Helpdesk Research Report: Development and conflict prevention
Date: 13.08.2010

Query: Please identify any recent research or cost-benefit analysis on the use of development interventions to prevent conflict with a particular focus on Nigeria.

Enquirer: DFID Nigeria

Contents

1. Overview

Although donors have increasingly utilised development as a tool for conflict prevention (CP), there has been little systematic reflection on the specific contribution made by development interventions in this area. This report reviews current research on development and conflict prevention, with a particular focus on Nigeria. It also examines research that has undertaken a cost-benefit analysis of conflict prevention: a body of literature which, until recently, has received very little critical attention. CP strategies are rarely subjected to rigorous cost-benefit analysis, and those studies that claim to provide such analysis have been critiqued on methodological grounds.

Conflict prevention refers to approaches to avoid, minimise, and/or contain potential violent conflicts, and to prevent violent conflict from re-emerging. CP activities can be divided into two main categories: those actions that address root causes of conflict (structural prevention) and those that address proximate causes (direct prevention). Within these two categories, activities can address political, military, legal/ juridical and economic aspects. This report will focus mainly on structural interventions that address economic aspects of conflict (service provision, resource management, trade and assistance for development) as well as some of the political dimensions such as good governance (see Appendix 1).

Section two looks at the literature on conflict in Nigeria, and attempts to draw some lessons about the links between violent conflict and levels of investment, employment and income. While there are no studies that focus specifically on these connections in the Nigerian case, research suggests that underdevelopment is a prominent causal factor in conflict in Nigeria, particularly in the Delta region. Youth unemployment has been cited as a key factor in conflict in Nigeria by a number of studies (Ikelegbe 2005, Porter et al 2005, UNDP 2006). There is a consensus that efforts to resolve or prevent conflict in this region will be at least partly dependent upon creating jobs and increasing income levels. The potential for horizontal inequalities to contribute to violence will vary from region to region, and will be dependent upon historical and institutional factors (Ukiwo 2009).

Section three draws on a small number of available evaluations of CP programmes in Nigeria that have utilized development interventions. A mid-term review of the Fadama development project argued that the project had succeeded in reducing resource-based conflicts by generating an increase in incomes (Nwachukwu et al 2008). A scoping study of trade-related conflict in Nigeria argues that widespread economic growth, well distributed both spatially and across social and ethnic groups 'probably offers the strongest protection against conflict and its perpetuation by conflict entrepreneurs' (Porter et al 2005, 3).

The Niger Delta Development Commission (NDDC), established in 2000, represents the most significant attempt to use development interventions to tackle the growing range of conflicts associated with oil production in the Niger Delta region (one of the commission's aims is to make the Delta region 'politically peaceful'). Unfortunately, no comprehensive evaluations of the NDDC's contribution to CP are available. Both the NDCC and its predecessor the Oil Mineral Producing Areas Commission (OMPADEC) have been marred by corruption. Some studies have argued that the NDDC has yielded 'marginal impact' because its approach has been project based and focused on incomes. It has failed to develop an integrated rural and human capacity development initiative (Babatunde 2009, 136).

The fourth section of this report looks briefly at the long-running 'greed vs. grievance' debate, which underpins much of the discussion about the use of development interventions as conflict prevention. The idea that development interventions may help to forestall violent conflict is based on certain assumptions about the causes of conflict. A development-led CP strategy is given its strongest rationale by a 'greed' hypothesis, which sees conflict as the rational consequence of under-development. Development has less relevance as a tool for conflict prevention if conflict is seen as primarily motivated by 'grievance' factors. Murshed and Tadjoeddin (2009) have recently reviewed the 'greed vs. grievance' debate. They argue that neither of these hypotheses are convincing by themselves and instead argue that violent conflict is the result of institutional breakdown.

The fifth section details existing cost-benefit studies of conflict prevention. There are very few studies that focus solely on the cost-effectiveness of development interventions as a tool for CP. Some useful lessons, however, can be drawn from the case studies in a recent DFID-sponsored study 'What Price Peace?' which sought to assess the cost-effectiveness of conflict prevention. It argues that development interventions make a significant contribution to conflict prevention when domestic actors are inclined towards peace. While development interventions helped to support a successful conflict prevention strategy in Aceh, they failed to forestall the re-emergence of conflict in Sri Lanka (Cramer et al 2010).

The study finds that relatively low cost interventions can make a significant contribution in contexts where third parties have already invested considerable economic, diplomatic or developmental support. It cautions donors from simplistically accepting the assumption that 'development retards war' and advocates greater sensitivity when using development as a tool for conflict prevention. Chalmers (2005) also finds that smaller development packages can often be as effective for CP as larger ones. More important than the actual size of the package is the fact that it is allocated in a conflict-sensitive fashion.

Collier and Hoeffler (2004), Rosecrance and Brown (1999) and Chalmers (2005) have all made the case that conflict prevention is, broadly speaking, cost-effective. Collier and Hoeffler (2004) argue that CP activities which address economic characteristics of conflict can reduce proneness 'even if they do not directly address the political issues that are ostensible triggers of violence'. Rosecrance and Brown (1999) use counter-factual analysis to weigh the estimated costs of various conflicts to outside powers against the estimated costs of conflict prevention. They identify hypothetical savings of $20.4 billion to the international community in Bosnia, $104 million in the Gulf and $143 million in Macedonia. Chalmers' work has generated the powerful claim that 'a spend of £1 on conflict prevention will, on average, generate savings of £4.1 to the international community'.[1]

[1] This widely-cited claim was made in a 2004 conference paper: Chalmers, M. (2004) 'Spending to Save? An Analysis of the Cost Effectiveness of Conflict Prevention', Conference on Growth, poverty reduction and human development in Africa, 21st to 22nd March, 2004 (Available from http://www.csae.ox.ac.uk/conferences/2004-BB/papers/Chalmers-CSAE-BB2004.pdf).

Some of the methodologies that underpin these studies have been critiqued by Gutiérrez-Sanín (2009). He argues that costs of war exercises tend to focus entirely on the negative consequences of conflict, ignoring 'anti-intuitive' externalities of conflict, which include technical change, the achievement of egalitarian political objectives, social inclusion such as female enfranchisement or the strengthening of the state. Cramer's (2010) introductory paper for the 'What Price Peace?' study highlights the inherent uncertainty and guess-work associated with Chalmers' (2005) 'Spending to Save' study and Rosecrance and Brown's (1999) earlier analysis. He identifies problems with both the predictive models of conflict and the methods for assessing the costs of conflict used by Chalmers' study.

Although the 'What Price Peace' study concluded that the effectiveness or cost-effectiveness of conflict prevention will always be difficult to measure accurately, it maintains that CP activities *can* work, and that where they do, they can be highly cost-effective (Cramer et al 2010, 26). This is particularly the case in countries where there is a strong domestic constituency for peace and where external interventions are well-coordinated. Cost-effectiveness can be enhanced if mechanisms for allocating CP resources are based on decision rules (e.g. only allocating where there exists adequate analysis of domestic political settlements and processes) and greater commitment is made to ongoing monitoring of the effectiveness and cost-effectiveness of CP interventions.

2. Development and Conflict in Nigeria

Ikelegbe, A., 2005 'The Economy of Conflict in the Oil Rich Niger Delta Region of Nigeria', *Nordic Journal of African Studies* 14(2): 208–234. http://www.sweetcrudemovie.com/pdf/njas2005.pdf

This paper assesses resource conflicts in the Niger Delta. It finds that although economic factors did not cause conflict, oil production has become a key resource for sustaining various conflicts in the region. The war economy underpins the proliferation of arms and the pervasive crime, violence and inter-ethnic conflicts that affect the region. While benefits from oil companies were initially distributed to traditional rulers, the seizure of oil facilities and operations became a common tool of communities, youth and women since the 1980s in their struggle for employment, environmental compensation, infrastructure and social welfare. The increased presence of oil companies has fuelled conflicts between communities and elites over land, water resources and the allocation of compensation. These conflicts have frequently taken on an inter-ethnic character. The state's response to these emerging conflicts has been to militarise the area. State military actors have been accused of committing a range of abuses, and many communities have been forced to flee.

Oyesfusi, A., 2007 'Oil-dependence and Civil conflict in Nigeria', CSAE Working Papers, University of Oxford. http://www.csae.ox.ac.uk/workingpapers/pdfs/2007-09text.pdf

This paper examines oil-dependence and civil conflict in Nigeria, focusing on the economic dynamics of resource-induced conflicts. It identifies two dimensions to oil-related conflict: the violent rent-seeking political violence that oil availability generates between various ethno-regional groups, and the Niger Delta crisis. Rent-seeking political violence is linked to excessive government dependence on oil revenues. Poor governance and violence in the Niger Delta area is largely attributed to weak institutional arrangements, poorly-conceived laws, lack of enforcement, "regulatory capture", and a marriage of interest between the state and oil companies. The paper also argues that oil-availability promotes looting and secession incentives among local participants. Educational attainment, income level and asset possession are the three factors that consistently explain the propensity to general violence among individuals in the region.

The paper concludes with a discussion of some measures that may be used to break the "conflict trap" and overcome the corrupting influence of oil-dependence in Nigeria. First, it suggests a number of measures to reduce communities' dependence on oil revenues:

- Reduce the government's dependence on oil revenue through effective diversification, a deliberate focus on non-resource revenues, and reform of the tax system.
- Tackle corruption and the lack of transparency and accountability in the management of oil wealth
- Deal with patronage politics at all levels of government.
- Address the agitation for local (or increased local participation in the) ownership and control of mineral resources.

It then recommends a number of steps designed to reduce individuals' propensity to participate in violent conflict:

- Take measures that increase the opportunity cost of participation in conflict such as increasing formal educational attainment (human capital development).
- Increase the income levels and asset endowment of the lower strata of society (most of which are not employed in formal settings and are likely to depend on the environmental resources for their livelihood).
- Create institutional arrangements that clearly define the legally enforceable responsibilities of governments at all levels and of oil companies in relation to the provision of public goods, social amenities, and employment to local communities.
- Restructure property rights to mineral resources.

United Nations Development Programme (UNDP), 2006 'Chapter 5: Conflict and Conflict Management: Towards Sustainable Peace. Niger Delta Human Development Report', UNDP.
http://hdr.undp.org/en/reports/nationalreports/africa/nigeria/nigeria_hdr_report.pdf

This chapter provides an overview of conflict in the Niger Delta, and identifies four main types of violent conflict: intra-community, inter-community, inter-ethnic, community and oil company conflicts. It details the costs of these various conflicts. These include:

- Disruption of oil revenues, leading to loss of foreign exchange needed to finance national development.
- Damage to communities' livelihoods by discouraging investment in the region that could attract new jobs.
- Productivity losses and weak entrepreneurial skills.
- The destruction of traditional institutions that fostered social capital, the disregard of formal and informal authorities, and insecure property rights

These effects are particularly acutely felt by women and youth. A youth crisis began in the 1990s, which sparked a number of additional localised conflicts.

The chapter concludes that peace will require a determined effort to develop the region. This will depend not only on the physical development of the region, but also on 'the establishment of a new and positive culture of social, economic and democratic rebirth' (p.128).

Ukiwo, U., 2009, 'Between 'Senior Brother' and 'Overlord': Competing Versions of Horizontal Inequalities and Ethnic Conflict in Calabar and Warri, Nigeria', Journal of International Development, Vol 21, p.495-506.

This article compares ethnic relations in two multi-ethnic cities in southern Nigeria (Calabar and Warri) in an attempt to isolate the factors that might explain why some countries avoid violence in the midst of longstanding ethnic conflicts while others do not. It argues that horizontal inequalities constitute a significant source of violent conflict, but that their contribution is more marked in Warri than in Calabar. While historical factors, political alliances and political institutions led to the accommodation of ethnic

groups in Calabar, state intervention was perceived as perpetuating inequalities in Warri. As a result, in Warri inequalities became articulated in political, socio-economic and cultural terms.

3. Development and Conflict Prevention in Nigeria

Babatunde, A., 2009, 'Oil Exploitation and Conflict in Nigeria's Niger Delta – A Study of Ilaje, Ondo State, Nigeria', Journal of Sustainable Development in Africa, Vol. 11, No. 4.
http://www.jsd-africa.com/Jsda/V12NO2_Winter2009_B/Pdf/OilExploitationConflictNigeria.pdf

This paper examines conflict in the oil-producing Niger Delta region of Nigeria. Oil production has increased inequality and damaged the traditional livelihoods of many people in the region. The paper argues that the Nigerian government's establishment of agencies such as the Oil Mineral Producing Areas Development Commission (OMPADEC) and the Niger Delta Development Commission (NDDC) have yielded marginal impact. This is partly 'because their rationale is project-centered initiative (income-based) rather than integrated rural and human capacity development initiative (human based) (p. 136). As a result of this development failure, youth see violence as a means to escape poverty. The paper argues that development interventions in Ondo state have caused inter-ethnic conflict as well as conflicts between oil-producing and non-oil producing states. Projects initiated by oil companies have also provoked tensions between different communities over the unequal distribution of compensation and development benefits. The paper argues that a more participatory and bottom-up approach to development is the only route to peace in the region.

Nwachukwu, Ifeanyi N., Agwu, Nnanna M., Ezeh, Chima I., Mbanasor, Jude A., Onyenweaku, Chris O. and Kamalu ,Chinedu E., 2008, 'Evaluation of Second National Fadama Development Project in Nigeria: A Rapid Policy Appraisal'. http://mpra.ub.uni-muenchen.de/12914/1/Fadama_Review_paper.pdf

This report reviews a nation-wide community development project, the Fadama Development Project. The interim report found that the project had increased the income and assets of 2.3 million Nigerian households and had created about 126,000 permanent jobs. One of the aims of the project was to reduce conflict between Fadama users (those who depend directly or indirectly on Fadama resources such as farmers and service providers). The second phase of the project sought to overcome the tendency of the first phase to prioritise the needs of sedentary farmers.

The project aimed to increase incomes of Fadama users by 20% and to reduce conflicts between Fadama users by 80% over a period of six years. Neglect of pastoralists had led to conflicts between them and sedentary farmers, which in some cases led to physical injury and the destruction of property. A mechanism for resolving conflicts between Fadama users was created for the second phase of the project. After three years, the target objective of increasing incomes had been surpassed (incomes increased by 25.7% by January 2007) and resource conflicts had been almost entirely eliminated 'due to the rapid internalization of the principles and mechanisms of social inclusion' (p. 12).

Porter, G, F. Lyon, F. Adamu, L. Obafemi with R. Blench, 2005 'Trade and Markets in Conflict Development and Conflict Resolution in Nigeria', Scoping Study Report for DFID
http://bit.ly/aG8uke

This paper analyses trade-related conflict in Nigeria and its resolution. It highlights a number of ways in which conflicts in Nigeria are linked to scarcity of resources, underdevelopment and unemployment. Crowded markets often become flashpoints because they bring together people from different ethnic groups. Unemployed youth can be hired to help escalate any small conflict that occurs. These conflicts are often used by conflict entrepreneurs for their own business or political ends. The paper argues that widespread economic growth, well distributed both spatially and across social and ethnic groups 'probably

offers the strongest protection against conflict and its perpetuation by conflict entrepreneurs' (p. 3). It continues: 'Donors' and NGOs' work in assisting people to maintain basic entitlements to food, health etc. will contribute to conflict avoidance' (p. 3). It suggests that donors should 'tackle the structural causes of conflict through promoting conflict sensitive economic growth and diversification of livelihoods away from resource constraints (such as land)' (p.4). It suggests that particular attention should be paid to promoting opportunities for unemployed and underemployed young men.

4. 'Greed vs. grievance'

Murshed, M. and M. Tadjoeddin, 2009 'Revisiting the Greed and Grievance Explanations for Violent Internal Conflict', Journal of International Development, Vol. 21, pp. 87-111.
http://onlinelibrary.wiley.com/doi/10.1002/jid.1478/pdf

This article assesses two recent explanations for the onset of internal conflict: greed and grievance. The former reflects elite competition over valuable natural resource rents. The latter argues that relative deprivation, and the grievance it produces, fuels conflict. However, this article argues that neither the presence of greed or grievance is sufficient for the outbreak of violent conflict. Violent conflict requires institutional breakdown, or the failure of the social contract.

Full summary available from GSDRC website.

More documents that address the 'greed vs. grievance' debate are summarised in the 'Resource and Environmental Factors' section of the GSDRC 'Conflict' Topic Guide

5. Cost-Benefit Analysis of Conflict Prevention

Evidence for the CP cost-effectiveness

Brown, Michael E. and Richard N. Rosecrance, 1999. 'Conclusion: The Case for Conflict Prevention'. In The Costs of Conflict: Prevention and Cure in the Global Arena, eds. M.E. Brown and R.N. Rosecrance: Carnegie Commission on Preventing Deadly Conflict. http://bit.ly/9GovhO

After researching a number of different types of conflict and diverse international responses, this paper finds that conflict prevention would have cost the international community much less than the conflicts themselves. In some cases, the cost difference is extremely large. They acknowledge that assessing the cost-effectiveness of conflict prevention is very difficult – if CP is successful, we cannot know what conflict would have cost and if it did not occur, we cannot know what the costs of success would have been successful. They argue that these problems can be overcome in three ways:

- Comparing the costs of *actual* conflicts to *estimates* of what it would have cost to prevent these conflicts from taking place.
- Comparing the costs of *actual* conflict prevention efforts to the *estimated* costs to regional and international powers of conflicts that might have taken place.
- Comparing the costs of *actual* conflicts to the costs of the *actual* conflict resolution and conflict prevention efforts that followed.

They argue that the ramifications of wars in faraway places for western countries are significant and that it is possible to accurately predict countries where conflict is likely to break out. As a result, it argues that the United States, the United Nations, and key decision makers should adopt a policy of conflict prevention in world politics, including long-term measures to promote economic development.

Collier, P. and A. Hoeffler, 2004, 'The Challenge of Reducing the Global Incidence of Civil War', Copenhagen Consensus Challenge Paper.
http://www.copenhagenconsensus.com/Files/Filer/CC/Papers/conflicts_230404.pdf

Section three of this paper assesses the costs and benefits of two CP instruments (aid and transparency in natural resources). The risk of conflict is much higher in countries with particular economic characteristics – low per capita income, negative growth, and dependence upon natural resource exports. They argue that social and political characteristics – such as ethnic and religious composition, and a lack of political rights, do not seem to have much, if any predictive power as to conflict risk. They argue that interventions which improve the economic characteristics can reduce proneness to conflict, even if they do not directly address the political issues that are the ostensible triggers of violence.

The costs of providing aid are straightforward, and the benefits depend upon the effects aid has on economic development, and then upon the effects of economic development upon conflict risk. They use the Collier and Dollar's (2002) methodology to forecast how incremental aid would raise growth, country by country.[2] They use the model of conflict risk of Collier and Hoeffler to generate estimates of the benefits of aid for conflict prevention in a way that can be compared with their costs.[3]

They find that increasing the growth rate by 1% in a conflict-affected country, reduces the rate of conflict initiation by 8% during the first five year period and by a further 12% in the next five year period (p.11). They find that 'conflict prevention achieved purely by unselective aid programmes to low-income countries is not very cost-effective'. Other kinds of intervention such as improved governance of natural resource rents are shown to be more cost-effective.

Chalmers, M., 2007 'Working Paper 1: Spending to Save: Is Conflict Prevention Cost Effective?'
http://www.brad.ac.uk/acad/cics/publications/spending/working_paper_1.pdf

This study seeks to develop a more rigorous approach for estimating the costs and benefits of conflict prevention. The study draws on six cases studies, three retrospective (on the Western Balkans, Afghanistan, and Rwanda) and three prospective (Afghanistan, Uzbekistan and Sudan). Two different CP packages are applied to each case and all are found to be cost-effective for the international community (i.e. the anticipated cost savings from avoiding conflict exceed the costs of the CP Packages). In all but one of these cases, the breakeven reduction in conflict probability is less than half the estimated reduction in probability. Cost-effectiveness was higher in some cases (such as the military option in Rwanda) than others. The Western Balkans package, which was also successful and cost-effective, was more expensive. This was largely a reflection of the greater military capability of potential adversaries in the Balkans compared with Rwanda.

The Western Balkans case study provides some general lessons about the use of development assistance in pursuit of conflict prevention. The report states while a high level of development assistance in the Western Balkans can be justified as CP insofar as it contributes to the long-term prosperity of the region (and helped to support its integration into the EU), 'arguably a much lower level of economic assistance would have been enough to produce equivalent CP gains, once the immediate constitutional crisis of the early 1990s had passed' (p. 16). This highlights the importance when examining the use of large-scale economic assistance as a CP tool, 'of being clear as to whether CP is the primary objective being sought. When this is not the case, there is likely to be an increased danger that large aid programmes, even if they contribute to other objectives (such as GDP growth) in the short term, may exacerbate the potential for violence in conflict-prone societies' (p.16). The report argues that 'more crucial than the absolute size of the development programme provided…would be its allocation in a conflict-sensitive manner' (p. 16).

[2] Collier, P. and D. Dollar, 2002, 'Aid Allocation and Poverty Reduction', *European Economic Review* 46:1475-1500.
[3] Collier, P. and A. Hoeffler, 2004. 'Aid, Policy and Growth in Post-Conflict Societies', *European Economic Review.*

Critical literature

Cramer, C., 2010 'What Price Peace? Working Paper 1: Methodological Challenges of Assessing Cost-Effectiveness of Conflict Prevention', unpublished

This paper critically reviews the methods used thus far to address the cost effectiveness of conflict prevention, focusing on Chalmers' 'Spending to Save' study (2005). It concludes that it is very difficult to provide a clear answer to the question of whether conflict prevention is cost-effective. It highlights problems both with the predictive models of conflict and with means for assessing the costs of conflict. It critiques various studies which have attempted to ascertain the costs of war on a number of grounds:

- They have neglected and underestimated the positive outcomes associated with conflict.
- They are usually based on probabilistic assumptions and often rely on bad data.
- They often utilise predictive conflict models, which estimate the likelihood of conflict in any given country.
- Their causal claims are susceptible to minor changes in coding rules and that neglect certain important risk factors such as horizontal inequalities.

The paper critiques efforts to assess the hypothetical benefits of various CP packages. It concludes:

'A subjective and rough estimation of the probability of conflict and an equally subjective and rough estimate of its costs, are weighed against a reasoned but still subjective and ultimately unknowable judgement of the likelihood of a given conflict prevention package reducing the chance of violent conflict by enough to make it financially worthwhile. Uncertainty profoundly affects every step of the method (p.19)*'*

Cramer, C., Keen, D., and Walton, O., 2010, 'What Price Peace? The case for allocating resources to conflict prevention', Synthesis report, unpublished.

This project report examines evidence for the cost-effectiveness of conflict prevention from the DFID-funded "What Price Peace?" study. The evidence from the case studies suggests that conflict prevention can work: 'in some of our case studies CP has contributed to successful outcomes (in terms of avoiding large-scale violent conflict)' (p.26). The report finds that where it does work, it can be highly cost-effective. The case studies suggest that CP is 'most likely to work in countries where interventions are based on detailed contextual information and where third party interests are well coordinated in support of a domestic constituency for peace' (p.26). When conflict prevention works, it is rarely the only instrument at play. CP instruments work best when they support, rather than undermine, the domestic political settlement. Conflict prevention does not always work, however – interventions can fail, and may prove more costly than initially envisaged.

The report concludes with four recommendations designed to improve CP interventions:

- Common preventive actions need to be activated only after thorough analytical checklists have been applied (these includes analysis of stress factors, socio-political analysis, geo-strategic analysis and monitoring). The effectiveness of any preventive instrument depends on how it is implemented and how it interacts with the complexities, structure, and incentives within a given moment in a given place.
- More comparative analytical work should be done to advance the state of knowledge on conflict prevention. This would involve more investment in case study analysis, counter-factual history and a larger study of statistical trends in conflict prevention.
- Greater attention should be paid to how different external actors' conflict prevention strategies combine.
- There should be clearer and more publicly accessible classification and information on expenditures on conflict prevention.

The study generates some useful lessons regarding the use of development interventions for conflict prevention. The study concludes that development interventions can only be understood by focusing on the interaction of third party engagements with domestic interests. While development interventions helped to support a successful conflict prevention strategy in Aceh, development interventions failed to forestall the re-emergence of conflict in Sri Lanka. The divergent outcomes in these two cases can largely be attributed to differences in the strategies and incentives facing domestic actors. Much can also depend on the timing of interventions. The study finds that relatively low cost interventions can make a significant contribution in contexts where third parties have already invested considerable economic, diplomatic or developmental support. There were positive synergies between operational CP interventions and broader development programmes in Aceh where specific CP interventions designed to support reintegration and to monitor the peace process were reinforced by economic opportunities generated by tsunami reconstruction and rehabilitation projects.

In other cases, however, development programmes had a more limited impact or generated perverse outcomes. In Kyrgyzstan, most CP interventions were focused at the micro level and had a limited impact on macro dynamics. Furthermore, interventions were sometimes instrumentalised by state actors to justify their efforts to expand their security interests in border regions.

The paper emphasises the point that development is not a panacea but that in the long term, development typically promotes domestic conflict prevention. Although development is associated with the emergence of effective CP mechanisms, the relationship is not necessarily a linear, straightforward or mechanistic one:

- Some countries experience high growth rates despite experiencing prolonged violent conflict (e.g. Sri Lanka, Colombia).
- Development processes and outcomes may be conflict-generating (for example by increasing inequality or causing land alienation).
- Many middle income countries have high levels of violent deaths which are not directly war related (urban India, Brazil, Mexico).
- Conflict prevention interventions can support new political settlements which promote more sustained economic growth.
- The relationship is somewhat clouded by the fact that violent conflict often represses growth and leads to deteriorating income per capita.

Donors should not simply believe that 'development retards war' and should introduce greater sensitivity to conflict prevention within development policies.

Gutiérrez-Sanín, F., 2009, 'Stupid and Expensive? A Critique of the Costs-of-Violence Literature', Crisis States Working Paper Series, No. 48. http://eprints.lse.ac.uk/28496/1/WP48.2.pdf
This paper questions the widespread assumption that conflict is always anti-developmental. It examines whether Charles Tilly's argument that 'war makes the state' has relevance for contemporary wars. He identifies three ways in which the costs-of-war literature has addressed the costs of violence:

- 'bullionist' approaches that calculate the costs and benefits caused by armed conflict;
- 'deadweight' approaches which evaluate the loss of GNP growth; and
- 'distributive' approaches which show how assets and incomes have passed from some hands to others.

The paper argues that bullionist approaches are affected by inexact data and generally unreliable. Deadweight approaches are more promising, provided base lines, counterfactuals and growth models are well-constructed. Distributive approaches are the least explored and seem to offer several complications that have not been well-considered. All three approaches are hampered by confusion over the following factors:

- time-scales (how do we understand costs that span several generations?),

- classificatory issues (whether there are differential effects according to the magnitude or type of conflict),
- global impacts (do deadweight costs vanish, or can they be transferred from one nation to another?) and
- trade offs (how can costs be evaluated when a generation sacrifices economic well-being so that another one obtains political rights?).

The article argues that the existing literature has tended to ignore the possibility that there may be 'positive externalities' associated with violent conflict such as technological change triggered by military challenges, the strengthening of the state and the transformation of women's position in the work force. The article concludes by rejecting the hypothesis that contemporary wars do not produce 'positive externalities' - pointing to economic and social development associated with wars in Uganda, Rwanda and Somaliland. It argues that attempts to measure the costs of violence can be useful if a more careful approach is pursued.

6. Related GSDRC Reports

The following GSDRC materials provide additional reading on conflict prevention:

Topic guide

- **Haider, H., 2009, 'Preventing and managing violent conflict', Chapter 3 in Topic Guide on Conflict, Governance and Social Development Resource Centre, University of Birmingham** http://www.gsdrc.org/go/conflict/chapter-3-preventing-and-managing-violent-conflict

Helpdesk research reports

- **Conflict Prevention and Local Engagement** *(July 2010)* Please identify key recent literature on effective conflict prevention, particularly related to engagement with local communities, politicians and analysts in the country concerned. http://www.gsdrc.org/docs/open/HD696.pdf
- **Country strategies on conflict prevention** *(June 2009)* An annotated bibliography of examples of country (national and sub-national) strategies on preventing conflict and building a culture of peace. http://www.gsdrc.org/docs/open/HD606.pdf
- **Mainstreaming Peace and Conflict Prevention in Zimbabwe** *(January 2010)***:** Please provide examples of and lessons learned from development and humanitarian interventions in Zimbabwe that have provided entry points for peacebuilding, conflict prevention, and conflict resolution. http://www.gsdrc.org/docs/open/HD659.pdf

7. Appendix One: Categories of Conflict Prevention

	Structural Prevention	Direct Prevention
Political	Good governance Power-sharing arrangements Electoral democracy Accountability	Early warning Monitoring Preventive diplomacy Political sanctions
Military	Security Sector Reform DDR Arms control	Threat and projection of force Use of force
Legal and juridical	Rule of law Human Rights promotion Conflict resolution Reconciliation	Special judicial mechanisms Human Rights monitoring
Economic	Assistance for development Trade Service provision Resource management	Regulation Conditionality Dissuasion threats Economic sanctions

Source: Pérez-Niño, H. and Walton, O., 2010, 'What Price Peace? Working Paper 2: Contemporary conflict prevention: concepts and challenges', unpublished

8. Additional information

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Selected websites visited

ACCORD, Copenhagen Consensus, CICS (University of Bradford), Crisis States (LSE), CSAE (Oxford University), Department for Peace Studies Centre (Bradford University), Eldis, Google, Google Scholar, GSDRC, Informaworld, Institute for Peace and Conflict Resolution, Journal of Sustainable Development in Africa, JSTOR, Stanford University, USAID, UNDP, University of Ibadan, World Bank, Wilson Centre

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