First HiCN Workshop Summary of Discussions

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Summary of Discussions of the first annual HiCN workshop, Berlin, DIW, January 2006

Discussions following keynote speeches and presentations are summarised

First keynote address: Why focus on the household? (Robert Bates)

- In developing countries, “The household and family is the unit of action.”

- What is the unit of analysis? Is it the household? (Who is taking the decision? And how is it taken within the defined unit?)

- In developing societies, economics are to a large degree agrarian and politics are relatively weak. These are two dimensions: politics (dynastic politics, elite vs. non-elite households, rent-seeking) and economics (typically the rural household is not only a unit of consumption but also a unit of production, a unit of savings, investing, insurance and military activity, therefore these must be incorporated in household models) → Aim of the household: producing family estate while minimising the variance/risk.

- Households can spread over various regions (e.g. mountains, plateau, plains and lakeside) to spread risk and provide security and self insurance in developing countries.

- In developing countries, households play an important political role, with men holding stronger property rights than women. Households are political actors not just on a large scale but even at a local level.

- Households matter on different levels. For instance, there is a close relationship between group mobilisation and elites. In West Africa, gangs of youths who are not yet incorporated into politics are roaming around in the cities. There is a potential danger if these youths are pressed politically into collective action formed by political entrepreneurs and later on become difficult to demobilise.

- There may be a paradox in the regional distribution of households: While the government should be most effective in providing security in townships, due to gangs undermining state institutions it may turn out to be not. From the household’s perspective it may thus turn out to be safer in the mountainous terrains, with social capital found in low population. This leads to the following questions: Are there economies of scale in protecting yourself, with families needing to pool resources? Do the characteristics of security follow economies of scale? When is it useful for a politician to provide security as public good and when should security be a private good (keeping your friends secure and enemies insecure)?

- What exactly is the role of elites? Sometimes, elites lead so badly, they put their state in jeopardy. They do not only loot the state, but also undermine institutions. How could this be incorporated into a model?

- What is the matter of growth? (What is the role of education regarding growth?)

- Not just the relation between households and state, but also the interaction between households matters, even though this is difficult to measure. For instance, do networks of households lead to political action? One way of measuring this could be asking for the date a household was last involved in political events but people are reluctant to answer
questions on political events. Households should be studied in the context of their political economy as the link between households and political events is crucial.

- At the elite level: dynastic politics; politics is a household strategy; families seek to capture the state in order to underpin the fortunes of family and to protect the household estate; there is struggle for power between families.

- Examples of dynastic politics: (i) South Asia – Bhuttos, Ghandis; (ii) Central and Latin America – Cristianis, Londonos; (iii) Middle East – Contemporary Syria or Iraq; (iv) Africa – Koinanges, Kenyattas; (v) England – Percys, Lancasters, Howards – dominated by families.

- Where does the State’s writ not run? The non-elite:
  1. The Periphery – (i) Semi Arid areas, where there is a low population density and high mobility (e.g. Pastoralist sector, where household production and military activity often run complimentarily); (ii) Mountainous Terrain, with low populations and difficult access.

  2. The Core – Urban Townships are often no-go areas for the government, where security is often not a public service and is provided by the household.

- States may put themselves into jeopardy. The competition for resources between states and families may lead to over-extraction, with private rivalries over state, bleeding the state of resources.

- The impact of war on households can take several forms, including; (i) negatively impacting transport; (ii) market surplus taken by the state (to feed soldiers); (iii) labour migration negatively impacted (for example, young men forced / choose to join military).

- In times of conflict, it is important to bear in mind the impact of seasonality on rural households, where often more labour is used to produce less food, especially applicable as altitude increases. Households are driven out of the market and are producing to consume.

- Households often have to divide their time between work, leisure and military commitments. In want of income, they have the choice of working or raiding. If they are poor then there is little threat of being raided. However as the household becomes more prosperous, they may have to become more militarised to protect their goods. Therefore there is a trade off between prosperity and peace.

- The development aspect should be considered, e.g., the provision of public goods.

- Consider a "production function" of politics, but also look at the household level: Jobs in administration may be a part of a strategy of income diversity.

- In conclusion, the household is central to the economy and politics of a developing country. In a fragile state, economically it is vulnerable and needs defence; politically it is able to provide security at a price.

- To summarise the discussion, 4 themes came up: (i) the separation of politics and economy (political activism / rent seeking as a household strategy), (ii) conceptual
frameworks for theorising the household, (iii) empirical questions on what and how to collect data, (iv) policy implications – will the above lead to better policy? Do people who construct policy have the right info?

First session: Quantitative and Qualitative Work

(Discussant: Mansoob Murshed)

In general: Qualitative work puts a stronger focus on decision-making and has a less clear outcome; quantitative work has, instead, a relatively clear outcome but lacks the explanation (“why”). Thus, it may be wise to conduct a qualitative analysis before starting a (pure) quantitative work.

Discussion of Olga Shemyakina's presentation:

- Link the findings of the paper to the literature on poverty (idiosyncratic vs. chronic poverty) as well as to the microfinance literature.
- An interpretation of the reasons of the findings might be included.
- Demand vs. supply-side determinants: Maybe there are also supply-side determinants of great importance rather than (only) demand-side factors as assumed by the study?
- Examine the quality of schooling, and the relationship between the times of school classes and potential participation in economic activities (such as child labour).
- Maximising profits/economising child and education: Households maximising utility may eventually decide to bring women out of danger by withdrawing them from school.
- What are the characteristics of the households affected? And what are their locations?
- What is the definition of a high-density conflict area? What information has been used for the identification of those areas? – To check: Instead of ‘high conflict area’, ‘underdevelopment’ may be the actual factor?
- This is a valuable contribution to the topic of women and conflict, which is up to date but rarely analysed. This might also be a growth area in the future.
- Discrimination may not be present in normal situations, but emerge during times of conflict.
- Compare the results with other transition countries in conflict.

Discussion of Christina Clark's presentation:

- The findings could be interpreted in an economic perspective, for instance using a network approach or social capital theory.
• A focus on intra-household distribution should be considered as well as the question of the head of the household.

• An anthropological approach to households reveals insights for economists as well, as it may qualify the intergenerational distribution within households.

• Peer households could form as youth and may use the opportunity of war to escape their elders, or it could mean that they get more aid (e.g. one set for their family household, and another dose for their peer household).

• Problem of causality (peer network leading to certain possibilities or vice versa); possibility of opportunistic behaviour/utility maximisation:
  - To what extent are individuals in the sample self-selected? Are they refugees by choice or by force?
  - Question of control group (refugee vs. non-refugee); so far only refugees analysed
  - If causality: What are the factors determining whether the youth join (not) networks?

• Does accessing donor funding influence the household formation itself?

• Is the definition of a household endogenously determined, i.e. the household is a function of environment, security, etc.? (Does the definition need to change over time?)

• Question of definition of welfare, of who is better off – welfare perhaps perceived by an individual in terms of “family welfare” (not individual welfare)

Second keynote address: Surveying Fighters (Macartan Humphreys)

• Are households the correct unit of analysis? Does each household send one member? Or does it send one member to each side? (Insurance, to hedge their bets) How do households decide? Do households decide? Are households deliberately divided? These questions suggest combatant studies need to analyse households more.

• Issues covered by surveys include: (i) Who they are and why they join – extremely vulnerable people who have probably never seen a diamond; (ii) Where they go; (iii) How they behave; (iv) How they go back. When surveying, it is effective to use memorable moments to find out where people were at certain times, for example, when JFK was assassinated. There are no direct questions on income levels but there are questions regarding living conditions, such as, mud walls and roofs.

• Groups without mothers are much more likely to join a militant group.

• There is no political attitude associated with members of RUF. Neither RUF nor CDF members support a political party before joining.

• Who recruited combatants in factions? In the RUF, a high percentage of members were introduced by a stranger but it is very different for each group.
• Military v material determinants of troop movement.

• Interactions with households. Do market analogies work for rebel groups? Competition in the presence of violence works in the opposite to competition in the presence of agency.

• The more groups, the worse the situation. The more divided the groups, the more abuse.

• A model is likely to depend on different types of production by households (contra Azam). Modelling the desires of rebel groups: (i) unitary (dictorial); (ii) paretian/bargaining; (iii) non-cooperative.

• How can combatants reintegrate with the community? The UN spends lots of money on reintegration training programs but there is no evidence of the effects of these programs.

• Demographically, married people resettle more easily. Those who joined with the household reintegrate easily. Those who joined abusive units reintegrate with difficulty.

• In Sierra Leone, networks become stronger in times of conflict. From locally clustered to wider links?

• There are major methodological issues with surveying fighters: (i) logistic issues – possibilities for buy-in, missions/DPKO - BPU; (ii) sample frame issues – access to lists is difficult; (iii) possible selection bias since only surviving fighters are interviewed; (iv) linking structures with micro level experiences (linking events to strategies).

• Useful advances in information theory, include: (i) Maskin and M shaped v U shaped organisations / Gates on delegation; (ii) Bacara et al on information and cell structure; (iii) Chwe on information, networks and coordination.

• A new direction in organisation (Is it possible to recover individual level preference from actions taken by fighting groups? Can resource flows within a movement be used to identify bargaining power? Can different forms of behaviour identify different forms of political strength?), geography, and causality.

• If 2 militant groups are active in one region this has a detrimental effect on the local population.

• Demographic information on the fighters suggests that ethnicity is not a matter in Sierra Leone.

• Macartan is not taking into account the variation across households, but instead considers the average/typical agent.

• Some fighters switch groups, as they become professional and most often, continue fighting in other countries, such as, Liberia. The economic payoff is good.

• What are the age effects?

• Are groups fighting against each other or a common enemy?
Discussion forum: Where does micro-level research on conflict stand today?

(Addison, Bates, Humphreys, Murshed and Verwimp)

- Datasets range from broad and general with little detail, such as Census data, to WB and DHS surveys, to specific groups, e.g. Macartan’s fighters survey, ethnographic surveys, down to small surveys which are less general and with more detail. The broader surveys are not normally designed for conflict but sometimes include a conflict variable and could still be used for conflict analysis creatively. Small sample surveys allow more specific questions to be included.

- Before analysing empirical data, the underlying theoretical assumptions should be clearly defined.

- Before conducting your own data research, it is important to know about existing sources and understand their deficiencies and to include the right questions to achieve the required data.

- One problem with surveys is that you may think you have 1000 observations but if these observations consist of 1 leader and 999 foot soldiers then this may be equivalent to having just 1 observation.

- What compensation is enough to demobilise fighters? What is the motivation of fighters that refuse to demobilise? In the context of Sierra Leone, fighters who committed atrocities in particular, do not demobilise.

- Questions remain as to why people stay in rebel groups after initially being forced to join. In Sierra Leone, reasons include: (i) Fear of punishment and reprisals if they leave; (ii) They may be ‘tagged’ as fighters, and not let back into the local community (iii) They could have committed atrocities, including those against their own household (iv) They may enjoy the power or other aspects, or indeed may have risen through the ranks.

- In many conflicts, if peace is negotiated conflict will often reoccur. Therefore the question emerges whether it is better to let somebody win.

- A vertical perspective may be appropriate as well. If one assumes that officers control foot soldiers, then the focus should be on officers.

- What is the unit of analysis of future research on conflict: rebels, households, firms?

- Consider combining data on events with more general household surveys. This has not been practiced so far. Event data could also be used in the design of household surveys. In general, the linking of diverse sources is a time-serving method.

- In general, there are 2 major objectives in the policy community: (i) to achieve peace, (ii) to alleviate poverty. Although these objectives tend to be confused by politicians, one needs to understand that there is a difference between poverty reduction, risk-of-conflict reduction and reduction of resentments. Consider a ‘wish list’ with poverty reduction as the top priority; peace may be ranked only 30 on the list, whereas someone else may rank
peace as their top priority. Reductions in poverty may not lead to reductions in conflict as there are often other factors so it is necessary to prioritise objectives on the ‘wish list’.

**Second session: Conflict and mortality** (Discussant: Michael Spagat)

- There is often pressure on body count estimates to come up with a high number.

- Looking at the marriage market and the bargaining power of families, it is important to not just consider women who have died but also those who are raped and therefore lose their rights.

**Discussion of Ewa Tabeau's presentation:**

- Compared to other conflict-affected countries, the data for Bosnia is good.

- In Guatemala, new police records have just shown up.

- Electoral registers are not a very reliable source of demographic information. Also, the Sarajevo funeral house may not be an essential source.

- What else could the data be used for? E.g., to determine household suffering or migration on the household level?

- There is pressure from many groups to give the number of deaths, and it is often easier to produce absolute numbers. Qualitative data can be used to correct quantitative data from dubious sources.

**Discussion of Olivier Degomme's presentation:**

- Olivier may want to specify how he aggregated the data of different data sources. Some studies must be off as there is great variation. Are these ‘off’ sources influencing the estimate (is it just an average)?

- Mortality appears to be already high at the beginning of the conflict, due to declining health facilities, and did not rise to higher levels during the conflict. In fact, non-violence death rate does increase to 1 in 10,000 in violence but didn’t increase during violence.

- Instead of “+-” say something about the confidence intervals. It would be useful to have intervals for all sources.

- Again, there is real pressure to come up with high numbers, with one thought of, if you conclude with a lower number, are you supporting genocide?

- Why are there so many surveys only on health/mortality during short periods asking the same? Why are there not 2 large, thorough surveys? There are many NGOs doing surveys in their districts but why are UN organisations (e.g. WHO, WFP) surveying the same region and overlapping time periods?
Discussion of Damien de Walque's presentation:

- The death tolls may be underestimated because of a sample selection bias against families that have been completely erased, especially smaller families that are more likely to have been wiped out.
- Small vs. large families.
- Asking about siblings is a good idea as people should remember with accuracy.

Third session: Households, wealth and poverty (Discussant: Olga Shemyakina)

Discussion of Tom Bundervoet's presentation:

- Could the height-for-age be modelled in different ways, e.g., as a dummy?
- The health of parents could be used as well, but data for that issue is not available.
- Are there gender differences?
- Possibly also look at the survival rate at a certain age e.g. the probability of surviving until 5 years old.
- Consider using survival analysis by modelling the probability of survival up to the age of five.
- The conflict did affect rural and urban regions differently. As migration mostly takes place between villages within the same region and as the variable is defined on the provincial level, there is no need to consider migration.
- Reconsider the finding that malnutrition is higher in rural areas – there is evidence that malnutrition is higher in cities in sub-Saharan Africa, particularly demonstrated in the Congo. Rwanda however still demonstrates the major assumption that urban dwellers are better off. This is based on a cash-based welfare analysis, which favours those in the city.
- Include new datasets covering children that were not born during the conflict as a control group.
- There is evidence that starvation has consequences for human capital formation, for example dropping out of school earlier.
- It may be useful to look at the UNICEF Burundi 2000 survey, which uses a global acute malnutrition indicator.
Discussion of Ayalneh Bogale's presentation:

- Consider reducing the model to 2 agents and 2 periods.
- Consider including other influences, such as regime change. To what extent has the political situation exacerbated the problem?
- Further assumptions that were not explicitly mentioned: (i) disagreement is assumed; (ii) pastoralists are under weapon while herding their animals – 3 or 4 people often escort the herd armed.
- The property rights of land are highly contested. Generally, land is state property, but pastoralists have usage rights to it as a common resource.
- It would perhaps also be useful to look at repeated interaction. Also, bear in mind that pastoralists don’t always move into agro-pastoralist areas, but mainly in times of drought.
- Pastoralist areas (i) Land is a common resource; (ii) There is often spare land, so it is possible to move; (iii) Problems mainly arise when there is an extended drought and land becomes limited; (iv) Agro-pastoralist and cultivated areas are over used: Potential for conflict.

Discussion of Philip Verwimp's presentation:

- What about the life/production cycle of households?
- Look at what kind of households lost members. Why are some households lost? Have they moved out for some reason?
- In general, it is preferable to look at per capita expenditures instead of income in order to account for seasonal differences.
- Households are more likely to move out of poverty if they are Tutsi but is this selection bias?
- Is it that with people lost in the genocide, the same capital is now being distributed but among fewer people, therefore, they are now ‘better off’?
- Is there a difference between female and male-headed households? There is evidence from other countries that female-headed households invest more in food implying that the nutritional status may be the same for female-headed households although they generally have a lower income than male-headed households. Often, the death of the female makes the household worse off.
- Disease drains households’ money, therefore it makes sense that households are better off when a member dies from disease.
- Using income, especially in rural areas may not be an accurate representation of relative wealth. If households move to the city then they may be richer but this is just based on cash. In rural areas, there is not such a need for cash, for example, with subsistence farming. Calorie intake may prove to be a better measure to detail whether female headed households are better off.
Fourth session: Conflict in Columbia (Discussant: Robert Bates)

Discussion of Michael Spagat's presentation:

- The term "event" may need further definition, e.g., if it includes civilians or soldiers or both.
- Dependence on the coefficient $\alpha$. If $\alpha$ is higher (flat line), the number of big events increases.
- Variation in the slopes (introduce some stickiness).
- Dynamic of events, frequency.
- Measure of intensity of warfare (body count) is problematic.
- To add the distinction between “attack” and “defence”.
- What is the role of the media? Split the sample with respect to different kinds of attacks.
- The size of the event depends on the equilibrium between attack and defence. Large events could mean that the defence was not ready, or had made a mistake.

Discussion of Fabio Sánchez' presentation:

- Role of decentralisation as institutional change aiming at addressing “objective” causes of conflict – Is decentralisation feeding the beast and actually causing guerrilla warfare?
- Question of irrational behaviour? – Perhaps “rational” in the sense that due to decentralisation, rebels now have an easier job as they can now attack the local government instead of the central government (thus, decentralisation encourages conflict/struggle).

Summary of the workshop: What have we learned?

(Addison & Murshed)

- Data:
  - What are the dimensions of welfare? Consider different rates of change, qualitative vs. quantitative, poverty dimensions, etc.
  - Look for new data on conflict now in those countries that are likely to experience conflict, especially in "partial democracies". Conflict countries often have a yo-yo effect between autocracy and democracy. Where there’s rich versus poor, there’s a greater chance of conflict. For example, if the rich have religious uniformity and the poor have religious uniformity but the religion is different.
between the rich and the poor, there is greater chance of conflict. This is the same for ethnic uniformity of the rich and then of the poor.

- Growth and poverty are related. But there are also countries experiencing both growth and conflict, such as Sri Lanka and India.

- Methods:
  - Consider quantitative and qualitative approaches; also combine both.
  - Combine different disciplines in order to raise impact.
  - What is the right unit of analysis – the individual, the household, interaction between the two, inter-household relations? Collect data for that; publish questionnaires online. Is the household the unit of analysis? In which types of conflict? Important to link up household data and cross-national studies. How to measure horizontal inequality?
  - Look at different definitions of households in the empirical context. For instance, within the local context ask to whom a person would turn to get help. It’s interesting to see the support group.
  - A purpose of HiCN may be building up a range of case studies.
  - Relate more on cross-country comparisons (e.g., World Bank publications), which had a strong impact and may reveal possible factors/determinants which, in turn, could be checked through a micro-econometric analysis.
  - De-compositional analysis, TSLS.
  - Look at within country spatial analysis (local level/household level). Use GSIS data within a country. If you already have data, you could go back for the GSIS coordinates.

- Themes:
  - Conflict countries are the least likely to meet the Millennium Development Goals,
  - Look at actors, causes (e.g., fighter, poverty), effects (e.g., mortality, poverty).
  - Include poverty in the discussion of conflict: What is the relationship between poor countries and conflict? E.g., account for greed/grievance, public spending, and policy impact. Conflict alone might not be a topic by itself. The UN is struggling to bring together poverty of MDG and conflict of MDG.
  - Look at horizontal inequality – for example between regions, religious groups, and ethnicity. Different approaches exist for measuring inequality, such as Gini coefficient, qualitative measurements, local HDI, GxG. Also consider modelling inequality as endogenous.
  - Choose a multi-disciplinary approach to conflict analysis, especially assess greed versus grievance.
Differentiate between routine violence, political violence and non-linear relation conflict.

Look at household motivation: efficient wage, production type, and effort.

The focus may be both at the micro and macro level / the interaction of both.

Perhaps use the approach of traditional political science: finding out networks, check how they run the show (by interviews).

Rely more on the achievements of growth theory.

Look at the role that institutions play in conflict settings.

Give more attention to the role of elite households and individuals. For instance, focus on their incentives and networks. Who’s running the show in conflict countries? (see work of Philippe Le Billon, Assistant Professor at the University of British Columbia with the Department of Geography and the Liu Institute for Global Issues.

The job of the economist is to spoil the party

What are the successes and failures?

How to evaluate interventions? – How to measure the “impact” of interventions? How is “impact” defined? (How to measure how much life is worth? What is the rate of discount?)

Link households and institutions → Policies.

What is the relation between economics and policy?

Should one follow a non-conventional wisdom policy to achieve/maintain peace? Do counterfactual work and field experiments; quantify externality/wider definition of social returns.

Question also whether to introduce on purpose some market distortion (although market distortions are generally inefficient) due to their (possible) high externality on peace. – Question then: How to quantify the peace externality of a certain investment, e.g., the investment in schooling? (e.g., contrary to intuition/common sense, the social rate of return is higher on secondary education than on first education)

Policy useful if it doesn’t fully concentrate on non-tradables.

Is the policy package given to post-conflict countries good for long term growth?
Databases and Datasets (Spagat)

- CERAC are compiling a dataset on Colombian conflict from 1988 to June 2005. This dataset has more than 21,000 events and includes only clear conflict events, requiring each event to have a military effect and to reflect a group action. Uses NGOs, press releases and Catholic Church records. (http://www.cerac.org.co/)

- Iraq Body Count project reports a minimum and maximum number of civilians reported killed by military intervention in Iraq since 2003. Casualty figures are derived from a comprehensive survey of online media reports from recognised sources. (http://www.iraqbodycount.org)


- icasualties: Iraq Coalition Casualty Count. Primary source is the U.S. government. (http://icasualties.org/oif/)

- MIPT Terrorism Knowledge Base: MIPT (National Memorial Institute for the Prevention of Terrorism) is funded through the U.S. Department of Homeland Security. TKB covers the history, affiliations, locations, and tactics of terrorist groups operating across the world, with over 35 years of terrorism incident data and hundreds of group and leader profiles and trials. (http://www.tkb.org) [Clauset and Young (2005) (computer scientists) analysed this dataset and found that the frequency and severity of terrorist attacks – defined as the number of deaths plus the number of injuries – are related by a power law]

- Sutton Index of Deaths – an index of deaths from the conflict in Ireland between 14 July 1969 and 31 December 2001. The information has been provided by Malcolm Sutton (journalist). (http://cain.ulst.ac.uk/sutton/)

- A Dossier on Civilian Victims of United States’ Aerial Bombing of Afghanistan: A Comprehensive Accounting, and, A Day-to-Day Chronicle of Afghanistan’s Guerrilla and Civil War, June 2003-Present. Compiled by Marc Herold, Associate Professor of Economic development and Women’s Studies at the Whittemore School of Business & Economics, University of New Hampshire. (http://pubpages.unh.edu/~emwherold/)

- Professor Ronald Francisco, Department of Political Science, University of Kansas, collects valid interval data on protest and coercion, as well as collective action. There is coded protest and coercion data in 28 European countries from 1980-1995 for every day. The date, day, action type, location, protest group and targets are shown, the organisational strength of the protesters is estimated and there is a description of each event with the identification of the original source. (http://lark.cc.ku.edu/~ronfran/data/index.html - this may be moving, if so, click on this http://lark.cc.ku.edu/~ronfran/ and then follow the link under ‘Research Interests’) This site also links to similar daily interval data for Korea, Burma and Latin America.