

Risk Management: Research Gaps and Data

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TAMNEAC Kick-off Workshop

Berlin, 1 November 2011

Overview

Concepts

Measurement

Risk Management

Open Issues

Concepts

Definitions

War

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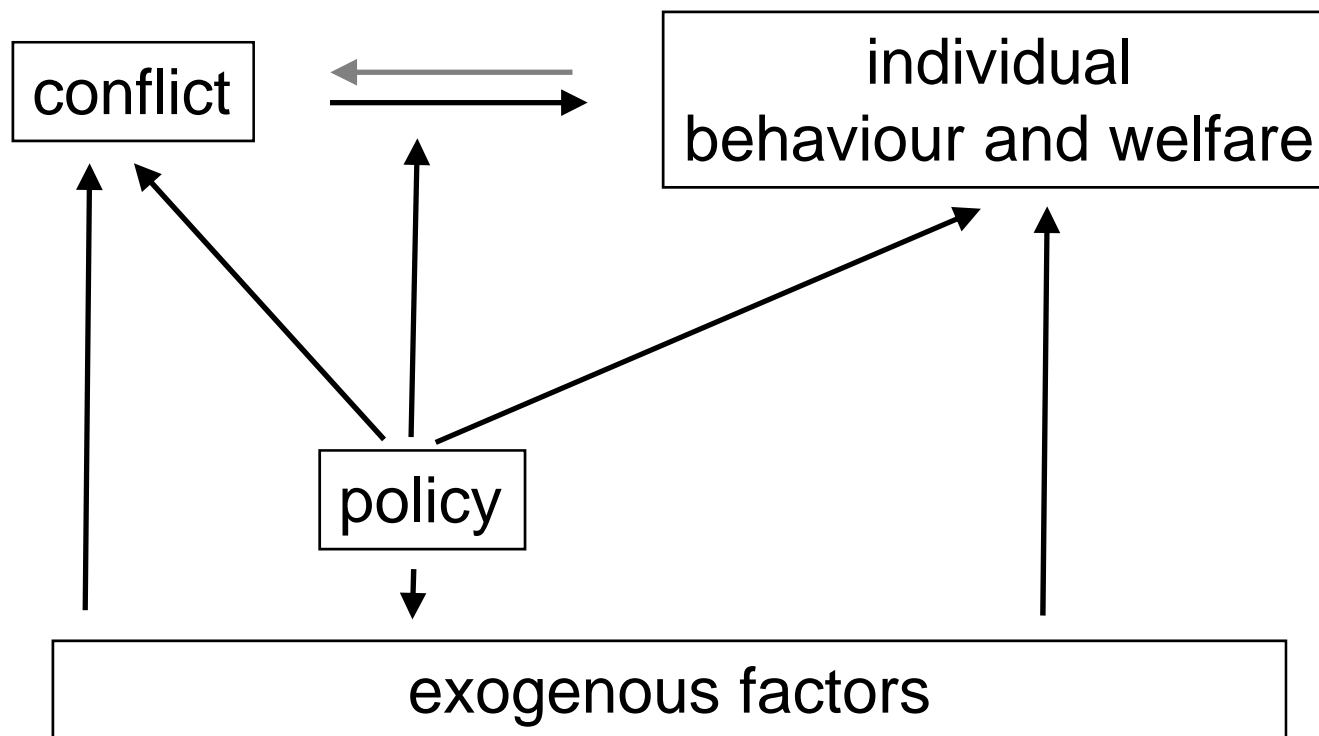
Mass violent conflict

=

Systematic challenge to right and ability of the state to define and implement property rights (“institutions”)

Use terms *war*, *mass violent conflict* and *conflict* interchangeably

A Model of Conflict and Development



What do we know? And how can we measure it?

Measurement

Forms of Violence

Consider different forms of violence

- mass-organized violence: genocide, war, revolutions, riots, etc.
- derive qualitative categories and common effects of violence

Look at continuum of violence (in three dimensions)

- intensity of violence
- degree of coordination of violence
- uni-directional, bi-directional or multi-directional

Legitimacy of violence

- no objective understanding of legitimacy of violence
- language: force=legitimate (Weber), violence=illegitimate
- war legitimizes use of violence for one side
- pay less attention to legitimacy than to form and effect of violence

Measuring Conflict at the Micro Level

Why bother?

- study “conflict” as a topic (on LHS)
- or study effects of conflict (on RHS) on socio-economic outcomes
- or control for “conflict” (on RHS) in the analysis to avoid bias

Dis-aggregate further and further

- in economics, conflict used to be ignored and/or unobservable
- increasingly: consider conflict in aggregate (eg battle deaths > 25)
- but, to truly open black box, we should measure dimensions of conflict (eg type of attacks) and of its effects (eg death or dislocation)
- we started doing this crudely in HiCN ten years ago:
now we do it much better!

Gaps in Micro-Level Conflict Data

- 1. Surveys usually focus on post-war periods, not war-time**
- 2. Often designed in close cooperation with the government**
- 3. Explicit conflict-related questions are rare**
- 4. Usually few and/or broadly defined answer categories**
- 5. Lack of comprehensiveness to cover multiple dimensions of conflict**
- 6. Only few surveys are comparable across time and space**
- 7. For understanding conflict dynamics and dynamics of coping with conflict, panel data with comparable conflict questions in all waves are needed**

What do we want to know?

Measurement of *nature* of conflict (and its legacy)

- this also matters hugely for study of its effects
- perhaps this differentiates conflict from, e.g., HIV
- hence harder to develop a standard set of questions
- ‘conflict’ is similar to ‘trade liberalization’

Measurement of *participation* in conflict

- this requires additional information
- may be hard to elicit truthful responses

Measurement of *victimization*

- victims of conflict are not random: hence study their characteristics
- this must be multi-dimensional: political, social, economic etc
- differentiate direct from indirect victims

Identifying Conflict

Conflict analysis 1.0

	Conflict Zone	Not Conflict Zone
Households Affected by Conflict	direct victims, incl. civilian casualties	indirect victims, e.g. returned IDPs
Households Not Affected by Conflict	indirect victims, e.g. farmers	reference group

Conflict analysis 2.0

- differentiate causes, nature and effects of conflict across groups, space and time - including by victims and perpetrators
- consider degrees of conflict - hence much more data-intensive

Overview over Options

A: use existing “traditional” data sources

- LSMS, DHS etc
- Identify conflict by period or region

B: combine A with existing conflict data sources

- ACLED, web-based conflict event data, data from TRCs, etc
- much of the recent HiCN WPs uses this approach

C: detailed panel survey on conflict in one country

- Very hard to fund and do in practice, hence rare

D: conflict module in many surveys

- Brück, T., A. Avdeenko, P. Justino and P. Verwimp (2010):
„Identifying Conflict and Violence in Micro-Level Surveys“.
HiCN Working Paper, Nr 79.

Identifying Conflict: Priorities

Identify conflict-induced losses and damages

human capital, physical assets, infrastructure etc

Identify effects of conflict on people

changes in coping strategies (“doing”)

changes in welfare, including food security (“being”)

Identify effects of conflict on infrastructure and markets

including trust, social capital, exchange etc

⇒ Account for pre-war, war-time and post-war periods

Risk Management

Risk Management with Violence (1)

Strategic use of violence by groups to achieve aims

- interactions between groups and individuals (and in groups)
- hence study why and how individuals participate in violence

Micro-evidence can help advance 'greed vs. grievance'

- greed: violence is an option (based on economic calculus)
- grievance: violence is no option due to collective action problem
- understand channels of how each of these work
- allow for complex motives involving mix of these issues
- hence violence is a behavioral option (e.g. to achieve change)

Risk Management with Violence (2)

Consider portfolios of violent activities at micro-level

- e.g.: shopkeeper during the day, guerrilla at night**
- e.g.: one genocide perpetrator per household (Verwimp 2005)**
- e.g.: rebel, paramilitary or army (Arjona & Kalyvas 2009)**

Open issues

- study of participation in low intensity violence or low risk conflict**
- understand continued participation in violent conflict**
- changing motives for joining violent groups during conflict cycle (e.g. Viterna 2006: women's mobilization in El Salvador)**
- different kinds of participation in violent conflict (different actions, different groups of people)**

Institutions and Violence

Institutions shape and constrain violent action

- both directions, at various levels, across time, different channels
- hence study both violent conflicts and institutions in more detail

First insights

- Eck & Hutman (2007): regime type affects violence against civilians
- Valentino et al (2006): roles of civilians in different conflicts
- Downes (2006): civilian victims in international wars
- Sánchez & del Mar Palau (2006): violence and decentralization

Open issues

- What are thresholds of violence for changing institutions?
- How do institutions affect intensity and nature of violence?
- What are positive effects of violent conflict for institutional change?

Open Issues

Summary of Open Issues

Issues covered yesterday

- exogeneity of conflict / conflict as a shock
- experimental evidence
- impact evaluation

Further open issues

- measurement of conflict at the micro-level
- participation in low intensity violence ('Arab Spring')
- expectations and beliefs
- conflict and institutions
- interaction between well-being and risk management
- micro-macro linkages

- and: panel evidence on anything!

Many thanks!