

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT  
Geneva

# **THE LEAST DEVELOPED COUNTRIES**

## **REPORT 2004**

### **Part Two: Chapter 4**

#### **CIVIL CONFLICT AND THE TRADE-POVERTY RELATIONSHIP**



UNITED NATIONS  
New York and Geneva, 2004

# Civil Conflict and the Trade–Poverty Relationship

## Chapter

# 4

### A. Introduction

This chapter completes the analysis of how the trade–poverty relationship is working in the LDCs by examining some of the interactions between civil conflict, trade and poverty. This is an important issue for the LDCs because many of them experienced civil conflict in the 1970s, 1980s and 1990s, and this has influenced both the incidence of poverty and their trade performance. The chapter begins (section B) with a brief overview of trends in civil conflict in the LDCs and in other developing countries. It then goes on to examine the pattern of conflict, and in particular the association of conflict with low income, economic regression and export specialization (sections C and D). Finally, it discusses the ways in which civil conflict affects trade and poverty within the LDCs. The concluding section summarizes the main findings.

It should be emphasized at the outset that this chapter is not intended to offer a comprehensive analysis of the pattern, causes and consequences of civil conflicts in LDCs. The causes include, but go beyond, economic and trade-related factors, encompassing also social and political issues such as lack of political opportunities; social fragmentation resulting from ethnic, racial, religious or linguistic discrimination (World Bank, 2000: 126); the colonial legacy of a mismatch between territorial boundaries and social allegiances (World Bank, 2000); lack of freedom of all kinds; absence of the rule of law and violations of the fundamental rights of citizens (United Nations, 2001a); inequalities which are closely linked to group identities (Goodhand, 2001); environmental degradation (Homer-Dixon, 1994); and the influence of external economic and political interests (Stewart and Fitzgerald, 2000: Vol.I, chapter 8). The interaction between internal and external factors in both the onset and duration of civil conflicts is a very complex issue. The chapter does not attempt to address this. Rather, it is intended to extend and refine the analysis of the trade–poverty relationship presented in the last chapter.

---

*Many LDCs experienced civil conflict in the 1970s, 1980s and 1990s, and this has influenced both the incidence of poverty and their trade performance.*

---

It should also be stressed that the overview of patterns of civil conflict is based on one international database: the Uppsala/PRIO database on armed conflicts.<sup>1</sup> A major difficulty in conflict research is that different databases have different definitions of what constitutes a conflict and this leads to different views of where and when conflict occurs. There are also different perceptions about the starting and ending dates of a conflict and about the violence threshold that should be used in defining a conflict. The Uppsala/PRIO definition of armed conflict is “a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths” (Strand, Wilhelmsen and Gleditsch, 2004: 3). The violence threshold of 25 battle-related deaths is lower than the violence threshold of 1,000 battle-related deaths which a number of other databases use.<sup>2</sup> The widely used Uppsala/PRIO database (see, for example UNDP, 2004) provides information on conflict years and conflict type as well as a classification of conflicts according to their intensity.<sup>3</sup> However, it may not necessarily correspond to national perceptions. Finally, throughout this chapter the term “civil conflict” will be used to refer to internal and internationalized internal armed conflicts which, following Uppsala/PRIO, occur in a country between the

Government of a State and internal opposition groups, possibly with intervention by other States (Strand, Wilhelmsen and Gleditsch, 2004).

## B. An overview of trends in civil conflict in LDCs and other developing countries

According to the Uppsala/PRIO conflict database, about 100 countries have experienced at least one armed-conflict event over the last three decades, 87 per cent of which were developing countries,<sup>4</sup> including 36 LDCs. Over 90 per cent of these developing countries have experienced civil conflicts, which suggests that this is the dominant form of armed conflict.

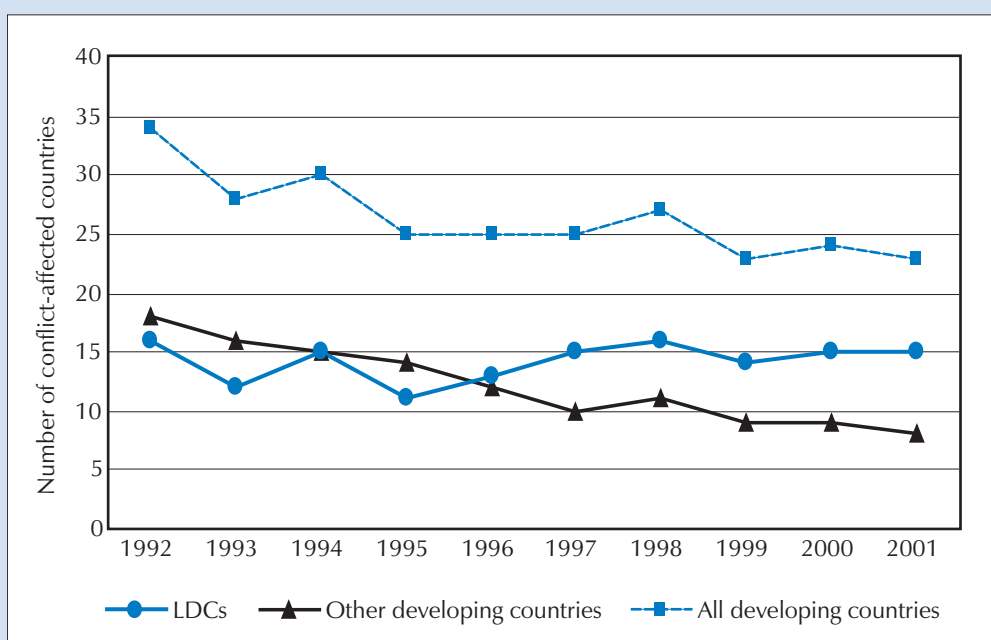
Whereas the number of developing countries experiencing civil conflict (of varying duration and intensity) almost doubled from 18 to 34 between 1970 and 1992, there was a decreasing trend after the end of the Cold War. As shown in chart 26, between 1992 and 2001 the number of countries experiencing civil conflict in other developing countries declined by more than half. In contrast, it did not decline in the LDCs. According to the Uppsala/PRIO database 16 LDCs experienced civil conflicts in 1992. There was a downward trend thereafter until 1995, when the number of LDCs experiencing civil conflict increased once again, reaching the same level in 1998 as in 1992.

Overall, the 1990–2001 period was much more conflict-prone in the LDCs than the 1978–1989 one. The number of LDCs that experienced civil conflict increased from 20 (14 African and 6 Asian) during the period 1978–1989 to 30 (22 African, 7 Asian and 1 in the Caribbean) during the period 1990–2001. As a consequence, more LDCs have been recorded as being conflict-affected than peaceful during the 1990–2001 period.

Data show that during every decade since 1970 the proportion of conflict-affected countries was higher amongst the LDCs than amongst other developing

*Between 1992 and 2001 the number of countries experiencing civil conflict in non-LDC developing countries declined by more than half. In contrast, it did not decline in the LDCs.*

CHART 26. TRENDS IN CIVIL CONFLICTS IN LDCs AND OTHER DEVELOPING COUNTRIES, 1992–2000



Source: UNCTAD secretariat estimates, based on the Uppsala/PRIO database on armed conflict.

countries. In the 1970s, 36 per cent of the 2002 list of 49 LDCs experienced civil conflicts as compared with less than 25 per cent of other developing countries.<sup>5</sup> But in the 1990–2001 period over 60 per cent of the 2002 list of LDCs experienced civil conflicts as compared with less than 25 per cent of other developing countries. Over 40 per cent of conflict-affected countries were LDCs in the 1970s and 1980s. But this proportion increased to 50 per cent in the period 1990–1995 and to 58 per cent in 1996–2001.

In the period 1970–2001, there were 12 countries (7 African and 5 Asian) from the 2002 list of 49 LDCs that experienced at least 18 consecutive years of civil conflict.<sup>6</sup> It should be noted that one third of them joined the LDC group after decades of civil conflict. Civil conflicts ended in 1992 in two of the 12 countries.<sup>7</sup> But they emerged in other LDCs during the 1990s. Since 1990, a further 8 LDCs (7 African and one Asian) have experienced at least six years of war or civil strife, according to the Uppsala/PRIOD database.<sup>8</sup>

There is a common view that Africa is particularly conflict-prone. But the evidence of the Uppsala/PRIOD conflict database does not support this view for the LDCs over the three decades since 1970. Until the mid-1990s the incidence of civil conflicts was always higher in Asian LDCs than in African LDCs. However, it declined in Asian LDCs during the 1990s but increased in African LDCs. Between 1990 and 1995, 6 out of 9 Asian LDCs experienced civil conflicts as compared with 16 out of 34 African LDCs. This implies a 67 per cent conflict prevalence rate in Asian LDCs as compared with a 47 per cent prevalence rate in African LDCs. During the period 1996–2001 the prevalence rate fell to 44 per cent in Asian LDCs but increased to 53 per cent in African LDCs. In the late 1990s, Africa, and African LDCs in particular, became the epicentre of civil conflicts in the developing world.

These figures show that the vulnerability of the LDCs to civil conflict is higher than that of other developing countries. Since the mid-1990s LDCs have become the primary locus of civil conflicts in the world. According to the UNDP (2003), more than 3.6 million civilians died during internal conflicts in the 1990s and over 50 per cent of battlefield casualties were children. Out of the total number of civilian deaths, over 1.8 million persons died during civil conflicts in 15 LDCs for which data on battlefield fatalities<sup>9</sup> are available (i.e. about half the total) and over 3.6 million refugees fled those countries. It has been estimated that between 1980 and 2000 no less than a quarter of the total LDC population, that is about 130 million civilians, were affected by conflicts.<sup>10</sup> In the long run, with the destruction of crops, livestock and livelihoods, the spread of diseases such as HIV/AIDS and malaria, and the proliferation of land mines, civilian deaths indirectly caused by civil conflicts may well exceed those directly caused during conflicts (FAO, 2000; UNAIDS, 2003: 1; WHO, 2000: 4).

---

*Over 40 per cent of conflict-affected countries were LDCs in the 1970s and 1980s. But this proportion increased to 50 per cent in the period 1990–1995 and to 58 per cent in 1996–2001.*

---



---

*It has been estimated that between 1980 and 2000 no less than a quarter of the total LDC population, that is about 130 million civilians, were affected by conflicts.*

---

## C. Low income and economic regression as economic determinants of civil conflicts

### 1. LOW INCOME PER CAPITA

The pattern of civil conflicts indicates that low-income countries are particularly conflict-prone. As a result of both the long duration of old civil conflicts and the emergence of new ones, the proportion of low-income countries that experienced such conflicts increased from 48 per cent in the

1980s to 60 per cent during the period 1990-2001.<sup>11</sup> By comparison, it remained at about 28 per cent for middle-income countries during the same periods. The proportion of low-income countries that experienced civil conflict was more than twice as high as that of middle-income countries during the period 1990-2001 as a whole, and three times higher during the period 1995-2001.

Of the total number of developing countries that experienced civil conflict in the 1980s, 49 per cent were low-income countries. This proportion increased to 56 per cent in the early 1990s and to 73 per cent in the 1995-2001 period.

*Although conflict risk is particularly high in low-income countries, low income level alone is not a sufficient condition for the onset of civil conflict.*

## 2. ECONOMIC STAGNATION AND REGRESS

It is important to stress that although conflict risk is particularly high in low-income countries, low-income level alone is not a sufficient condition for the onset of civil conflict. This is clear from the fact that 40 per cent of low-income countries experienced civil peace during the period 1990-2001. What appears to be important in the onset of civil conflict is the interaction of low-income level with other adverse conditions. Economic regress or economic stagnation and economic instability are particularly important in this regard. For LDCs that were peaceful in the 1980s but experienced civil conflicts in the 1990-2001 period, their economic performance in the 1980s was systematically either sluggish or negative. A total of 14 LDCs enjoyed civil peace in the 1980s, but experienced civil conflicts of varying intensity and duration during the period 1990-2001.<sup>12</sup> Only two of these countries had per capita growth rates exceeding 2 per cent in the 1980s.<sup>13</sup> All the other LDCs in which civil conflict broke out in the 1990s experienced either negative or sluggish growth rates in the 1980s (see table 34).<sup>14</sup> This suggests that, as Nafziger and Auvinen (2002) have argued, many of the civil conflicts that erupted in the LDCs in the 1990s were reactions to the economic failures of the 1980s. Real GDP growth rates in

TABLE 34. EXPORT SPECIALIZATION AND REAL GDP PER CAPITA GROWTH IN LDCs WHICH HAVE NOT BEEN AFFECTED BY CIVIL CONFLICTS IN THE 1980s BUT WHICH EXPERIENCED AT LEAST ONE CIVIL CONFLICT EPISODE BETWEEN 1990 AND 2001

	Export specialization	Real average annual GDP per capita growth	Standard deviation of real GDP growth <sup>a</sup>
	Late 1990s	1980s (%)	1980s
Burundi	agriculture	1.6	4.6
Central African Republic	mineral	-1.0	5.7
Dem. Rep. of the Congo	mineral	-1.1	2.2
Djibouti	service	-1.9 <sup>b</sup>	1.8 <sup>b</sup>
Guinea	mineral	0.5 <sup>b</sup>	3.4 <sup>b</sup>
Guinea-Bissau	agriculture	1.5	8.8
Haiti	manufactures	0.5	2.9
Lesotho	manufactures	2.0	4.6
Mali	agricultural	-1.9	7.0
Nepal	manufactures	2.3	4.2
Niger	mineral	-3.5	7.2
Rwanda	agriculture	-0.7	3.8
Senegal	manufactures/services	0.3	5.6
Sierra Leone	mineral	-1.6	4.7
Low-income countries	..	4.3	1.0

Source: UNCTAD secretariat estimates, based on World Bank, *World Development Indicators* 2003 CD-ROM, and IMF, *World Economic Outlook* online data.

a In percentage points.

b Calculations, based on IMF, *World Economic Outlook*, online data.

these countries also varied highly from year to year in the 1980s, particularly compared with the group of low-income countries. Thus economic instability may also have played a role in the onset of civil conflict in these countries.

As noted in *The Least Developed Countries Report 1997* “Regress has usually been accompanied by the degeneration of the administrative, coercive and public-service providing capacities of the State, and often, but not always, by internal conflict” (UNCTAD, 1997: 125). Economic stagnation or regression contributed not only to the breakdown of already weak State capacities but also to the de-legitimation of governing elites in a number of countries. As a result, a number of LDCs entered the 1990s with a lower level of income per capita, a smaller fiscal base, a weaker social service delivery system, a lower capacity to maintain law and public order, reduced social cohesion, a reduced institutional capacity and a diminished ability to either manage development policies or to own them. The combination of development failure and State decay contributed to a surge in legitimation crises in a number of LDCs.

---

*The combination of development failure and State decay contributed to a surge in legitimation crises in a number of LDCs.*

---

## D. Civil conflicts by type of export specialization

It has been argued that primary commodity dependence (proxied by primary commodity exports as a percentage of GDP) is a major determinant of civil conflicts in low-income countries as such commodities provide opportunities “for extortion, making rebellion feasible and even perhaps attractive” (Collier and Hoeffler, 2001: 16). Available evidence suggests that this argument should be treated with caution, as some primary products may involve a greater risk of greed-motivated conflict than others. Moreover, the pattern of civil conflicts in the LDCs by type of export specialization has changed in the post-Cold War era.

### 1. DIFFERENCES BETWEEN THE 1980s AND THE 1990s

There is an important difference between the 1980s and the 1990s in the pattern of civil conflicts in LDCs. Of the 18 LDCs that were already experiencing civil conflicts in the 1980s, 80 per cent specialized mainly in agricultural exports. On the other hand, of the 14 LDCs experiencing new civil conflict in the 1990s, 4 were agricultural exporters and 5 were mineral exporters, while in 5 of them manufactures and/or services were becoming the major export specialization.<sup>15</sup> As shown in table 34, the GDP per capita performance of all except two of these LDCs (both exporting mainly manufactures) was either sluggish or negative in the 1980s.<sup>16</sup> Judging from these figures, it is apparent that LDCs whose main exports were mineral products, manufactures and/or services, became more prone to civil conflict in the 1990s than in the 1980s.

---

*LDCs whose main exports were mineral products, manufactures and/or services became more prone to civil conflict in the 1990s than in the 1980s.*

---

This shift in the pattern of conflict is related to changes in the underlying dynamics of peace and civil conflict after the end of the Cold War (see for example Luckham et al., 2001). It also reflects the trend towards export diversification in some LDCs. This implies that in the 1990s LDCs which were diversifying out of primary commodity exports into manufactures and/or services also became conflict-prone. Interestingly these include two countries that had a good economic performance in the period before conflict.<sup>17</sup> Their experience suggests that the adoption of an inclusive development strategy is key to reducing conflict risk in poor countries. This applies in situations of economic regress or stagnation as well as in situations of economic growth. As argued by a number of authors, including Nazfiger and Auvinen (2002) and Stewart (2003), vertical inequality (income inequality) and horizontal inequality<sup>18</sup> (inequality

associated with group identities) often overlap and result in an increase in the perception of relative deprivation by segments of the population and in increased conflict risk thereafter.

## 2. CIVIL CONFLICTS IN PRIMARY-COMMODITY-DEPENDENT LDCs

---

*The relationship between declining and unstable commodity prices and poor economic performance is one link between primary commodity dependence and civil conflict.*

---

Conflict risk varies amongst the primary-commodity-dependent LDCs. One factor suggested as important is the degree to which some of these countries are subject to commodity price shocks and long-term commodity price declines (Guillaumont et al., 2003; World Bank, 2003). It has also been argued that countries whose exports are highly concentrated in a few primary commodities are particularly vulnerable (Humphreys, 2003). The relationship between declining and unstable commodity prices and poor economic performance is one link between primary commodity dependence and civil conflict. But there is no automatic connection between the outbreak of civil conflict and falling commodity prices in low-income countries experiencing economic regress.<sup>19</sup> More research is required on the link between commodity price shocks and civil conflict.

Within the group of low-income primary-commodity-dependent LDCs that experienced civil peace in the 1980s and had either sluggish or negative per capita growth rates, it is important to note that the conflict risk was higher in the mineral-dependent LDCs than in the agriculture-dependent ones. Amongst the six mineral-dependent LDCs in this group of countries, only one continued to experience civil peace in the 1990–2001 period.<sup>20</sup> Amongst the nine agriculture-dependent LDCs in this group of countries, more than half continued to enjoy civil peace in the 1990–2001 period. Thus in the group of poorly performing mineral-dependent LDCs that were under peace in the 1980s, 83 per cent experienced civil conflict in the period 1990–2001 as compared to 45 per cent in the group of poorly performing agriculture-dependent ones.<sup>21</sup>

---

*In countries exporting natural resources such as oil, gas and minerals, lack of transparency in management, and of equity — notably across regions — in the distribution of revenues increases the risk of civil conflict.*

---

Some primary commodities entail greater conflict risks than others (Lujala, 2003; Stewart, 2003).<sup>22</sup> Amongst the mineral exporters, the most conflict-prone are the LDCs that produce labour-intensive products and those for which an illicit and lucrative international trade exists. In countries exporting natural resources such as oil, gas and minerals, lack of transparency in management, and of equity — notably across regions — in the distribution of revenues increases the risk of civil conflict (Global Witness, 2004: 73; Herbst, 2001: 5).<sup>23</sup> Good governance of natural resources, both national and international, therefore plays a central role in reducing conflict risk in primary-commodity-dependent countries.<sup>24</sup> Botswana, through equitable and sound management of the revenues generated by its mineral resources<sup>25</sup> coupled with good governance, has not experienced civil conflict.

It is worth noting that within the group of mineral-exporting LDCs that experienced new civil conflicts in the period 1990–2001, all except one were diamond exporters.<sup>26</sup> Moreover, it was only following the recent discovery of alluvial diamonds that a leading bauxite exporter<sup>27</sup> became embroiled in a civil conflict in 2000. In this particular case, it was not the dependence on a capital-intensive mining product such as bauxite that was associated with the eruption of civil conflict, but the country's expanding diamond sector and the presence of neighbouring conflict-affected LDCs.

In the context of civil conflict, diamonds are referred to as “conflict diamonds”; these are “rough diamonds used by rebel movements to finance

their military activities including attempts to undermine or overthrow legitimate Governments” (United Nations, 2001b).

The case of alluvial diamonds illustrates most starkly the argument that conflicts can be initiated or prolonged because of personal “greed” and the plundering of national resources for personal benefit. According to Le Billon, Sherman and Hartwell (2002:1), “In some cases, the control over economic activities may be the principal motivation for the initiation or perpetuation of conflict. This is not to say that wars are solely about ‘greed’. War frequently becomes an alternative system of profit and power favouring certain groups at the expense of others, occasionally reflecting previous grievances”. In recognition of “...the need to address the problem of conflict diamonds fuelling conflicts in a number of countries...” and in acknowledging that “...the problem of conflict diamond is of serious international concern...”, the United Nations General Assembly adopted a resolution in December 2000 in support of the Kimberley process (United Nations, 2001b). This consultative process was initiated by African diamond-producing countries earlier that year to develop proposals for a workable international certification scheme aimed at eliminating the presence of “conflict diamonds” and at protecting the legitimate diamond industry. Following a series of meetings attended by key industry representatives, NGOs and governments, the Kimberley Process Certification Scheme was adopted in November 2002.

It is important, however, not to generalize about the role of such opportunistic behaviour in the eruption of civil conflict in all primary-commodity-dependent countries. According to Stewart (2003:21), commodities such as coffee, cotton, tobacco or tea cannot be considered as major sources of finance supporting greed-motivated conflict, and the use of undifferentiated natural exports as a proxy for greed motivation is not appropriate. What is evident is that opportunistic behaviour is much more likely to arise in low-income and poorly performing countries, exploiting a category of products that may generate sufficient revenues to support and even prolong conflict. Such products include particularly alluvial diamonds, timber and narcotic crops.

A particularly troubling feature of the pattern of civil conflict is that certain exports can fuel major civil conflict when illegal resource exploitation becomes one of the main sources of funding for groups involved in perpetuating conflict.<sup>28</sup> In this situation, there can be a cycle of violence in which illicit and illegal natural resource exploitation is linked to arms trafficking, which in turn is linked to conflict.<sup>29</sup>

To conclude, the evidence indicates that in many LDCs that experienced civil conflicts in the 1990s, the negative synergies between low-income level, economic stagnation or regress in the 1980s, economic instability and governance failures were important factors that explained the onset of the crises. Whereas export specialization in primary commodities, and particularly in products such as diamonds, oil, timber and narcotic crops, increases the risk of conflict, it usually interacts with a low-income level, poor and unstable economic performance as part of the complex combination of causes which lead to civil conflict. In countries that export products such as oil, gas and minerals, lack of transparency in the management, and of equity in the distribution, of revenues derived from such natural resources also contribute to exacerbating tensions. The role of grievance in explaining the onset of civil conflict in primary-commodity-dependent countries cannot be ignored. In these countries, and particularly in those exploiting products such as alluvial diamonds, oil, timber and narcotic crops, the emergence of civil conflict most

---

*Whereas export specialization in primary commodities, and particularly in products such as diamonds, oil, timber and narcotic crops, increases the risk of conflict, it usually interacts with a low income level, and poor and unstable economic performance as part of the complex combination of causes which lead to civil conflict.*

---



---

*The emergence of civil conflict most likely reflects a combination of legitimate claims-making by some and opportunistic behaviour for personal advantage by others.*

*Transparent and sound economic management of revenues earned from natural resources, strong democratic forms of governance and an inclusive development strategy are necessary for reducing conflict risk in LDCs.*

---



---

*Depending on the level of intensity of the conflict and on the previous conflict experience of the country, civil conflicts do not always result in negative or lower GDP or trade performance. However, the absorption components of the GDP (domestic consumption and investment) are more vulnerable to conflict effects than trade.*

---

likely reflects a combination of legitimate claims-making (“grievance”) by some and opportunistic behaviour for personal advantage (“greed”) by others. Transparent and sound economic management of revenues earned from natural resources, strong democratic forms of governance and an inclusive development strategy are necessary for reducing conflict risk in LDCs.

## E. Trade and poverty during civil conflict episodes

The effect of civil conflict on trade is a much less researched area than the role of trade as a cause of conflict. However, there is a general assumption that civil conflict has negative impacts on trade. Indeed, the prevalence of conflict in the LDCs has often been cited as a reason for their weak export performance (World Bank, 2003: p.69). This section examines that assumption.

It must be stressed at the outset that there are major problems of data reliability at times of conflict.<sup>30</sup> During civil conflicts there is generally an increase in the share and volume of informal (unrecorded) and illicit exports, as well as an expansion of the domestic informal sector. Despite the data problems, however, some intriguing patterns can be discerned.

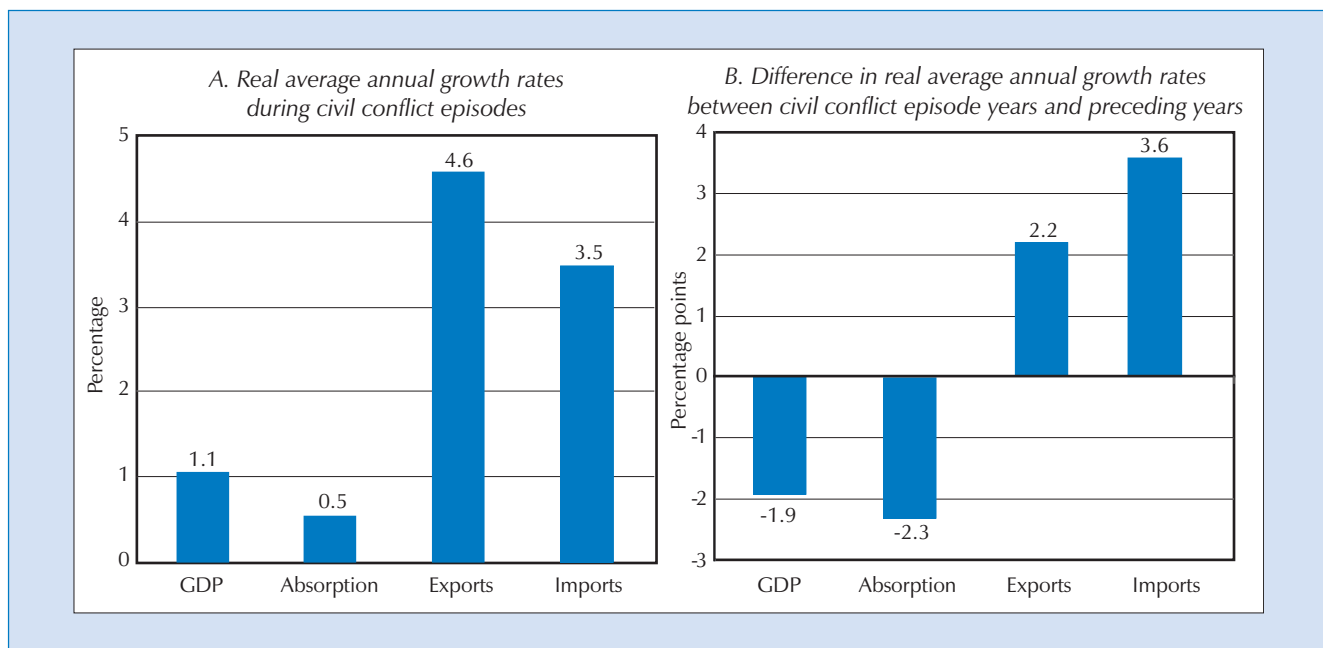
The analysis is based on 28 civil conflict episodes for which export, import and GDP data are available for the following periods: the five-year period preceding conflict, the conflict years and conflict intervals. These conflict episodes took place in a total of 19 LDCs, including 15 primary-commodity-dependent LDCs. The conflict episodes are differentiated according to their severity and the previous conflict experience, as these emerge as important variables affecting the change in GDP, exports and imports. Out of the 28 civil conflict episodes, 18 have been classified in the Uppsala/PRIO database as minor conflicts and 10 as intermediate conflicts or wars.<sup>31</sup> Fifteen conflict episodes occurred in LDCs where civil conflicts had not occurred before, and 13 episodes represented recurrence of conflict.<sup>32</sup>

The basic finding of the analysis is that, depending on the level of intensity of the conflict and on the previous conflict experience of the country, civil conflicts do not always result in negative or lower GDP or trade performance. However, the absorption components of the GDP (domestic consumption and investment) are more vulnerable to conflict effects than trade.<sup>33</sup>

Chart 27A shows the real average annual growth rates for exports, imports, absorption and GDP during the 28 conflict episodes for which data are available. Consumption plus investment (absorption) increased slightly, by 0.5 per cent per conflict year, whilst imports grew by almost 3.5 per cent per conflict year and exports grew by 4.6 per cent per conflict year. Absorption was 2.3 percentage points lower during the conflict episodes than during the pre-conflict years. In contrast, export growth was almost 2.2 percentage points higher and import growth almost 3.6 percentage points higher (chart 27B). Within this overall pattern there were of course differences. But export growth was positive during 21 of the 28 conflict episodes, and was actually higher than during the pre-conflict period in 16 conflict episodes.

Whether or not a country has had a previous conflict episode is an important factor affecting trends. The growth rates for GDP, absorption, imports and exports are on average lower in the first conflict episode that a country experiences than in subsequent episodes both in absolute terms and in relation

CHART 27. OVERALL TRENDS IN GDP, ABSORPTION, EXPORTS AND IMPORTS DURING CONFLICT EPISODES IN LDCs

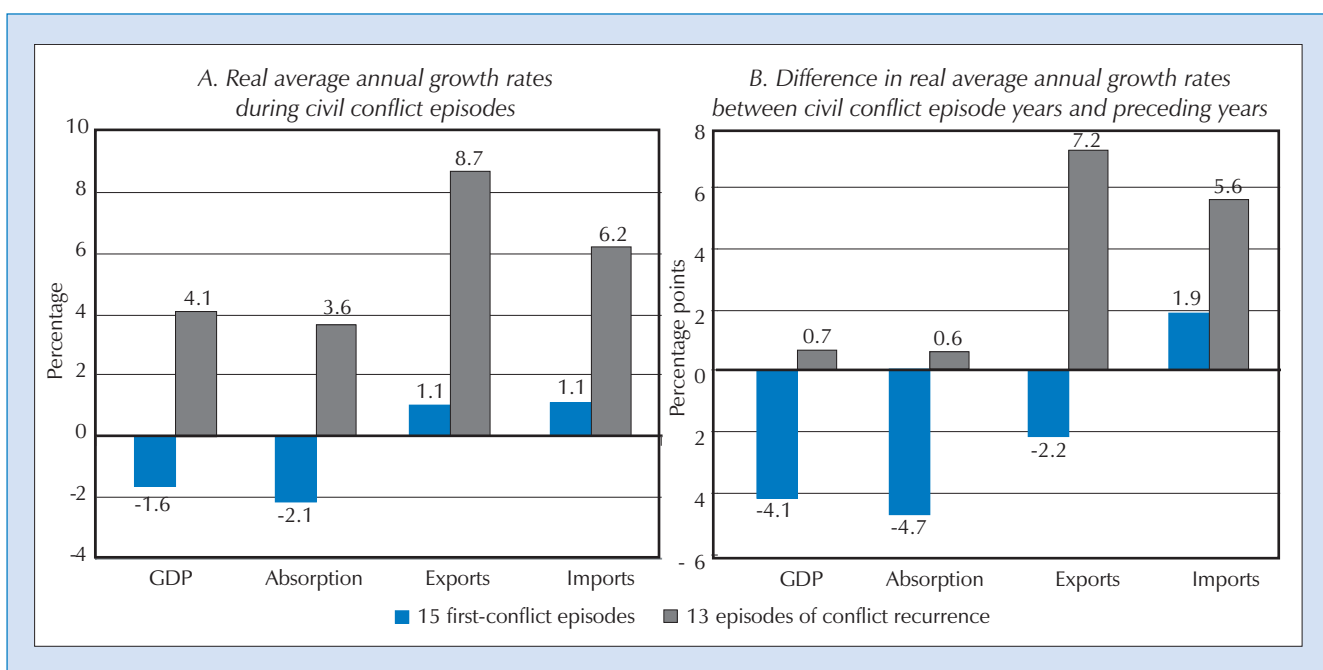


Source: UNCTAD secretariat estimates, based on World Bank, *World Development Indicators 2003* CD-ROM, and the Uppsala/PRIO database on armed conflict.

Note: For sample composition, see note 31. For definition and calculation of absorption, see note 32. Averages are simple averages.

to the period prior to the conflict episode (charts 28A and 28B). This reflects partly the fact that in situations of repeated civil conflicts, some economic agents learn how to cope with conflict, and even to take advantage of it (Fitzgerald, 2001: Introduction, 21). The exploitation of some commodities can even be more profitable during conflict periods, partly because of scarcity (for example, of food and foreign exchange) and partly because the breakdown of the rule of law enables illicit and illegal exploitation of resources.

CHART 28. COMPARATIVE TRENDS IN GDP, ABSORPTION, EXPORTS AND IMPORTS DURING CONFLICT EPISODES IN LDCs: FIRST CONFLICT EPISODES VERSUS EPISODES OF CONFLICT RECURRENCE



Source: Same as for chart 27.

Note: For sample composition, see note 31. For definition and calculation of absorption, see note 32. Averages are simple averages.

During the 15 first-conflict episodes, the real annual growth rates of GDP and absorption were negative and averaged -1.6 and -2.1 per cent per conflict year respectively. In contrast, the real growth rates of exports and imports were positive, averaging 1.1 per cent per conflict year. These figures highlight the greater vulnerability during civil conflicts of absorption relative to trade. Although positive, the annual growth rate of real exports was on average 2.2 percentage points lower during the conflict years than in the five years preceding the conflict. That of imports was 1.8 per cent higher. This may be explained by the low import growth rate during the pre-conflict period (-0.7 per cent per annum, on average, as compared with 3.2 per cent per annum for exports) and the increase in imports related to emergency assistance.

---

*During the 15 first-conflict episodes, the real annual growth rates of GDP and absorption were negative and averaged -1.6 and -2.1 per cent per conflict year respectively. In contrast, the real growth rates of exports and imports were positive, averaging 1.1 per cent per conflict year.*

---

In the 13 recurring-conflict episodes, it is interesting to note that the real average annual growth rates of GDP, absorption, exports and imports were positive, and even higher during the conflict years than in the period preceding the recurrence of conflict. The dynamism of exports is a particularly troubling feature of these patterns. On average, real exports grew by 8.7 per cent per annum during the conflict years: that is 7.2 percentage points higher than in the period preceding conflict recurrence.<sup>34</sup> Once again, there are variations amongst the countries. But export growth rates were positive in 12 of the 13 episodes of conflict recurrence.

In terms of GDP, a similar pattern of increasing resilience to conflict is evident. Real GDP declined on average by 1.6 per cent per annum during the 15 first-conflict episodes, but during the 13 episodes of conflict recurrence it grew by about 4 per cent per annum. Also, real GDP grew by about a 0.7 percentage point more during the 13 episodes of conflict recurrence than during the pre-conflict-recurrence period. In comparison, the real GDP growth rate was 4 percentage points less during the 15 first-conflict episodes than during the 5 years preceding conflict onset. Real annual GDP growth rates were positive in 10 of the 13 episodes of conflict recurrence and in only 7 of the 15 first-conflict episodes.

---

*In the 13 recurring-conflict episodes, the real average annual growth rates of GDP, absorption, exports and imports were positive, and even higher during the conflict years than in the period preceding the recurrence of conflict.*

---

The resilience during episodes of conflict recurrence is somewhat lower for absorption, though still apparent. The real growth rate of absorption was positive in 9 of the 13 episodes of conflict recurrence as compared with in 5 of the 15 first conflict episodes. Real absorption increased by 3.6 per cent per annum on average in the 13 episodes of conflict recurrence, that is a 0.6 percentage point more than in the pre-conflict-recurrence period. In comparison, in the 15 first-conflict episodes, real absorption decreased by 2.1 per cent per annum, that is 4.7 percentage points less than in the five years before the onset of conflict.

Data on private consumption per capita (in 1985 PPP dollars) trends are no exception to this pattern of increasing resilience to conflict. On average, private consumption per capita decreased by 1.4 per cent per annum during the total of 28 conflict episodes for which data are available. During the 15 first-conflict episodes, the annual growth rate of real private consumption per capita averaged -4.7 per cent per conflict year and was positive in 2 conflict episodes only. In the 13 episodes of conflict recurrence, real private consumption per capita increased from -0.1 per cent per annum in the pre-conflict-recurrence period to 2.5 per cent per annum during the conflict years and was positive in 9 of the 13 episodes. The increase in private consumption per capita during conflict years does not necessarily imply that poverty decreased during these years. Rather, these results point to the need to analyse the distributional consequences of civil conflicts. According to Stewart and Fitzgerald (2001: Vol. I, Introduction, p. 10), "The analysis of the impact of war needs to differentiate

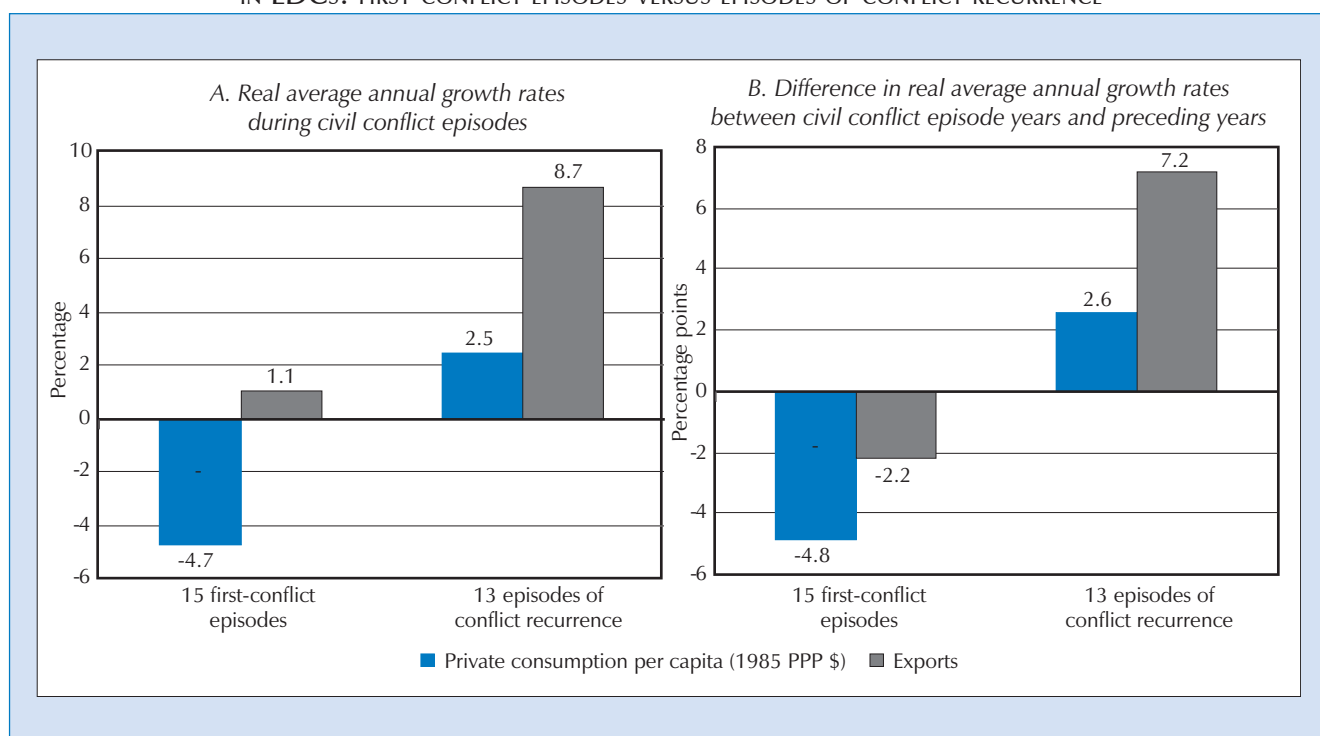
between the effects of conflict on the aggregate supply of goods and services and the impact on the entitlements of vulnerable groups whose basic needs satisfaction is near to survival level...War is a time of dramatic changes, so that a group may lose drastically even while aggregate output is rising...". The distributional consequences of civil conflict implies that export growth in such a context is more likely to be accompanied by an increase in poverty, even when private consumption per capita increases (see charts 29A and 29B). This has important implications for analysis of the trade–poverty relationship.

These results suggest that the country's previous conflict experience is an important factor influencing economic impacts. The greater ability of countries that have been affected by previous conflict to better mitigate the adverse economic effects of their subsequent conflicts and to display positive GDP growth rates thereafter partly reflects the fact that their economic variables started from lower levels as a result of their first conflict episode. But it is also likely to be indicative of the effects of distributional changes associated with conflict, and of the fact that some economic actors increasingly just get on with their business regardless of, and even adjusting or adapting to an environment of repeated conflict. The contribution of each of these factors in explaining the higher resilience of countries to the effect of civil conflicts during subsequent conflict episodes requires further analysis.

With regard to the intensity of civil conflicts, the results indicate that minor conflicts have a much less significant impact on GDP and absorption than do intermediate or major conflicts (charts 30A and 30B). This is to be expected in that civil conflicts classified as minor violence tend to be concentrated in remote areas of the country; thus, they do not affect major production and export loci, and allow the economy to continue to display positive growth. But import growth is stronger in non-minor than in minor conflicts. This probably reflects emergency assistance.

*In situations of repeated civil conflicts, some economic agents learn how to cope with conflict, and even to take advantage of it.*

CHART 29. COMPARATIVE TRENDS IN PRIVATE CONSUMPTION PER CAPITA AND EXPORTS DURING CONFLICT EPISODES IN LDCs: FIRST-CONFLICT EPISODES VERSUS EPISODES OF CONFLICT RECURRENCE



Source: UNCTAD secretariat estimates, based on World Bank, *World Development Indicators 2003*, CD-ROM; Heston, Summers and Aten (2002); and the Uppsala/PRIo database on armed conflict.

Note: For sample composition, see note 31. For definition and calculation of absorption, see note 32. Averages are simple averages.

These results have important implications. First, conflict is clearly a major cause of poverty. This occurs at least in part through its effect on the level and the distribution of income.

*Conflict is clearly a major cause of poverty.*

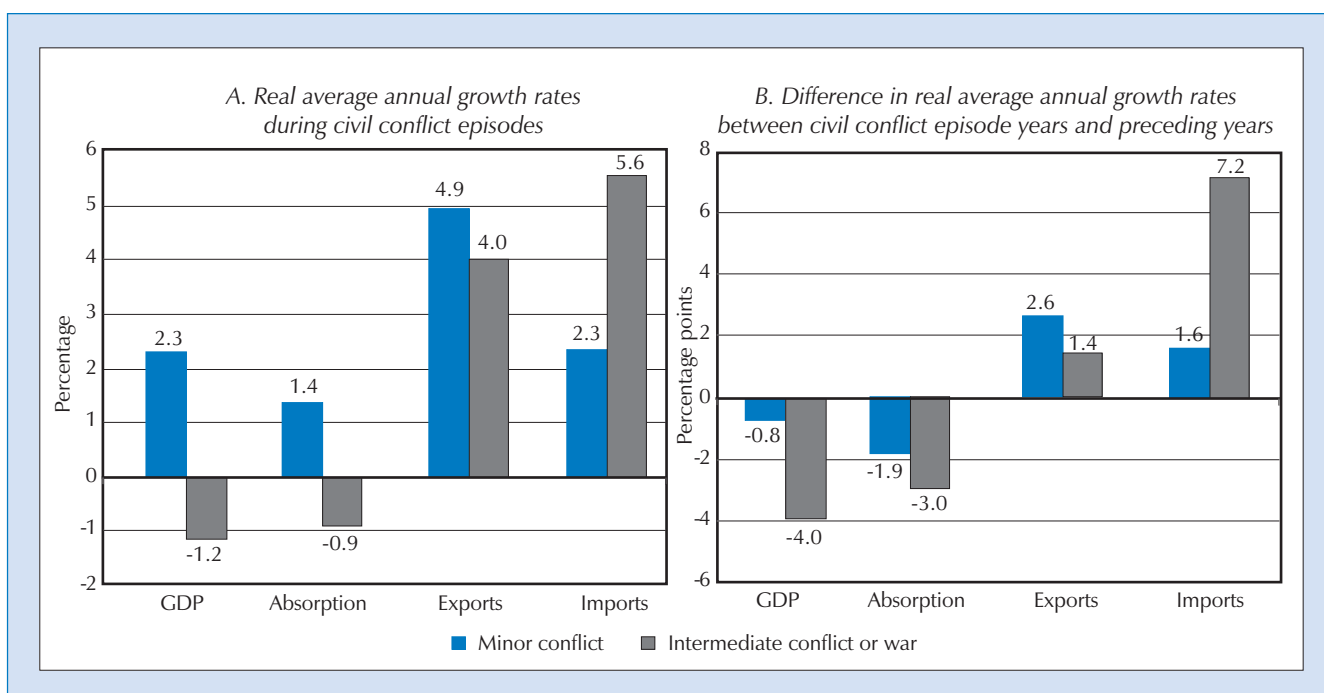
Secondly, the general tendency is that exports have, on average, increased during conflict episodes. The dynamism of exports is particularly apparent in countries that have experienced previous conflict episodes. Because the absence of the rule of law during a conflict may enable increased illegal and illicit exports, it is likely that official statistics actually underestimate the increase in exports during civil conflicts.

*Since trade performance tends to be more resilient to civil conflicts than absorption and GDP, the trade/GDP ratio is likely to increase during conflict years. In this case it reflects economic distress and reduced absorption, which are the direct consequences of civil conflicts.*

Thirdly, the tendency for trade to be more resilient to civil conflict than absorption has important implications for the interpretation of the traditional variable used to measure “trade openness” (exports plus imports as a ratio of GDP). This is used as the key indicator of trade integration and also sometimes as a measure of trade liberalization. Furthermore, it is usually assumed that the greater the integration, the more positive it is for the country. The results show that in countries which are prone to conflict it is a poor indicator of either trade policy or beneficial integration into the world economy. Since trade performance tends to be more resilient to civil conflicts than absorption and GDP, the trade/GDP ratio is likely to increase during conflict years. But in this case this measure is not indicative of something that is economically positive. Rather, it reflects economic distress and reduced absorption, which are the direct consequences of civil conflicts (table 35).

Finally, the tendency for trade to expand during civil conflicts also has important implications for the trade–poverty relationship. If the 1990s are taken as a whole, it is apparent that export growth rates are actually higher in conflict-affected LDCs than in those not affected by conflict (chart 31). This difference appears to be counter-intuitive. But it reflects trends in exports during conflict episodes discussed above, and also the fact that the growth rates cover pre-conflict, conflict and post-conflict periods. But whilst export growth rates in the 1990s were higher in the conflict-affected LDCs than in those not affected by

CHART 30. COMPARATIVE TRENDS IN GDP, ABSORPTION, EXPORTS AND IMPORTS: MINOR CONFLICT EPISODES VERSUS INTERMEDIATE CONFLICTS OR WARS



Source: Same as for charts 27.

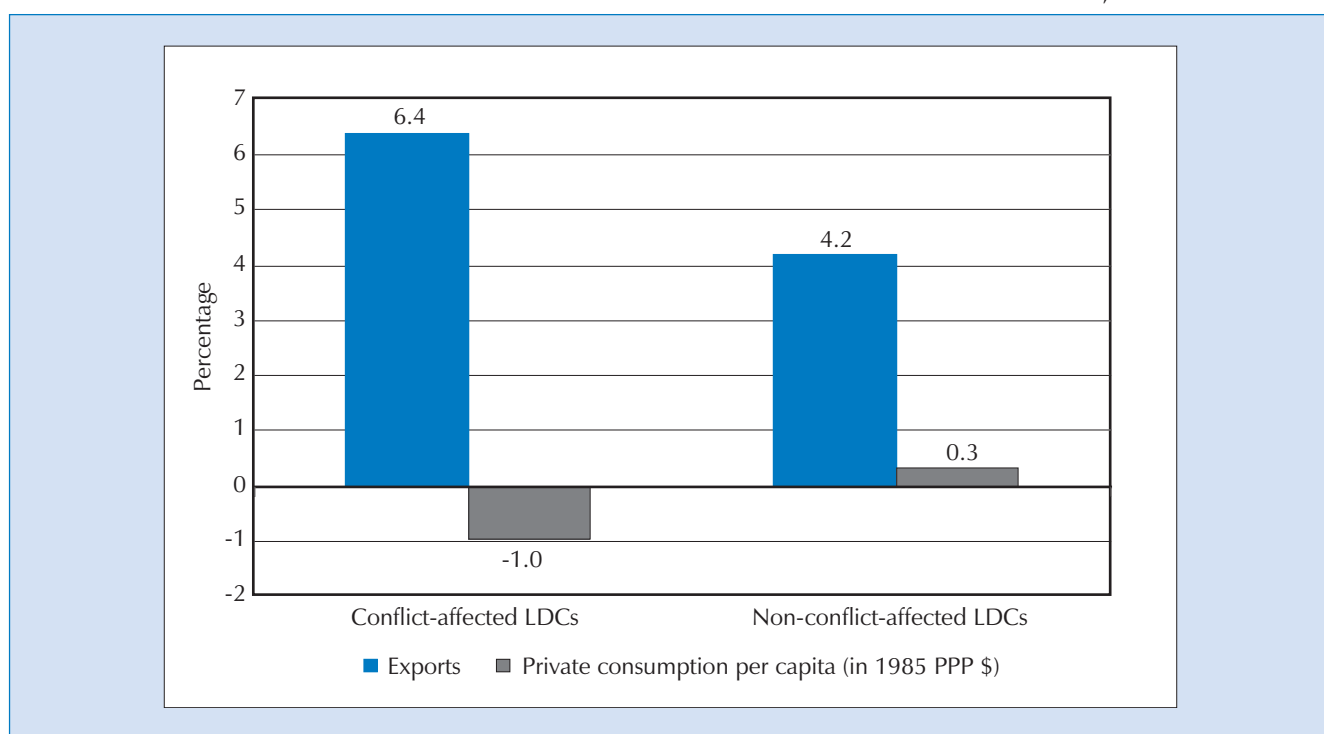
TABLE 35. HOW OPENNESS, ABSORPTION AND TRADE CHANGED IN CONFLICT EPISODES IN SELECTED LDCs

	"Openness" <sup>a</sup>		Real annual growth rates during conflict years	
	Before conflict	During conflict	Absorption	Exports + Imports
Burundi	37.9	52.0	-2.5	13.2
Democratic Republic of the Congo	35.4	57.0	-1.8	15.5
Guinea-Bissau	25.0	34.8	-15.0	5.4
Rwanda	25.6	34.2	-4.4	5.7

Source: UNCTAD secretariat estimates, based on World Bank, *World Development Indicators 2003* CD-ROM, and the Uppsala/PRIO database on armed conflict.

- a "Openness" is measured as exports plus imports of goods and services as a percentage of GDP. Calculations are based on data in constant 1995 dollars.

CHART 31. REAL AVERAGE ANNUAL GROWTH RATES OF EXPORTS IN GOODS AND SERVICES AND OF PRIVATE CONSUMPTION PER CAPITA IN CONFLICT-AFFECTED AND NON-CONFLICT-AFFECTED LDCs, 1990–2000



Source: Same as for chart 29.

Note: The sample is based on a group of 26 LDCs for which real exports and private consumption per capita (in 1985 PPP \$) data were available for the 1990–2000 period. Of these LDCs, 16 experienced at least one episode of civil conflict in that period and 10 had not experienced civil conflicts for the last two decades. Sierra Leone and Equatorial Guinea are not included in the sample. Averages are simple averages.

conflict, average private consumption per capita was increasing in the latter countries whilst it was decreasing in the former. This implies that in the 1990s poverty was increasing in the conflict-affected countries along with high export growth rates.

## F. Conclusions

The main conclusion of this chapter is that civil conflict is an important factor affecting the relationship between trade and poverty in the LDCs. However, the way in which trade, civil conflict and poverty interact is quite complex.

During the 1990–2001 period more LDCs were affected by conflict than unaffected by it. Moreover, since the late 1990s the LDCs became the primary locus of civil conflict in the world. Many factors, both internal and external, and

*In the 1990s, export growth rates were actually higher in conflict-affected LDCs than in those not affected by conflict.*

encompassing social, political and economic determinants contributed to this situation. But the inter-country pattern of conflict suggests that the interaction of a low income per capita with economic stagnation or regress has played an important role in the onset of civil conflicts in LDCs.

Most of the LDCs that experienced conflict during the Cold War period exported primary commodities, particularly agricultural products. The new civil conflicts of the 1990s occurred in LDCs whose export structure was diversifying into manufactures and/or services, as well as in those that specialized in primary commodities. Nevertheless, it is clear that countries with certain primary commodity exports are particularly conflict-prone. These include oil and gas exporters, as well as those with products that are labour-intensive and for which an illicit and lucrative international trade exists. There was also a particularly strong tendency for mineral exporters that experienced economic stagnation and regress in the 1980s to become embroiled in conflict in the 1990s.

Once civil conflict breaks out, both domestic consumption and investment normally decline. Given the close relationship between average private consumption per capita and the incidence and depth of poverty, this implies that, as one would expect, poverty increases during conflict. In countries experiencing conflict recurrence there tends to be an increase in private consumption per capita during the conflict years. This phenomenon is more likely the result of a change in the distribution of income than a sign of decreasing poverty. Civil conflict does not always result in a bad trade performance. Indeed, more often than not, both exports and imports increase during conflict. There is a particularly strong tendency for exports to increase in countries with a previous experience of conflict, reflecting the fact that economic actors learn how to adjust to or even to profit from conflict situations.

The nature of these trends requires more in-depth study. However, the fact that domestic consumption and investment are much more vulnerable to conflict than exports and imports means that the "openness" of conflict-affected countries, as measured by their trade/GDP ratio, increases during conflict episodes. The extent of this effect may well be underestimated as the collapse of the rule of law gives rise to opportunities to profit from previously illegal forms of trade. Furthermore, because both poverty and exports tend to increase during conflict episodes, civil conflict contributes to the phenomenon of immiserizing trade. Without sustained peace, the trade-poverty relationship is likely to be perverse.

Finally the outbreak and the duration of civil conflicts reflect a combination of legitimate claims-making by some and opportunistic behaviours by others in an environment of deprivation, risk and uncertainty. To prevent more civil conflict in the future, the real challenge at national level is to find ways of promoting inclusive development with sufficient and transparent distribution of domestic resources, including, in particular, those deriving from the primary sector, in a way that is considered equitable for the society in question. This is more likely to be best achieved under a set of concerted actions involving national and international actors from both the private and the public sectors and targeting the improvement or the safeguard of national and international good governance of natural resources.

---

*Civil conflict is an important factor affecting the relationship between trade and poverty in the LDCs.*

---



---

*Because both poverty and exports tend to increase during conflict episodes, civil conflict contributes to the phenomenon of immiserizing trade. Without sustained peace, the trade-poverty relationship is likely to be perverse.*

---

## Notes

1. The dataset is a joint project of the Department of Peace and Conflict Studies, Uppsala University, and the Centre for the Study of Civil War at the International Peace Research Institute, Oslo (PRIO).
2. For example, Civil War Termination (CWT), Correlates of War (COW), Doyle and Sambanis and Major Armed Conflicts.
3. Minor armed conflicts are conflicts that resulted in “at least 25 battle-related deaths per year and fewer than 1,000 battle-related deaths during the course of the conflict”; intermediate armed conflicts are conflicts that caused “at least 25 battle-related deaths per year and an accumulated total of at least 1,000 deaths but fewer than 1,000 in any given year”; wars are conflicts that resulted in “at least 1,000 death battle-related deaths per year” (Strand, Wilhelmsen and Gleditsch, 2004: 4).
4. Excluding countries from Central and Eastern Europe.
5. Timor-Leste was not included in this analysis.
6. Afghanistan, Angola, Bangladesh, Cambodia, Chad, Ethiopia, the Lao People’s Democratic Republic, Mozambique, Myanmar, Somalia, Sudan and Uganda. The Uppsala/PRIO database reports that the Lao People’s Democratic Republic underwent 24 years of civil conflict within the 1970–2001 period. The level of intensity (minor, intermediate or war) was classified as unclear in 18 of these 24 years.
7. These two LDCs are Mozambique and Bangladesh. According to the Uppsala/PRIO database, about two thirds of Mozambique’s conflict period was classified as “war” and that of Bangladesh as “minor” armed conflict.
8. Burundi, the Democratic Republic of the Congo, Liberia, Niger, Rwanda, Senegal, Sierra Leone and Nepal.
9. These calculations are based on the International Institute for Strategic Studies’ Armed Conflict Database.
10. These calculations are derived from UNDP (2004: Statistical annex).
11. These calculations control for countries shifting from a middle-income level to a low-income level following civil conflict. They are based on a group of 127 developing countries (excluding Central and Eastern Europe) for which GNI per capita data are available, thus allowing for country classification by income level in the 1980s and the 1990s. In the 1980s, low-income countries were countries with a GNI per capita below \$410 in 1980. In the 1990s, low-income countries were countries with a GNI per capita below \$635 in 1990.
12. Burundi, the Central African Republic, the Democratic Republic of the Congo, Djibouti, Guinea, Guinea-Bissau, Haiti, Lesotho, Mali, Nepal, Niger, Rwanda, Senegal and Sierra Leone.
13. Lesotho, whose civil conflict in 1998 is classified as “minor” in the Uppsala/PRIO database, and Nepal, whose civil conflict broke out in the late 1990s and was still active in 2002.
14. In the Central African Republic and Guinea, civil conflict classified as minor broke out in 2001 and 2000 respectively. Their real GDP per capita growth rates in the 1990s did not exceed 1 per cent.
15. Burundi, Guinea-Bissau, Mali and Rwanda were the agricultural exporters; Guinea, Niger, Sierra Leone, the Central African Republic and the Democratic Republic of the Congo were the mineral exporters; and Djibouti, Haiti, Nepal and Senegal were the manufacturing and/or services exporters.
16. Ten LDCs displayed either negative or sluggish real per capita GDP performance in the 1980s but did not experience civil conflict in the 1980s and 1990s. Those countries are Benin, Equatorial Guinea, Kiribati, Madagascar, Malawi, Samoa, Sao Tome and Principe, the United Republic of Tanzania, Vanuatu and Zambia. No GDP data are available for Tuvalu.
17. In the five years preceding conflict onset, the real GDP per capita growth rate of Lesotho and Nepal averaged 4.4 and 2.8 per cent per annum respectively.
18. It should be noted that lack of data on inequality, and on horizontal inequality in particular, seriously hinders research on the inequality–conflict relationship.
19. For example, Benin had a negative economic performance in the 1980s, but has not experienced civil conflict in the last three decades, although its exports have depended heavily on cotton products, the world price for which decreased sharply during the 1980s. This country’s reliance on democratic principles may have contributed to this outcome.
20. The six mineral-dependent LDCs are the Central African Republic, the Democratic Republic of the Congo, Guinea, Niger, Sierra Leone and Zambia. Only Zambia did not experience civil conflict in the 1990s. Liberia, a seventh mineral-dependent LDC, is not on this list because it experienced two conflict episodes, classified as “minor”, in the 1980s before the eruption of war in the early 1990s.



21. De Soysa (2001) found that the likelihood of civil conflict was particularly high in countries where non-renewable resources (not total natural resources) are available.
22. Lujala (2003: 3) highlights the need to classify natural resources according to their characteristics and argues that "It is...not sufficient to simply state that natural resources cause and fuel conflicts", as natural resources are not equally lootable.
23. Oil discovery may have contributed to the prolongation and intensification of tensions in Angola, Chad and Sudan.
24. For a more detailed discussion on the need for transparency in revenues and payments from extractive industries see Chapter 6, section C of the Report.
25. Mostly diamonds from kimberlite mines.
26. Niger.
27. Guinea.
28. Collier and Hoeffler (2001: 3-4) have identified three main sources of rebel finance during civil conflict: from primary commodities, foreign governments and diaspora. They have argued that whereas the two first sources of finance are associated with the opportunity thesis, the third one is not.
29. It has been suggested that the mechanism can be quite simple. It has been reported, for example, that in Zaire (just before it became the Democratic Republic of the Congo) rebellion was easy because all that was needed was \$10,000 and a satellite phone. The former was enough to hire a small army, whilst with a satellite phone it was possible to start making deals on mineral extraction (Collier, 2002: 9). In cases such as the Democratic Republic of the Congo, resource exploitation has been characterized by intense competition among various political and military actors as they have sought to maintain, and in some instances expand, their control over territory (United Nations, 2003: 14).
30. The example of Sierra Leone is quite striking in this regard. According to official data, exports from Sierra Leone declined by over 95 per cent between 1990, the pre-conflict year, and 2000. But according to Smillie, Gberie and Hazleton (2000: 4), "while the Government of Sierra Leone recorded exports of only 8,500 carats in 1998, the HRD — the Diamond High Council — records imports of 770,000 carats".
31. See note 3 for violence thresholds used to distinguish between minor armed conflict, intermediate armed conflict and war.
32. The group of 15 first-conflict episodes is based on a sample of 15 LDCs for which data were available in the five years preceding conflict onset and during conflict years for the period 1970–2001. These LDCs are: Bangladesh, Burkina Faso, Burundi, Comoros, the Democratic Republic of the Congo, the Gambia, Guinea, Guinea-Bissau, Lesotho, Mali, Niger, Rwanda, Senegal, Sierra Leone and Togo.  
The group of 13 episodes of conflict recurrence is based on a sample of 11 LDCs for which data were available during the period before conflict recurrence and during conflict years for the period 1970–2001. These LDCs are: Burundi, Chad, Comoros, the Democratic Republic of the Congo, Ethiopia, Mali, Rwanda, Senegal (2 episodes of conflict recurrence), Sudan (2 episodes of conflict recurrence), Togo and Uganda.
33. Not enough data are available to distinguish the private from the public components of consumption and investments. Absorption (A) has been calculated using data on GDP, exports (XGS) and imports (MGS) of goods and services in real terms ( $A = GDP - XGS + MGS$ ). Absorption is the sum of (private and public) consumption expenditures and (private and public) investments.
34. Rwanda experienced two war episodes, a first one during the 1990–1994 period and a second one as from 1998. Its exports declined by over 20 per cent during its first conflict episode, but increased by over 16 per cent during the 1998–2001 period. In 2001, the Rwanda's exports volume almost reached its 1989 pre-war level.

## References

- Collier, P. and Hoeffler, A. (2001). Greed and grievance in civil war, Working Paper No. 2355, World Bank, Washington DC.
- Collier, P. (2002). Primary commodity dependence and Africa's future, Working Paper No. 14984, World Bank, Washington DC.
- de Soysa, I. (2001). Paradise is a bazaar? Greed, creed, grievance and governance, Discussion Paper No. 2001/42, WIDER University, Helsinki.
- FAO (2000). *The State of Food and Agriculture 2000*, Rome, (<http://www.fao.org/docrep/X4400E/X4400E00.htm>)
- Global Witness (2004). *Time for Transparency – Coming Clean on Oil, Mining and Gas Revenues*, (<http://www.globalwitness.org/reports/show.php/en.00049.html>)
- Goodhand, J. (2001). Violent conflict, poverty and chronic poverty, Working Paper No. 6, Chronic Poverty Research Centre, Manchester.
- Guillaumont, P. et al. (2003). Dampening the vulnerability to price shocks: a role for aid, Document de travail de la série *Etudes et Documents*, E 2003.25, Centre d'Etudes et de Recherches sur le Développement International, Clermont-Ferrand.
- Herbst, J. (2001). The politics of revenue sharing in resource-dependent States, Discussion Paper No. 2001/43, WIDER University, Helsinki.
- Homer-Dixon, T. (1994). Environmental scarcities and violent conflict: Evidence from cases?, *Peace and Conflict Studies Program*, University of Toronto, Toronto, 19(1): 5–40, (<http://www.library.utoronto.ca/pcs/evidence/evid1.htm>).
- Humphreys, M. (2003). *Economics and Violent Conflict*, Harvard University, Cambridge, MA (<http://www.preventconflict.org/portal/economics/Essay.pdf>).
- Le Billon, P., Sherman, J. and Hartwell, M. (2002). Controlling resource flows to civil wars: a review and analysis of current policies and legal instruments, Background Paper prepared for the conference, *Policies and Practices for Regulating Resource Flows to Armed Conflicts*, organized by the International Peace Academy's Economic Agendas in Civil Wars Project at the Rockefeller Foundation Study and Conference Center, Bellagio, Italy, May 20–24, 2002.
- Luckham, R. et al. (2001). Conflict and poverty in sub-Saharan Africa: an assessment of the issues and evidence, Working Paper No.128, Institute of Development Studies, Sussex.
- Lujala, P. (2003). Classification of Natural Resources, Department of Economics, Norwegian University of Science and Technology, Trondheim, Norway.
- Nazfiger, E.W and Auvinen J. (2002). Economic development, inequality, war and State violence, *World Development*, 30(2): 153–163.
- Smillie, I., Gberie, L. and Hazleton, R. (2000). *The Heart of the Matter – Sierra Leone, Diamonds & Human Security*, Partnership Africa Canada Publication, (<http://www.pacweb.org/e/pdf/heart%20of%20the%20matter.doc>).
- Stewart, F. and Fitzgerald, E.V.K. (eds.) (2000). *War and Underdevelopment*, Vol 1, Oxford University Press, Oxford.
- Stewart, F. (2003). Global economic influences and policies towards violent self-determination movements: an overview, Queen Elizabeth House Working Paper Series No 98, University of Oxford.
- Strand, H., Wilhelmsen, L., and Gleditsch, N.P. (2004). *Armed Conflict Dataset Codebook*, International Peace Research Institute, Oslo.
- UNAIDS (2003). HIV/AIDS and conflict, Fact Sheet No 2, August, ([http://www.unaids.org/html/pub/Topics/Security/FS2conflict\\_en\\_doc.htm](http://www.unaids.org/html/pub/Topics/Security/FS2conflict_en_doc.htm))
- UNCTAD (1997). *The Least Developed Countries Report 1997*, United Nations publication, sales no. E.97.II.D.6, Geneva.
- UNDP (2003). *Human Development Report 2003 – Millennium Development Goals: A Compact Among Nations to End Human Poverty*, Oxford University Press, New York.
- UNDP (2004). *Reducing Disaster Risk – A Challenge for Development*, Bureau for Crisis Prevention and Recovery, New York.
- United Nations (2001a). Report of the World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance, A/CONF.189/12, Durban, 2001.
- United Nations (2001b). Resolution 55/56, General Assembly, 79<sup>th</sup> plenary meeting, 1 December 2000, A/RES/55/56, New York.
- United Nations (2003). Final Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo, 23 October 2003, S/2003/1027.
- WHO (2000). Outline Strategy for Malaria Control in Complex Emergencies, Roll Back Malaria Complex Emergencies Network, WHO/CDS/RBM/2000.22, Geneva.
- World Bank (2000). *World Development Report 2000/2001 – Attacking Poverty*, Oxford University Press, New York.
- World Bank (2003). *Breaking the Conflict Trap: Civil War and Development Policy*, World Bank Policy Research Report No. 26671, World Bank and Oxford University Press.