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Opponent Note for 'The Challenge of Reducing the Global Incidence of Civil War', by Paul Collier and Anke Hoeffler

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1. Introduction

Violent conflict is a major challenge for the global community. In 2002 there were 21 major armed conflicts in 19 locations across the world (Eriksson *et al.*, 2003: 109). Most occur in the developing world, particularly in the poorest countries. In their paper for the Copenhagen Consensus, Paul Collier and Anke Hoeffler – henceforth CH – focus on the challenge of reducing the global incidence of civil war, and estimate the net benefits of doing so (Collier and Hoeffler, 2004). CH present three opportunities to meet this challenge, as well as some instruments to do so:

- Preventing civil war in currently peaceful environments (two instruments: aid and transparency in natural resources).
- Shortening conflicts in currently war-torn environments (one instrument: curtailing rebel access to commodity markets).
- Reducing the risk of the resumption of conflict in post-conflict situations (two instruments: aid and military intervention).

The purpose of this opponent note is to provide an assessment and constructive criticism of the challenge paper.[1] The structure of my note mirrors that of the CH paper. Section 2 discusses their estimates of the costs of civil war, and therefore the benefits of reducing its incidence. Sections 3, 4 and 5 discuss each of the CH opportunities in turn, starting with a brief summary of CH's argument, followed by an evaluation. Section 6 concludes and suggests one further opportunity: reducing the *intensity* of civil wars that have already begun.

2. The Benefits of Reducing the Incidence of Civil War

There are many benefits from reducing the occurrence of civil war. CH calculate the cost of a typical civil war in a low-income country. The net present value (NPV) of the total cost is estimated to be 250 per cent of the initial pre-war GDP, comprising GDP loss in the conflict country (105 per cent), GDP loss in neighbouring countries (115 per cent), higher military spending in the conflict country (18 per cent), and higher military spending in neighbouring countries (12 per cent) (all NPVs are calculated using a discount rate of 5 per cent). Thus given that the average initial GDP of a conflict-affected low-income country is US$ 19.7 billion, the cost of a typical civil war is US$ 49 billion (i.e. US$ 19.7 billion multiplied by 250 per cent). To this they add the NPV of health

[1] The expert group of the Copenhagen Consensus will consider the 10 challenge papers together with the associated opponent notes. The scope of each challenge paper is determined by the organizers of the Copenhagen Consensus and the challenge paper authors. Authors of the opponent notes are provided with the following guidelines: (i) have results relevant to the challenge and the opportunities as defined in the challenge paper been left out of the paper or are the issues presented in a balanced way? (ii) Could other models have been chosen? (iii) Are key assumptions reasonable? In addition, opponents may include one new opportunity.

costs measured in lost disability adjusted life years (DALYs) which is US$ 5 billion. The total cost of a typical civil war in a low-income country is therefore US$ 54 billion, and the value of enhanced risk of conflict in a country that has been through conflict is a further US$ 10.2 billion. This gives a combined total of US$ 64.2 billion (Collier and Hoeffler, 2004: 6-11).

Although there are a few case studies that value the cost of war, the CH estimate is the most comprehensive to date.[2] There are other costs – for instance forced migration – but the monetary value of these is largely speculative, and CH therefore exclude them. There remain, however, two problems with the CH methodology.

The first problem is with the way CH place a monetary value on the DALYs lost to war. I have no ethical objection to placing monetary values on DALY's (such a step is essential to make health costs commensurate with the other costs of war). My problem is with the CH approach which simply sets the value of a lost DALY at US$ 1,000, the purchasing power parity level of per capita income in many of the countries at risk of conflict (Collier and Hoeffler, 2004: 8). This basically amounts to valuing the *livelihood* rather than the *life*. The former reflects the largely discredited human-capital approach to valuing life which uses earned income as a measure of a person's marginal product, and therefore the loss or gain to society of a life which is ended or saved. In contrast, 'willingness to pay' approaches to valuing life – the preferred method in most recent cost-benefit analysis of health and safety – typically yield monetary valuations of a life that are 5 times greater than the human capital approach. There is also a downward bias in applying the human capital approach to civil war countries since their presently low per capita income is partly a result of their conflict history.

The method chosen to value lives has important implications for any economic cost-benefit analysis of military interventions by developed countries in the civil wars of developing countries. The lives lost by military personnel will have a much higher value than a life saved in the local population if the human capital approach is used, since there is a large gap in per capita income between developing and developed countries and therefore a large difference in human capital measures of life. This can lead to tactics which preserve military lives but increase the dangers to civilian lives, for example the high altitude bombing used in Afghanistan and Kosovo.

The second problem concerns the discount rate used by CH to calculate the NPV of the GDP loss, the extra military spending, and the loss of life. No reason is given for the choice of a 5 per cent discount rate.[3] It is also by no means self-evident that DALYs should be discounted at all, given the uniqueness of life and health compared to other

[2] Individual case studies that value the cost of war include Abadie and Gardeazabal (2003), Arunatilake *et al.* (2001), and Harris (1997).

[3] There is very little discussion of the discount rate in the literature on contemporary conflict. One exception is the study by Davis, Murphy and Topel (2003) which apply a discount rate of 2 per cent in their economic cost-benefit analysis study of US strategies towards Iraq.

goods and, if discounted, whether the rate should be the same as that applied to monetary costs; empirical evidence shows that individual rates of time preferences often differ for health versus money (Dolan, 2000; Smith and Gravelle, 2000).

Finally, given that the Copenhagen Consensus will attempt to rank opportunities *across* challenges, it is important for each challenge paper to apply the same approach to valuing changes in human life and health (resulting from civil war, global climate change, and disease, for example) and to apply the same discount rate in calculating NPVs of costs and benefits. Otherwise the ranking will be biased by inconsistencies in the methodologies across challenge papers.

In summary, CH provide a set of rigorously derived estimates of the costs of civil war, and thus the benefits of reducing it. However, there is an ambiguity in their use of the discount rate, and their valuation of health and life is downwardly biased because it values a person's livelihood and not their life. And relatedly there is a need for consistency in methodologies *across* challenges if a ranking of opportunities is to be achieved.

3. Conflict Prevention

3.1 Instrument: Aid and Conflict Prevention

CH argue that aid can reduce conflict if it raises growth since: 'When an economy is growing rapidly the returns to expanding the cake are higher relative to fighting over how to divide the cake and so one would expect a reduction in the risk of conflict' (Collier and Hoeffler, 2004: 13). The merit of the CH focus is that growth is a variable over which national policy-makers and international donors have some traction. Even if countries do not manage to optimize their growth strategy, they can at least strip out the worst inhibitors (weak property rights, over-taxation of smallholder agriculture, and chaotic fiscal management – to name but three). If aid helps them to do this, then aid is an effective peace-instrument. This is in contrast to democratization, a highly desirable objective in itself, but one whose effect on conflict is more uncertain (an empirical study by Goldstone *et al*. (2003) finds that new democracies have a higher risk of conflict).

Nevertheless CH may be underestimating aid's *potential* with respect to peace. This is for 4 reasons:

(i) Access to a slice of a growing economy depends on how people make their livelihood as well as their access to productive assets (such as land, water, and other 'natural capital'), infrastructure and their stock of human capital (Shorrocks and van der Hoeven, 2004). These variables determine how they connect to the growth process and whether some groups (with ethnic, regional, and religious characteristics) are marginalized from its benefits. If aid directly improves the livelihoods of disadvantaged groups – via financing community projects, and encouraging pro-poor expenditure reform – then it will raise their participation in growth, and aid will reduce conflict by more than CH allow for.

(ii) Growth raises the tax base and thereby, potentially, public spending to redress the grievances of disadvantaged groups. In mineral-rich countries, growth is enclave in nature and generates little employment, and therefore most people's slice of the pie depends on how the state distributes the revenue (a theme we return to later). The *fiscal effect* of growth is additional to growth's income effect, but it depends on effective institutions to collect revenue – which in resource-poor countries mainly originates in sales taxes and customs duties – and to manage the resulting public expenditures. Aid can support national efforts to build those institutions (a point we return to in section 5 on the post-conflict opportunity).

(iii) Aid can be used as a *tactical* instrument to influence the behaviour of actual or potential belligerents. In pre-genocide Rwanda, aid financed a significant amount (up to 50 per cent) of the budget, and threatening to suspend it could have modified the behaviour of Hutu extremists in government and bolstered diplomatic and military action. In Sudan the UN and other donors are today attempting to head off a worsening crisis (and a potential genocide) by applying pressure on the Khartoum government.

(iv) In Collier and Hoeffler (1998) income inequality is insignificant as a determinant of conflict risk. But this result has been challenged, notably by Nafziger and Auvinen (2002) in a study which uses a larger inequality data-set; they find that income inequality increases conflict risk. For Nepal, Murshed and Gates (2003) find that regional human development indicators and landlessness are important determinants of regional variation in support for the country's Maoist insurrection. If aid successfully improves the livelihoods of disadvantaged groups, either directly or through fiscal policy, then it will improve the chances of peace.

In summary, *well-designed* aid can do more for conflict than CH allow, and therefore their valuation of the benefit may be an under-estimate. Note, however, my emphasis on 'well-designed'. Aid can do major damage to peace when it bolsters dictatorships that use natural resources and the fiscal system for gross patronage, thereby slowing growth, and raising inequality. This is especially so in Africa. During the cold war super-power aid flowed to dictatorships in Angola, Ethiopia, Liberia, Somalia, and Zaire (now the Democratic Republic of the Congo), and dictators (and rivals) became adept at manipulating geopolitical rivalries to access assistance. Moreover, some donors have used bilateral aid to ruthlessly pursue commercial and foreign-policy advantage, particularly in Burundi, Rwanda and Zaire. Under pressure from powerful rich countries, the IMF and the World Bank were encouraged to lend to client states beyond the point of economic rationality, leaving them crippled by large and unserviceable foreign debts (Addison and Rahman, 2004).[4] A former World Bank chief economist, Nicholas Stern, puts this well:

[4] Of the 41 Heavily Indebted Poor Countries (HIPCs) 11 are classified by the IMF and the World Bank as conflict-affected, and owe some US$ 63 billion, much of it to the donors themselves (IMF and World Bank, 2001: 21).

> 'Underlying all of these instruments should be one guiding principle: the international community should provide finance for change, not finance for not changing. We must recognize that the international community has in the past, often for political reasons, financed the cost of not changing—in Mobutu's Zaire, for example'. (Stern, 2002: 29).

3.2 Instrument: Transparency in Natural Resources

CH highlight 5 mechanisms through which natural-resource rents increase conflict risk. First, the macro-economic difficulties inherent in managing large and fluctuating resource-rents lower growth and per capita income, both of which raise conflict risk. Second, resource-rich governments become politically disconnected from an increasingly resentful populace. Third, 'grand' corruption and resource rents often go together, encouraging a 'winner-takes-all' politics at the expense of growth. Fourth, regions endowed with natural resources are often the least likely to benefit, and are therefore prone to secede. Fifth, resource rents provide an incentive, and a means, for criminal networks to finance conflict (Collier and Hoeffler, 2004: 15-16).

Accordingly CH argue for international action to improve the domestic governance of resource revenues through two mechanisms. First, encourage greater transparency of resource use in budgets together with corporate and government disclosure of resource revenues through the Extractive Industries Transparency Initiative (EITI). Second, improve the inter-temporal smoothing of revenues so that they become less destabilizing to growth.

CH first estimate the effect of natural resources on policy performance, which they find negative, and then simulate the growth effect of an improvement in the management of resource revenues (they assume that better resource-rent management halves the adverse effect of rents on policy). In addition to the effect of higher growth on conflict risk, there is a direct effect of commodity dependence on conflict. For the two effects, CH estimate a total gain of US$ 89 billion from effective implementation of the EITI.

CH are right to emphasise the need for more transparency in the flows and use of resource rents. The sums are large: for example in a leaked un-published report in 2002 the IMF estimated that Angola could not account for US$ 4.3 billion of revenues from oil (Hoyos and Reed, 2003) and at least US$ 3 billion was stolen from the public purse under the military dictatorship of Nigeria's General Sani Abacha.

Nevertheless there are three problems with the CH line of argument:

(i) In a pre-conflict situation, resource revenues are largely under the control of states (but as conflict develops they fall increasingly under the control of non-state actors). To effectively prevent conflict EITI must encourage state actors towards revenue transparency. CH argue that this will happen in two ways: '…citizens can challenge their government as to why it is choosing to flout international guidelines, and the decision not to adopt them would constitute a negative signal to international markets' (Collier and

Hoeffler, 2004: 17). This is more likely to work in Nigeria – which has developed a vibrant democracy and an independent media since the end of the Abacha regime and which has large international commercial debts – than in Equatorial Guinea (sometimes described as the 'Kuwait of Africa') which has a strongly authoritarian regime and little need to maintain its reputation in the international financial markets.

(ii) Even if a government commits itself to an EITI framework, translating the revenues into the effective public spending that lowers grievances remains a formidable task given the often chronic state of public-expenditure management. Consequently, even when the political will exists in central government, public money intended for local services can still be diverted along the way (see Reinikka and Svensson, 2004). It is effective-service *delivery*, not transparency itself, which is critical to reducing grievances – particularly in long-neglected regions.

(3) Foreign bribery subverts national transparency efforts. But despite their rhetoric, rich country governments have taken little action. For example, the United Kingdom signed the OECD's anti-bribery convention seven years ago, and in 2002 a new law came into effect which makes it easier to prosecute bribery and corruption by UK nationals and companies overseas. Yet not a single prosecution has been brought in a UK court, and no additional funds have been allocated to the authorities to pursue prosecutions.[5] Clearly there are powerful externalities between the separate challenges of civil war and corruption in the agenda of the Copenhagen Consensus.

In summary, CH may overstate EITI's effectiveness as a conflict-prevention measure, and therefore overestimate the value of its benefits (an NPV of US$ 89 billion). Nevertheless, as they point out it is relatively cheap to implement and so the net benefit is still large even if we reduce their estimate of the gross benefit. And its chances will be strengthened if: (i) more aid and domestic resources are committed to improving fiscal management and service delivery and (ii) rich countries act more vigorously to prosecute corruption by their nationals.

4. Shortening Conflicts

4.1 Instrument: Curtailing Rebel Access to Commodity Markets

There are many instruments that could potentially shorten conflicts. These include reducing supplies of mercenaries and weapons; external military intervention (which CH discuss instead as a *post-conflict* instrument); and reducing the profitability to rebels of selling valuable minerals, timber and drugs. It is the latter instrument which CH focus on. They note the success of the Kimberley process in creating a two-tier market in which illegitimate diamonds sell at a discount to legitimate (certified) diamonds, thereby reducing the value of 'blood diamonds'. And as they suggest, a two-tier market in drugs

[5] Source: 'Claims of UK Bribery Abroad Higher than Published Data', *Financial Times*, 23 March 2004.

(with registered addicts able to obtain legal government supplies) would reduce some of the flow of finance from the drugs trade to conflict zones.

These proposals are eminently sensible, and in the case of blood diamonds some success has already been achieved. The drugs problem is more difficult given the very large and growing market in rich countries (and sizeable markets in poor countries as well). One additional way to address the problem is to provide alternative livelihoods for farmers who grow opium and other drug-producing plants.

Take the case of Afghanistan. Opium is a high value crop, and is the country's main source of foreign exchange, aside from foreign aid and remittances. Opium revenues finance the country's warlords, and indeed provide them with more revenue than the central government can command through its weak powers of taxation. The incentive of farmers to grow opium depends on its *relative* price to other crops. One suitable export crop for Afghanistan is cotton which was produced in significant amounts before the war. But like all cotton producers, Afghanistan faces an international price which is depressed by large US subsidies to farmers. Hence, the relative world price of cotton to opium would be raised by the elimination of the US$ 3.4 billion subsidy which 25,000 American cotton farmers presently enjoy.[6] The profitability of legal crops such as cotton could be further raised by transferring the subsidy savings into agricultural research for smallholder farmers in Afghanistan and elsewhere in the developing world, particularly farmers in environmentally-stressed areas who receive too little help at present.

In summary, it is highly desirable to shorten the *duration* of conflicts, and CH offer a practical way forward, and I suggest that agricultural trade liberalization is a further instrument. Shortening the average duration of civil wars will save lives. But equally it is desirable to reduce conflict's *intensity* i.e. the number of deaths that occur per year of conflict, whether combatant deaths from military action, civilian deaths at the hands of combatants, or deaths caused by the hunger and ill-health associated with war (IFRC, 2003). I return to this point in the conclusion, where I suggest that this is an additional opportunity for the Copenhagen Consensus to consider.

[6] Similarly, the elimination of the EU's US$ 1.5 billion subsidy to European sugar producers would help the sugar farmers in the post-conflict countries of Ethiopia, Mozambique and Uganda.

5. Reducing Post-Conflict Risks

CH rightly highlight the risks of conflict returning to 'post-conflict' countries. Peace agreements to end civil wars collapse more often than agreements to end inter-state wars (Walter, 2002). And belligerents find it increasingly difficult to credibly signal commitment to peace since their reputation declines as the number of broken agreements rises (Addison and Murshed, 2002).

5.1 Instrument: Aid in Post-Conflict Situations

For CH aid is more effective in supporting post-conflict recovery than in preventing conflict. Based on the Collier and Dollar (2002) model, CH make a case for altering the time-profile of post-conflict aid, specifically: '… aid is atypically effective in raising growth rates during the middle years of post-conflict recovery' (Collier and Hoeffler, 2004: 24). And given the CH growth-to-conflict mechanism, aid targeted in this way significantly reduces the risk of civil war returning. This leads them to criticize the present timing of aid flows since '… while during the first couple of years of peace there is a flood of aid …. aid typically tapers out just as it should be tapering in' (Collier and Hoeffler 2004: 24). Their argument is based on the view that: '… in the first few years after a civil war the quality of state institutions is so low that, while needs are great, the capacity to use resources effectively is very limited, so that returns to aid are no higher than normal (Collier and Hoeffler, 2004: 24).

However, the CH approach is potentially misleading as a policy guide, precisely because, as they say, the quality of state institutions is often low in the immediate post-conflict years. Finance to rebuild those institutions is required, but they generally need reform as well involving a restructuring of their operations, the payment of wage arrears and, most often, an increase in salaries to recruit the necessary skills. All of this is expensive. But unless the state enjoys generous natural resource revenues, its funds will be limited by low revenues from sales taxes and customs duties. These usually account for the largest shares of domestic revenue in low-income countries, and typically contract along with economic activity and trade during civil war. Revenues become more buoyant as the economy recovers. But the strength of the revenue recovery will not match the strength of the economic recovery if tax and customs institutions remain weak. These institutions are often in a chronic condition after prolonged civil war, and frequently corrupt. A complete and early overhaul of taxation and the customs service is essential but governments typically lack the resources to do it. Moreover, the central government may not fully control revenue collection – the situation in Afghanistan today – and political (and perhaps military action) will be necessary to wrest control of revenue-raising from warlords.

As a result of low domestic revenues, the government must either limit its reconstruction expenditures or resort to inflationary finance of its budget, neither of which is desirable. Aid in the form of budgetary support can finance not only capital spending but also a proportion of recurrent spending – and associated institution-building – and will enable the government to raise total reconstruction spending while maintaining macro-economic stability. A larger share of the budget is eventually funded by domestic revenues as these rise with economic recovery and as newly reformed tax and customs services become effective. From a *fiscal perspective*, an aid dollar therefore has a higher marginal value in the early years of recovery (when domestic revenues are low) than in later years (when domestic revenues are higher). This is the exact reverse of the CH conclusion. Indeed, if donors did allocate more of their aid to the middle years of recovery as CH suggest, then the return will be low—since the institutions to effectively use it will most likely never have been built.

There is also a case for early and generous aid from a *poverty perspective.* One of the main dangers for post-conflict reconstruction is not growth failure (Mozambique and Uganda enjoy high and sustained post-war growth) but the failure of the poor to recover (Addison, 2003). Refugees must resettle, primary education and basic health services need to be provided, safe water and sanitation established, rural roads repaired, livestock herds recreated, and smallholder farms and micro-enterprises put back into business. And it is not just a question of rebuilding what was there before: the pre-war distribution of infrastructure and services is often skewed away from the poor (and may reflect ethnic discrimination as well). Regions that never had much in the first place need special assistance—in particular environmentally-fragile regions where poverty is typically high.

Considerable resources exist within communities to do all of this. But their labour-time needs substantial external supplies of materials and technical skills. And this requires aid. National and international NGOs do much to deliver this, and to help poor communities, when state institutions are weak. And in some conflict countries, there are pockets of strength within state institutions that are capable of effective delivery. In Mozambique, for example, the health ministry was very pro-active in the immediate years of peace, in part reflecting the country's early and pioneering primary health care strategy. In Angola, a social fund financed by the World Bank and bilateral donors had some success operating in co-operation with the country's better local governments. Assisting such institutions has important demonstration effects for the rest of government and yields vital, often experimental, lessons, on how to achieve wider institutional reform within government.

Finally, there is a *tactical case* for front-loading aid. In Mozambique, the promise of generous aid in the immediate post-war years was one factor encouraging the rebel movement, RENAMO, to come to the negotiating table. When the private discounts rates of government and rebel leaders are high – as they are in conflict countries – the promise of aid in the middle years of recovery is worth much less than at the moment the peace deal is signed. When government resources are too thin to make a credible transfer to rebels as part of a peace-deal, then aid provides a partial substitute (by financing infrastructure and service delivery in rebel areas for example). And aid can substitute for the missing 'peace dividend' in public spending when post-war insecurity keeps domestic military-spending high.

In summary, in reaching their conclusion on the timing of post-war aid, CH over-emphasize the growth objective, and underemphasize aid's fiscal dimension, its poverty dimension, and its use as a tactical instrument to secure peace. Their general point on aid policy is an important one – donors have to commit to countries for the long haul and are too ready to declare victory and go home – but the time profile of aid should not just be governed by its growth effects. A spokesperson for the Afghan government recently summarized the urgency of the issues as follows: 'If the international community … fails to grasp the importance of continuity to help Afghanistan stand on its feet within a short period of time and rebuild its infrastructure, then the cost might be much higher down the road for all of us… We do not want to repeat the mistakes of a decade or so ago, when Afghanistan was left at the mercy of destiny'. (Quoted in Philips, 2004).

5.2 Instrument: Military Intervention Post-Conflict

Given the high frequency with which peace deals crumble, CH advocate external military intervention to secure a post-conflict country. This will permit a reduction in government military spending, since otherwise: 'High military spending might be read by rebels as a signal of an intention to renege' (Collier and Hoeffler, 2004: 26). They cite the UK military intervention in Sierra Leone as an example (although it is debatable whether Sierra Leone was in a conflict or 'post-conflict' situation at the time). And they estimate a substantial net gain: at least US$ 392 billion.

The cost of external peace-keeping varies with who does the peace-keeping (and the scale of the insecurity). CH cite a figure of US$ 49 million per year for the UK military presence in Sierra Leone. However, Sierra Leone is not the most expensive war by any means. It costs the United States about US$ 800 million per month to keep 13,000 troops in Afghanistan. A further 8,000 troops are supplied by other nations. If they cost as much as US peacekeepers then the additional monthly cost is US$ 490 million but they are likely to be cheaper than US forces, so assume for argument's sake that they cost US$ 200 million per month. Adding this to the US expenditure, implies that the total cost of external military forces in Afghanistan is roughly US$ 1 billion per month, or US$ 12 billion per year. So the cost of an external military intervention in a country like Afghanistan is substantially more than in a 'small' African war such as Sierra Leone.

The cost of external intervention can be reduced if militaries from developing countries are used since their labour cost is substantially lower than those of rich-country forces (for US peacekeeping operations, the US Congressional Budget Office assigns average personnel costs of about USD 250,000 per person-year). Many of the 50,000 'blue helmets' currently deployed in 17 UN peacekeeping operations around the world are from developing countries. Unfortunately, the effectiveness of developing-country forces in civil wars is sometimes limited, especially when they are under-trained and under-equipped. The UN forces held hostage in Sierra Leone were mainly from developing-countries.

One way forward is to create a highly-trained rapid reaction force at the disposal of the UN security council, a suggestion that has often been made—most recently by former UN under-secretary general Brian Urquhart who was involved in many of the early UN peace-keeping operations (Urquhart 2003). One of the main benefits would be speed – for rapid intervention in situations such as Rwanda in 1994, Liberia in 2003, and southern Sudan today. Another way forward is to accelerate the European Union's ability to deploy forces globally: this was done for the first time, and relatively successfully, in Bunia (north-eastern DRC) in 2003 and may shortly occur in the Sudan.

In summary, the CH proposal for greater military involvement by external forces is worthwhile and has large benefits as the swift end to the carnage in Sierra Leone demonstrates. But greater attention should be given to using the forces of developing countries themselves which means greater assistance to them in training and equipment. The latter should be factored into aid programmes; development practitioners are often rightly sceptical of military aid and budgetary support to the security-sector. But if such aid enables democratic countries, particularly in Africa, to contribute to effective peace-keeping then it will be money well spent.

6. Conclusions

The paper by Paul Collier and Anke Hoeffler addresses a vital global challenge. The paper itself is methodologically sound, and innovative in its use of the sparse data which is available. Although some of their policy conclusions are questionable, the paper's great merit is the way in which it highlights the role of development in reducing the risk of conflict.

The Copenhagen Consensus allows authors of opponent papers to offer one more opportunity to meet the assigned challenge. I would therefore like to end by proposing *the reduction of conflict intensity* as an extra opportunity (where intensity is measured by the annual number of battlefield deaths and civilian deaths). Although CH address duration, this is not the same as intensity: long wars may be low-intensity affairs, while short wars can be very bloody. Space precludes me from a detailed discussion of instruments but a list of viable instruments must include; reducing the flow of weapons and mercenaries to conflict countries; revision of the Geneva Conventions to fully encompass war crimes committed during civil wars (including the proper treatment of prisoners of war); increased effort to bring perpetrators of war crimes to international justice (including an international criminal court); protecting IDPs and refugees from harm by belligerents (i.e. preventing a repeat of Srebrenica and other massacres); and better humanitarian and medical assistance to civilian populations (Gutman and Rieff, 1999; IFRC, 2003). War is the ultimate modern horror, but much can still be done to lessen its impact while striving to end it completely.

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