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Why they fight:
An Alternative View on the Political Economy of Civil War and Conflict Transformation*

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* The views expressed in this article do not in any way reflect the position of ECOWAS, but purely that of the author.

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1. Introduction

I read with great attention *The Political Economy of Civil War and Conflict Transformation* by Karen Ballentine and Heiko Nitzschke. Quite a few jaded observers of writings on war economies tend to view similar analyses with scepticism, amusement or even consternation. I do not have any of those emotions to this article. I sincerely think that it is an interesting endeavour, which will undoubtedly contribute to the body of work on conflict issues. The authors have provided a succinct overview of major debates on the issue, including policy development.

Similarly, it is always interesting to read work that attempts categorisation of social phenomena into neat and pat theories, which are then rigorously analysed. Undoubtedly, there is great merit to this approach, look at the achievements that result from thinking and working in this manner. But can different, and sometimes unrelated, phenomena really be observed, compared, analysed, characterised, and solved using this approach?

As we all know, conflicts are dynamic in nature and difficult to capture through linear analysis. How effectively does theory relate to on-the-ground lived practice and move from the theoretical realm to practice? Or do we stop at theory's use being merely to theorise? How closely do our theories approximate reality? How useful are these theories to the real phenomena of conflicts and the need to mitigate them, especially as we are dealing with real flesh and blood people with needs and feelings? Do our theories and research serve real policy purposes? This, to me, seems to be the crux of the matter. Of course a rebuttal could be that theories only serve as the laboratory for practice, and that analysis is the process of achieving the intended outcome: to mitigate or ameliorate sufferings caused by conflict.

I suspect most people who work in this field must at times agonise over the usefulness of their theories in the face of, nay, increase in violent conflicts in several parts of the world. So can it be that we are asking the wrong questions and doing the wrong analyses or that we fail to order our thoughts in such a manner as to address the real issues? For example, as much as the nascent study of the role of economics in conflict is valuable, it continues to baffle several people why it has suddenly gained preponderance and focus. Karen Ballentine and Heiko Nitzschke, too, acknowledge that disagreement exists as to how it matters, and how much (Ballentine and Nitzschke in this volume, 2). This is particularly striking since control over economies is one of the goals of securing political power, for good or for bad, as any politician in any part of the world will tell you. I had the privilege in 2001 in London to have sat through a presentation given by one of the earliest and major proponents of the 'greed and grievance' theory. I listened to the stunning and sweeping conclusion that conflicts are really a result of greed! Cynics will say that perhaps this emerging field is yet another opportunity for experts to be born or for the furtherance of particular academic or political interests.

This comment therefore asks if the political economy perspective – by focusing largely and narrowly on the economic activities of 'rebels' and, to some extent, 'governments' – truly offers an understanding of the dynamics of conflicts. It also asks if it can possibly point towards future useful policy directions, particularly in understanding the impact of war economies on peace building activities.

It seems to me that the crux of the matter is that causes, nature, dynamics, and impact of conflict are highly complex, and that the political economy perspective is 'reductionist' in its attempt at examining these. Conflicts, as we all know, generally are the result of the interplay of a multitude of intervening variables. In my opinion, to give the role of economics an exaggerated role as the main motivation for conflict is not only to ignore the realities of those involved in conflicts, but also to ignore past work done by sociologists, anthropologists, and political scientists. Gravest of all is to dismiss a complex interaction of physical, psycho-social, political, and economic issues, and to label those who are constantly faced with the dilemma of resorting to conflict as being motivated only or mostly by 'greed'. This is not to completely foreclose the issue of 'greed' as playing a role in conflict. The question is, whose greed, how, when, and where? I will come back to this question below when I discuss the dynamics of war economies.

Therefore, this short article takes an alternative view on the causes, nature, and dynamics of conflicts and also an alternative view on the nature, characteristics, impact, and role of war economies. I close with a brief postulation of policy recommendations. Most of these recommendations are, in my opinion, self-evident and logical consequences stemming from an understanding of the dynamics of West African conflicts. Most of the policy recommendations are also freely available in the existing literature, particularly in the work of some non-governmental organisations and several Africanists.

2. Typologies of West African Conflicts

Despite the difficulty of drawing up broad categorisations, perhaps what could be called common characteristics in places that are conflict-afflicted in West Africa are such factors as: violent suppression of dissent, bad governance, military intervention in politics, lack of political and economic accountability, inequitable distribution of resources, and uneven development between the regions and ethnic communities. These conflicts have tended to straddle borders and exhibit what are now known as sub-regional dynamics and implications.

Encapsulating the variables of conflicts in West Africa and categorising them is a difficult task, made more difficult by the distinctiveness of particular conflicts and the possible ideological interpretations and perceptions that can influence such categorisation. However, one could discern objective conditions that create discontent which fuels wars in West Africa (Mkandawire 2002). These objective conditions by the nature of their manifestations are the causes that define these conflicts. The new trend to increasingly focus on the means of financing these conflicts, coupled with the failure of the conflict perpetrators to coherently articulate and achieve their objectives and war aims, has progressively led to a discourse to find 'rational' arguments to dismiss the politics of such movements (ibid.). This inclination has sometimes led to frightening interpretations including purely economic ones, instead of a hard look at an amalgamation of factors. These factors differ in their level of significance, and often underpin or counteract each other.

I would propose that *identity/ ethnicity* and *nation building* are broad typologies that more accurately than war economies encapsulate some of the causes of conflict in West Africa. These

typologies are an amalgamation of the work of various scholars, trends and developments in conflict resolution and do not claim to exhaust the list of typologies. In any case, several works already exist on this matter. The incidents of wars in Africa, while they may vary, generally fit into global models. (Compare for example Collier and Hoeffler 2000, Furley 1995, Clapham 1998, and the February 2002 issue of the Journal of Conflict Resolution.)

A conflict can occur where a group with strong affiliation feels threatened. This affinity can take several forms, including ethnicity or religion. The question of identity/ ethnicity then becomes an issue. The conflict could manifest itself in wars of internal self-determination, self-preservation and self-assertion, wars against exclusion and wars for self-autonomy (none of these categories are considered valid under a purely economic interpretation). Examples in West Africa can be found in Nigeria, Liberia, Côte d'Ivoire and Sierra Leone. It should be stressed that it is not being said that identity/ ethnicity is the sole cause of conflicts in these countries, but rather that several factors cause conflicts and this is one. Needless also to say that it is not inevitable that there would be conflict in a location with a strong identity or ethnic crisis.

Numerous countries in Africa are faced with the onerous task of *nation building*. Little significance is given to this cause, except by Africanists. Nevertheless, it is crucial to understanding conflicts in several parts of Africa. This has its origin in the colonial history, heritage of the colonial state constructs. The unfinished task of nation building that impinges on the state's political, social and economic existence leads usually to a crisis of governance, corruption, lack of livelihood opportunities, and then violent conflict. In the case of West Africa, this has not included crises over land with current descendants of 'settlers' as in Zimbabwe and, potentially, Kenya, Namibia and South Africa, since the nature of West African colonialism and the manifestation of its legacy differ.

In all of these conflict configurations, the intention of the perpetrators is simple: to gain primacy, not only over their lives, but also over the politics and economy of their terrain, for the simple reason that control over the political and economic landscape fulfils their aspirations. Resources then become a tool, rather than the end in itself. In a somewhat perverse and atrocious manner, a combatant once told me that violence and conflict were the same as the process by which politicians in 'developed' countries acquired power by 'civilised' means and then dominated and controlled their economic and political landscape.

Finally, using econometric indicators to arrive at particular conclusions in an analysis of the causes of war is not an exact and precise science, and can be utilised to justify or disprove a desired position. An example is the situation in Liberia before 1979, where, in 1972, private American investment totalled over $500 million, the largest in sub-Saharan Africa. Liberia had a thriving iron ore export industry, about the third largest in the world. It also had other natural resources such as diamonds, timber, etc. The GDP per capita was $420, and Liberia was listed as middle-income country by the World Bank. Looking at available economic data, Liberia seemed stable and well. However, Liberia had to withdraw some of the subsidies on rice, the staple food in the country, to meet, among other things, payments to the London and Paris Club, which Liberia owed money. The subsequent riot, which followed the withdrawal of the safety net of subsidies, could be said to have been the first event in a series that has led to the present conflict situation in West Africa, since Liberia has been called the epicentre of the conflicts in West Africa. It is easy to say that the conflicts in Liberia were caused by only the economic factor of the withdrawal of subsidies, but that would be disingenuous. The Liberian war was as a result of a complex interplay of political, social and economic factors, not only economic ones.

3. The Dynamics of War Economies

Still, the significant role that economics play in conflict can be vividly demonstrated, but in a different way from the 'greed and grievance' school of thought. (For a particularly interesting response to that theory see Mkandawire 2002.) This is more poignant in the 'new' wars, where states are defined as collapsed or failed and violent conflict ensues between warring factions to acquire and control state resources, appropriating state authority for personal use.

In these new wars, economics do play a preponderant role. This role, though, has more to do with neo-classical paradigms of development. Perhaps a rigorously alternative perspective and focussed study of this correlation could offer useful alternative policy directions.

As a report puts it: "Recent scholarly research has also begun to shed new light on the links between Structural Adjustment Programmes (SAPs) and the incidence of conflict and disorder. Although the crisis in Somalia and the genocide in Rwanda were largely attributed by the international media to 'clanism' and 'ethnicity', Michel Chossudovsky (1996) puts part of the blame on the draconian economic policies of the IMF and the World Bank which removed all official economic safety nets and left the Rwandan economy in shambles after the collapse of the international coffee market in the late 1980s. With the price of coffee plummeting and the Rwandan franc repeatedly devalued, the general population was left destitute and impoverished. This, according to Chossudovsky, created conditions in which power hungry officials and leaders could sow the seeds of civil war and genocide. Hatred, which in a prospering economy could not and would not have surfaced, soon became apparent and was followed by the collapse of civil society. […] It should be obvious by now that it is often the absence of justice that is the principal cause for the absence of peace. Any economic reform programme that denies human dignity is likely to be resisted by those who are being victimised. It is also likely to lead to further conflict and human misery." (Report by the Independent Expert, Professor Fantu Cheru, 1999, UN Doc. E/CN.4/1999/50.)

Observers in West Africa have also linked the conflict in Côte d'Ivoire to the fact that the economy of that country was intensely susceptible to the whims and caprices of international financial institutions, particularly the global commodity cartels. When the price of its main export, cocoa, declined, and economic safety nets disappeared, ethnic alignments became the only remaining 'safety net' for survival.

In Nigeria, several ethnic conflicts boil up regularly, centring around economic issues – not in the sense of 'greed and grievance' but usually around the distribution of wealth. Withdrawal of subsidies on the advice of international financial institutions, particularly on petroleum products, has consistently increased tensions, with potential for further escalation into full violent conflict. In fact, a number of under-reported low intensity conflicts are already going on in several parts of the country, whose causes centre on the distribution of resources, inefficient governance, and withdrawal of subsidies.

As John Steinbruner and Jason Forrester (2004) say, the pattern of growth associated with the process of globalisation has so far been inequitable. Concentrations of wealth have increased throughout the world. Standard of living improvements have disproportionately benefited the top 20 percent income bracket. In many areas of endemic economic austerity that have emerged in the uneven pattern of globalisation the ability to preserve social coherence and thereby to control violence is already very seriously at stake. So, yes, economics do matter, but the question is in what direction and what kind of economics?

For whatever reason, analysis and discourses on war economies skirt around the

importance and supporting role of the international dimension. The supply side of commodities, for example diamonds, is always studiously analysed, paying scant attention to the demand side. With the exception of NGOs like Global Witness, Oxfam, and some others, most academics tend to give little attention to this, too. While, at the same time, in the case of small arms the demand side is scrupulously attended to but not the supply side. (No doubt there are political and economic considerations imposed on researchers dependent on and constrained by funds from players who are themselves influenced by these very suppliers?) Africanists have always wondered why arms exporting countries could not simply clamp down on illegal arms' sales, or control more vigorously their 'legal' arms export. Some have suggested in exasperation that if only the means were available 'Third World' NGOs would have embarked on 'programmes' in those countries to dissuade arms' exports. Very little arms production is carried out in Africa and, similarly, very little consumption of diamonds happens in Africa. One can make the bold statement that war economies are truly globalised economies. The connections and contacts between war elites in Africa and the internationals who aid, abet and sustain war economies in one form or the other need to be given more attention in work on war economies. Perhaps studying this variable could offer policy recommendations for countries of both supply *and* demand.

Even if 'greed and grievance' theories miss the role of internationals and the role of neo-classical development paradigms in wars, the valid and legitimate question of the possible connection of criminality and war still remains. Are wars being fought to acquire resources criminally, therefore transforming struggling economies into war economies, as is asserted?

Boldly stated, what Karen Ballentine and Heiko Nitzschke describe as "distinctive features of War Economies" (Ballentine and Nitzschke in this volume, Box 1) constitute the nature of the economies of quite a number of developing countries, such as informality, cross border trade relying on ethnic contacts, and control of resources and assets by an elite group. Perhaps this is exactly what is wrong with the economies of Africa! "Combat economy", "shadow economy" and "coping economy" are terms which, if we must use them, describe in one breath a 'normal' undeveloped economy that becomes transformed into a 'survival and free for all' economy in the atmosphere of increased anarchy in a situation of escalating conflict. These conditions, however, do not universally justify the label of war economies, as even in peace times similar economic relationships and situations exist. Of course, in any extreme situation – such as a war – the negative consequences of these arrangements become accentuated.

Similarly, "lootable" and "unlootable" resources have always been available in several conflict zones, e.g. Liberia and Sierra Leone. The question to be asked is why it is that now, at this moment in time, they have become resources to be fought for and controlled by warring factions? Perhaps the answer lies in the simple fact that a generation of combatants who did not live under direct colonialism and the dynamics it unleashed –including the succession to political power by certain favoured groups after flag independence who continued the marginalisation of the people – has now grown up and wants a better quality of life in all ramifications. The chickens have simply come home to roost. The tension, after evolving through several phases, including the awakening of the (false) consciousness of the masses, now results in violent conflicts.

Further, care has to be taken in accepting automated policy implications of a classification into 'lootable' and 'unlootable' resources. The example of Sierra Leone in relation to Botswana cannot be used to arrive at a general principle without taking into consideration the different political history and demography of the two countries, which have largely shaped their situations. Also, if the logic of 'lootable' and 'unlootable' is utilised, oil in Nigeria requires heavy drilling and is thus unlootable, yet Nigeria is rife with conflicts.

Finally, could the problem of conflict, particularly its economic dimension, be attributed to situations, as Karen Ballentine and Heiko Nitzschke say, "where corrupt, exclusionary, and unaccountable governments fail to adequately share the resources generated or provide adequate public goods and services, [so that] a sense of economic deprivation may fuel other local resentments and feed separatist violence…" (ibid., 5)? Resulting in the combatants believing that they can share and provide these resources, goods and services themselves – and not being merely criminally motivated?

4. Areas of Exploration for Policy Formulation

More studies and research are needed. Such studies require a better understanding of the context and dynamics of war situations and they must realign themselves with good and appropriate work done in the past. An illustration of the need for better socio-economic contextual understanding can be found in recent DDR programmes in certain parts of West Africa. Ex-combatants in two contiguous parts of West Africa were to be paid disproportional amounts in a DDR programme run by the UN. The decision for this was made based on (economic) statistics provided by international development agencies, showing that the standard of living in one country was higher than in the other. Obviously, ex-combatants in the poorer country would rather go to the better-off country to disarm. It would be obvious to the discerning interlocutor with good contextual understanding that, with this kind of arrangement, the DDR programmes in both countries are booby trapped from the start. Therefore, policies must be grounded in real understanding of the context. If the search is only for ground-breaking theories, they will not be very useful to those affected by conflicts.

Further studies of the following issues could guide more holistic and comprehensive policy prescription on the economic dimensions of war, and particularly on mitigating violent conflicts and their impacts:

- The economic dimensions of wars should be analysed not only from the reductionist perspective of lootable and unlootable resources. There should be more concentrated and in depth research on the linkages between Structural Adjustment Programmes, neo-liberal economic measures and conflict or peacebuilding.
- The economic dimensions of wars should include critical analyses of the roles of suppliers of arms and consumers of resources, such as 'conflict' diamonds. The role of multinational corporations and internationals in business and conflict needs to be revisited.
- The effects of anonymous banking in the international banking system and the recovery of money stashed abroad by warlords and corrupt leaders need to be sorted out. There is a need to make clear categorically to conflict entrepreneurs that war or corruption do not pay, and that even if the loot is stashed in the 'developed' world, it would be recovered and returned.
- An analysis of the impact of natural resources on conflict dynamics is required (Ballentine and Nitzschke in this volume, 5), rather than the other way round. We should not apply the linkages *ex post facto*, as ethnic linkages and political dimensions could also be part of the configuration (whether the presence or absence of resources fuels the war is another matter).
- It is necessary to develop better contextual knowledge of the dynamics of the war situation, including socio-economic factors.
- The issues of youth unemployment and availability of livelihood opportunities to all need to be given greater consideration in an analysis of the economic dimensions, beyond merely the DDR stages. At the opening of the African Union Extraordinary Summit of Heads of Governments on

employment and poverty alleviation in Africa, on 8 September 2004 in Ouagadougou, Burkina Faso, the Director General of the International Labour Organisation described unemployment, underemployment, the working poor, and unaccounted workers in the informal economy as the world's biggest security risk.

- The incorporation of explicit economic agreements into peace agreements could assist in quickly ending wars and in peace building. The ECOWAS sponsored Comprehensive Peace Agreement for Liberia in Accra, August 2003 could serve as an example. There, such issues were addressed, including the establishment of a Contracts and Monopolies Commission to oversee the award of contracts, sound macro-economic policies, etc.
- We need to look at the role of the dichotomy of urban vs. rural areas dichotomy. The vanguard of conflicts is usually an urban-based elite (Mkandawire 2002, 191ff) – and those who suffer most as civilians or combatants are the rural poor.
- The developmental question needs to be taken into the equation. The issues of 'development', infrastructure, and the provision of goods and services need greater attention.
- An integration of programmes offering livelihood opportunities into *all* conflict transformation activities needs to be put into practice.

5. Conclusion

To treat and isolate the war economy as a special category for the purpose of policy formulation, particularly à la 'greed and grievance', would be, in my opinion, diversionary and a waste of resources. No one is dismissing the economic factor as unimportant. But to reduce the cause of conflict to simply a question of warlords fighting over the spoils of war for self-enrichment and to assume that wars can only continue as long as they are financially viable is not correct. From the earliest records of human societies, warfare has been both an organising force and a prime source of political motivation (Steinbruner 2000). The fact that warlords fight and loot is not a new phenomenon, history is replete with it. Obviously, stopping access to funds (and arms) is important in managing conflicts and this in itself seems elementary enough. To now focus so much attention on these 'spoilers' and the dynamics that they are purported to unleash with a view to new policy formulation seems not very promising.

Perhaps I read it wrong, but at times it appears to me that Karen Ballentine and Heiko Nitzschke on one hand agree on the obvious limits of the 'greed and grievance' theory (Ballentine and Nitzschke in this volume, 3,4,5,17), yet on the other occasional hand give credence to the theory, albeit in a new 'skin' (ibid., 5-10). I agree with their conclusion that war economies need to be dismantled, and that the path to peace is breaking the conflict trap of poverty, poor governance, and violence. The authors continue that there remain many unanswered questions as to when, how, and by whom measures might be best integrated into peace implementation efforts. To this I would like to add the need to give greater emphasis to the role of internationals and its relationship to conflicts.

The role of economic factors and resources in conflicts is not very complicated; they simply fuel the wars and provide means for their sustenance. They are not the sole reason why conflicts arise. Their impact on peacebuilding activities can be discerned by understanding them as a trigger for wars in a situation where limited economic opportunities exist for those who make up the bulk of combatants. Let us not build new theories and new experts on this matter. Our policies and theories must be grounded in reality and a deep knowledge of the context we deal with, rather than a 'one size fits all' theoretical approach.

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For more information on the campaign see: www.niza.nl/fataltransactions.

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