

The economics of violence

WHAT is the biggest source of violence in our world? With the brutal conflicts in Syria, Ukraine, and elsewhere constantly in the news, many people would probably say war. But that turns out to be spectacularly wrong. Getting it right matters if we are to find cost-effective solutions to this and other global problems. Obviously, everyone would like to stop wars and violence, just as we would like to end poverty, hunger, and global warming, while providing education to all. But, given limited resources, the international community can only do so much. We have to prioritize, which is what an economic analysis of costs and benefits can do.

The international community is working on new development goals for the next 15 years, and the Copenhagen Consensus has asked some of the world's leading economists to give their assessment of the smartest targets they can choose. Is reducing violence a goal worthy of resources that would otherwise be spent on, say, reducing hunger? And, if so, which forms of violence should be targeted?

A study by James Fearon of Stanford University and Anke Hoeffler of Oxford University's Center for the Study of African Economies argues that societal violence - homicides and especially violence against women and children - is a much bigger problem than civil wars. Nine people are killed in

Bjorn Lomborg



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interpersonal violence for every battlefield death in a civil war, and one child is killed for every two combatants who die.

In 2008, there were 418,000 homicides

around the world, with far too many countries recording a murder rate of more than 10 per 100,000, which the World Health Organization regards as an epidemic. A single homicide in America costs the individual and society \$9.1 million. If we scale this by national income across the world, this single category of violent crime costs 1.7% of global GDP.

Of course, this is not a direct financial loss to the global economy, but a way of expressing the impact. If murders could be eliminated, societies around the world would be better off in ways that can be valued at 1.7% of GDP. Compare this to the much lower cost of civil wars, which are equivalent to about 0.2% of global GDP. But this is still much less than the biggest source of violence of all: violence against women in the home. Based on studies published in Science, 28% of all women in Sub-Saharan Africa reported experiencing violence in the past year at the hands of their partners or family. This includes women subjected to beatings, forced marriage at an early age, sexual assault, "honor" crimes, and female genital mutilation. A conservative estimate puts the welfare cost of intimate partner violence alone at \$4.4 trillion, or 5.2% of global GDP.

The second-largest source of violence is the abuse of children, 80% of which is inflicted by parents. The definition of what constitutes child abuse varies by culture; but about 15% of children suffer each month from what

the UN calls severe physical punishment. This includes being slapped on the face, head, or ears, and a quarter of these children are beaten with some kind of implement repeatedly and as hard as possible.

Every month, some 290 million children endure such suffering. The welfare cost is \$3.6 trillion, or 4.2% of global GDP.

A tiny fraction of international aid funding currently goes toward reducing societal violence and improving criminal justice systems. The enormous cost borne by society and individuals seems to cry out for action. Unfortunately, there is still little hard evidence about where resources should best be focused.

All we can say is that the money spent to reduce violence might be better targeted. Considerable amounts of aid are directed toward "fragile states" to help stop or prevent civil war, but only 0.27% of international aid goes to projects with a "crime prevention" component. Other programs may help in indirect ways, but there obviously is much room for improvement. Some solutions, it is clear, do work very well. Stronger social services can reduce violence against children. Studies in Washington State show that home visits from trained staff can reduce child abuse, improve children's quality of life and physical and mental health, and reduce child-welfare and litigation costs.

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