Poverty and Conflict in Africa: Explaining a Complex Relationship

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For:
Experts Group Meeting on Africa-Canada Parliamentary Strengthening Program

Addis Ababa, May 19-23, 2003

(Final Draft)

If through our wisdom we could secure elementary human needs, there would be no need for weapons of war.

Mahatma Ghandi

With the end of the Cold War, poverty and conflict have become the biggest challenges to sustainable development. Even though debatable, poverty is continuously cited as one of the principal factors responsible for instability in many parts of Africa. For example, West Africa contains 11 of the world's 25 poorest countries and is currently one of the unstable regions of the world. In fact, at a recent United States Institute of Peace workshop on "Responding to War and State Collapse in West Africa", participants reached a consensus (contrary to popular belief) that poverty and the lack of economic opportunity were more important factors than Charles Taylor and the Revolutionary United Front (RUF) in the continuing instability that afflicts the entire region.

According to the 2003 UN Human Development Report, "The new century opened with an unprecedented declaration of solidarity and determination to rid the world of poverty. In 2000 the UN Millennium Declaration, adopted at the largest-ever gathering of heads of state, committed countries – rich and poor – doing all they can to eradicate poverty, promote human dignity and equality and achieve peace, democracy and environmental sustainability." Three years later, poverty and conflict are on the rise, particularly in Africa. Indeed, for most countries in Africa, the last few years have been times of despair and the 2003 Human Development Ranking is a testimony – the 25 poorest countries in the world, at the bottom of the ranking, are from Africa.

This policy paper examines the relationship between poverty and conflict. My objective is to draw attention to an often-neglected cause of conflict. The paper is divided into three sections. I begin by clarifying the concepts of poverty and conflict. Next, I examine the poverty-conflict nexus. This enables me to demonstrate the need for urgent attention to poverty not only as a danger to individuals trapped by it, but to the peace and stability of the societies in which they live.

I. DEFINITIONS

What is Poverty?

Poverty is at once a universal phenomenon and a culture-bound concept (Oyen et al, 1996).[1] Based on the extent and nature of poverty Bjorn Hettne (2002) has developed five classifications. First, absolute **poverty** occurs when human beings live in a state of deprivation due to meager income or lack of access to basic human needs which include food, safe water, sanitation, health, shelter, education, and information. Second, **relative poverty** defines poverty from a comparative point of view. Here poverty is not absolute but relative. Imagine a hypothetical world with three countries, A, B, and C with an estimated wealth of 70 per cent, 25 per cent, and 5 per cent respectively. Assume further that poverty is pegged at 30 percent and below. Under these assumptions, both B and C are poverty-stricken but C is poorer relative to B. Third,

[1] Cited in Björn Hettne Padrigu, "Poverty and Conflict: the methodology of a complex relationship," *Paper for Seminar on Democratization and Conflict Management in Eastern Africa,* Göteborg, Feb. 28 – March 3, 2002, p. 2.

administrative poverty includes all those who are eligible for state welfare because they are either temporarily unemployed and/or unable to earn an income. Fourth, **consensual poverty** depends on the perceptions of what the public deems to be below basic sustenance. Finally, **contextual poverty** is based on a comparison of poverty to the socio-cultural and economic levels of a particular society. This definition is helpful in contrasting the poor and non-poor in a particular society.

A common thread runs through all these distinctions of poverty. They highlight the fact that poverty is a general condition of deprivation and want that consigns its victims to the periphery of their societies. In short, poverty is linked to economics. But this approach is not very helpful to policy planners. There is therefore the need for more comprehensive and holistic approach to move definitions of poverty beyond economics (Lipton et al, 1992).[2]

Quite apart from defining poverty from a demographic point of view as shown above, poverty can also be defined as a static or dynamic concept. The definition of poverty as a cycle projects its dynamic nature and its linkage to marginalization and social exclusion. Marxist theory projects a similar perspective of poverty related to images of social processes and social structures within a society. This view reveals a linkage of poverty to conflict. For example, the peasantry in Marxist ideology provide a fertile ground for social revolution (Castells 1996).[3]

The implications of the various meanings attached to poverty entail different approaches to social mobilization and protest. By using other common approaches to studying poverty, we can portray this element of social mobilization, protest and conflict. These are the livelihoods, exclusion and rights, human security, and risk and vulnerability approaches. The livelihoods approach classifies household assets into forms of human, social, natural, financial, and physical capital and determines which of these a particular individual is deprived of. This is helpful because it is broader, inclusive and context specific. The exclusion and rights approach occurs when there is denial of civil and political rights (Bhalla and Lapeyre 1997; Galtung 1990). The human security approach indicates a lack of personal safety. The risk and vulnerability perspective stresses the vulnerability of households to risk and the lack of viable economic alternatives (Keen 1998).

The World Bank definition summarizes the various conceptions of poverty described above. Using a basic needs approach the World Bank provides a simple definition of poverty which views the phenomenon as multidimensional and a situation in which people are unable to fulfill their basic human needs as well as lack of control over resources, lack education and skills, poor health, malnutrition, lack of shelter, poor access to water and sanitation, vulnerability to shocks, violence and crime and the lack of political freedom and voice. For ease of comparison, the Bank uses "reference lines set at $1 and $2 per day in 1993 Purchasing Power Parity (PPP) terms (where PPPs measure the relative purchasing power of currencies across countries)."[4]

The extent of poverty around the world is pervasive. According to the UNDP, today, more than one billion people – one person in five – live in abject poverty (*Choices: The Human*

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[2] Cited in ibid., p. 3.
[3] Cited in ibid.
[4] See "Measuring Poverty", *Poverty Net: The World Bank Group* at http://www.worldbank.org/poverty/mission/up2.htm

Development Magazine, March 2003). Africa carries the burden of having the largest proportion of poor people as illustrated by table 1.

Table 1: Incidence of Extreme Poverty

Region	Population below US$1 per day (%)
East Asia	27.58
East Asia (excluding China)	18.51
Eastern Europe and Central Asia	1.56
Latin America and Caribbean	16.80
Middle East and North Africa	2.39
South Asia	44.01
Sub-Saharan Africa	47.67

Source: Chen & Ravallion (2000)

What is Conflict?

Conflict is generally defined as an interaction between interdependent people who perceive incompatible goals and who expect interference from the other party if they attempt to achieve their goal. According Galtung (1996) conflict could be viewed as a triangle with structure, attitudes, and behaviour as its vertices. By structure, he means the conflict situation, the parties, and the conflict of interest among them. Conflict arises where the parties come to have incompatible interests, values or goals. He uses the term attitudes to refer to the tendency for the parties to see conflict from their own point of view, to identify with own side, and to diminish the concerns of others. Behaviour includes gestures and communications, which can convey either a hostile or a conciliatory intent.

When a conflict turns into open combat with at least 25 battle related deaths per year, then it is described as armed conflict. Armed conflicts exist between governments (inter-state) or between governments and armed groups within states or between opposing armed groups (intra-state). Presently, intra-state conflict, the focus of this paper, is the dominant form of conflict in the world in general and Africa in particular. As the table 2 indicates, 30 of the 53 countries in Africa are currently experiencing some form of intra-state conflict.

Even though poverty and conflict are different phenomena which plague different societies, the effect of one on the other has been the subject of much research. In the following section, I will address the relationship between poverty and conflict and vice versa.

Table 2: Conflict-torn Sub-Saharan Africa during the 1980s and 90s

	CENTRAL STATE SERIOUSLY INCAPACITATED DURING CONFLICT	CENTRAL STATE RELATIVELY INTACT DURING CONFLICT
Ongoing or recently-ended large scale conflicts	Liberia Rwanda Sierra Leone Somalia	Angola Burundi Sudan
Previous large scale conflicts	Chad Uganda	Ethiopia Eritrea Mozambique South Africa
New large-scale conflicts (began late 1990s)	Congo DRC Guinea Bissau, Cote d'Ivoire	
Smaller-scale more localized conflicts		Comoros Djibouti Mali Namibia Niger Senegal Zimbabwe
Political violence short of war		Central African Republic Ghana Kenya Lesotho Mauritania Nigeria Togo

Source: Robin Luckham, Ismail Ahmed, Robert Muggah and Sara White, "Conflict and poverty in Sub-Saharan Africa: an assessment of the issues and evidence, *IDS Working Paper 128*

II. THE POVERTY-CONFLICT NEXUS

There is a lot of disagreement about the specific relationship between poverty and conflict. While one school of thought thinks that poverty causes conflict, the other school of thought argues that only the reverse is true. Admittedly, the relationship between poverty and conflict is blurred. I argue that poverty is both a cause and a consequence of conflict. The relationship is two-way: poverty leads to conflict and vice versa.

With the end of the Cold War, the relationship between poverty and conflict has become more evident. As table 3 demonstrates, in 2002, of 63 low-income countries, 38 are located in sub-Saharan Africa and curiously, these are the countries associated with conflict as table 2 illustrates. The African Development

Bank's *Progress Report on Poverty Reduction 1998-2000* (See Table 4), is a further testimony of the links between poverty and conflict. Thus, it is evident from these statistics that there is a tendency for poor countries to experience conflict. The question though is whether poverty per se is sufficient to cause conflict. In the next section, I address this issue.

Table 3: Low-income economies

Afghanistan	Ghana	Niger
Angola	Guinea	Nigeria
Armenia	Guinea-Bissau	Pakistan
Azerbaijan	Haiti	Papua New Guinea
Bangladesh	India	Rwanda
Benin	Indonesia	Sao Tome and Principe
Bhutan	Kenya	Senegal
Burkina Faso	Korea, Dem. Rep.	Sierra Leone
Burundi	Kyrgyz Republic	Solomon Islands
Cambodia	Lao PDR	Somalia
Cameroon	Lesotho	Sudan
Central African Republic	Liberia	Tajikistan
Chad	Madagascar	Tanzania
Comoros	Malawi	Timor-Leste
DRC	Mali	Togo
Congo	Mauritania	Uganda
Cote d'Ivoire	Moldova	Ukraine
Equatorial Guinea	Mongolia	Uzbekistan
Eritrea	Mozambique	Vietnam
Ethiopia	Myanmar	Yemen, Rep.
Gambia, The	Nepal	Zambia
Georgia	Nicaragua	Zimbabwe

Source: The World Bank Group*, Data and Statistics*

Table 4: Human Development Index

COUNTRY	HPI VALUE(1999)	HDI RANK/ 174 1999)
Liberia	---	---
Rwanda	44.2	152
Sierra Leone	----	162
Somalia	---	---
Chad	53.1	155
Uganda	41.0	141
Angola	---	146
Burundi	---	160
Sudan	34.8	138
Ethiopia	57.2	158
Eritrea	44.0	148
Mozambique	48.3	157
South Africa	18.7	94
Congo	30.7	126
DRC	40.0	142
Comoros	29.9	124
Djibouti	34.7	137
Mali	47.8	153
Namibia	34.5	111
Niger	63.6	161
Senegal	45.9	145
Zimbabwe	36.2	117
Central African Rep.	46.1	154
Ghana	29.1	119
Kenya	31.8	123
Lesotho	25.8	120
Mauritania	47.2	139
Nigeria	36.1	136
Togo	38.3	128

Source: African Development Bank *Progress Report on Poverty Reduction 1998-2000*

Does Poverty Lead to Conflict? The Debate and Evidence

Those who dismiss the link between poverty and conflict generally argue that poverty *may* lead to conflict when other factors are present – it is not a sufficient condition, they argue. According to Joan M. Nelson (1998), "the precise links between economic grievances and ethnic conflict are elusive, variable, and strongly conditioned by a wide range of non-economic factors." Nelson cites the work of specialists in conflict and the relevant headings of some of their work which suggest the authors' exasperation: Walker Connor (1994) writes about "The Seductive Lure of Economic Explanations" whiles John McGarry and Brendan O'Leary (1995) in their work on

Northern Ireland, label their discussion “Mammon and Utility: Liberal Economic Reasoning.” For Nelson, Milton Esman’s view is the most emphatic. Esman (1994) notes:[5]

> That such views persist in defiance of the weight of evidence to the contrary suggests that economism is less an explanation than an ideology. To argue, for example, that the Israeli-Palestinian struggle is basically about economic values, or that the Quiet Revolution is mainly about employment opportunities for educated Quebecois, or that Malays are concerned primarily with closing the economic gap [with the Chinese in Malay] utterly trivializes and distorts the meaning and the stakes of these conflicts.

While not completely dismissing the economic argument, Esman notes, “the conditions under which economic distress exacerbates conflict and economic growth mitigates conflict are less apparent.” Esman argues that, for example, strong economic expansion in Canada in the 1960s aroused high expectation from the people of Quebec thereby exacerbating conflict, yet recession in the late 1970s raised doubts about Quebec’s ability to survive as a nation thereby dampening the quest for separation. Similarly, two decades of accelerated growth in Malaysia did not reduce ethnic tension in that country.

In addition other studies have questioned the process of linking poverty to conflict. They reject the empirical measurement of income inequality, which is commonly measured by the Gini coefficient;[6] social inequality, determined by a measure of ethnic or religious fragmentation; and lastly, the indicators of civil war (Justino 2002). Cramer (2001) and Justino (2001) argue that the effort to establish a link between poverty and conflict has been undermined by the difficult, and sometimes, inappropriate country comparisons based on cross-sectional analyses. For example, one of Cramer’s key arguments is that in trying to understand the role of inequality in the production of civil conflict one of the most significant obstacles is the poor quality and weak comparability of the data. On this basis, Cramer questions the confidence in any alleged general pattern linking inequality with obvious economic or political outcomes. In short, these writers argue that poverty is not a sufficient condition for conflict.

However, there are a number of theoretical and empirical studies that have established the link between poverty and conflict. These studies show that poverty, inequality, scarcity of resources and external economic forces all combine to have a destabilizing impact on political stability. These studies can be classified into psychological and economic arguments. I will discuss the psychological arguments before proceeding to examine the economic arguments.

The *frustration-aggression theory* and the *relative deprivation theory* suggest that individuals become aggressive when there are obstacles (perceived and real) to their success in life (van de Goor et al., 1996).

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[5] Milton Esman, *Ethnic Politics* (Ithaca, N.Y.: Cornell University Press, 1994), p. 234 cited in Joan M. Nelson, “Poverty, Inequality, and Conflict in Developing Countries”, *Rockefeller Brothers Fund Project on World Security,* 1998, p. 25.

[6] The Gini coefficient is a number between zero and one that measures the degree of inequality in the distribution of income in a given society. The coefficient would register zero inequality (0.0 = minimum inequality) for a society in which each member received exactly the same income and it would register a coefficient of one (1.0 = maximum inequality) if one member got all the income and the rest got nothing.

Dollard et al (1939), in what became known as the frustration-aggression hypothesis, argued that "the occurrence of aggressive behaviour always presupposes the existence of frustration and, contrariwise, that the existence of frustration always leads to some form of aggression". They defined frustration as preventing the fulfillment of a goal.

Closely associated with the *frustration-aggression theory* is the *relative deprivation theory.* This theory stresses that sometimes people perceive themselves to be deprived relative to others. It is the perception that creates the inter-group hostility, rather than the actual relative status of the two groups. This often happens when conditions improve more slowly for one group than for another. Social psychologists break the *relative deprivation theory* into fraternal deprivation and egoistic deprivation. Fraternal deprivation is the feeling that one's group is deprived relative to another while egoistic deprivation is the feeling that one individual is deprived relative to another. In other words, fraternal deprivation is group and egoistic deprivation is related to individuals. Fraternal deprivation is most closely linked with prejudice, social protest, and nationalism.

These theories are relevant in discussing the relationship between poverty and conflict in Africa. With poor governance structures and unequal access and distribution of economic resources, some segments of the population tend to have better opportunities than others. This inevitably alters power relations and in turn leads to the persistence of poverty amongst certain groups with very serious consequences for social stability. When people perceive that poverty as being inflicted on them, then the frustration-aggression thesis becomes relevant in understanding why men rebel.

I now turn to the economic explanations which have received much attention on the causes of civil wars in developing countries. The prominent studies in this field include Elbadawi (1992) *Civil Wars and Poverty;* Keen (1998) *The Economic Functions of Violence in Civil Wars;* Collier (1999) *Doing Well Out of War;* Collier and Hoeffler (2000) *Greed and Grievance in Civil War;* Easterly and Gatti (2000) *What Causes Political Violence*; and Berdal and Malone (2001) *Economic Agendas in Civil Wars.*

Mostly commissioned by the World Bank, these studies demonstrate that conflicts in Africa and most of the developing world are fuelled by greed rather than grievance. They reject the grievance (political) argument and note that in most instances of conflict, rebel movements do not have any coherent political agenda that they seek to advance. They are only interested in looting the resources of the state and enriching themselves and their disciples. Consequently, Paul Collier argues that the real cause of most rebellions is not the loud discourse of grievance, but the silent voice of greed.[7] Similarly, David Keen argues that civil wars in most developing countries should not be written off as simply "irrational." For him, they constitute more than a breakdown of social order. They are an economic exploitation by segments of the elite whose aspiration has been stymied by competing elites. Most rebel movements in Africa – the National Patriotic Front of Liberia (NPFL), the Revolutionary United Front of Sierra Leone (RUF), and

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[7] Paul Collier does a very good job laying down the grievance and greed narratives of civil wars and arguing in favour of the greed narratives. For this discussion, see Paul Collier, "Doing Well out of War: An Economic Perspective," in Greed and Grievance: Economic Agendas in Civil Wars, Mats Berdal and David M. Malone, eds., 91-112.

the Mouvement Patriotic de la Cote d'Ivoire (MPCI), for example – have no clear political agenda: their leaders are more business executives than political leaders.

But over-emphasizing the "economic" at the expense of the "political" misses the point. Economic arguments by themselves are not enough to explain the complex civil wars raging on in most of Africa. Critics will argue that to dismiss political arguments or grievances is to assume that governments in Africa are "responsible and democratic." Dwelling on only economic arguments as Michael Pugh will argue, "de-legitimizes protest against ethnic discrimination, abuse of rights, denial of education and so on, and it ignores the structures and activities of governments that bring about collapse by suppressing protest "[8] In brief, political arguments continue to provide a very powerful explanation for the emergence of civil wars and should not be easily dismissed.

In addition to the above noted short-comings, these recent theories do not clearly demonstrate the direct link between poverty and conflict since their emphasis is on the greed of disgruntled elites within a society who mobilize young men and women to rebel against the state. However if we think about how it is possible for these elites to easily mobilize large numbers of young people to mount a rebellion, then we can see the role of poverty in most conflicts in Africa. As Collier rightly noted "If young men face only the option of poverty, they might be more inclined to join a rebellion than if they have better opportunities."

Africa faces an uncontrolled population growth resulting in a "youth bulge" with serious security implications. According to the United Nations Population Fund, the average fertility rate for the developed world is 1.5, 5.5 for the developing world and about 6.0 for Africa (UNFPA 2000). These statistics show that while most of the world's population is becoming older, Africa's population is growing younger. Most of these young people are unemployed and live in urban areas with serious social and security implications. In his 1994 *The Coming Anarchy,* Robert Kaplan notes that fifty-five percent of the population of Ivory Coast is urban, and the proportion is expected to reach 62 percent by 2000 and with a yearly net population growth is 3.6 percent, much of Ivory Coast's population of 39 million by 2025 will be urbanized peasants living in slums and shanty town – the "Chicagos" and "Washingtons" of West Africa's urban centres (Kaplan 1994). According to Kaplan, Africa, particularly the Western coast, more than any other world region, will be the theatre where the youth factor will play out with disastrous consequences. Africa, according to Kaplan is becoming the symbol of worldwide demographic, environmental, and societal stress, in which criminal anarchy, overpopulation, resource scarcity and the increasing erosion of nation-states are all emerging as real "strategic" dangers not only to the region but the world community as a whole.

But some analysts reject this bleak view which they characterize as a 'crisis narrative' of the concentration of young and unemployed people in urban centers in Africa. Instead of constituting a threat to society, these "unemployed" people in urban centers rather make up a very important segment of their societies – the informal sector – without which most states in Africa would collapse. The informal sector, simply defined, is any activity not incorporated within the formal market structure. A growing important sector in most of Africa, it accounts for

[8] Michael Pugh, "Peacebuilding and spoils of peace: the Bosnia and Herzegovina experience," *Council for Asia Europe Co-operation (CAEC),* 2001, at *http://www.caec-asiaeurope.org/Conference/Publications/Pughbosnia.PDF*

a third to a half of GDP in most West African countries.[9] According to Maier (1998:196), the sector accounts for "30 percent of employment in Abidjan, 50 percent in Dakar and Lagos and 80 percent in Accra." Young (1994: 291) notes that in places like Sierra Leone and Zaire, the "burgeoning second economy has all but swallowed up the official sphere."

What is clear is that the concentration of young "unemployed" people in urban centers is after all not a security threat as commentators like Kaplan would want to portray it. In fact, the informal sector absorbs most of the "unemployed" in urban centers thereby performing a safety valve function for the state, and in the process, defusing an open legitimacy crisis at a time when economic calamity looms large in many African countries.

Returning to our argument, a close look at some of the hot spots in Africa will reveal that there is a very high correlation between poverty and conflict. In Sudan for instance, the acute poverty of the South compared with the North, as well as the feeling that the Northern-based government was exploiting the region's resources, without any returns to the region, contributed to the outbreak of conflict in 1983 (Copson 1991). Similarly, in Angola and Mozambique, the resentment of the rural people toward an urban elite of partly mixed-race that controlled economic and political power contributed to the emergence of conflict in the two countries. Some analysts are of the view that the participants in many of Africa's violent demonstrations and wars in recent years, have been moved by the poor economic conditions under which they live. Copson, for instance argues that when guerillas join a rebel group, they may obtain food and clothing as well as opportunities for recognition and advancement that are normally unavailable to them in an urban slum or a farming community. This seems to be what is playing out in West Africa, where the numerous rebel movements have become sources of opportunity for unemployed young men. And sadly, the region is slowly being engulfed by what many describe as a regional war.

No discussion about the links between poverty and conflict can be concluded without examining the effects of the IMF/World Bank Structural Adjustment Programs (SAP) in Africa, which many blame as one of the biggest causes of extreme poverty. In the late 1970s and early 1980s, a neo-liberal perspective on development emerged. It was based on the belief that economic growth was a solution to the problem of poverty and the path to growth was the retreat of the state from the economy and the opening up of the economy to free market forces. And SAP was used as the main policy instrument to advance this new thinking.

The standard SAP policy package calls for cuts in government spending, privatization of state owned enterprises and the opening up of the economies of developing countries to foreign investment. After almost two decades of "adjustment" in Africa, the result has been rising income and wealth inequality with more and more populations being pushed below the poverty line. Among other conditions, SAP policies advocate:

- Privatization – SAP policies call for privatization of state owned enterprises to private owners, often foreign investors. Privatization is typically associated with layoffs and pay cuts for workers in the privatized enterprises;
- Cut in government spending – Reductions in government spending frequently reduce the services available to the poor, including health and education services, as well as farm subsidies, etc.;

[9] The World Bank Group, "1996 Abstracts of Current Studies: Domestic Finance and Capital Markets", www.worldbank.org

- Imposition of user fees – Many IMF and World Bank loans call for the imposition of "user fees" – charges for the use of government-provided services like schools, health clinics and clean drinking water. For very poor people, even modest charges may result in denial of access to services. In the SADC region for instance, thanks to SAP health conditions deteriorated during the mid-1990s to levels among the world's worst for under-five mortality, maternal mortality and life expectancy, among others (Bond and Gor, 2003)
- Promotion of exports – Under SAP, countries undertake a variety of measures to promote exports, at the expense of production for domestic needs. In the rural sector, the export orientation is often associated with the displacement of poor people who grow food for their own consumption, as their land is taken over by large plantations growing crops for foreign markets;
- Higher interest rates – Higher interest rates exert a recessionary effect on national economies, leading to higher rates of joblessness. Small businesses, often operated by women, find it more difficult to gain access to affordable credit, and often are unable to survive;
- Trade Liberalization – The elimination of tariff protections for industries in developing countries often leads to mass layoffs. In Mozambique, for example, the IMF and World Bank ordered the removal of an export tax on cashew nuts. The result: 10,000 adults, mostly women, lost their jobs in cashew nut-processing factories. Most of the processing work shifted to India, where child labourers shell nuts at home.

There is little doubt that the impact of some of these measures have had a profound effect on the provision of basic social services to the poor who are always at the receiving end of some these policies. In addition, SAPs, thanks to their conditionalities, significantly diminished the power of national governments to set their own development priorities. The result has been worsening economic conditions in most countries, particularly in Africa. This provoked what has been dubbed 'IMF-Riots' – the gut protests that occurred frequently in most African capitals once IMF/World Bank conditionalities were implemented by national governments. Such riots have been responsible for fall of more than a dozen African governments in the late 1980s and early 1990s, including Kenneth Kaunda in Zambia in 1991 (Bond and Dor, 2003).

But Adjustment *per se* does not lead to poverty. In fact, for many developing and post-Communist countries in the 1980s and 1990s, SAPs represented the only path through which such economies reorient from inward-looking strategies to more open, market-driven models.

In a 1995 World Bank study, *Social Dimensions of Adjustment: World Bank Experience 1980-93*, 144 bank-supported adjustment programs in fifty-three countries from the early 1980s to the early 1990s were reviewed. Two or more national household surveys of income or expenditure were available for thirty-three of those countries. The study revealed that poverty declined in twenty-three of the thirty-three. And most of the countries that failed to reduce poverty also had failed to reestablish macroeconomic stability, while the countries where poverty dwindled were mainly those that did achieve low inflation.[10] According to the Bank, the principal message of the study is that "good macroeconomic policies and measures – combined with relevant sectoral policies and appropriate public expenditure allocation – provide a favorable environment for accelerating savings and investment, both necessary for sustained economic growth and poverty reduction."

[10] See The World Bank Group, "Social Dimensions of Adjustment: World Bank Experience 1980-93", *Operations Evaluation Department Sector Study* No. 1551, January 1996.

What these findings tell us is that SAPs are generally good as policy instruments. But they are only good in so far as the process of implementing them is not compromised. In fact, in most cases, there is evidence that a fair number of governments in developing and post-Communist countries are committed only weakly, or not at all, to adjustment measures. These half-hearted commitments tend to distort the important goal of adjustment – macro-economic stability – without which no country can ever achieve growth. This is a theme that forms part of the discussion in Steven Langdon's (1999) book, *Global Poverty, Democracy and North-South Change.* After examining macroeconomic crises in Ghana, Costa Rica and Kenya and how these countries responded to these crises, Langdon concludes that "The poverty impact of the macroeconomic policy challenge depends less on the IFIs and their conditionality alone, though, and more on Southern governments and their interplay with the IFIs and resulting policy decisions" (p. 158).

In brief, SAPs, where properly implemented led to some reduction in poverty. Poverty situations worsened mostly in countries where the policies were not properly implemented. And it is easier for governments to blame SAPs than their own policy failures.

The Impact of Conflict on Poverty

In this section, I will discuss the impact of conflict on poverty. While there is no denying the fact that conflict has a negative impact on poverty, a number of methodological issues obstruct the effort to demonstrate this connection. Luckham et al. (2001) have identified three key problems. First, lack of reliable data. When war begins, data is usually one of the first casualties. And eventually, because of insecurity and uncertainty, data collection becomes difficult. Second, even where data is available, they tend to be aggregate country-wide figures but since most conflicts are localized, such data may not provide the disaggregation required to analyze the economic and social cost of conflict. Third, is the problem of establishing the appropriate counterfactuals: What would have been the situation without conflict? How different are countries torn by war from those without conflict?

In spite of these difficulties, many analysts have clearly demonstrated how conflict is linked to poverty in a variety of ways. Stewart and Fitzgerald (2001) and Stewart et al. (1997) have done a very good job of laying down both the direct and indirect effects of conflict on poverty. Table 5 demonstrates the impact of conflict on poverty.[11]

The table sets out two useful distinctions. Vertically, it shows four principal ways in which conflict widens the gap between people's needs and their entitlements. These include public, livelihood, social and reverse entitlements. Horizontally, we have direct and indirect impacts. As the table shows there is a negative impact on life chances and livelihood of households and communities as a result of the destruction caused by conflict. In addition, negative results occur because of targeting civilian populations, their assets, networks and social capital. Generally, we can say that growth and social welfare either stagnates or fall because of armed conflict.

[11] The table is adapted from Luckham et al. (2001) based on their study of Stewart and Fitzgerald (2001) and Stewart et al. (1997).

Table 5: The impact of conflict on poverty

		Loss of public entitlements	Loss of markets/livelihood entitlements	Loss of civil/social entitlements	Reverse entitlements/new forms of social inequality
Direct Impacts		Breakdown of public order (military, police etc.) and public infrastructure (hospitals, clinics, schools, etc.)	Destruction/decay of physical capital, communication infrastructure; withdrawal of land and labour force from production (e.g. due to landmines, population displacement)	Destruction of social capital (institutions, values, networks) through population displacement	'Asset transfers': direct appropriation of assets, land, sources of livelihood from vulnerable groups (women and children), displaced populations
INDIRECT IMPACTS	Macro	Growing macro-insecurity of states and regimes. Decrease in state capacity to collect revenue, provide public goods and ensure security. Result – small revenue base and little public expenditure and rising military expenditure to secure the collapsing state	Macroeconomic costs/disequilibria: stagnant or falling GNP, exports, imports; trade, b of p and budget imbalances; hyperinflation and exchange rate depreciation; capital flight; increased debt	Shrinking of civil society and the resurgence of primordial rather than more inclusive conceptions of nationhood and citizenship	Rent-seeking by those with access to state and military power, reinforcing macro-economic distortions and undermining capacities of state
	Meso (sectoral and regional)	Armed groups compete with the state for control. Government limited to the capital and a few urban centres. Distribution of public goods and services skewed on geographical, social and gender basis	Formal economy gradually replaced by regional and local war economies; high risk; market failures; major disparities between war-affected and other regions	Institutions fail to cope with stresses and dislocations induced by conflict (i.e. refugee influx). Heightened competition for resources and conflict between previously co-operating regions/ethnic groups/communities. Self-help becomes the order of the day	New forms of inequality associated with privatization of violence; bribery and corruption by those controlling weapons, transport routes, food distribution, access to aid
	Micro (household and local communi-ties)	Civilians at risk from violence, rape, crime, seizure of assets (e.g. cattle). Diminished access to public services, including health, education, policing etc; hence higher disease, infant mortality, smaller school enrolments, etc.	Worsening economic conditions: unemployment, income, agricultural production, women become breadwinners and men become soldiers	Local communities weakened or destroyed; existing safety nets and coping mechanisms insufficient or break down. Proliferation of vulnerable groups (refugees, displaced, female-headed households, orphans, HIV victims etc.)	Heightened insecurity and exploitation of vulnerable groups. Increased gender violence. Emergence of new groups formerly dependent on war for sustenance. Potential risk to child soldiers, demobilised combatants, war-wounded, prostitutes (HIV)

In their study of *Conflict and Growth in Africa,* Goudie and Neyapti (1999) found that during the conflict in Mozambique, RENAMO rebels deliberately targeted economic establishments, particularly the electricity transmission grid. As a result, hydroelectricity production sharply dropped from 10,7000 gwh in 1980 to a mere 173 gwh in 1986. This brought all economic activities dependent on electricity to halt with serious consequences on people's livelihoods.

In Sudan, the protracted conflict halted many modern agriculture and industrial projects as well as gold exploration activities (Mohammed 1999). Similarly in Chad, Azam et al. (1999) found that persistent conflicts between 1960 and 1995 prevented the exploitation of oil deposits capable of producing at least 10 million tons per year. They argue that this robbed Chad of the opportunity of moving from a poor to a middle-income country. This is based on the prediction that if those investments had been made, Chad's 1997 per capita GDP would have been 80 per cent greater than the reported figure of $160. In the Democratic Republic of Congo, the continuing conflict has had a negative impact on investments in its mining sector (Economist Intelligence Unit May 2000). In addition, there was a sharp decline in exports of major goods since most areas of the country where industries are located were under rebel control. The situation is the same in Angola where the many years of conflict have led to the loss of revenues because of little or no investment in the mining sector. In fact, Collier and Gunning (1999) got it right when they noted that civil war economies are starved of private investments as agents preserve their options during this uncertain period by keeping their assets in liquid form.

III. CONCLUSION: WHAT ROLE FOR PARLIAMENTARIANS?

This paper has demonstrated that the relationship between poverty and conflict is bifurcated. As already discussed, the research on how conflict causes poverty has already received much research attention. Unfortunately, how poverty causes conflict has not received enough attention. This paper is an initial effort to demonstrate this connection. The discussion demonstrated that poverty leads to conflict in direct and indirect ways. The direct ways include the psychological theories of *frustration-aggression* and *relative deprivation;* and the indirect factors include economic arguments that demonstrate that conflicts in Africa and most of the developing world are fuelled by greed rather than grievance. The evidence for the relationship between poverty and conflict is clearly demonstrated in the correlation between low GDP and low Human Development Index and conflict proneness. Data from the World Bank, the UN Human Development Index and the African Development Bank – presented in the discussion have arrived at the same conclusion.

The problem is complicated because the pathways of poverty are slippery. Poverty alleviation is tedious but not impossible if it receives a sharper focus and a stronger commitment from policy makers. While more research is needed on finding the best approaches to alleviating poverty, ***participation*** at the national, regional and local levels provides the best avenue for alleviating poverty and removing its security threat. Given that effective governance is often cited as the "missing link" between national anti-poverty efforts and poverty reduction, the participation of parliamentarians at all levels in the discourse on poverty alleviation in their home governments **is central within the context of the Africa-Canada Parliamentary Strengthening Program.**

From a policy perspective, participation is generally viewed as a process through which stakeholders influence and share control over priority setting, policy-making, resource allocations and access to public goods and services. The goal here is to increase transparency, improve government accountability to the people and ultimately increase the overall governance and economic efficiency of development activities.

In 1998, under the World Bank's Comprehensive Development Framework, the international community placed an emphasis on developing countries directing and owning their development agendas and anti-poverty programs. There was therefore the expectation that governments in developing countries will involve their citizens at every stage in deciding the various strategies necessary for various development activities and most importantly, poverty alleviation. However, at the operational, country level, the term participation is sometimes used without really thinking about its implication – it is used yet as another buzzword in development parlance to give a semblance of the involvement of people in decision making with the sole purpose of satisfying donor requirements.

One thing is clear – donor interest in participation will remain a mirage if not matched by genuine commitment at various country levels. And participation begins with lawmakers. Participation in this case is used to mean not only sitting at the national legislature to talk, it is taken to mean genuine representation of the people by members of parliament. Within the context of poverty alleviation, as the elected representatives of the people, members of parliament in Africa are empowered by the constitution not only to participate in discussions aimed at poverty alleviation but also to hold governments accountable for achieving the objectives set forth in various Poverty Reduction Strategy Papers (PRSPs). It will also encompass involving constituents in the design and implementation of poverty reduction programs.

The governments of most sub-Saharan African countries exclude members of parliament in decisions on poverty alleviation. If elected representatives can be ignored, what happens to civil society groups and people at the grassroots is not difficult to imagine. What all this means is that if poverty reduction is to become a reality, there is the urgent need for parliamentarians to be at the forefront of all decisions on poverty alleviation. This can be done in two ways: first at the national level, members of parliament should be capable of having a hearing – they need to be given the space to make a constructive contribution to the national dialogue on poverty reduction. And since they are a liaison between their constituencies and the executive, they should be allowed to communicate the views of the people they represent. Second, members of parliament should also create the necessary space at the local level to solicit the views of their constituents who should be involved at every level – design, implementation and monitoring – of poverty reduction programs.

In addition to playing a central role in poverty reduction, parliamentarians can also play a very important role in ensuring that other sources of tension in their societies are kept to the barest minimum. They can do this by ensuring that the security sector is under firm democratic control, opening up space for dialogue, strengthening the rule of law as well as increasing the participation of minority groups and women in political dialogue.[12]

[12] For more on this, see Rasheed Draman, "Democratizing Security for a Safer World: What Role for Parliamentarians?", *Discussion Paper for Africa-Canada Parliamentary Policy Dialogue,* Parliament Buildings, Ottawa, September 23-26, 2003.

I conclude by quoting James Gustave Speth: “One hundred and sixty years ago, the world successfully fought against the scourge of slavery. Today, we must all join forces in a new campaign, this time against poverty”.

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