

DEVELOPMENT CONSEQUENCES OF VIOLENT CONFLICT...

<b>Zero</b>	No low income fragile or conflict-affected country has yet achieved a single Millennium Development Goal.
<b>20 percentage points</b>	Poverty rates are <b>20 percentage points</b> higher in countries affected by repeated cycles of violence over the last three decades. Every year of violence in a country is associated with lagging poverty reduction of nearly <b>one percentage point</b> .
<b>1.5 billion</b>	<b>1.5 billion people</b> live in countries affected by organized violence, either currently or recovering from political violence, fragility and/or high levels of homicide
<b>2, 1½ &amp; 3 times</b>	People living in countries currently affected by violence are <b>twice</b> as likely to be undernourished and <b>50 percent</b> more likely to be impoverished. Their children are <b>three times</b> as likely to be out of school
<b>42 million</b>	<b>42 million people</b> (roughly equivalent to the entire population of Canada or Poland) are displaced today as a result of conflict, violence or human rights abuses. Of these, 15 million are refugees outside their country and 27 million are displaced internally within their own country.

MOTIVATIONS FOR VIOLENCE ...

<b>43 %</b>	Countries with recent human rights abuses are far more likely to experience conflict than countries with a strong history of respect for human rights. Each <b>one-step deterioration</b> on the five point Political Terror Scale—which measures arbitrary detention for nonviolent political activity, torture, disappearances, and extrajudicial killings—resulted in a more than <b>43 percent</b> increase in the risk of civil war in the following five years.
<b>30 - 45 %</b>	Countries with weak government effectiveness, rule of law, and control of corruption have a <b>30 - 45 percent</b> higher risk of civil war, and significantly higher risk of extreme criminal violence than other developing countries.

REPEATED AND INTERLINKED FORMS OF VIOLENCE ...

<b>90 %</b>	<b>90 percent</b> of civil wars in the 21 <sup>st</sup> century occurred in countries that already had a civil war in the previous 30 years.
<b>Double</b>	In Guatemala, criminal violence today kills more people every year than the civil war in the 1980s did. In fact, intentional homicides are <b>nearly double</b> the average battle deaths directly from the civil war in the 1980s.

**\$153 billion**

The global trade in cocaine and heroin, which are largely produced in countries affected by conflict and violence, is valued at **\$153 billion**<sup>1</sup>. The drug trade is the largest income component of global organized crime and is roughly comparable to the global total of official development assistance (ODA, which equaled \$110 billion in 2010).

#### CONFIDENCE BUILDING AND INSTITUTIONAL TRANSFORMATION ...

**15 - 30 years**

Realistic timetables: It took the 20 fastest reforming countries in the 20<sup>th</sup> century between **15 and 30 years**—a generation—to raise their institutional performance from very fragile to more resilient levels. Specifically, it took 17 years on average to reduce military interference in politics and 27 years to establish rules-based controls against corruption.

**244**

Avoiding overload: Between 2001 and 2009, the Government of Afghanistan passed **244** laws, legislative decrees, regulations, and amendments, additions and repeals of laws and regulations. In addition, the government has entered into 19 charters, conventions, agreements and protocols.

#### INTERNATIONAL AID AND GLOBAL GOVERNANCE ...

**Zero**

The Millennium Development Goals make **no** reference to citizen security and justice, yet these are key expectations of people in fragile and conflict affected states.

**Twice as volatile**

Aid volatility is a major problem for institution building: Over the last 20 years, on average, a country with 20 years of violence experienced **twice the volatility** in aid flows of a country that did not experience violence. Revenue volatility has considerable costs for all governments, but particularly for fragile situations where it may derail reform efforts and disrupt institution-building.

**> 1 year and > 3 years**

Short project duration may undermine the building of resilient institutions: According to a European Commission study, **63 percent** of all donor projects in Cambodia have a duration of less than three years, and more than a third of all projects have a duration of less than a year.

**17 vs. 455**

Legal agreements that set standards for responsible national leadership have become more complex over time. The 1948 UN Convention Against Genocide has **17** operative paragraphs whereas the 2003 Convention Against Corruption has **455**.

#### CONFLICT SPILLOVERS...

**\$5.7-\$11.2 billion**

Maritime piracy is estimated to have direct economic costs of between **\$5.7 billion** and **\$11.2 billion**, including ransoms, insurance and re-routing. Global efforts to contain and deter it are estimated at between **\$1.7** and **\$4.5 billion** in 2010.

<sup>1</sup> United Nations Office of Drugs and Crime, 2010

**0.7 %** | The economic spillover effects for countries affected by conflict are often huge. Countries lose an estimated **0.7 percent** of their annual GDP for each neighbor involved in civil war.

**15 %** | In the 4 weeks following the beginning of the uprising in Libya, global oil prices increased by **15 percent**.

### HOW VIOLENCE IS CHANGING ...

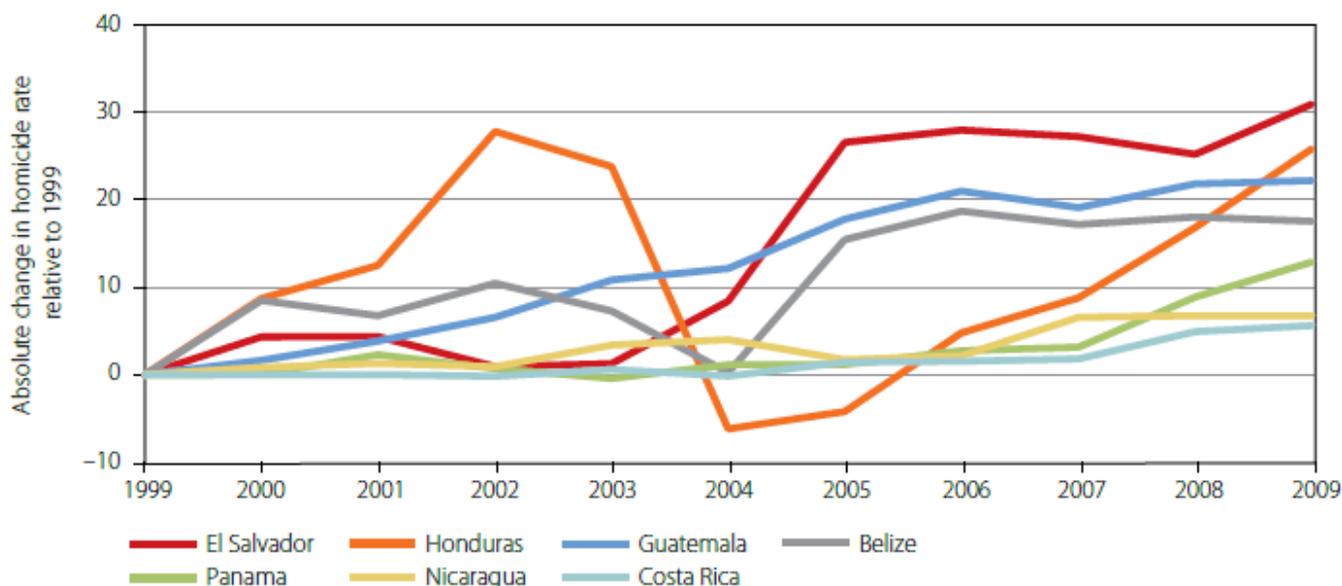
**Violence often recurs:** Few countries are truly “post-conflict.” The rate of violence onset in countries with a previous conflict has been increasing since the 1960s; every civil war since 2003 was in a country with previous civil war.

Decade	Violence onsets in countries with no previous conflict (%)	Violence onsets in countries with a previous conflict (%)	Number of onsets
1960s	57	43	35
1970s	43	57	44
1980s	38	62	39
1990s	33	67	81
2000s	10	90	39

Sources: Walter 2010; WDR team calculations.

Note: Previous conflict includes any major conflict since 1945.

**Organized criminal violence threatens peace processes:** Homicides have increased in every country in Central America since 1999, including those that had made great progress in addressing political conflict—and this is not unique; countries such as South Africa face similar second generation challenges.

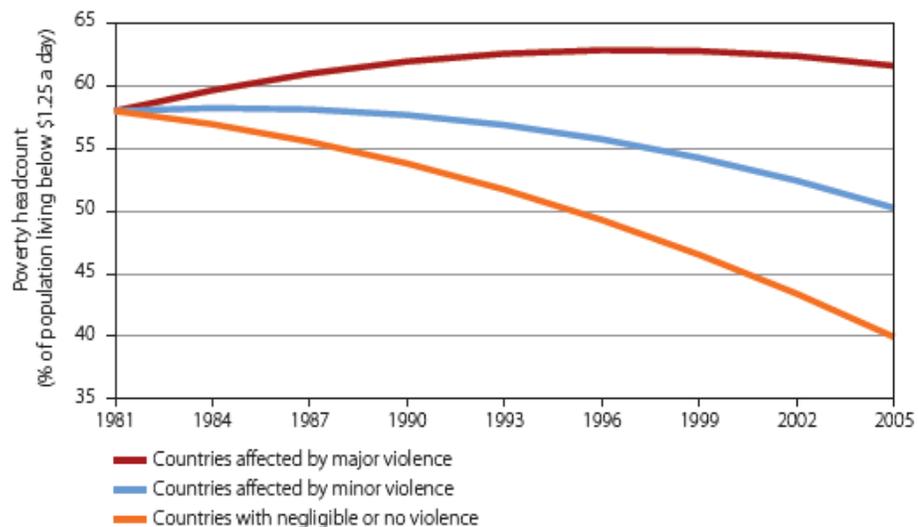


Sources: WDR team calculations based on UNODC 2007; UNODC and Latin America and the Caribbean Region of the World Bank 2007; and national sources.

Note: Base year for homicide rate is 1999 = 0.

## HOW VIOLENCE DISRUPTS DEVELOPMENT ...

**Growing poverty gap between countries affected by violence and others:** New poverty data reveals that poverty is declining for much of the world, but countries affected by violence are lagging behind. For every three years a country is affected by major violence (battle deaths or excess deaths from homicides equivalent to a major war), poverty reduction lags behind by 2.7 percentage points.

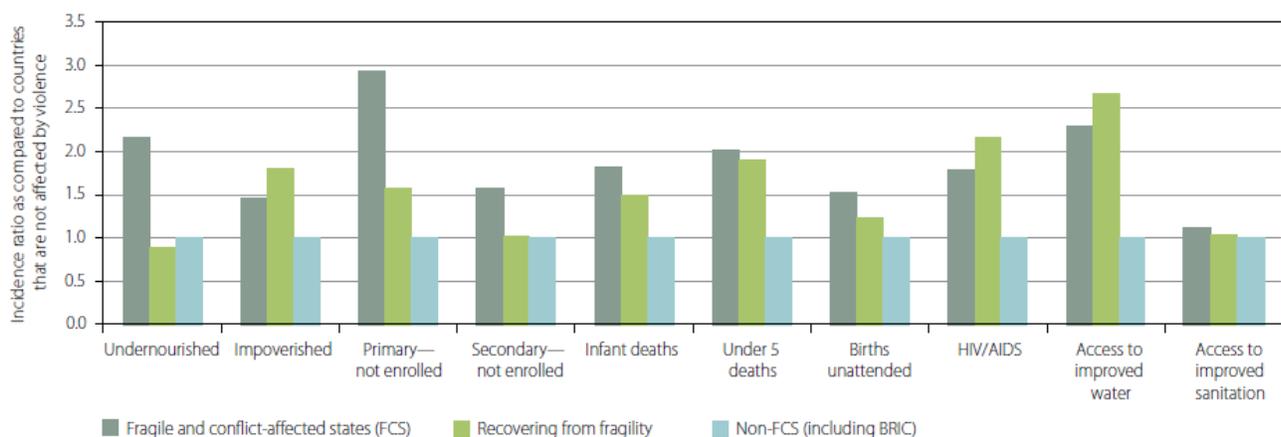


Sources: WDR team calculations based on Chen, Ravallion, and Sangraula 2008 poverty data (available on POVCALNET (<http://iresearch.worldbank.org>)).

Note: Poverty is % of population living at less than US\$1.25 per day.

## ACHIEVEMENT OF MILLENNIUM DEVELOPMENT GOALS ...

**Violence is the main constraint to meeting the MDGs** A child in a fragile or conflict-affected state is twice as likely to be undernourished as a child in another developing country—and nearly three times as likely to be out of primary school.

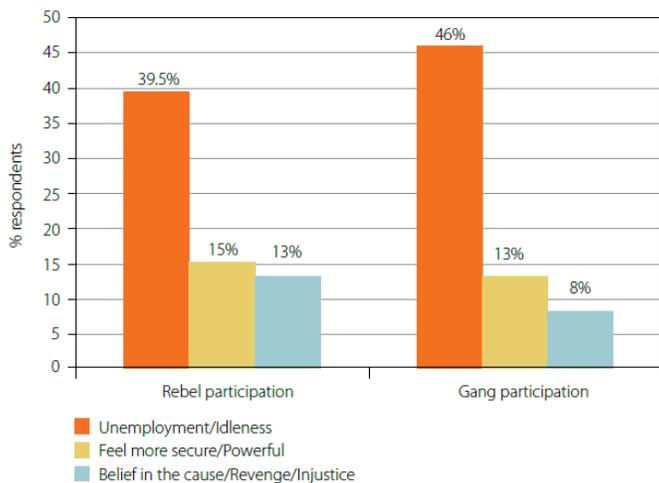


Sources: World Bank 2010n; WDR team calculations based on Gates and others 2010.

Note: Figure 1.6a shows the incidence of each of the ills associated with unmet MDGs for fragile, conflict-affected, and recovering countries in relation to the incidence for all other developing countries. The ratio is weighted by the affected population, so each bar can be read as the odds-ratio of a person being affected relative to a person in a non-fragile or conflict-affected state: for example, children of primary school age are three times as likely to be out of school in fragile and conflict-affected states as those in other developing countries.

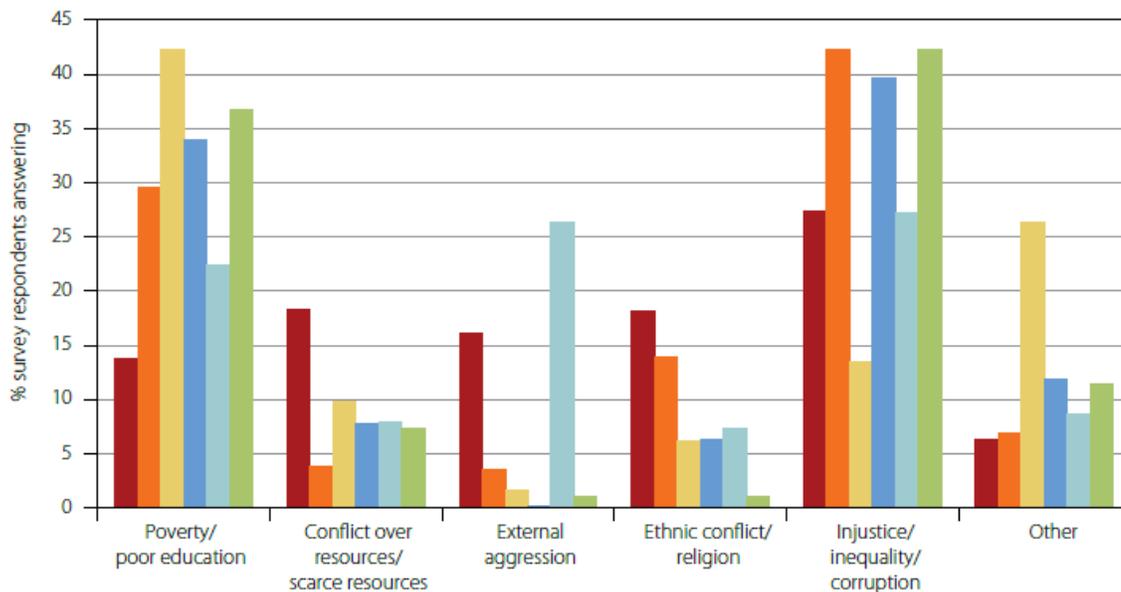
**MOTIVATIONS FOR VIOLENCE ...**

**What drives people to join rebel movement and gangs?** In surveys conducted in six countries and territories affected by violence, the main reasons cited for why young people become rebels or gang members are very similar—unemployment predominates for both. This is not necessarily the case for militant ideological recruitment.



Source: Bøås, Tiltnes, and Flatø 2010.

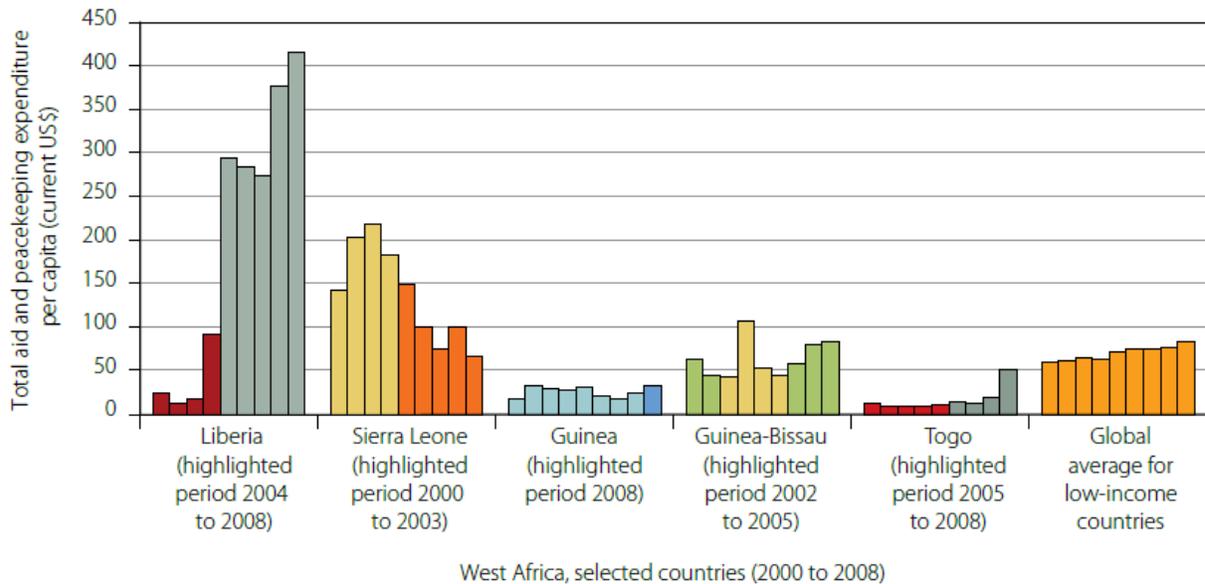
**What are citizens' views on the drivers of conflict?** In surveys conducted in six countries and territories affected by violence, involving a mix of nationally representative samples and subregions, citizens raised issues linked to individual economic welfare (poverty, unemployment) and injustice (including inequality and corruption) as the primary driver of conflict.



Source: Bøås, Tiltnes, and Flatø 2010.

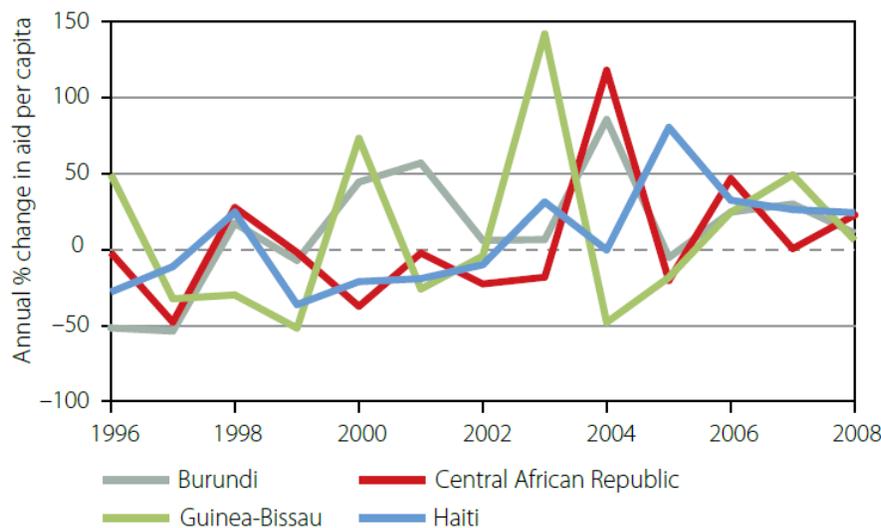
**INTERNATIONAL ASSISTANCE TO VIOLENCE-AFFECTED COUNTRIES ...**

**Uneven international support in West Africa – post-conflict support trumps prevention:** A one-off concept of progress and the difficulties of prevention have led to an excessive focus on post-conflict transitions. The amount of aid and peacekeeping assistance going to countries after civil war has ended greatly exceeds what is provided to countries struggling to prevent an escalation of conflict.



Source: WDR team calculations based on OECD 2010b.

**Stop-go aid: Volatility in selected fragile states:** The four countries below provide an illustration. It was not uncommon for total aid to Burundi, the Central African Republic, Guinea-Bissau, Haiti to drop by 20 or 30 percent in one year and increase by up to 50 percent the following year (humanitarian aid and debt relief, excluded from these statistics, would further increase the volatility).



Source: WDR team calculations based on OECD 2010b.

**The long time to acquire threshold institutional capability:** The table illustrates the time it takes for countries classified as “fragile” to achieve “good enough” governance on a series of indicators of state and institutional capability. Even under the most optimistic institutional transformation pathway, it takes countries more than a decade to reach a level of “good enough” governance, with 15 to 30 years being a good deal more realistic.

Scenarios for dimensions of “state capability”		
Indicator	Years to threshold at pace of:	
	Fastest 20	Fastest over the threshold
Bureaucratic quality (0–4)	20	12
Corruption (0–6)	27	14
Military in politics (0–6)	17	10
Government effectiveness	36	13
Control of corruption	27	16
Rule of law	41	17

Source: Pritchett and de Weijer 2010.

Note: Calculations are based on International Country Risk Guide indicators that ranked countries on a 0–4 scale over the period 1985–2009. The column “fastest 20” shows the average number of years the fastest 20 performers have taken to reach the threshold, and the second column shows the time it took the fastest ever country to achieve a threshold indicator score.