

Lyndsay McLean  
Department for International Development  
94 Victoria Street  
London  
SW1E 5JL

## Selected Comments/Suggestions

### 1. Professor Duffield's Critique

For south as a whole globalisation has **not** meant marginalisation or exclusion. Trade in real terms per capita has risen over 1970-2000. Global share relatively static. Same true of external investment.

Duffield's contention is, however, valid for two highly overlapping groups of countries:

- a. least developed
- b. sub-Saharan Africa

The risk that both would be excluded has been recognised for - say - 40 years. e.g. Joan Robinson's warning that worse than exploitation (in technical sense) was not being worth anyone's seeking to exploit and Mwalimu Nyerere's 1964 FAO lecture warning that bottom line danger for Africa was not over-inclusion in world economy but exclusion from it.

Not coincidentally it is among these two groups (together with least developed Europe and ex USSR i.e. Balkans, Caucuses, Central Asia) that armed conflict is most common. Physical and human (health, education, water, user friendly police plus reasonably prompt/honest magistracy) infrastructure are key inputs to making globalisation participation (vs. creeping exclusion/marginalisation) practicable.

### 2. OXFAM and IntraBank Growth vs. Equity

This is a fairly extreme case of substituting **or** for **and**:

- a. Without 4% average annual real growth poverty % in SSA and Least Developed will rise. Even if inequality falls, there is little likelihood poor will be significantly or sustainably better off.
- b. 6% average annual is necessary for SSA, least developed, most lower middle income economies to have resources for sustained, rapid poverty reduction. This condition

conducive is even truer for redistribution because redistribution out of growth is politically much easier than out of relatively constant per capita pie.

But -

- c. policy does/can influence rate of poverty reduction. This is probably even more true of basic services/human infrastructure than of short term earned income. Health services, education, water, user friendly law and order do make poor people better off in and of themselves and historical record suggests that at least in medium term, they raise incomes of poor households.
- d. the rough proportionality of poor household income increases to GDP growth does not invalidate "c" above:
  - i. there is a wide scatter in outcomes;
  - ii. in general communal services (health, education, water, law and order) are not included;
  - iii. a proportionate rise in Brazil or South Africa (two of World's most unequal household income countries) does less for poverty reduction than in much less unequal Southeast/Northeast Asia countries;
  - iv. data (especially annual data in SSA, Least Developed) are very poor quality. In addition problems of valuing household produced and consumed goods for poverty purposes (a kilo of maize at farmgate price is probably least problematic for GDP but its meal equivalent at urban retail - often a 5 to 1 difference - would seem more sensible for adequacy/inadequacy of real household income purposes) create real problems in cases with large small farming family sectors. This is not limited to worst data cases. e.g. for Botswana:
    - a. Absolute poverty proportion of households is greatly overestimated;
    - b. Value of household produced/consumed food and housing is calculated on a basis giving very different results from cash costed urban food and housing;
    - c. Disaster (usually drought) work for cash for food (or other purchases) and universal old age pensions do not in fact appear in household income estimates.

Thus near universal access to health services, education, water, law and order, disaster relief (predominately via public works) old age pension simply don't show up in data even though very real. (They help explain why Botswana with very high ratios of commodities - especially diamonds - to exports and GDP **and** 'living in a dangerous neighbourhood' has never had or been close to having internal armed conflict.)

**Yes**, growth matters. Without a trend 4% poverty reduction will probably be impossible and only at 6% can it be rapid or bolstered by redistribution out of additional real resources. Below 4% decline of basic public services and of state capacity to deliver them, or law and order or infrastructure is likely. So too is either armed conflict or suppressed social tensions likely to erupt in armed conflict sooner or later. **But also** public policy - not least in respect to basic human infrastructure/services and to disaster relief (preferably by temporary employment) can matter as, in many contexts, can land reform.

### 3. **Growth and Poverty Reduction In Rehabilitation**

illustrates the interaction and also the importance of livelihood, basic services (including primary law and order) and basic infrastructure rehabilitation for poverty reduction, macro economic rebuilding and reconciliation/state legitimacy strengthening.

- a. Rehabilitation should be seen as a **macro** issue. Often it affects a majority of households and the largest economic sector. It also can afford more rapid and lower cost/output ration recovery in many cases e.g. Mozambican small farm family sector. where the armed conflict has been in limited areas the macro becomes macro regional (or provincial) e.g. 'North' of Uganda and specifically sub-North e.g. Acholiland (Gulu and Kitgum Districts).
- b. Rehabilitation to sustain and to provide payoff from reconciliation should be begun as soon as a possibly sustainable lull in conflict eventuates. This involve preplanning and willingness to take risk. Fast payoff (to demonstrate results) and limited major targets (to limit loss if war returns) appear prudent. The 1996-97 programme in Sierra Leone before the Army/RUF coup focused largely on urban infrastructure renewal (especially main streets and roundabouts in Freetown), a seemingly highly unwise initial selection on both counts.

- c. Rehabilitation of rural livelihoods - and via multiplier effects small rural commercial and transport and urban small scale processing/manufacturing enterprise livelihoods - is likely to redistribute to poorer households out of rapid growth and to reduce households in poverty numbers or at least reduce the depth of their poverty.
- d. Total livelihood rehabilitation support (whether 'going home', oxen, tools, seeds or extension services), basic service provision and basic infrastructure renewal costs (including expanded recurrent costs and interim special assistance to local government units until their tax bases are rehabilitated), should be estimated nationally and regionally/provincially/by district - as well as for particular projects or programmes. In general that exercise will reveal substantial underfunding (e.g. about \$10-12.5 million over three years for Acholiland - about 800,000 persons - vs. \$10 million per year needed for a minimum programme for rapid output growth and poverty reduction from sustainable rehabilitation).
- e. For weak states emerging from conflict advisory and training technical assistance well beyond armed force training should be a systematically worked out priority. Three key areas often overlooked are tax collection, civilian user friendly police, primary justice (i.e. magistracy). The failure of anyone (including SADC countries) to provide this to the Democratic Republic of the Congo (DRC) has contributed to its fiscal weakness, dependence on non-transparent concession sales and low legitimacy build-up because (in part) of very limited service delivery.
- f. In this respect overuse of INGO's poses problems.
  - a. they are (because of expatriate personnel) much more expensive than an even minimally competent government (or government/domestic social sector) institution delivery - e.g. in health services in Mozambique;
  - b. except for self liquidating activities e.g. emergency relief during and just after war they have inherent 'exit strategy' problems. Governments clearly will not agree to fund continued INGO operations and phased hand-over poses problems whereas phasing down grant aid to government or government/domestic social sector services would appear more readily handleable;
  - c. they are very hard to coordinate within a national strategy (some e.g. MSF, World Vision will not and really cannot accept meaningful coordination for political and religious ideological principles respectively);

- d. they cannot provide for rebuilding state legitimacy through service delivery or reconciliation by the state being seen to provide basic services to all using non-ethnic/trans ethnic personnel. e.g. in Rwanda in 1995 the Minister of Health wanted to restore universal/near universal primary health service access by rehiring missing staff (about two thirds of pre war total and almost all wa Hutu). His goal beyond health care itself (he was a medical professional whose Colonelship came from heading Uganda Army Medical Service) was to demonstrate legitimacy of government through providing a much wanted service to all Rwandans and to do it via a nor or trans ethnic staff. No INGO could substitute for these broader purposes.
4. **Light arms** - The West African Convention indicates an African concern. So do the efforts within SADC to police/block cross border dealings in weapons. At the Northern end seeking to choke off supplies of ammunition may have higher short term impact than limiting arms flows. Much of southern Africa, the Horn and parts of West Africa have far more arms than are now - or have ever - been used at the same time and post war countries' dispersed/hidden arms (e.g. Mozambique, Namibia) are very hard to keep out of flows to neighbouring armed conflict or armed crime uses. Ammunition - which for modern weapons is not produceable beyond a very limited number of state plants - has far less reserves and if replenishing could be cut down radically so could use of light weaponry, albeit in some cases - e.g. Rwanda, Sierra Leone - cutlasses seem to be the dominant mode of killing.
5. **Regional Capacity** - One area left out is providing technical assistance in key sectors (e.g. setting up/training tax, civilian police, magistracy, primary health care) to weak, post conflict states. e.g. SADC could - and should - have done this in respect to Zaire. Setting/enforcing a code of minimum decent governance is very difficult (not just for African regional bodies cf EU in respect of Austria). SADC does have a clear line on military coups. Beyond that it has trouble agreeing (e.g. both Congo wars and especially Rwanda/Uganda invasion behind contrived insurgencies in second war) on action or even effective mediation. Quiet influencing (by some SADC states more or less on behalf or most) has had some success in respect to Swaziland, more marginally in respect to Zambia but, to date at least, very little in respect to Zimbabwe.
6. **Resources Fuelling Conflict** - definitional and contextual problems arrive. Any state at war will by definition use such resources as it has to pursue security/war. Is Angolan oil

a 'conflict resource'? When is a recognised state not entitled to use resources to prosecute a war? (Are Uganda and Rwandan coffee 'conflict resources'?) Is a war involving invasion of a neighbour and propping up pretty unpopular insurgencies in it a justified use of state resources even if primary reason is to block cross border raiding by an insurgency - Interahamwe - resident in Congo but in no real sense part of or eradicable by any likely Congolese government.) Can diamond sanctions be applied to - e.g. - Senegal, Liberia, Burkina Faso, Rwanda, Uganda, Congo - Brazzaville on the basis that at least 90% of exports are 'transit' Sierra Leonean, Angolan and/or Congolese produced and/or acquired by rebel groups? What is bottom line objection to Oryx? That transparency is so low as to suggest fraud? Or that the (recognised) government of the Democratic Republic of Congo is seeking to mobilise diamond resources to reimburse a poor country (Zimbabwe) for its military support against (primarily) government invaders and to bolster its own feeble revenue base? If the latter how is Angolan oil different? If the answer is legitimacy of state what reasonably transparent criteria can be set out for judging legitimacy?

7. **'Moral Hazard'** during truce/demob states of externally mediated peace processes. UNITA twice used such 'lulls' to regroup and to rearm in Angola. RUF has done the same in Sierra Leone. There needs to be some data analysis procedure leading to actual sanctions against offending (and especially disproportionately) offending parties.
8. **'Moral Hazard' and Humanitarianism.** In respect to Rwanda, Operation Turquoise allowed IH and the rump government to withdraw to (then) Zaire with low casualties. They were then allowed to control the refugee camps there (though not - at least outside the camp or in respect to militarisation - in Tanzania) and to turn them into regrouping, rearming, rest and recreation areas for attacks into Rwanda aimed toward reconquest.
  - the more general food aid fuels war hypothesis is less convincing than specific cases like IH in Zaire. To be valid the argument requires:
    - a. both warring parties do give high priority to averting civilian deaths from drought/displacement.
    - b. each party has fungible resources it can - in practice - use for war or survival support.

In the Sudan case 'a' holds for neither party to conflict. (It may hold for Umma Party which now has an army but Umma has no food aid programme). Only for the Khartoum junta does 'b' hold.

In the 1998-00 Eritrea/Ethiopia war both parties do give priority to civilian survival and to livelihood rehabilitation. Both diverted resources to military build-up but did keep some survival support in place. Either could credibly say it would use added food aid for disaster relief.

9. **'Peace Keeping'** confused with **'Peace Enforcing'** e.g. UN in SL contrasted to either ECOMOG or British Forces. If one party probably will **not** make peace (whatever it signs) a mandate allowing proactive and/or offensive use of force is needed.
10. **Realism not Utopia Designing.** The Lusaka Agreement on the DRC is in practice unworkable. Uganda and Rwanda's bottom line includes deconstruction (necessarily by force) of Interahamwe. Similarly Angolais includes deconstruction of UNITA infrastructure in DRC. Together those imply 25,000 to 50,000 front line, well armed, mobile, logistically supported troops with massive air fire power (probably heli gunships). The 'local governments' in insurgent/in under controlled areas are also problematic. None of the three in Eastern Congo could - by own admission - win an election. (The ex Mobutuist one in Gbadolite probably could in its province.) If elections are held and new governments formed protecting the one million Banyamulenge - wa Tutsi - will be very difficult but will be a bottom line, non-negotiable requirement of Rwanda.
11. Certain armed conflict foci **flare up repetitively**, are suppressed or semi resolved, remain below crisis levels but with tension build-ups and are triggered by, in themselves, trivial incidents. Support for **action to resolve during lulls** often has the potential to avert recurrence. e.g. in the Eastern half of Ghana's Northern Region conflict between an 'incomer' (largely ca 1800-1950) people from Togo and longer settled 'sons of the soil' has erupted at intervals since the late 1800's. It is not so much over land as over Omanhene (High Chief) rights with the 'sons of the soil' contending their Omanhenes should be paramount over 'incomer' chiefs and sub chiefs and thus over local governance, additional land allocation and reallocation. Villages are of one group or the other but interspersed not in contiguous blocks. The mid 1990's outbreaks were particularly severe and overwhelmed the police. Military presence and the threat of its use restored calm and the 'incomers' were granted three Omanhenes, but the issue of intra village unallocated and long fallow boundaries remains as do mutual distrust and limited contact. Ghanaian NGO's were effective in short term mediation and relief. Arguably a programme to:

- a. improve transport access (to lower marketing costs);
- b. generalise best known/locally used techniques;
- c. upgrade health services, education, water access;
- d. identify and promote practical intra 'incomer'/'sons of soil' village projects.

organised by the Ghanaian government chiefs and Ghanaian NGO's during the present lull could create both a context of parallel progress and of more practical cooperation and human contact likely to reduce tensions and limit the risk of small clashes (not necessarily per se ethnic) escalating into violent crises.

- R.H. Green  
IDS (Sussex), Falmer  
27-VI-))

*Ref: dfidcomments.doc 30.06/00*