Violence exacts a high cost on world development. In about 60 countries, over the last ten years, violence has significantly and directly reduced economic growth. It has hampered poverty reduction efforts and limited progress towards the Millennium Development Goals. About half of these 60 countries currently experience violent conflict or are in post-conflict transition. The other half experience high levels of violent crime, street violence, domestic violence, and other kinds of common violence. Common violence has often increased significantly in post-conflict countries after large-scale political motivated violence ends. Such cases include Somalia, Liberia, Guatemala, and El Salvador. Conversely, countries with high levels of common violence have shown tendencies toward sporadic large-scale instability, for example Kenya (ethnic violence) and Brazil (urban riots).

Throughout Latin America and the Caribbean, crime and violence detract an estimated 14.2 percent from the region’s GDP. 2003 figures indicate that the economic cost of violence in El Salvador was approximately 11.5 percent of the country’s GDP or US$ 1.7 billion. In Guatemala, the cost was 7.3 percent or US$ 2.4 billion. Figures from a joint study by the World Bank and the United Nations Office of Drugs and Crime predict that reducing the homicide rates of Haiti and Jamaica to that of Costa Rica would raise the two countries’ economic growth rates by 5.4 percent. By way of comparison, Paul Collier, has

1 “Common violence” is defined in opposition to politically motivated violence. Therefore, common violence is considered violence occurring as a result of social conflict not related to political motives or events (such as war, genocide, and assassinations). It is often, though not always, related to personal and property crime.


calculated that a civil war costs, on average, $64 billion to a country and its neighbors, and that, on average, the annual GDP growth of a conflict-affected country is reduced by 2.3 percent because of conflict. These calculations are broad estimates but they show that violence is a major impediment to development.

Recently the forms and distribution of violence have changed. The large-scale civil wars that prevailed until the late 1990s are no longer the main causes of violence. Conflict and violence seem increasingly to emerge in the sphere of common violence, particularly in urban areas. This is well documented in Latin America but also widespread in Africa and in large urban centers in Asia. Domestic violence seems to be increasing most in Africa. Of course it is difficult to precisely assess the level and impact of these various forms of violence because reliable monitoring mechanisms are rare, but the predominance of violence seems to be changing from large-scale violent conflicts to the less visible but widespread forms of common violence and occasional outbursts of collective violence.

A number of studies have explored the causes of violence, but important debates continue. Violence, especially political violence, is most prevalent in poor countries, but relatively few studies have found direct causality between poverty and violent conflict. On the other hand, many studies show an indirect link. Poor countries tend to have weak institutions and suffer from political instability and a lack of accountability. All of these are triggers for violent conflict. A number of studies have also found that relative deprivation is a stronger predictor of rebellion and civil strife than absolute deprivation. It seems, therefore, that the relative poverty-conflict link is a two-way relationship: not only is relative poverty a factor of violent conflict, but also conflict and violence lead to further vulnerability, marginalization, and increase inequities.

Post-conflict settings are often characterized by high levels of crime and interpersonal violence. Societies with recent histories of internal political and ethnic violent conflict suffer from widespread psychological trauma and higher levels of normalized violence. Longitudinal studies on domestic violence also offer evidence that victims of domestic abuse are likely to engage in elevated levels of violence later in their lives. Further studies have shown that domestic and interpersonal violence erodes public trust and leaves societies less capable of peacefully managing future conflicts.

Long term violence reduction is most effectively achieved through preventative, developmental means. There are some clear success stories of violence prevention at the national, regional and local levels. Cambodia, post-conflict reconstruction increased GDP per capita by 5.3 percent annually in the post-war decade (1994-2003). In Mozambique, GDP per capita increased by 4.4 percent annually in the same period. And in Cambodia, the percentage of malnutrition among children under the age of five declined from 43 percent in 1996 to 28 percent in 2006. In the 1980s, Bogota, Colombia, was one of the

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most dangerous cities in the world, but because of extensive violence reduction programs, the homicide rate has dropped from a high of 80 per 100,000 people in 1993 to a low of 23 in 2003\(^8\). This was achieved by integrating many violence reduction approaches, including support for youth at risk, outreach to groups with addictions and psychological trauma, creating targeted employment programs, introducing violence prevention programs in schools, and promoting community participation in monitoring unsecured areas through community driven development and social accountability operations.

The agenda of the Conflict, Crime and Violence Team is closely linked to other agendas of the World Bank. The focus on strengthening the resilience of societies to violence is extremely relevant for fragile states and post-conflict situations. Most fragile states have high levels of violence. It is also relevant for middle-income countries, especially in urban settings. In the middle-income countries of Latin America and East Asia, large urban centers frequently suffer from the effects of high violence. Mayors are increasingly aware of the high cost of urban violence and its very negative impact on urban economic and social development. The importance of “creating conflict resilient cities” is gaining ground and becoming priority focus of mayors’ attention and international cooperation. The gender aspects of conflict, crime and violence are very important. Women are the primary victims of domestic violence and are increasingly victims of common violence. At the same time, most victims and perpetrators of violent crime are young men. Successful social and economic integration of disaffected young men, ex-combatants, refugees and other displaced people should be a critical development goal in many fragile and conflict-affected countries where the risk of violence escalation is high. Governance and corruption are also closely linked with violence and crime, especially organized crime.

Violence reduces effective governance and accountability, and increases corruption; therefore, improving governance and accountability is an essential component of violence reduction programs.

While there is significant need for additional evaluation, strategic thinking and innovative programs to address conflict, crime and violence, the World Bank has already made some good progress. Programs in Indonesia have advanced the understanding of local-level conflict, for example, by exploring conflict resolution mechanisms at the local level. Programs throughout Latin America have analyzed the impacts of homicide, drug-trafficking, and other crime on economic growth and poverty reduction. In Eastern Europe the issues of displacement and youth at risk of violence have been tackled through a variety of projects. Violence prevention activities and peace building have been integrated in post-war reconstruction in Afghanistan, Colombia and Rwanda. These – and many other programs – are having some positive impact, but they do not benefit sufficiently from each other’s insights and they are not utilized to build a fuller understanding of what types of operations work or do not work and how context influences effectiveness, which makes replication difficult.

The Social Development department in the Sustainable Development Vice Presidency has set-up a new team working on conflict, crime and violence. This team will pursue some of the work previously covered by the Conflict Prevention and Reconstruction unit, but will broaden its approaches. The objective of this team is to support the World Bank’s efforts to make

societies more resilient to violence. It will, in particular:

- Increase awareness in the Bank and among client countries of the importance of the agenda of violence reduction for growth and poverty reduction and its operational relevance and establish Social Development the leading network for this theme.

- Support the exchange of knowledge and experiences on analysis and operations across regions and sectors, and create and support a community of specialists and task managers engaged in this topic inside the Bank.

- Bring relevant knowledge that exists outside the Bank to task managers and practitioners working on this theme in a user-friendly manner. This should be done by establishing strategic partnerships with some of the external organizations working on issues related to violence.

- Carry out some of the analytical work and evaluations needed to move ahead with this agenda in the Bank.

- Establish good and clear working relations with other units in the Bank that work with issues related to this theme (including the Fragile States unit in OPCS, HD, and PREM) in order to increase the value added of the group’s work.

The Conflict, Crime and Violence Team has also set-up a Bank-wide working group and created a weekly newsletter to disseminate both Bank materials and non-Bank materials among practitioners within the Bank. The working group currently comprises about 50 members.