Economic Development, Inequality, War and State Violence

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Introduction I

- **Aim**: how various factors within the political economy lead to humanitarian emergencies characterized by war, state violence, and refugee displacement

- **Areas of interest**:
  - Stagnation and decline in incomes
  - Income inequality
  - Competition for natural resources
  - Other factors
  - Ethnicity
Introduction II

**Concepts:**
- Economic stagnation
- Political decay
- Deadly political violence

Economic and political factors => WAR => adverse effect on economic growth and political development
Introduction III

- **Economic factors**
  - Stagnation and decline in real GDP
  - High income inequality
  - High ratio of military expenditures to national income
  - Tradition of violent conflict

- **Political factors**
  - Predatory rule
  - Authoritarianism
  - State decay and collapse
Stagnation and decline in incomes

- Low and middle-income countries
  - Weak or failing
- Stagnation in real GDP (+trade deficit and growing external debt)
- Breakdown in law and public services
- Inequality
  - Vertical (class)
  - Horizontal (regional or communal)
Stagnation and decline in incomes II

relative deprivation =>
social discontent =>
motivation for collective violence

WAR AND VIOLENCE

=>social disruption
=>political instability
=>undermining economic activity
=>spreading hunger and disease
=>fuelling refugee flows
Stagnation and decline in incomes III

- Only a portion of violence results from insurgent action
- Policies of governing elites are at the root of most humanitarian emergencies
  - E.g. direct violence or withholding food
- Case study: Africa
  - Negative per capita growth in the 1970s and 1980s
  - Virtual stagnation in the 1990s
  => intrastate political conflict and humanitarian emergencies
  => highest death rates from wars
Income inequality

- Policies of predatory and authoritarian rules
- Severe social tensions may even arise under conditions of positive growth
- Influence:
  - Historical legacies of discrimination (colonialism)
  - Distributing land and other assets
  - Taxation
  - Benefits of public expenditure
  - Regional and ethnic economic competition (education and employment differentials)
Competition for natural resources

- Possession of primary commodities (especially exports – agricultural, mineral) increases the occurrence and duration of civil war
- The higher the per capita availability...of mineral wealth, the greater the incidence of conflict
- Rulers and warlords use exclusive contracts with foreign firms for diamonds and other minerals to regularize sources of revenue
- In weak or failed state => warlords and traders more likely to profit from violence and war
Other factors

- Military centrality
- A strong military can overthrow either a democratic or authoritarian regime => political instability, humanitarian crises
- Powerful armed forces = constant threat to civilian regimes
- Regimes afraid to cut back military spending
- **Conflict tradition is an indicator of the legitimacy of political violence!**

Strengthen military to save off threats from the opposition => heavy socioeconomic risks on the population => further discontent => risk of rebellion
Ethnicity is artificial

In many instances, ethnic antagonism emerges during a conflict rather than being the cause of the conflict!

Ethnic grievance is actively manufactured by the rebel organizations as a necessary way of motivating its forces

=> where conflicts occur in ethnically diverse societies, they will look and sound as though they were caused by ethnic hatreds

=> the parties to the conflict have used the discourse of group hatred to build fighting organizations
Conclusion I

- Third World states, together with the international community, must strengthen and restructure the political economy of poor and weak states.

- Economic and political changes needed:
  - Development of a legal system
  - Enhanced financial institutions
  - Increased taxing capacity
  - Greater investment in basic education and other forms of social capital
  - Well-functioning resource and exchange markets
  - Programs to target weaker segments of the population
  - Democratic institutions
Industrialized countries and international agencies bear substantial responsibility for modifying the international economic order.

What can they do to help?

- Shift in the goals and openness of IMF and WB
- Restructuring of the international economic system for trade and capital flows
- Opening of rich countries’ markets
- More technological transfer by foreign companies
- Bilateral donors and international agencies
- Greater coherence of aid programs
- Increased international funding to food crises
Critical reflection

- Overall understandable, a lot of known and logical information
- A recommendation in the conclusion
- Many case studies

- All the main points mentioned in the conclusion
- Methodology not so clear (research based on 13 case studies 1980-2000 x different authors)