Fragility and Conflict

On the Front Lines of the Fight against Poverty

Introduction

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Introduction

Under Sustainable Development Goal 1, all countries have pledged to end extreme poverty by 2030. This book examines what are likely to be the most intractable barriers to reaching that goal: conflict and state fragility.

The report addresses policy makers and their technical teams, global and national development practitioners, advocates, and all those with a stake in stopping extreme poverty from disfiguring human lives. The book aims to show why addressing fragility and conflict is critical for poverty goals. It presents new estimates of welfare in economies in fragile and conflict-affected situations (FCS), filling gaps in previous knowledge, and analyzes the multidimensional nature of poverty in these settings. It discusses the long-term consequences of conflict and introduces a data-driven classification of countries by fragility profile, showing opportunities for tailored policy interventions and the need for monitoring different markers of fragility.

The book delivers five key messages:

■ Extreme poverty is increasingly concentrated in FCS, and global poverty goals will not be met without intensified action there.
■ Data deprivation affects 70 percent of people in FCS and represents a major barrier to understanding and addressing their welfare needs.
■ Poverty in FCS typically involves simultaneous deprivations in multiple dimensions, and intervention strategies must also act through multiple channels.
■ Conflict compromises development by damaging human capital and productivity, with effects that last for generations.
■ Clustering countries by fragility profile reveals two important findings. First, there is significant heterogeneity within FCS countries, calling for a differentiated policy and programming approach for more effective solutions. Second, there are important markers of fragility, in both FCS and non-FCS countries, that need to be monitored for preventive action.

An Urgent Challenge—and a Window to Respond

It has long been known that economies in FCS suffer high poverty rates and have difficulty reducing them. But the implications of FCS for ending global poverty have grown more urgent as conflict and fragility themselves have changed—with conflict less tied to confrontations between national armies, and often more devastating to civilian populations. Since World War II, interstate conflict has fallen sharply, but
intrastate conflicts and interpersonal violence have risen (von Einsiedel et al. 2017). Despite fewer wars between nations, global safety and security indicators have deteriorated over the past decade (Institute for Economics and Peace 2019). The number of forcibly displaced people worldwide is at its highest point since World War II (UNHCR 2019).

While rates of extreme poverty have fallen rapidly in many countries since 2000, this does not apply to countries in conflict. In many FCS, poverty rates appear to be rising, stagnating, or at best declining slowly. And the conditions of FCS are spreading, casting their shadow over a growing number of countries and an increasing share of the global population. The number of people living in close proximity to conflict zones has more than doubled in the past decade, driven by wars in Syria and Yemen that alone affected millions of people. If current demographic trends continue, by the end of 2020 the majority of the world's extremely poor people will live in FCS.

This means that ending extreme poverty requires accelerating gains where poverty has been most intractable: in FCS and Sub-Saharan Africa. By definition, the economies concerned are often characterized by weak institutions and political instability. They require significant reforms to policy and delivery mechanisms along multiple dimensions to achieve growth and poverty reduction. In turn, better policies depend on reliable data, which many of these countries lack.

With extreme poverty in FCS poised to overtake that in all other settings combined, the world has a critical window in which to confront this threat. Ultimately, support to conflict-affected countries needs to be tailored, innovative, and focused on the drivers of fragility and factors of resilience. Policy aims must include, but go beyond, economic growth and poverty reduction to promote peace and stability. But what strategies can advance these aims, and how can countries measure progress?

Ultimately, answering these questions will require better understanding the causes of conflict. That inquiry lies beyond the scope of this book, however. Recent research has enriched understanding of conflict's causal mechanisms at a theoretical level. Yet comparatively little progress has been made in empirical work to disentangle specific risks or mechanisms that lead to conflict or fragility. The literature is replete with cross-country analyses, but with no consensus on how far they provide sound evidence of causal relations. Recent country-specific studies have shed fresh light by analyzing, for example, climate-related or economic shocks as potential causal factors in some conflicts. Despite advances, however, research has yet to systematically map drivers of fragility and conflict in a way that can support targeted prevention. More work in this area is urgently needed.¹

In light of these challenges, this book does not try to elucidate conflict's causes. Rather, it documents the welfare effects of fragility and conflict, to some extent taking fragility and conflict conditions as a given. Within these limits, the book seeks to disentangle select key issues, clarify impacts on human welfare and countries' economic prospects, and propose tools that can inform policy responses tailored to country contexts.
Book Structure

Chapter 1 of the book makes the case that the fight against poverty will not be won without addressing fragility and conflict. It shows that, while the world has made impressive progress in poverty reduction in the past 20 years, the global prevalence of conflict has worsened, and extreme poverty is increasingly concentrated in FCS. The chapter discusses how the lack of reliable data on poverty and welfare in FCS hampers monitoring and action, and it suggests how data gaps can be overcome. Improved assumptions on poverty in FCS lead to higher estimates of the number of extremely poor people in the world.

Poor people in FCS face challenges that go far beyond monetary poverty. Chapter 2 analyzes these multiple welfare shortfalls, which often include lack of basic infrastructure and inability to access quality education and health care. The section marshals data showing that poor people in FCS are substantially more likely than the poor elsewhere to experience multiple forms of deprivation simultaneously.

Chapter 3 examines the long-term consequences of conflict and fragility. Reviewing the literature with a human-capital lens, the analysis suggests that conflict’s negative effects can be worse and longer-lasting than is commonly understood. Health and educational outcomes are compromised, not only among people who experience conflict as children, but also among the children of those original victims, threatening productivity and economic growth across generations.

How should countries and the development community meet these challenges? Chapter 4 uses a data-driven approach to identify distinct groups of economies with similar fragility profiles. Such analyses make a strong case for risk monitoring, early action, and a differentiated policy and programming approach. These and other implications for learning and action to effectively address extreme poverty in FCS are further explored in chapter 5, which presents the book’s conclusions.

Note

1. This unfinished agenda also implies the need to improve data collection that can test recent theory on factors such as grievances and mistrust. More nuanced information on governance at subnational levels can also be harnessed to test theories of conflict through empirical research.

References


