

War and Resource Exploitation: Winners and Losers

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Other than so-called root causes of war, other reasons sustain wars. If there are roots and legitimate causes of war, there are also illegitimate causes. Certain groups create or exploit the context of conflict to sustain and benefit from war.

A paper by Luciene Beuls¹ argues how the benefits of war are driving new conflicts, creating a "specter of chaos" where chaos has become a means to an end to certain benefits for certain groups and individuals.

The Winners

Who benefits and how? Beuls lists down the following beneficiaries:

- armed groups (government army, warlords, militias, new bands of young men, freedom fighters, terrorists, criminals, military companies);

- government and other elites—including underpaid government officials, state officials, elites of states, neighboring powers, former administrative or intellectual elites;

- others—non-combatant populations in rebel-controlled areas, business groups, political parties, trade monopolies, local and international coalitions of interests and arms suppliers.

Among the benefits they get from war include power and privileged positions, money (sourced from taxes, trade monopolies, exploitation of resources), property (land, cattle, crops), and services.

Because sources of military assistance have declined, noted Beuls, both governments and dissidents opposing them have resorted to use new methods of "creative financing". Natural resources have become the main loot: lapis lazuli and emeralds in Afghanistan, gems and timber in Southeast Asia, diamonds in the south and east of Sierra Leone and Angola where depletion of diamond resources for war purposes have presumably exceeded official export, ivory in West Africa, and oil production in Angola.

Such is the income from illegal resource exploitation that it has been asserted, competition over vital resources is becoming the governing principle behind the disposition and use of military power.² It has also resulted in a new strategic geography where geographic areas of resource concentrations are more important than political boundaries.³

How are these unscrupulous armed state and non-state actors able to sustain their nefarious activities? Significantly, they have been able to do so by manipulating the use and discourse of violence.

One strategy has been to depict violence in non-economic terms, to disguise their tremendous economic gains. Violence is instead portrayed as irrational and tribal. Also the language of identity politics is used to explain alliances and legitimize hidden activities.⁴ Meanwhile, one may add, in the post-9/11 world, the language of global terrorism has taken top billing.

War beneficiaries are also well entrenched in the black and gray markets of arms, drugs and natural resources. They are able to take control of critical ports and roads, as well as cross-border trade. In our case, the river seems to be the most ideal means to transport illegally cut logs downstream. Often, both state and non-state actors collude in facilitating these transactions through mediated, mutually beneficial deals. The people in the community could be aware of these goings-on but keep their lips sealed for fear of reprisal.

Such heavy rents exacted on the environment by various parties in the midst of war have been called many ways – the colloquial *tong* and *lagay*, revolutionary taxes, rent-seizing or asset transfer. To these I would like to add rent-hijacking, where rent from resource exploitation sought after by civilian politicians from the bottom to top ranks of government are intercepted by armed (state/non-state) counterparts.

While such “war economies” flourish mainly in poor, fragmented states, the fact is the markets and partners in richer economies also benefit from these irregular economic activities.

The Losers

If war has proven to be lucrative for certain groups, its cost has been heavy to others and to society as a whole.

- Diversion of scarce resources to war needs – increased budget for the military to be used in operations, upgrading salaries of soldiers, recruiting paramilitary forces, and acquiring war material.

- Disruption of social and economic life of ordinary people and communities. People are unable to go about their daily life and livelihood activities such as plant, harvest, hunt and sell their produce. Children's education is interrupted. Women charged with the domestic household worry about the next meal and are forced to seek work elsewhere. Empowerment projects of NGOs are set back. Long after the war is over, economic life continues to be disrupted. Such unwanted legacies of war are well documented in the case of landmines and UXOs in Cambodia, Vietnam and Laos. The buried explosives continue to hamper efforts to make lands productive. Mine and UXO-survivors' productivity are likewise hampered (e.g., Cambodia and Vietnam, because of the long civil wars in the 60s and 70s, have a high percentage of disabled people). Also, healing would be needed to fix broken relations with kin, friends, the other ethnic/religious groups, and neighbors due to divisive politics.

- Business losses – business establishments suffer forced closures or disruption when conflict or the threat of conflict erupts. In addition, business costs increase because of protection money or revolutionary taxes imposed by the protagonists.

- Relief and rehabilitation requirements - huge resources would have to be allocated to rebuild what was destroyed and respond to the humanitarian disaster brought about by the war. The money, coming from both government and non-government sources, could have been used to improve on what existed before rather than just to restore the status quo ante.

- Economic activity becomes dependent on war efforts – growth of certain industries and communities which host war infrastructure and personnel are favored; labor employment is keyed to both military and war-related economic activity; arms and arms-related violence proliferate.

In the long run, these industries do not promote sustainability and a peace culture. When the war ends, masses of people end up unemployed and businesses dependent on the war economy close down.

- Destruction of infrastructure – bridges, communication towers, roads, buildings, irrigation systems, houses.
- Violence and Trauma – not only physical suffering but also mental/psycho-socio trauma require support services and curtail productivity of individuals. Child soldiers were found to suffer from severe psychological scars, social isolation, violence and reduced educational and economic potential according to a UNICEF study; also generalized fear, extreme changes in behavior, being overly aggressive or withdrawn, bedwetting, recurring nightmares, sleeping and eating disorders for child soldiers tortured by the military, according to a UP study.
- Destruction of natural resources to support war efforts (although this may be cause of war itself) – other than the brutal and direct ecological impact of the firefighters, the huge income from such short-sighted extraction has moreover been used to procure more arms and support armies, discouraged use of land for productive agriculture that will feed the hungry population, and not been plowed back to productive, reforestation/conservation programs, nor preserved for the earth's and the future generation's sustenance.

Peace and Sustainable Development

Although development – especially equitable and sustainable development – creates favorable conditions to achieve peace, development cannot be sustained in a situation of persistent and intermittent conflict. Conflagration results in the destruction and/or dispersal of population, efforts and resources. Development, including sustainable development, on the other hand, requires continuity and security of capital and human resource. For this reason, war is inconsistent with or counter-productive to sustainable development objectives.

Moreover, militaristic approaches to settle insurgencies have tended to exacerbate the situation, creating a most common phenomenon described in peace studies as the “spiral of violence”. Military offensives come with militarization of communities, given that most of armed

challenges are in the nature of guerilla warfare. The resultant human rights violations and injustices further drive people to violent action which in turn invites greater military repression. A war of attrition ensues, and the origin of the conflict is blurred by acts of reprisals by all sides. The conflict assumes a prolonged and devastating character giving rise to the high costs of war discussed in the earlier section.

Negative peace thus becomes necessary to provide a favorable context for development and more thorough social transformation.

Simply put, negative peace pertains to the absence of war and other direct violence or actual hostilities. Negative peace creates the conditions for positive peace (defined as the absence of structural violence and the presence of social justice); both complement each other.

Moreover, negative peace puts a break to the patterns that support war and earn war benefits for those who exploit the conditions of war. Not surprisingly, there is much resistance to negative peace from these groups who benefit most from its absence.

Policies should therefore move from those that spin the spiral of violence to those that unleash the spiral of peace and sustainable development.

The term "peace dividends" reflects the positive potential of achieving negative peace. Expenditures and losses due to wars can be converted into peace dividends derived from savings of (natural and financial) resources otherwise used in war efforts and earnings otherwise lost because of the conflict. But beyond monetary accounting are the renewed sense of well-being needed in building human security, and the breaking of old patterns, relations and institutions to give way to new ones in the economic, political, social and environmental spheres.

Peace can disrupt the old patterns and the reproduction of abusive power and violence. Peace lessens the demand for war resources, to the disappointment of illegal weapons traders and suppliers. It removes the cover for criminal activities like drugs smuggling and the black market for natural resources. It can help create the environment for other political, economic and social reforms.

The attainment of negative peace is necessary to put in place positive peace and sustainable development. Initial measures combining an end to open hostilities through political negotiations, and small-scale, immediate economic development packages are measures that can bring about negative peace. Through such steps, the spiral of peace and development is unleashed.

Indeed, if there is a need to break the link between resource exploitation and war as suggested by Beuls, we must likewise strengthen the link between sustainable development and peace. The development discourse must incorporate the peace perspective, and the peace discourse must integrate the perspective of sustainable development. This policy advocacy is not only directed at states who make the decisions but also to civil society groups cut up into various advocacies, losing track of the interrelatedness of peace and development, on the one hand, and of war and resource exploitation and destruction, on the other hand. ❁

Endnotes

- 1 Lucienne Beuls, "The Benefits of War, Framework for a Better Understanding of Internal Conflicts." Paper presented at the International Peace Research Conference, "Globalization, Governance and Social Justice: New challenges for Peace Research," Kyung Hee University, Suwon, South Korea, 1-5 July 2002.
- 2 Michael Klare, *Resource Wars: The new Landscape of Global Conflict* (New York: Metropolitan Books (New York, 2001) cited in Beuls).
- 3 *Ibid.*
- 4 Beuls, *ibid.*