempt to expropriate resources. Is this the norm for rebellion?

Sometimes lucrative resources cannot be captured by secession, but require the capture of the state. The most obvious case of this is where the resource is foreign aid: the aid accrues to the recognized government and a rebel group can only acquire it if it overthrows and replaces that government. Grossman (1992) applies his model to aid and predicts that it will increase the risk of rebellion. For many low-income countries aid is certainly a substantial part of the government budget, and so indirectly finances many public sector jobs and contracts that are keenly

contested politically. Hence a large aid inflow makes a state more attractive to capture. An empirical test of whether aid increases the risk of rebellion is thus, to an extent, a test of whether greed is an important underlying motivation for conflict. Contrary to the assumption economists commonly make, aid does not appear to increase the risk of rebellion (Collier and Hoeffler 2002b). Indirectly, as discussed later, aid affects the risk of conflict through its effects on growth, but controlling for this it has no direct effect. While the prevalence of natural resource secessions suggests that greed cannot be entirely discounted, it does not appear to be the powerful force behind rebellion that economic theorists have assumed.

Are Rebellions Responses to Political Repression?   While the political right tends to focus on ethnic and religious differences as explanations for rebellion, the political center tends to focus on the absence of political rights, maintaining that rebellion occurs where other forms of political organization are not permitted, so the big driver must be political repression or the lack of political opportunities. Surprisingly, this is not supported empirically. The evidence is muddled, but autocracies are approximately as safe as full democracies, with partial democracies having a somewhat higher risk than either (Esty and others 1998; Fearon and Laitin 2003; Hegre and others 2001). This is partly because partial democracies allow some political opposition, but do not give the opposition real influence. However, the association between partial democracy and civil war may be spurious, because partial democracies have other characteristics such as low income that increase the risk of conflict.

A much clearer empirical association is apparent between a change in political institutions and subsequent civil war: stability increases safety (Hegre and others 2001). So how does democracy affect the chances that political institutions will be stable? Unfortunately, this appears to be critically dependent on the level of economic development (Hegre 2003; figure 3.4). At low levels of per capita income, political institutions tend to be less stable in democracies than in autocracies. The average duration of a democratic political system in a low-income country is only nine years. The first four or five years are the most critical: only half survive beyond the first election (figures are calculated using the dataset developed by Gates and others 2003). As per capita income rises, democracies gradually become more stable, whereas the

Figure 3.4   The risk of civil war in democracies and nondemocracies at different levels of income

Relative risk of armed conflict (log)

GNP per capita (1995 U.S. dollars)
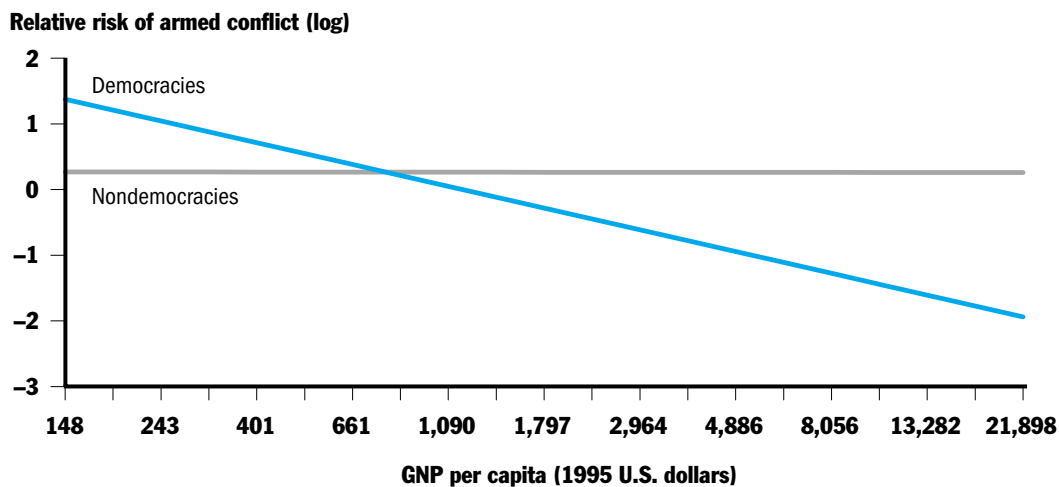
Source: Hegre (2003).

stability of autocracies is unaffected. At some point, typically around US$750 annual per capita income, democracies start to become more stable than autocracies, and at high levels of income their political institutions are extremely robust (Gates and others 2003; Lipset 1959; Przeworski and others 2000).[1] Thus at higher income levels democracy indeed reduces the risk of civil war, but "one size fits all" simply is not applicable. At low income levels democracy may well be highly desirable for many reasons, but it cannot honestly be promoted as the road to peace. Historically, political institutions in low-income democracies are characterized by relatively high levels of instability, and this has probably tended to increase their risk of civil war.

While exceptions doubtless exist, in low-income countries, where rebellion is concentrated, no general tendency is apparent for it to be a strategy of last resort where other means of political expression are denied.

Are Rebellions Responses to Acute Grievances?   The interpretations of civil war popular with the political left are economic inequality and colonial legacies. In his analysis of the "paradox of power" Hirshleifer (2001) argues that poor people have more to gain from resorting to coercion than the rich. All rebel groups provide a litany of severe griev-

ances, many of which are undoubtedly genuine; however, for such grievances to explain rebellion they should be significantly worse than those of groups in other societies that resort to less violent political processes. Obtaining good objective measures of the intensity of grievances is difficult. Two measures that researchers have investigated are inequality of household incomes and inequality in the ownership of land. Collier and Hoeffler (2002c) find no effect of either income or land inequality on the risk of conflict, but do find that once a conflict has started it will tend to last much longer if income is unequal (Collier, Hoeffler and Söderbom 2003).

In relation to the colonial legacy, Acemoglu, Johnson, and Robinson (2001) find that colonial institutions can have long-lasting effects for good or ill. Where settlers' mortality rates were low, colonial institutions were designed for long-term growth, whereas where their mortality rates were high, colonial institutions were designed for exploitation. This legacy of institutions, as proxied by mortality rates among settlers, is highly significant in accounting for differences in recent growth performance, but turns out to have no significant explanatory power in relation to either the risk or the duration of conflict. While the colonial legacy presumably affects the risk of conflict to some degree, the connection appears to be weaker than the influence on economic performance.[2]

Whether or not acute grievances are an important driver of conflict, the evidence reviewed in chapter 1 shows clearly that civil war is a highly unreliable route to social progress. Even where the objective of correcting serious injustices motivates rebel organizations, unfortunately, the usual legacy of war is to intensify social problems.

What Are the Motives for Rebellion?   The analysis of motives for rebellion has not led us to any definitive conclusions. Although most rebel groups have public political agendas that appear reasonable, their actual agendas may be somewhat different, and in any case, similar agendas are normally promoted by mass political action rather than by rebellion. Viewed prior to a conflict, predicting which, if any, of the multiplicity of political disputes, grievances, and organizations will turn violent unless addressed is hard. To the extent that political objectives determine rebellions, the key drivers are more likely to be either a fear of the potential consequences of structural exclusion or the lure of imagined wealth, rather than the realistic prospect of rectifying acute

Figure 3.5   Improved economic performance and the risk of civil war

Risk of civil war (percent)
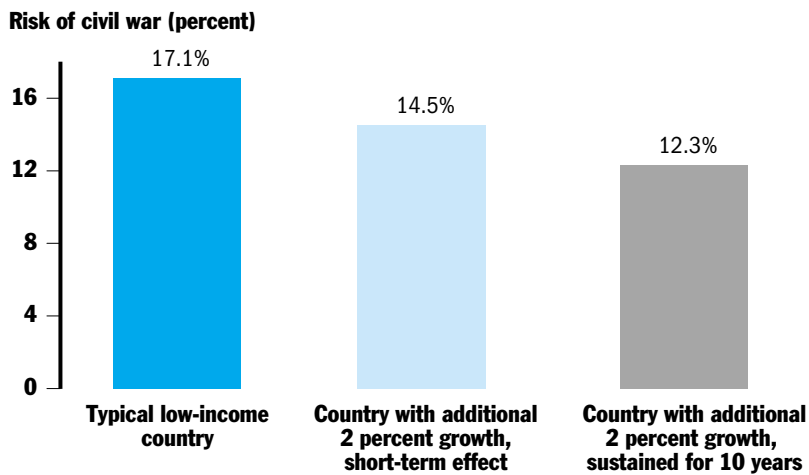
Source: Collier and Hoeffler (2002c).

grievances in the context of severe repression. This is not to deny that rebel groups have specific grievances, but rather to recognize that grievances are common, whereas private, illegal, military organizations are rare forms of political opposition.

The motive for rebellion need not be a group-specific grievance, in that rebels could be concerned about improving conditions across society. Indeed, the risk of rebellion increases substantially if average incomes are low and if the economy is in decline (figure 3.5). However, group-specific issues are more likely to motivate rebellions because the collective action problem is less acute: if rebellion is promised to improve conditions for everyone, then no one in particular has much of an incentive to fight. Generalized discontent is perhaps more likely to lead to mass protest movements than to small rebel groups. As discussed later, the association of rebellion with low incomes and economic decline may reflect other causes of rebellion.

Rebel Groups as Military Organizations

Regardless of its political agenda, a rebel group is a military organization. As such it faces problems of recruitment, cohesion, equipment, and survival.

Recruiting a Private Army   In terms of recruitment rebel groups usually look much more like an army than a political movement. First, the actual numbers of people involved in rebel activities are usually only a tiny proportion of the society. "Given the right environmental conditions, insurgencies can thrive on the basis of small numbers of rebels without strong, widespread, freely-granted, popular support rooted in grievances and, hence, even in democracies" (Fearon and Laitin 2003, p. 81). Even a relatively large rebel group such as the Fuerzas armadas revolucionarias colombianas (the People's Army or FARC) in Colombia is recruiting less than 1 Colombian in 2,000.

Second, the people who join rebel groups are overwhelmingly young, uneducated males. For this group objectively observed grievances might count for relatively little. Rather, they may be disproportionately drawn from those easily manipulated by propaganda and who find the power that comes from the possession and use of a gun alluring. Social psychologists find that around 3 percent of the population has psychopathic tendencies and actually enjoys violence against others (Pinker 2002), and this is more than is needed to equip a rebel group with recruits.[3] In Nigeria's Maitatsine region, a rebel movement was created in the 1980s by a "prophetic" leader, Marwa, who recruited 8,000 to 12,000 members. Ideological indoctrination and religious teaching were targeted on the homeless and refugees. Their insurgency caused around 5,000 deaths (Zinn 2002).

Third, as chapter 1 noted, a seemingly paradoxical, yet common, motivation for recruitment is safety. Compared with the starvation and disease facing the thousands of people displaced from their homes, the organized facilities of a rebel group provide a haven.

Fourth, many rebel movement "recruits" do not volunteer; for example, around 80 percent of Resistência Nacional Moçambicana (RENAMO) recruits were coerced. One standard technique is to kidnap recruits and then force them to commit atrocities in their home areas, thereby reducing their incentive to escape. Another technique, which the RUF in Sierra Leone adopted, was to target drug addicts on the grounds that such recruits would be easier to control. A further widespread technique is to recruit children. Children are attractive to rebel groups because they are cheap and have little regard for their own safety. For example, in Burundi rebel groups recruited children by force, purchasing Kenyan street children at the price of US$500 for

03--CH. 3--51-92 5/6/03 6:36 PM Page 69

WHAT MAKES A COUNTRY PRONE TO CIVIL WAR?

150 boys (Ngaruko and Nkurunziza 2002). Obviously children do not join rebellions because of objective social grievances.

Even where rebel groups do rely upon grievances for recruitment, they sometimes exploit them. A technique common to several groups is to target people whose parents were victims of previous government atrocities. The recruiter pretends to know who on the government side committed the atrocity and offers the opportunity for revenge (Ross, 2002b).

Recruits frequently desert. In the largest civil war of the 20th century, Russia in 1919–21, around 4 million men deserted from the Red and White Armies. The desertion rate was 10 times greater in summer than in winter, because most recruits were peasants whose time was much more valuable during the harvest season (Figes 1996).

Using Ethnicity for Cohesion Rebel military organizations face severe difficulties of maintaining cohesion. As they operate outside the law they do not have recourse to normal contract enforcement techniques. Governments can divide a rebel movement by buying off local commanders, a technique used against the Khmer Rouge. One technique for maintaining cohesion is to have a hierarchical, dictatorial decision structure, with most power vested in a charismatic leader. A measure of this is that if such leaders are removed the rebel organization tends to collapse rapidly, examples being the eclipse of the Shining Path in Peru once Abimael Guzman had been imprisoned and the surrender of the massive União Nacional para a Independência Total de Angola (UNITA) forces in Angola following the death of Jonas Savimbi. Another common technique rebel organizations use to increase cohesion is to confine recruitment to a single ethnic group with leaders drawn from the same clan (Gates 2002). The rebellion thus uses existing ethnic "social capital." In this they resemble the solutions successful dictators favor, a spectacular example being Saddam Hussein's reliance on the Tikriti clan. In the Democratic Republic of Congo all the rebellions drew their support predominantly from particular ethnic groups, even if the conflict was resource driven. For example, the Katanga secession and the Shaba wars were led by the Lunda, Ndembu, and Yeke ethnic groups. Similarly, the Kwilu rebellion involved the Mbunda and Pende ethnic groups, while the 1996–97 rebellion led by Laurent Kabila drew

its initial combatant force from among the Banyamulenge (Ndikumana and Emizet 2002).

Where the society is divided into a few large ethnic groups civil wars tend to last much longer. This is probably an indication that ethnicity is being used to maintain rebel cohesion. Recall that where societies are highly fragmented in ethnic and religious terms the risk of rebellion is actually lower than in homogenous societies, and when conflicts do occur they tend to be brief. A possible explanation for this is that in such societies large rebel groups will usually need to be multi-ethnic, but multi-ethnic groups cannot maintain cohesion. An example of a society with high ethnic fragmentation and correspondingly limited large-scale violence is Papua New Guinea. At the other end of the spectrum, Somalia is one of the most ethnically homogenous societies in Africa. Because rebel leaders actively use ethnicity to encourage cohesion, this is another reason why ethnicity is so prominent in the rebel discourse and appears to be an important root cause of conflict.

Equipping a Private Army   A private military organization needs to acquire armaments and ammunition. This is normally extremely difficult: even criminals seldom have access to armaments more powerful than handguns. Access to armaments varies enormously between countries and over time. Where rebels face large but poorly run government forces, they have occasionally been able to equip themselves by capturing government equipment, a classic case being the Eritrean People's Liberation Front versus the Derg government of Ethiopia. Similarly, in Albania and Somalia brief episodes of social disorder enabled local gangs to raid government arsenals. In Albania the looted armaments were taken across the border and became the basis for arming rebellion in the Balkans. In Somalia this set off a chain of gang militarization, destroying the possibility of central government on a long-term basis.

The breakup of the former Soviet Union established some new governments that faced acute shortages of revenue, but had huge stockpiles of armaments for which they had no use. Major illegal businesses developed, often run by former soldiers such as the Russian Victor Bout, in which stocks were air freighted to conflict zones in return for natural resource wealth. Thus the availability of military equipment for rebel groups expanded enormously during the 1990s, and its cost collapsed. AK-47s now sell for as little as US$6 in some African countries

(Graduate Institute of International Studies 2001; U.S. Department of State 1999).

Surviving and Military Viability   The sheer military viability of rebellion will differ greatly between societies, and so will influence the risk of conflict. One simple factor influencing military viability is the terrain. It is easier for large rebel groups to conceal themselves in rural areas with a low population density than in urban areas. Countries in which the population is concentrated in urban areas, but with large, scarcely populated hinterlands, are statistically more at risk of rebellion. Some evidence also suggests that rebellions are more likely to be launched in countries with extensive mountainous terrain. For example, the Eritrean People's Liberation Front was able to rely on safe havens in mountain retreats, and Nepal, one of the most mountainous countries in the world, has seen a substantial war. Countries such as Colombia, with both mountains and forests, may be geographically more prone to rebellion than countries such as Saudi Arabia (see Buhaug and Gates 2002 for an empirical study of geography and war).

A second factor influencing military viability is the capability of the government. Both good policing and military counterinsurgency operations are organizationally demanding and are much more difficult, for example, than providing basic social services.

Deterring rebellion in its early stages requires an effective local presence of government and a willingness to share information on the part of the population. Typically rebel groups kill people they suspect of being informers, and so for people to give the government information they must trust it to be effective. Local populations many neither appreciate nor trust weak states, which therefore lack the information to contain rebellion. Even highly effective governments find containing rebellion to be an arduous and complex process, although France, Germany, Spain, and the United Kingdom were eventually fairly successful in containing violent actions by, respectively, the Front de Libération Nationale de la Corse, Baader-Meinhof and its later manifestations such as the Red Army Faction, Euskadi ta azkatasuna (ETA), and the Irish Republican Army (IRA).

Less effective governments commonly attempt to prevent rebellion by substantially raising conventional military expenditure. For example, when the objective risk of rebellion is proxied by the risk estimated

Figure 3.6   Military expenditures and the risk of civil war

(a) how governments respond to risk

Military expenditures as a percent of GDP
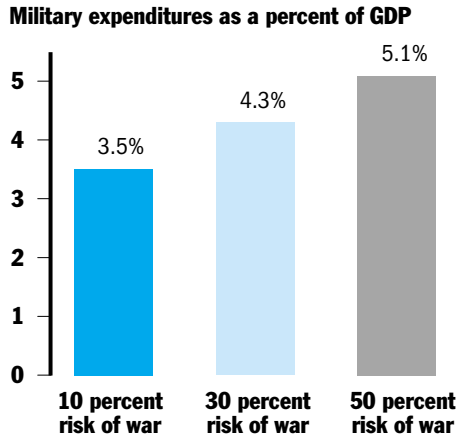
(b) how risk responds to military expenditures

Risk of civil war (percent)

Military expenditures as a percent of GDP
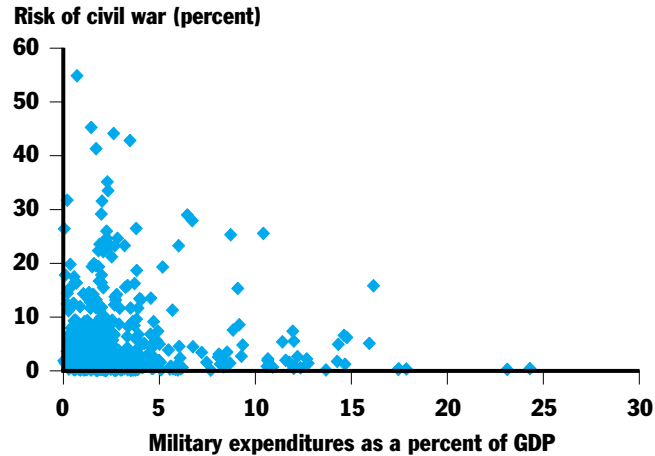
Source: Collier and Hoeffler (2002d).

by the Collier-Hoeffler model (Collier and Hoeffler 2002d), an additional 10 percent risk of rebellion increases the government's preemptive military budget by more than 10 percent (figure 3.6). Yet such military expenditure is usually ineffective in deterring rebellion (see box 3.3). Controlling for this tendency of expenditure to be higher where risks are higher, high military spending has no significant deterrence effect on the risk of rebellion.

Rebel Groups as Business Organizations

Rebellion is expensive. Typically several thousand people will be full-time workers for the organization for several years. These people and their dependents must be fed, clothed, and housed. They must also be equipped. Depending on its sophistication, military equipment and ammunition can be extremely expensive and in combat conditions needs to be replaced frequently. The rebel organization faces all these costs, yet its military activities do not directly generate any revenue. As a business organization a rebellion therefore faces an acute financing problem. If it cannot overcome this financing problem the rebel group will be unviable. This is perhaps the fate of many would-be rebel movements.

Box 3.3   Inefficient counterinsurgency measures in Indonesia

INDONESIA HAS KNOWN MUCH POLITICAL VIO-lence in its history, including civil wars, self-determination movements, ethnic clashes, coups, and state-sponsored massacres. A civil war took place in the resource-rich province of Aceh in the early 1990s and again in 1999–2002. The war was fought between the government and GAM, an organization that had pursued autonomy since the early 1970s. For more than two decades GAM was poorly funded, had little military equipment, and few recruits. Part of the reason for GAM's growth in the 1990s was the demonstration effect in neighboring East Timor, which encouraged the Acehnese to demand independence as well. Also relevant were expectations of revenue windfalls that could result from ruling a resource-rich independent state of Aceh. But what gave GAM greater legitimacy and access to a larger pool of potential recruits than in previous years was a negative reaction by the public to the government's counterinsurgency measures of the 1980s. These actions intensified after GAM's reappearance in 1990–91. Following a period of dormancy, GAM emerged stronger in 1999 at least in part because of increased support by Acehnese public opinion, possibly resulting from the public outrage against alleged human rights abuses committed by Indonesian security forces between 1990 and 1998.

Source: Ross (2002b).

All the rebel groups that succeed in escalating violence to the scale of civil war must therefore in part be business organizations. This does not imply that personal wealth, or indeed any other economic ambition, is the motivation for the rebellion. Rebel organizations have to be businesses because they have to cover their costs, but most are probably not run for profit. Much of the economics literature on rebellion assumes that the rebel group has economic objectives, whereas much of the political literature neglects to consider finance as a constraint, yet finance can be critical in explaining rebellion, even though it is not motivating.

Rebel groups have three broad options in raising finance: they can be initiated by someone who is already wealthy, they can seek donations, and they can operate commercial businesses. The super-rich occasionally launch their own political parties, for instance, James Goldsmith in France and the United Kingdom and Ross Perot in the United States, and occasionally they also launch rebellions. Osama Bin Laden is a spectacular current example, and when Jonas Savimbi relaunched the war in Angola in 1994 he was among the richest people in the world. As the numbers of super-rich increase, this may become more common, but historically rebel groups have usually been funded by donations or by their own commercial enterprises.

Who Donates Death?   In seeking donations, rebel groups typically do not rely heavily on voluntary contributions from the local group whose interests they promote. In this they differ markedly from normal political movements. Their main sources of donations are from foreign governments hostile to the government they oppose and from diasporas living in rich countries.

Hostile governments see several advantages in this type of military intervention. It is covert, and so avoids the normal pressures of international dispute settlement. It is containable, and does not result in domestic casualties. Until the end of the Cold War the chief sources of government finance for rebel movements were probably the two superpowers. Since the end of the Cold War regional conflicts have become more feasible, and so neighboring governments may have increased their funding of rebel groups. Obviously, obtaining clear evidence of the importance of government funding for rebel groups is difficult. One such case was the role of the government of Southern Rhodesia in funding and training RENAMO during the 1970s. Once this government collapsed, RENAMO collapsed. It was then restarted in the early 1980s by the government of South Africa. The United Nations (UN) has documented how several African governments supported UNITA. Similarly, clear evidence points to the involvement of the governments of Rwanda, Uganda, and Zimbabwe in the Democratic Republic of Congo and of the government of Liberia in Sierra Leone. Sometimes involvement is reciprocal, so that the conflict is, in effect, an international war. For example, at one stage the government of Sudan was supporting the Lord's Resistance Army fighting in northern Uganda and the government of Uganda was supporting the Sudan People's Liberation Movement fighting in southern Sudan. The rebel group probably gets significant support from a foreign government in most civil wars.

The other major source of donations for rebel groups is from diasporas in rich countries. Diasporas do not suffer the consequences of violence, nor are they in day-to-day contact and accommodation with "the enemy." Case studies suggest that diasporas tend to be more extreme than the population remaining in the country of origin: supporting extremism is a simple way of asserting continued identity with the place that has been left. A spectacular example of such financing was for the Eritrean People's Liberation Front, which levied an informal income tax on its huge diaspora. Other examples are support from the

Tamil diaspora in North America for the Tamil Tigers and support from the Albanian diaspora in Europe for the Kosovo Liberation Army.

Unlike the other sources of finance for rebellion, diaspora contributions are sensitive to the media image of the rebel group. Hence a shrewd rebel group will attempt to manage its image, playing on the concerns and memories of the relevant diaspora. After September 11 the American population became more aware of the true consequences of financing political violence, and donations to rebel groups have reputedly declined sharply. Following September 11 two rebel organizations highly dependent on diaspora contributions from North America, the IRA and the Tamil Tigers, both took unprecedented steps toward peace, with the IRA accepting "decommissioning" of its weapons and the Tamil Tigers withdrawing their demand for independence.

What Sorts of Commercial Enterprises Do Rebel Groups Engage in?

Most successful rebel organizations now rely substantially on generating finance by running businesses alongside their military and political activities. The question then becomes in what types of business activities are rebel organizations likely to be competitive? Unfortunately, the obvious answer is that rebel groups have only one competitive advantage, namely, their possession of an usually large capacity for violence. Thus the business activities to which they are well suited are various forms of extortion rackets or activities that only require military control over a limited territory. These business activities are most commonly associated with the extraction of natural resources, and civil wars occur disproportionally in countries with extensive dependence on natural resources (figure 3.7).

Recall that for military reasons rebel groups will tend to locate in rural areas. Most rural areas are poor. Obviously extortion rackets only work if there is something to extort, and this constitutes a major limitation on rebel activity: extremely poor areas are not well suited to extortion, and so tend to be unsuited for rebellion.[4] However, a minority of rural areas are well suited to extortion, namely, if they are producing primary commodities with high economic rents. Such commodities are generally for export, and the largest rents are usually from the extraction of natural resource wealth. Where such activities are under way, for rebel groups to run an extortion racket that involves charging produc-

Figure 3.7   Natural resources and the risk of civil war for low-income countries

Risk of civil war (percent)

Primary commodity exports as a share of GDP
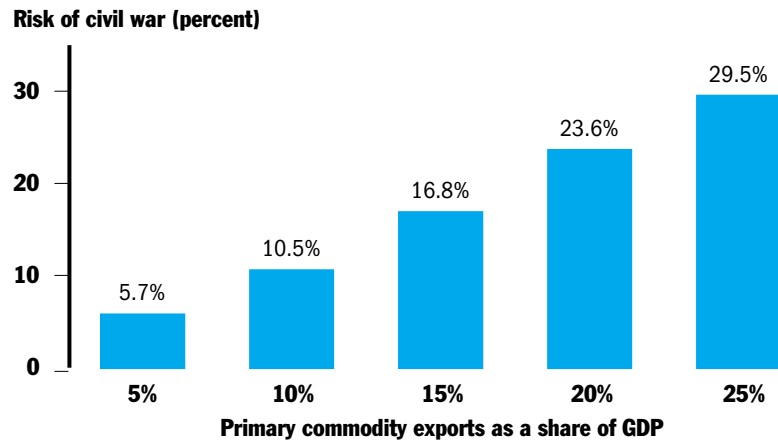
Source: Collier and Hoeffler (2002c).

ers for protection is a relatively simple matter. The best known example is diamonds in Angola and Sierra Leone. Alluvial diamonds are particularly well suited to rebel groups because the technology is so simple that the organization can directly enter the extraction process. Similarly, timber felling is a simple technology.

However, high-value agricultural exports are also sometimes a target for rebel extortion. Here the rebel group does not produce the crop itself, but levies informal taxes on production. The most spectacular example is illegal drugs, which because of their illegality are extremely valuable. Current global policy on drugs implies that drugs can only be grown on territory outside the control of a recognized government. Those rebel groups that control territory on which drugs can be grown can therefore charge large rents to producers. For example, when the U.S. government ceased to fund the mujahideen in Afghanistan, the group shifted into drug production. Similarly, estimates indicate that FARC in Colombia generates around US$500 million per year from its control of drug cultivation. Even lower-value export crops are sometimes the target of rebel extortion rackets. For example, the RUF in Sierra Leone started by levying informal taxes on coffee, and only shifted its activities to the diamond areas once it had become established.

Some extractive industries require technology that is too sophisticated for rebel groups and requires multinational corporations (MNCs),

but this does not prevent extortion. Rebel groups can target MNCs by threatening expensive infrastructure. The classic infrastructure target is a pipeline: typically oil companies pay protection money to "violence entrepreneurs" in local communities. Such entrepreneurs sometimes fight among themselves for the right to extort. For example, in the delta region of Nigeria violence entrepreneurs from rival villages on either side of a new Shell pumping station recently fought it out for the extortion rights, resulting in 75 deaths. Violence in the Nigerian delta began in the mid-1990s at a modest level. It was essentially political, being directed against a military government. Despite democratization, the violence has escalated sharply, but has been transformed into something more akin to American gangland fights for control of the drug trade.

A particularly remarkable recent development is for rebel groups to raise finance by selling the advance rights to the extraction of minerals that they currently do not control, but which they propose to control by purchasing armaments financed through the sale of the extraction rights. Kabila, subsequently president of the Democratic Republic of Congo, reportedly raised several million dollars from Zimbabwean commercial interests in return for extraction contracts before launching his successful assault on Kinshasa (Graduate Institute of International Studies 2001). Similarly Denis Sassou-Nguesso, subsequently president of the Republic of Congo, reportedly sold extraction rights to help finance his military bid for power.

An alternative technique for extortion against MNCs is kidnapping followed by ransom demands. FARC generates around US$200 million annually from ransoms, disproportionately from kidnapping the employees of MNCs. Oil companies are common targets for kidnapping, and in some regions companies now suffer kidnaps as a daily occurrence. Pax Christi Netherlands (2001) estimates that during the 1990s European companies' ransoms to rebel movements amounted to US$1.2 billion, a sum that far exceeds official European aid flows to the affected governments. The Colombian rebel group Ejército de Liberación Nacional (ELN) reputedly got US$20 million in ransom from the German company Mannesmann, money that was critical for the group's purchase of sophisticated military equipment and its subsequent expansion. Rebel groups also target foreign tourists for kidnap. For example, a small rebel group in the Philippines recently ransomed a party of European tourists via Libya for US$1 million per person. Following each successful kidnapping rebel recruitment soars, presumably as young men anticipate

Box 3.4   Financing the Chechen rebellion

BETWEEN 1991 AND 1993 BREAKAWAY CHECHNYA controlled more than 300 kilometers of the Russian border. During this time Chechnya became an enormously profitable, illegal but tolerated, free trade zone that ensured its owners a fortune of millions in hard currency. In practice independent after 1991, Chechnya possessed an international airport and international borders with Georgia, but was still fully integrated into the Russian economic space. This meant, first, that Chechnya had access to cheap and exportable Russian natural resources; and, second, that it had access to the Russian consumer market, which was eager for all sorts of consumer goods. This made Chechnya a bonanza for the shadow economy, and its position as a hub between world markets and the Russian markets proved to be ex-

tremely lucrative. Consumer goods were imported duty free via Chechnya, while natural resources and weapons were exported to world markets without any regulation. The financial flows, which financed Dzokhar Dudaev's regime and later the war, originated in the shadow economy. Not surprisingly, Dudaev's independent Chechnya was supported and used by entrepreneurs in the shadow economy, who exploited the "free trade zone" of Chechnya for their business. These so-called patriotic businessmen were interested in an independent Chechnya, out of reach of the Russian state, but with access to the Russian space of opportunity and to the world market. They also had an interest in ensuring state weakness in Chechnya to maintain their freedom of activity.

Source: Zürcher, Koehler, and Baev (2002).

large payoffs. In Colombia rebel groups have combined with urban-based criminals to create a market in kidnapped people. Criminals undertake the kidnap, selling the victim on to the rebel group, which then demands a ransom. Just as markets in the victims of kidnap are arising in developing countries, so markets in ransom insurance are arising in industrial countries. Perversely, the eventual effects of kidnap insurance are to reduce the incentive to protect workers from kidnap and to increase the size of ransom payments.

Although natural resources are probably the most common target for rebel extortion in rural areas, another valuable attribute is if the area includes an international border. Physical control over a border can be valuable because of the potential for smuggling. A post-Soviet aphorism states that control over a kilometer of the Russian border sufficed to become a millionaire (see box 3.4). The potential for exploiting a border depends on the trade policies the country and its neighbors have adopted. As Russia was highly protectionist, control of the border enabled goods to be smuggled into the country. Sometimes the smuggling can go in the other direction. For example, Afghanistan is bordered by

countries that have usually been highly protectionist; thus control of frontier areas in Afghanistan has enabled goods to be flown in at world prices and smuggled into these neighboring countries where they are far more valuable.

Finally, some rebel groups have used their comparative advantage in violence to capture some niche markets in extortion in industrial countries. For example, the Albanian mafia associated with the Kosovo Liberation Army reputedly now controls around 80 percent of the prostitution trade in central London (*The Observer* 2002).

So Is the Root the Loot?   We have already argued against a greed-based interpretation of rebellion. Most entrepreneurs of violence have essentially political objectives, and presumably initially undertake criminal activities only as a grim necessity to raise finance. However, over time the daily tasks involved in running a criminal business may tend inadvertently to develop a momentum of their own. The organization starts to attract more criminal types and fewer idealists, so that it may gradually change its character. Some rebel leaderships tend to do well out of war and may be quite reluctant to see it end. In some cases, such as RUF's movement from Sierra Leone to Guinea, a rebel group that finds its criminal activities thwarted in one country relocates in another country. At this point any political agenda has withered away, leaving a "roving bandit" that classic analysis tells us is the most destructive form of power (Olson 1993). Loot is not usually the root motivation for conflict, but it may become critical to its perpetuation, giving rise to the conflict trap.

The Conflict Trap

ONCE A REBELLION HAS STARTED IT APPEARS TO DEVELOP A momentum of its own. Getting back to peace is hard, and even when peace is re-established, it is often fragile.

Getting Back to Peace

The best predictor of whether a country will be in civil war next year is whether it is at civil war now (see box 3.5). Wars are highly persistent:

79

Box 3.5   Modeling the duration of civil war

COLLIER, HOEFFLER, AND SÖDERBOM (2003) USE A hazard regression to investigate why some wars last much longer than others. Investigating the duration of civil war is more demanding statistically than studying its onset, so the results vary considerably. Explaining the onset can use a large number of observations with a wide variation in characteristics, because the comparison is between countries with rebellions and those without. Explaining the duration of rebellions depends on the much more limited variation between countries with wars.

Other empirical studies of civil war duration include Balch-Lindsay and Enterline (2000); Buhaug, Gates, and Lujala (2002); DeRouen 2003; Elbadawi and Sambanis (2000); Fearon (2002); and Regan (2002).

the typical civil war lasts around seven years. As part I indicated, the costs of such wars are astronomical, and thus they are seldom forces for successful transformation. Here we are concerned with why they last so long.

Superficially, given that conflicts are so costly finding mutually beneficial agreements that end them might seem to be easy. However, consider the radical difference between rebellions against governments and strikes by workers against a company. Few unions and companies can prevent strikes altogether, but once they occur they are generally settled within days or weeks: ending strikes quickly is often easier than preventing them altogether. With rebellions it is the other way round: most governments never face a rebellion, but once one has occurred ending it is difficult. Why is rebellion so persistent?

Even where the population has significant grievances, governments are understandably reluctant to concede to violence what they have not conceded to nonviolent pressure. Clearly governments cannot afford to signal that violence is an effective political strategy, given that all societies have many groups that are willing to resort to violence to achieve their goals, so the potential is limitless. A further problem is that even if governments are willing to concede to rebels' demands, they might have no credible means of committing to the agreement, and thus the rebel group might fear that once it loses its fighting capability the government will renege, a problem known as time inconsistency. Conceding to all rebel demands may even be logically impossible. The circumstances under which one rebel group is able to thrive often also enable other groups to thrive, and sometimes these groups have opposing ob-

**Figure 3.8   How chances of peace evolve worldwide**

Probability of peace during the year (percent)

Duration (years)
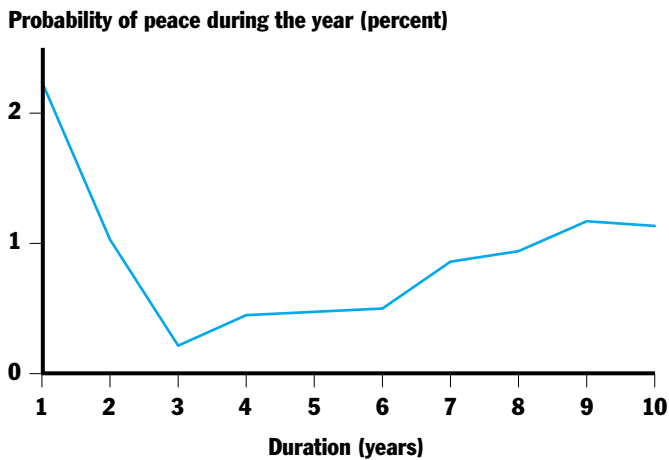
Source: Collier, Hoeffler, and Söderbom (2003).

jectives. For example, in Colombia to the extent that the rebel groups have discernable political agendas, they are contradictory.

Yet significant patterns are apparent. Wars are particularly lengthy if a society has extremely unequally distributed income and a very low average income, possibly because the cost of sustaining rebellion is low if a country has many destitute people, and possibly because the governments of such countries are typically weak. Wars are particularly lengthy if the society is composed of two or three ethnic groups, perhaps because this makes creating distinct identities of support easier for both rebels and government.

Over the first four years of war the chances of peace gradually deteriorate. Presumably the conflict intensifies hatreds, and it may also gradually shift the balance of influential interests in favor of continued conflict. Criminal entrepreneurs do well out of war at the expense of other interests, and so in these early stages of conflict the criminals thrive while the honest decline. Beyond four years the chances of peace gradually improve again, perhaps reflecting the declining opportunities for extortion as the economy goes into retreat (figure 3.8).

Wars also appear to have been getting longer (figure 3.9). Note that the modest shortening of wars in the 1990s may well be temporary. As discussed in chapter 4, the end of the Cold War saw a surge in peace

Figure 3.9   Duration of civil wars over time

**Duration of war in months**
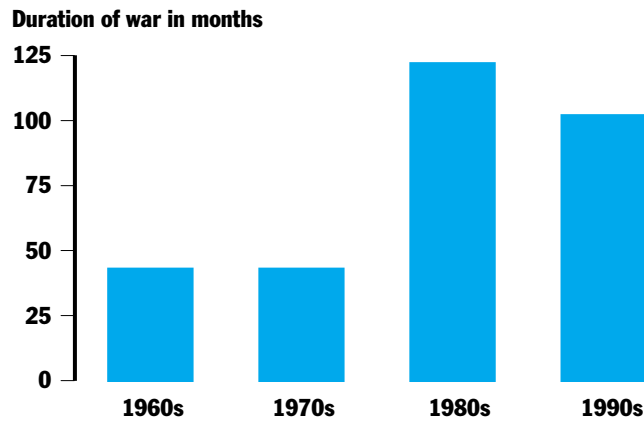
Source: Collier, Hoeffler, and Söderbom (2003).

settlements, but this was not sustained beyond the mid-1990s. The expected duration of conflict is now more than double that of conflicts that started prior to 1980 (Collier, Hoeffler, and Söderbom 2003). One possible explanation is that sustaining a conflict is easier than it used to be, because even without support from a superpower or a neighboring government, rebel groups can generate revenues and purchase armaments. Another possibility is that rebellions have gradually changed their character, becoming less political and more commercial. Violence entrepreneurs, whether primarily political or primarily commercial, may gain from war to such an extent that they cannot credibly be compensated sufficiently to accept peace. Those who see themselves as political leaders benefit from war because they can run their organizations in a hierarchical, military style with power concentrated in their own hands, something much more difficult to justify in peacetime. Those who see themselves as extortionists benefit from the absence of the rule of law in the areas they control. However leaders see themselves they will have invested in expensive military equipment that will become redundant once they agree to peace. Asking a rebel leader to accept peace may be a little like asking a champion swimmer to empty the pool.

The international community has made many efforts to shorten civil wars by means of diplomatic, economic, and military interventions. Our analysis suggests that none of these types of interventions has been systematically successful. Particular interventions might have worked, but no

Figure 3.10   The risk of civil war for a typical civil war country, just before and just after war

Risk of civil war (percent)
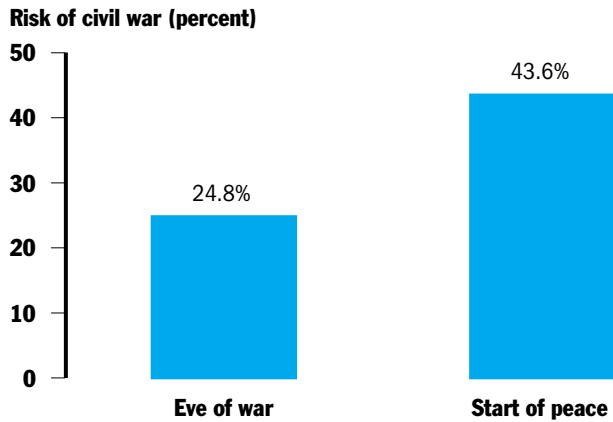
Source: Collier and Hoeffler (2002c).

general significant effect is apparent. Hence once a rebellion has started, there appears to be something of a trap: powerful forces keep a conflict going, while the international community appears almost impotent to stop it. Unfortunately this continues even once peace has been reached.

Reverting to War   The typical country reaching the end of a civil war faces around a 44 percent risk of returning to conflict within five years (figure 3.10). One reason for this high risk is that the same factors that caused the initial war are usually still present. If before a war a country had low average income, rural areas well endowed with natural resources, a hostile neighbor, and a large diaspora, after the war it is still likely to have these characteristics. Some countries are intrinsically prone to civil war by virtue of their geography and economic structure, so that as the government settles with one rebel group another is likely to emerge. We would expect a country such as Colombia, with mountains, forests, and a lot of sparsely populated territory, to have a persistently higher incidence of civil war than, say, the Netherlands.

This is indeed part of the explanation for the persistence of civil war. For example, countries that go into civil war tend to have much lower incomes than other countries. This low income tends to make the conflict last a long time and to make the country more likely to have a fur-

ther conflict once it has reached peace. However, another possibility is that a high degree of conflict persistence arises because of a vicious circle of civil war. We now explore various ways in which conflict in one period may increase the risks of subsequent conflict.

War Reverses Development   The most obvious way in which conflict has a feedback loop is that civil war interrupts, and indeed reverses, economic development. As chapter 1 showed, during a civil war a country loses, on average, around 2.2 percentage points off its normal annual growth rate. Because the average civil war lasts around seven years, by the end of the war per capita income is around 15 percent lower than it would otherwise have been. Our previous analysis indicates that this will raise the long-term incidence of conflict for the country both by increasing its risk of further rebellion and by increasing the duration of rebellion should one occur. For the typical country experiencing a civil war, this effect of the war would increase the risk by 13.5 percent and the duration by 5.9 percent, so that the long-term incidence would rise by 16.9 percent.[5]

A related feedback loop works through the effect of conflict on the structure of the economy. Natural resource exports are relatively robust in the face of conflict, because of the high rents normally involved in their production and their relative independence of inputs from the rest of the economy. By contrast, more sophisticated exports are typically low-margin and dependent on a fragile network of business interdependencies, and these tend to get severely disrupted by the war. Furthermore, economic policy and institutions deteriorate significantly during civil war, and this takes time to put right. Studies show that diversification out of primary commodity dependence is influenced both by the level of income and by policies and institutions (Collier and Hoeffler 2002b). Thus as policies, institutions, and income all deteriorate during war and take a long time to rectify, for a much longer period than the war itself the country will find itself trapped into dependence on primary commodities. This in turn will increase the risk of further conflict.

War Triggers Emigration and Diasporas   A further feedback loop is through emigration of the work force. Civil war triggers an exodus of people: some are refugees to neighboring countries, others are asylum

Figure 3.11   Diasporas and post-conflict risk

Risk of relapse into civil war (percent)
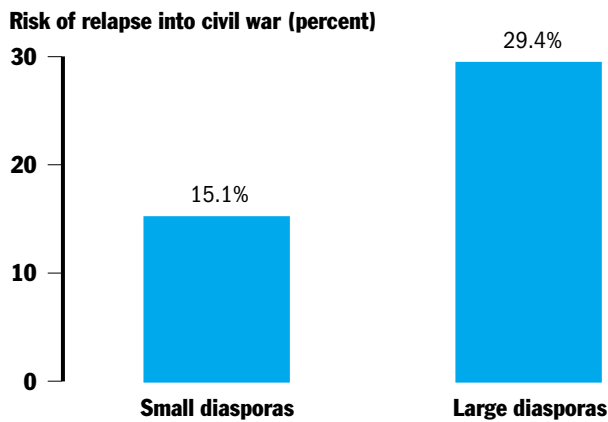
Note: Small diasporas are those of similar size to that of the United States, large as involving 10 times larger relative to the population.
Source: Collier and Hoeffler (2002c).

seekers in rich countries, and others are simply economic migrants in-
duced to emigrate by the collapse in economic opportunities at home
(Collier, Hoeffler, and Pattillo 2002). For different reasons, this emi-
gration is also highly persistent, in that when one group of people has
migrated, it tends to assist others to follow. Thus even once peace has
been reached the society might continue to experience rapid emigration
of workers, thereby further depressing economic growth.

Emigration not only deprives the economy of its labor force, its cre-
ates a large diaspora living in rich countries. Statistically, such diasporas
increase the risk of a return to violence (Collier and Hoeffler 2002c). A
potential problem is involved in interpreting this statistical association
causally: to the extent that diasporas are the result of civil war, a large
diaspora might simply be proxying a particularly severe war; however,
when this is controlled for, the adverse effect of diasporas remains. Fig-
ure 3.11 illustrates the risk of conflict for a country with an average size
diaspora in the United States versus one with a diaspora that is 10 times
larger relative to the home country population. The most likely route
by which diasporas increase the risk of repeat conflict is through their
tendency to finance extremist organizations. To give an example, detec-
tive work has established that the massive bomb that killed 86 civilians
and injured more than 1,400 in Colombo, Sri Lanka, in 1996 used 60
tons of East European explosives purchased using funds from a Singa-

85

pore bank account opened by a Canadian of Sri Lankan origin (Bell 2000). As noted earlier, diasporas tend to be more extreme than the populations they have left behind.

War Leaves a Persistent and Damaging Military Lobby   During wars military spending obviously rises, and during the typical civil war the military budget increases by nearly 50 percent. Reducing this spending in the early postconflict period is not easy. There is often a widespread awareness of continued risks of conflict, and as with any powerful lobby, the military will be reluctant to see its budget cut. Furthermore, the government sometimes needs to integrate rebel forces into the army, which creates pressures for expansion.

Military spending reduces growth (Gleditsch and others 1996; Knight, Loayza, and Villanueva 1996); therefore both during and after a civil war such high military spending will be a drag on growth. However, the adverse effects of high military spending in postconflict situations can be even more serious. We have already noted that government military spending is normally ineffective as a deterrent of rebellion. Figure 3.12 shows that in postconflict situations it is actually significantly counterproductive. Statistical analysis indicates a potential problem of

Figure 3.12   Military spending and the risk of renewed conflict in postconflict countries

Risk of civil war (percent)
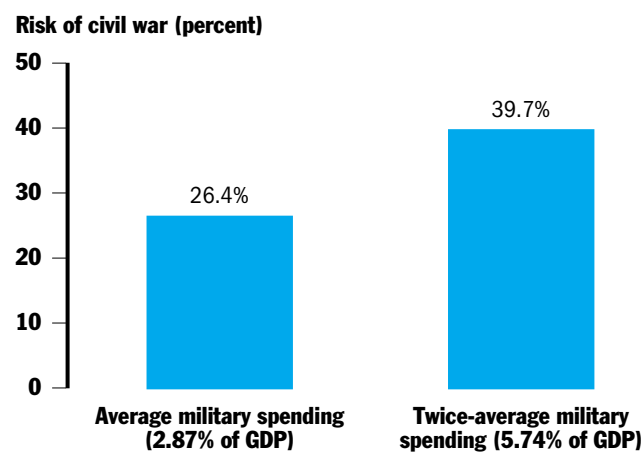
Source: Authors' calculations.

bogus causality: high spending will sometimes reflect a correct perception of an unusually high risk of further conflict, and so will simply be proxying the risk, but when this is controlled for the effect remains.

Why should high military spending in postconflict situations be so dysfunctional? A possible reason is that military spending may inadvertently be a signal of government ill-intent. Recall that one obstacle to a settlement is the low credibility of an agreement, that is, the government has more interest in promising generous peace terms than in actually delivering on them. High military spending might thus be seen as an indication that the government is likely to renege. Some indirect support for this interpretation comes from an analysis of which policies are most conducive to growth in postconflict situations. On average, countries emerge from conflict with poor policies across the board: macroeconomic, structural, and social.

Collier and Hoeffler (2002a) investigate how policy priorities should differ in such a country from one that has the same poor policies but is not postconflict. They find that simply on the criterion of maximizing short-run growth, if the country is postconflict it should give greater priority to such inclusive social policies as widening access to education and health care. Although education and health care eventually contribute to growth, they do so with long lags, so that the unusually strong effect of social policies is unlikely to be due to their direct contribution to growth. An alternative route may be that prioritizing inclusive social policies signals to the population that the government is committed to a peace settlement. On this interpretation, postconflict governments that prioritize military spending are inadvertently signaling that they will renege on the peace settlement and those that prioritize social spending are signaling that they will adhere to it. The former signal increases the risk of conflict, while the latter builds private sector confidence and thereby accelerates growth. If this interpretation is right it suggests that governments are not impotent: their policy choices can alter the risks they face. We return to this in more detail in chapter 5.

War Changes the Balance of Interests and Intensifies Hatreds   All the foregoing feedback loops work through factors that investigators have incorporated into models of conflict risk: the level, growth, and structure of income; military spending; and diasporas. However, the risk of a reversion to conflict is much higher than is accounted for by

these effects. On average, only about half of the 44 percent risk of re-peat conflict is due to characteristics either present before the conflict started or explicitly modeled as deteriorating as a result of conflict. The other half of the risk is due to things that happen during the conflict but are not included in the analysis. By definition, as these factors are omitted from the modeling analysis, it cannot guide us as to what they are, but we can speculate on some likely ways in which conflict in-creases the risk of further conflict.

One likely feedback mechanism is that violent conflict changes the balance of assets in the society, reducing the value of those that are use-ful during peacetime and increasing the value of those that are useful only for violence. The violence-specific assets are partly physical, such as armaments; partly human, such as the skills to use weapons and the re-duced regard for human life and dignity; and partly organizational, such as the hierarchical rebel management structure and established com-mercial ties with arms suppliers and natural resource traders. The own-ers of these assets are unlikely to sit on the sidelines while their value col-lapses. They do well out of war and would like to get back to it.

Another likely feedback mechanism is that violent conflict leaves a legacy of atrocities. As a result, hatreds build up during periods of vio-lence, leaving the society polarized. People of both sides want vengeance for atrocities committed during the conflict and these may supplant any prior grievances. We have already noted how rebel recruitment some-times capitalizes on such grievances.

Conclusion

THE INTERPRETATIONS OF CIVIL WAR THAT HAVE BEEN MOST common in industrial countries either treat them as wholly an outcome of primordial ethnic and religious hatreds or force them into the familiar framework of Western politics. Rebel leaders have learnt to play up to these images of their organizations, raising money from ethnic diasporas while styling themselves as heroic politi-cal leaders. Another tempting framework, favored by economists, is to see rebel leaders as being at the apex of organized crime, enriching themselves from massive protection rackets at the expense of the wider society. The recent prominence of so-called "conflict diamonds" has in-

creased popular awareness of this darker side of rebellion. Both these interpretations miss the reality of many rebellions; that is, even though rebel leaders are indeed violence entrepreneurs heading private military organizations that run protection rackets, they usually have some political agenda. However, they are not conventional political leaders in that they have chosen not to lead normal political movements.

Motivations—grievances and greed—are obviously part of the explanation for rebellion, but if we focus exclusively on motivation we rapidly encounter a paradox. In many situations of the most grievous injustice, both currently and historically, rebellion does not occur. Highly repressive societies often fail to trigger civil war, such as Iraq and the Democratic People's Republic of Korea. Highly unequal societies often fail to trigger civil war, such as Chile and Kenya. Extreme cases of ethnic abuses of power have often failed to trigger civil war, such as white domination in South Africa, and, delving back into history, Norman domination in England, although some forms of ethnic political exclusion do appear to increase the risk of war. Greed perhaps fares a little better as an explanation, as secessionist rebellions seem to be linked to the desire to appropriate valuable resources and some rebel leaders appear more committed to a personal than to a social agenda; however, even greed does not seem to get us very far, because states with large aid inflows are much more attractive to capture, but they do not face any greater risk of rebellion.

While the literature that tries to explain civil war has focused overwhelmingly on motivation, we also need to note that the circumstances in which rebel groups are militarily and financially viable are relatively rare. Hirshleifer (2001) has put forward a depressing proposition, the Machiavelli theorem, whereby no advantageous opportunity to exploit someone will be missed. Even though many rebellions are not motivated by the desire to exploit someone, a closely analogous proposition may be fairly accurate: no militarily and financially viable opportunity to promote a political agenda by rebellion will be missed. If a neighboring government is sufficiently hostile and the circumstances are propitious, it will seek out and promote a local violence entrepreneur. If resource-extracting MNCs offer sufficiently easy pickings in unprotected rural areas, local violence entrepreneurs will set up rudimentary protection rackets loosely linked to political demands. In such circumstances the ostensible grievance might be any of a wide range of things: grievances are not in short supply.

89

Globally, one of the largest mass political protests of recent years, which brought more than 400,000 people onto the streets of London, was to defend the right to hunt foxes. The typical rebel group does not need a cause that attracts anything like this level of support: a few hundred or a few thousand people will suffice to reach the level of violence that constitutes civil war. Thus most societies probably have several issues on which it is possible to find a small core of people who feel passionate and who are not averse to violence. Identifiable political groups have perpetrated violence in France (Breton separatists), the United Kingdom (animal rights activists), and the United States (anti-abortion activists), and political assassinations have occurred in Italy, the Netherlands, and Sweden. Hence most societies have the political potential for violence. Whether such violence remains peripheral, as in the foregoing examples, or becomes large enough to generate widespread death and destruction, may depend as much upon whether an illegal, private, military organization is militarily and financially viable as upon the political issue itself.

Obviously governments should address justified grievances, whether or not they are likely to lead to large-scale violence. A government that is considerate and inclusive is surely less likely to face rebellion, and, in any case, it will be a better government. However, we should be wary of vilifying those governments of low-income, natural resource–dependent countries that face rebellion. Rebellion need not be a symptom that they are markedly worse than other governments. Instead, they may be in an economic and geographic environment where rebellion is particularly easy, and perhaps even particularly attractive. A journalist interviewed Kabila when he was marching on Kinshasa. He reportedly explained that in Zaire rebellion was easy—all that was needed was ten thousand dollars and a satellite phone. The dollars were to recruit a small army, cheap because the population of Zaire was among the poorest in the world. Recall that even in Zaire the quote was an exaggeration. Kabila had received several million dollars and the support of foreign armies to launch his assault. The satellite phone was to make deals with foreign businesses in extractive industries.

Although occasionally rebellion leads to an improvement in government, more often it leads to spectacular deterioration, and therefore the presumption that rebellion should be avoided is reasonable. Partly this is a matter for governments to make greater efforts to redress reasonable

grievances, but it is also a matter of making rebellion less easy. Many of the things that would make rebellion more difficult require action at the regional or global level, and the international community can actively discourage rebellion without taking sides in political disputes. This is the subject of part III.

Although political conflict is common to all societies, civil war is concentrated in the lowest-income countries. In a sense this is hopeful. It is an indication that peace does not depend on resolving all political conflict and that such conflict is normal. Rather, economic development is the critical instrument in preventing rebellion and in building the conditions in which groups engage in their conflicts through normal political means. Economic development in the lowest-income countries is not easy, but neither is it unprecedented, incredibly complex, or wildly expensive.

Once a rebellion has started, a society risks being caught in a conflict trap. Ending the conflict is difficult, and even if it ends, the risk that it will start again is high. Strong global actions can be targeted toward conflict prevention in these high-risk environments. Building a peaceful world is not just a matter of encouraging tolerance and consensus. It involves a practical agenda for economic development and the effective regulation of those markets that have come to facilitate rebellion and corrupt governance.

Notes

1. Heavy dependence on natural resources also tends to make autocracies stable and democracies unstable (Ross 2000).

2. Results available on request.

3. Mueller (2000) analyzes the wars in Bosnia and Rwanda and concludes that the number of rebels committing the atrocities was relatively small. He estimates that the genocide in Rwanda was carried out by approximately 2 percent of the male adult population.

4. A possible exception is where resources are valuable because they are locally scarce, such as water and fertile land in arid areas. Homer-Dixon (1991) has emphasized this category of conflict, but see the discussion by Gleditsch (1998).

5. The change in the long-term or self-sustaining incidence is calculated using the method explained in appendix 1. We assumed the initial probability of war initiation is 0.016 and that of termination is 0.123. We multiply the initial w probability with 1.135 (corresponding to a 13.5 percent increase) and the initial v probability with 0.9405 and recalculate the self-sustaining incidence.