

# The Link Between Poverty and Violent Conflict

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*The threat to the international system from the many forms of violent conflict, terrorism being the most prominent among them, is greater today than it was at the end of the twentieth century. This escalation of global conflict has been attributed to the breakup of the Soviet State, increasing ethnic tensions, weak governance at both the nation-state and international levels, and the rise of religious extremism. Each of these factors contributes to instability and the social tensions that lead to violence. It will be posited here that there is also a significant link between poverty and violent conflict, one that has been largely underestimated by national security analysts.*

*I will argue that a strong correlation exists between conditions of underdevelopment and the various forms of conflict. This suggests that the failure to recognize the link between security and development has reduced the effectiveness of the more traditional methods of preventing or mitigating conflict, that is, the use of military force, diplomacy, intelligence sharing, and international law. Finally, I will discuss new development interventions and improved coordination and policy coherence measures to confront directly the conditions that produce violent conflict.*

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Blessed are the [poor] for they shall inherit the earth.<sup>1</sup>

**T**his biblical aphorism is being realized at an alarming pace. Almost half the world's six billion people live under the poverty line of two dollars a day: 1.2 billion people earn less than one dollar a day and are in the extreme poverty category.<sup>2</sup> By the year 2020, the globe likely will add two billion more people, 95 percent of whom will reside in the developing world.<sup>3</sup> Absent any dramatic shift in policy priorities, the poor may indeed inherit the earth in the lifetimes of most of us.

The implications of these demographic realities for the earth's well-being have many dimensions. They include the loss of forest cover and biodiversity as well as the spread of infectious disease and food insecurity, to name but a few. This predictable population growth will create huge mega-cities as urbanization growth trends in the developing world continue unabated. It will also create an explosion of young

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people in the developing world at a time when the populations of Western nations will be aging dramatically.

Does all of this mean that more violent conflict is inevitable? Some scholars hold that there is no empirical evidence to support the hypothesis that conditions of poverty cause conflict.<sup>4</sup> Pervasive poverty alone is not a sufficient condition to create a major conflict, or even to cause an individual to commit an act of violence. Yet, many studies show that there is a strong correlation between the absence of material well-being and the *prospects* for violence, from crime in inner-city neighborhoods<sup>5</sup> to instability in poor nations.<sup>6</sup>

Sampson, Raudenbush, and Earls, in their 1997 study of neighborhoods and violent crime, examined race and class segregation in poor Chicago neighborhoods and its impact on “collective efficacy,” or social cohesion among neighbors. They found that “alienation, exploitation, and dependency wrought by resource deprivation acts as a centrifugal force that stymies collective efficacy.” The greater the effect of this resource deprivation — a phenomenon the authors called the “concentrated disadvantage” factor — the stronger the correlation to the level of violence.<sup>7</sup>

The study by Sampson and others focused on race and class issues within American society, which, because of its egalitarian ethos, may intensify individual feelings of alienation and exploitation. This may limit the study’s value in examining the effects of poverty in developing nations. But “alienation, exploitation, and dependency” are highly relevant factors there as well. They cause social and political stress both within poor nations and between poor and rich regions, especially in an information age when social and economic discrepancies are more obvious.

Governments in the developing world and donor agencies supporting their development agendas are facing much the same “centrifugal force” referred to in the Sampson study. The report of the Commission on Global Governance entitled “Our Global Neighborhood” was alluding to Sampson’s “concentrated disadvantage” factor when it stated that “absolute poverty provides scant basis either for the maintenance of traditional society or for any further development of participation in civic life and governance . . . unfair in themselves, poverty and extreme disparities of income fuel both guilt and envy when made more visible by global television.”<sup>8</sup>

That awareness of “extreme disparities of income” should cause both guilt and envy should not be surprising. How this relates to the need for “social cohesion” and the political integration necessary for a state to function and to prevent outbreaks of violence are crucial to this discussion. The World Bank report entitled “Breaking the Conflict Trap” argues that an unequal distribution of wealth exacerbates societal tensions and “increases the perception of relative deprivation.” This, in turn, the report states, leads to “perceived grievances and potential strife.”<sup>9</sup> While this referred specifically to the distribution of wealth *within* a nation-state, the widening gap between income in the developed world and the developing world also increases the perception of relative deprivation and has real implications for global governance.

The report on state failure, prepared under the auspices of the University of Maryland by several scholars on behalf of the United States intelligence community, examined the correlation between several development factors and the failure of state institutions.<sup>10</sup> Such failure correlated strongest with three factors: infant mortality rates, fragile democratic institutions, and dependency on imports. Each of these factors contributes to the “centrifugal force that stymies collective efficacy,” to use the language of the Sampson study.<sup>11</sup> Certainly, parents feel deprived when their children are dying of diseases that they know can be treated in the developed world.

Fragile democracies that provide universal suffrage, but do not have the institutional capacity to manage social stress, are clearly vulnerable to collapse. Economies that cannot produce sufficient goods and services internally and service only their elite with imports are bound to have severe distribution of wealth issues. The report concludes: "Empirically the most striking pattern is that civil war is heavily concentrated in the poorest countries . . . . The key root cause of conflict is the failure of economic development."<sup>12</sup>

The condition of poverty may not be sufficient in itself to cause widespread conflict, but these studies clearly show that poverty, more than any other factor, contributes to feelings of "alienation, exploitation, and dependency" and these feelings in turn contribute to a breakdown of social cohesion and to violent conflict. The nations that are most vulnerable to this phenomenon possess an inadequate level of social cohesion in the first instance. Many have top-heavy bureaucratic structures and weak legal systems. Their poorest citizens are often forced to live and work outside the legal framework of their society. As Hernando DeSoto has demonstrated in his research, surviving and protecting one's meager assets in this illegal state (the so-called informal sector), requires considerable guile, alliances with criminal elements, and, frequently, a resort to violence.<sup>13</sup> This need to exist within an unprotected illegal environment coupled with other forms of deprivation, such as food insecurity, environmental degradation, unsustainable urban population growth, and infectious disease, produces antisocial behavior, anger, and desperation.

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### **The Poverty-Terrorism Link**

The link between poverty and terrorism is more difficult to demonstrate than the link between poverty and conflict. Terrorist networks that have operated over the past twenty years have been led by educated people of means. Groups such as the Irish Republican Army, the Basque group ETA, Al Qaeda, and Hamas have been motivated by serious political grievances or extreme religious beliefs, or some combination of both. But scholars who have studied the modus operandi of these groups have observed that they invariably have exploited the conditions of poverty to expand the political appeal of their cause and recruit their foot soldiers.<sup>14</sup> In addition, extremely poor nations have been unable or unwilling to reject these well-endowed organizations and thus have become safe harbors for them.

The U.S. government endorsed this view of the terrorism threat in its controversial National Security Strategy (which also creates a justification for pre-emptive military strikes). In a letter accompanying this new doctrine, President Bush addressed the threats posed by states weakened by failing institutions and poverty:

The events of September 11, 2001, taught us that weak states, like Afghanistan, can pose as great a danger to our national interests as strong states. Poverty does not make poor people into terrorists and murderers. Yet poverty, weak institutions, and corruption can make weak states vulnerable to terrorist networks and drug cartels within their borders.

The effort to defeat or marginalize terrorist organizations must integrate all of the elements of a nation's national security establishment. Military power is necessary, although, as we have seen, it has its limitations. Indeed, misuse of military power can reduce the effectiveness of other instruments. Diplomacy is essential to gain the cooperation of other nations and to enhance the effectiveness of international legal

and enforcement mechanisms. Accurate intelligence information and precise analysis of local situations are also crucial. All of these tools are enhanced when governments are cooperating widely to attack poverty, a significant cause of alienation and anger.<sup>15</sup> Can this be done more effectively under a new paradigm of international development cooperation?

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### **Development for Security**

If we are to take effective action against the conditions of poverty that contribute most to violent conflict, it is first necessary to recognize the constraints we face within governments and internationally. These are quite severe and will require a dramatic change in outlook.

First, there are limited resources available for development. The Development Assistance Committee (OECD) “volume” reports over the past five years have reflected an official development assistance (ODA) level of between \$52 billion and \$58 billion. This worldwide sum seems a healthy amount, but it pales next to the \$478 billion the United States spends on its military budget.<sup>16</sup> In addition, most of this amount is directed at developing nations that are already committed to reform and thus make good partners. Two types of nations are generally excluded as recipients of assistance: emerging economies with large pockets of poor citizens and heavily skewed distributions of wealth, and weak, poorly performing nations.

Second, while donor nations have targeted extreme poverty — the 1990 Millennium Challenge Goals of the UN vow to reduce by one-half the approximately 1.2 billion who earn less than a dollar a day — most of these people are beyond the reach of traditional programs in that they are not part of the formal economy. Traditional development programs are normally implemented through governments, which are reluctant to acknowledge the existence of the informal sector or to change the status quo.<sup>17</sup>

Third, governments tend to place more emphasis on mainstream national security objectives than on development strategies. For example, Western governments are more interested in preserving their industrial base by conserving their access to oil or expanding international trade and investment opportunities.<sup>18</sup> While developing new markets may be a long-range goal, it is difficult for governments that operate on annual budgets to see beyond the horizon.

Fourth, because development objectives are not only secondary to mainstream national security objectives but also are long-term and preventive in nature, there is little incentive to adopt more coherent approaches to the challenge of eradicating poverty. Thus, while limited resources are devoted to development projects, much larger amounts are expended, for example, to subsidize agricultural exports. In addition, international financial decisions taken through the International Monetary Fund tend to emphasize macro-economic stability often at the expense of development or growth strategies.<sup>19</sup>

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### **A New Paradigm**

Overcoming these significant constraints will require an acceptance of the real threat constituted by growing poverty. Currently, the desire to pursue a comprehensive effort that would include development cooperation is absent from the effort to defeat terrorism. Part of the challenge is proper analysis of the threat. The other is a failure to see beyond the current crisis. What is needed is a new “culture of preven-

tion” that will re-order resource priorities and create institutions capable of taking cooperative, preemptive steps rather than waiting for crises to develop.<sup>20</sup>

On the analytical side, what is missing in the current assessments is a development perspective. A study by Canadian Bernard Wood for the Emergency Response Division (ERD) of the UN Development Programme advocated improved analyses of the areas of underdevelopment in nations vulnerable to crises. In other words, areas that are most likely to create social tension and conflict are largely ignored. Development experts are more likely to consider these issues carefully than are traditional intelligence analysts.<sup>21</sup> Early warning systems that incorporate a development perspective could in turn transform decision-making and enable governments to intervene more quickly with assistance in a timely manner.

What types of interventions are most conducive to preventing a state from losing social cohesion and spinning into violent conflict? The world’s bilateral and multi-lateral donor agencies and the United Nations system have undertaken a number of studies in recent years on how best to support global efforts to combat terrorism and to prevent violent conflict. A recent report by the Development Assistance Committee (DAC) of the OECD entitled “A Development Co-Operation Lens on Terrorism Prevention” offers several possibilities.<sup>22</sup> It builds on a 2001 DAC report entitled “Helping Prevent Violent Conflict.” That these helpful reports have received so little attention is a reflection of the limited mindset that characterizes today’s national security establishments.

The premise of the DAC report is that “terrorism is a form of violent conflict and conflict prevention is an integral part of the quest to reduce poverty.” The report points out that development cooperation cannot directly address “all the ‘root causes’ of terrorism,” but it does have an important role to play. “Many conditions that allow terrorists to be politically successful, build and expand constituencies, find recruits, establish and finance terrorist organizations, and secure safe-havens fall within the realm and primary concerns of development co-operation,” according to the DAC report.<sup>23</sup>

The specific interventions recommended by the DAC report are revealing in that they attempt to ameliorate the conditions of “concentrated disadvantage” that the Sampson study suggests contribute most to the unraveling of “social cohesion.”<sup>24</sup> Among the interventions designed to “dissuade disaffected groups from embracing terrorism and other forms of violent conflict” were the following:

- Support community-driven development to build the capacity of communities to resist extreme religious and political ideologies based on violence. Encourage intra- and inter-faith exchanges
- Help build effective and responsible media and public information strategies as powerful tools to prevent violence
- Give greater attention in donor programming to young people’s job opportunities and education to prevent the emergence of fragile, disenfranchised youth
- Support democratization and modernization from within local value systems to reconfirm and build the beliefs of societies
- Stay engaged and work in fragile, conflict-prone societies *no matter how difficult the partnership may become* (my emphasis)
- Strive to make globalization an inclusive process, which will help reduce support for terrorism. *This requires an increased aid effort as well as greater policy coherence* (my emphasis).<sup>25</sup>

This and other reports by development professionals have been largely ignored by governments that are otherwise seized with concern that violent conflict and terrorism are threatening the international system. These governments, most prominent among them being the United States, have responded to terrorist threats by increasing defense spending and by attempting to build elaborate homeland security systems.

The United States government, which takes the lead in the war against terrorism, is very poorly organized to employ development assistance as a preventive tool. Its Agency for International Development possesses the core of knowledge and experience, but it is not at the cabinet level and often is not able to influence policy decisions. Furthermore, many U.S. government departments and agencies expend resources on development, but they pursue their domestic mission, have no overseas presence, and implement programs with great difficulty and little effect.

As has been mentioned, there is also little coherence in the approach of the United States, and often its policies on trade and finance run directly counter to its development objectives. There is a clear need for a new cabinet-level Department for International Development Cooperation that would be built on the foundation of USAID's professional staff and would coordinate all U.S. development activities including oversight of the UN voluntary agencies and the World Bank. The secretary for this new department would also have a stronger voice on development policy vis-a-vis the Treasury and Commerce departments and thus contribute to a more coherent approach to the development agenda.

The international community cannot wait long for enlightened American leadership in this crucial area. It is becoming overwhelmed with crises of varying degrees of seriousness. What does this mean for the next two decades when the population of the world's poor will grow exponentially?

The international architecture created after World War II has served the world for over fifty years. The institutions and legal regime are already overtaxed. There are now four times as many nation-states as there were in 1945 and numerous radical groups who pursue their objectives without regard for sovereignty, international law, or institutional frameworks of any kind. The global community is suffering the loss of "collective efficacy." This situation can only grow worse as the number of the world's poor increases.

It is long past time to acknowledge the link between poverty and conflict and to act on it. Accepting that poverty contributes to violent conflict will lead to an inevitable choice: to target development strategies to prevent the disintegration of social structures and trade and finance policies that promote development. If we cannot muster the political will to address the poverty-conflict connection, we will condemn future generations to global class warfare, as an ever-contracting Western world confronts an expanding and increasingly violent developing world. Z

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## Notes

1. Matt. 5:5 (King James Version), with original *meek* replaced by *poor*.
2. The World Bank Group, Global Poverty Monitoring home page (this data base, while improved, is still dependent on imperfect country-generated information).
3. J. F., Richard, *High Noon*, (New York: Basic Books, 2002).
4. K.Von Hippel, "The Roots of Terrorism: Probing the Myths," *Political Quarterly*, 73 (August 2002): 25-39.

5. R. J., Sampson, S. W. Raudenbush, F. Earls, "Neighborhoods and Violent Crime," *Science*, 277 (1997): 918-24.
6. J.A. Goldstone, T. R., Gurr, B. Harff, and others, "State Failure Task Force Report, Phase III Findings" (preliminary results presented at Science Applications International Corporation, MacLean, Va., June 14, 2002). Retrieved October 13, 2003 from: <http://www.cidcm.umn.edu/inscr/stffail/SFTF%20Phase%20III%20Report%20Final.pdf> October 2003.
7. Sampson and others, "Neighborhoods."
8. *Our Global Neighborhood: The Report of The Commission on Global Governance* (Oxford: Oxford University Press, 1999); E. C. Powell and R. R. Tanz, "Child and Adolescent Injury and Death from Urban Forearm Assaults," *Injury Prevention*, 5 (1999): 41-47.
9. Powell and Tanz, "Injury and Death."
10. Goldstone and others, "State Failure."
11. Sampson and others, "Neighborhoods."
12. Goldstone and others, Injury and Death."
13. Hernando DeSoto, *The Other Path* (New York: Basic Books, 1989), 131-87.
14. Von Hippel, *Roots of Terrorism*.
15. J. B., Atwood, "Foreign Assistance: The Fourth Dimension in the War Against Terrorism" (lecture presented at the Kennedy School of Government, October 23, 2001).
16. "Fiscal 2004 DOD Budget Release," Defense LINK, home page online available from [http://www.defenselink.mil/news/Feb2003/b02032003\\_b+44-03.html](http://www.defenselink.mil/news/Feb2003/b02032003_b+44-03.html); Internet; January 5, 2004 (the DOD appropriation for FY-04 was \$391 billion; the \$478 billion amount includes the \$87 billion supplemental for Iraq).
17. DeSoto, *Other Path* Basic, 131-87.
18. M. Klare, *Resource Wars: The New Landscape of Global Conflict* (New York: Metropolitan Books, 2001).
19. J. Stiglitz, *Globalization and Its Discontents* (New York: Norton, 2002), 214-52.
20. J.B. Atwood, "The Development Imperative: Creating the Preconditions for Peace," *Journal of International Affairs*, 55 no.2 (Spring 2002).
21. B. Wood, *Development Dimensions of Conflict-Prevention and Peace Building* (Ottawa: Wood, 2001).
22. "A Development Co-Operation Lens on Terrorism Prevention" (OECD/DAC report. retrieved October 16, 2003, from <http://www.oecd.org/dataoecd/17/4/16085708.pdf> October 2003.
23. Ibid.
24. Sampson and others, "Neighborhoods."
25. "Development Co-Operation Lens."

