SOCIAL POLICY, CONFLICT AND HORIZONTAL INTEGRATION

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Abstract: Social policy as an idea emerged in Western Europe. Is the idea transferable to the developing world?

With the neo-liberal turn towards markets in the developing countries, the need for social policies is obvious, but intellectual efforts at conceptualizing them have only recently begun.

Most developing countries have not gone through the three revolutions – national, bourgeois, and bureaucratic -- that Europe did before launching social policy. In what ways does this complicate the task of envisioning a social policy for the developing world?

Social policy implications of large informal labor markets, a consequence of the unfinished bourgeois revolution, and ineffective states, a result of the incomplete bureaucratic revolution, are examined by others in this conference. This paper concentrates on the implications of unfinished nation-building. What does it mean to have a social policy in conditions of endemic and rampant ethnocommunal conflict? A case is made that horizontal social integration across ethnically diverse communities must itself be visualized as an important component of social policy in many developing countries. Such integration is often necessary for peace and order in multiethnic societies. What the state can do to promote social integration at the grassroots is also discussed at some length.

Keywords: conflict, violence, social integration, social policy

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This paper is primarily conceptual. Social policy is a new term in the field of development. Clarity about what it might mean in developing countries is necessary before we can move resolutely forward, both in intellectual and policy terms. As an idea, social policy was born in Western Europe, from where it traveled to the United States, mostly in the 1960s.\(^1\) The term was not used in development discourse until the 1990s. Does its Western European provenance make social policy inapplicable to the developing world? Or, does it require a new imagination? This paper wrestles with one important aspect of the problem of transferability: how to conceptualize the role of ethnic conflict and ethnic integration in the design of social policy. As it was originally conceived, a key aim of social policy was to moderate class conflict, not ethnic conflict. The latter is a far more serious form of conflict in the developing world. We need to ask whether the standard planks of European social policy – health care, education and safety nets – can effectively deal with ethnic conflict as well.

Although social policy matured with the institutionalization and expansion of welfare states after the Second World War, the idea had its origins in the last decades of the 19\(^{th}\) and the opening decades of the 20\(^{th}\) century.\(^2\) It was in this period that both the promises and pitfalls of market-based economic systems became obvious to European political leaders and intellectuals, and labor-based and social democratic political parties also emerged on the scene.\(^3\) Politicians began to argue that while markets were necessary for the enhancement of human welfare, public intervention was also required to ensure that undue misery was not inflicted on a whole class of citizens, whom markets did not, or could not, benefit.

Markets were good at dealing with commodities, not with citizens. As Esping Anderson, one of the most widely cited scholars of social policy, puts it, “social rights” came to be viewed in Europe in “terms of their capacity for de-commodification”, and people began to think that “the outstanding criterion for social rights must be the degree to which they permit people to make their living standards independent of pure market forces” (Esping Anderson, 1990, 3). Was it not necessary to be cared for when sick, old, disabled, out of work or hurt at work? Rich families might not need assistance on such matters, but what about those who simply did not have the means? Markets would not come to their rescue. For a society with a conscience, public intervention was necessary. Labor was not simply a factor of production, along with land and capital. Workers were human beings, and human beings had to be treated as citizens.

\(^1\) The birth of social policy in the US is dated back to the 1930s, when a social security system was put in place, but a full-fledged welfare state emerged only in the 1960s. For some earlier social schemes in the US carved out for soldiers and mothers, see Skocpol (1992).
\(^2\) For a fuller description of Western European origins, see Ian Gough’s paper for this conference.
\(^3\) There is a debate in the literature on whether social democratic or labor parties were essential to the emergence of social policies in Western Europe. For an overview, see Skocpol and Amenta (1986).
Are these arguments applicable to the developing world? Historically, with the partial exception of Latin America, the term “social policy”, as already stated, was not even used in the developing world. With the neo-liberal turn towards freer markets in developing countries in the 1980s and 1990s and a move away from central planning, popular after the Second World War, the need for social policy has become obvious. The so-called Washington Consensus, associated with neo-liberal market-based doctrines, no longer exists, but a return to the old, import-substituting and state-controlled economies is not on the cards. Markets are here to stay. Therefore, intellectual efforts aimed at conceptualizing social policy for non-European settings must seriously commence.

The key question is: In what ways is the context of social policy, compared to Western Europe, different in the developing world, and what might such differences imply for social policy in developing economies? By and large, developing countries have not wholly gone through three revolutions that Western Europe did before it embarked upon social policy: a national revolution, a bourgeois revolution, and a bureaucratic revolution. Nations had already been built in virtually all of Western Europe by the early 20th century; the personalized, clientelistic and highly unequal lord-peasant relationships had given way to formal labor markets, driven by codified contracts; and a Weberian-style state had developed impersonal rules as a basis for the functioning of the bureaucracy. In several parts of the developing world, nation-building is an unfinished project and civil wars continue to rage; the size of the informal labor markets far outweighs the small formal economic sector; the state does not always function according to codified, impersonal rules.

These radically different historical conditions complicate the task of envisioning and executing a social policy for the developing world. The implications of large informal labor markets and ineffective (or illegitimate) states are analyzed at length by others in this conference. This paper concentrates on what it means to have a social policy in conditions of endemic and rampant conflict over nationhood.

Three arguments are made. First, class conflict between workers and industrialists was the primary cleavage European social policy classically dealt with. The aim, among other things, was to ensure that the interests of capital and labor did not become irreconcilably zero-sum, and the conflict did not escalate to such an extent that the coherence of the whole society was irreparably damaged. In the

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4 There is a reason why Latin America had a social policy. Between 1850 and 1900, countries like Argentina were as rich as Germany and Italy, if not richer, and at the end of the Second World War, South America was richer than all of Asia except Japan. Since the 1960s, Asian economic renaissance has, of course, pushed Asia economically ahead of South America, but the earlier income levels in South America did make it possible to envision welfare states more easily there than in Asia or Africa. Moreover, having been liberated in the 19th century and before the rise of the US as a global power, Latin American policies were historically quite close to the models being developed in Western Europe. For a fuller analysis, see Malloy (1979) and Spalding (1980).

5 To the best of my knowledge, Gough et al (2004) and Mkanawire (2005) have put together the first full-length treatments of social policy in the developing world.

6 It should, however, be noted that unlike Western Europe, Eastern and Central Europe did not, on the whole, complete their national revolutions by the end of the 19th century, a fact that led to serious battles over nationhood in the 20th century.
developing world, in contrast, ethnocommunal conflict has been much more potent and significant than class conflict. Class conflict does exist, but ethnic conflict has undermined and threatened polities in a way that class conflict, with some exceptions, has not (Gurr 1993; Varshney 2003). Traditionally, Latin America was the only continent in the developing world that was considered to be an exception to this trend. Class conflict was viewed as the driving force of Latin American political economies, and ethnic conflict was said to influence only local, not national, politics (Dominguez 1994). Over the last decade and half, rising conflicts over the rights and entitlements of the indigenous communities have partly eroded the Latin American exceptionalism (Yashar 2005).

Second, that being so, conceptualizing social policy in European terms -- education, health and housing for the low-income groups; benefits for the unemployed, sick and elderly -- may be necessary, but it is not enough. These policies were aimed at the desires and complaints of the low-income classes in Western Europe. If one could show that appropriate education, housing and health policies for the masses were enough to ensure ethnic peace, separate policies to deal with ethnic conflict would not be necessary. But, as the vast literature on the causes of ethnic conflict and peace argues, education and health policies, especially the former, may play a role in alleviating ethnic conflict, but they are rarely enough. Without appropriate transformations in political institutions, such policies do not seriously moderate, let alone resolve, ethnic conflict. Indeed, the obverse is more likely to be true. If ethnic strife continues unchecked, schools and health clinics profoundly suffer. Social peace is normally a prerequisite for the delivery of European-style social provision. Social policy for the developing world, thus, should not only include health and education policies a la Europe, but should also include prescriptions for peace from ethnic strife. The burden of social policy in the developing world is heavier.

Third, if ethnic conflict, rather than class conflict, is to be viewed as the principal form of conflict in developing world, it is important to consider the various forms such conflict takes, and ask which forms, if addressed by public action and policy, will have the maximum impact on peace. Violent ethnic conflict can be divided into three types: riots, pogroms, and civil wars. Civil wars, the most virulent form of ethnic conflict, are typically least amenable to standard social policies. Moreover, civil wars are typically preceded by riots and pogroms. It is best, therefore, to concentrate on preventive policies: i. e., policies that can prevent the occurrence of civil wars by reducing the odds of riots and pogroms. Attempts at promoting ethnic integration – called “horizontal integration” at the World Bank (Dani 2004)– appear

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7 I will tend to use the term “ethnic” or “communal” in its broader sense, covering racial, linguistic, caste as well as religious divisions. I will make an exception only when it is clearly necessary to distinguish between ethnic, racial and religious categories in the argument. Though “ethnic” is not an ideal term, there is no other term that can cover all these forms of identity-based conflicts. For the rationale for a broader usage, see Horowitz 1984.
8 For example, see the discussion of structural and policy issues in Horowitz 1984.
9 See the Report of the Millennium Project 2005, Chapter 12.
to be a most promising line of action. The paper will elaborate on why that is so, and why an appropriate social policy for the developing world should include integrative prescriptions.

The paper begins with an overview of European conceptions of social policy and the role of conflict therein (Section 1). It is followed by a discussion of how social policy is required in the developing world, and how differences between the early 20th century Western Europe and the early 21st century developing world complicate the requirements of an appropriate social policy (Section II). Section III discusses the various forms of ethnic conflict. Section IV makes the case for why ethnic, or horizontal, integration is one of the best ways to ensure peace. Section V moves towards policy recommendation, showing what states can do. Finally, the conclusions are summarized (Section VI).

I. Conflict and European Social Policy

As I have already suggested, social policy as a term is understood everywhere in Europe, but not so universally or clearly outside. Even in the US, called a “welfare laggard” compared to Europe in the literature, the term is comprehensible only in some circles (Skocpol 1992). What kinds of policies does the term “social policy” cover? In a historical perspective, Skocpol and Amenta (1986) provide a helpful listing:

“Between the 1880s and 1920s, social insurance and pension programs were launched. . . to buffer workers in market economies against income losses due to disability, old age, ill health, unemployment, or loss of family breadwinner. . . In the wake of World War II. . . most of the leading industrial-capitalist democracies became self-proclaimed ‘welfare states’. . . By the mid-1970s, public expenditures for social welfare purposes had burgeoned to an average of 20. 7% of GDP in 13 European nations and even in the United States such expenditures had increased from 10.3% to 15.7% of GDP between the early 1960s and the mid-1970s... (Skocpol and Amenta, 1986: 132)

Social policies, thus, came to be equated with welfare states. They were “to buffer workers in market economies against income losses due to disability, old age, ill health, unemployment, or loss of family breadwinner.” Conflict was part of this classic European formulation of social policy, but it was conceptualized as class conflict. One of the principal aims of social policy was to reduce, or eliminate, the possibility of class conflict that an unregulated market economy might touch off. In this pristine formulation of social policy, as Skocpol notes, “social identities based on ethnicity, race and gender . . . tend to be overlooked. . . , with its primary focus on working class...” (Skocpol 1992, 25)

Did social policy remain stuck in this mode of conceptualization, or were broader rationales developed, at least in some parts of Western Europe? As the review below indicates, race and ethnicity

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10 There are even departments of social policy in European universities. It will be hard to identify such departments in American and Asian universities.
for all practical purposes continued to be out of the purview of social policy, though gender increasingly became a large part of social policy formulations.

**Rationales for European Social Policy**

The literature on why Western European welfare states arose constitutes a huge intellectual industry built on both sides of the Atlantic. It broadly falls into two explanatory categories. A brief overview will put the issues in the developing countries in perspective.

There is, first, the so-called “market-residual” view. It follows standard economic theory in claiming that while markets are one of the best mechanisms known for enhancing economic welfare of societies, markets cannot attend to the welfare of *all groups* in a society and *at all times*. Three special characteristics of markets tend to create problems for human welfare: (a) markets can not function well if a commodity or service cannot be easily individually priced (How should one price the work that women perform at home? How should clean air be priced?); (b) even if pricing is possible but private profits cannot be made, markets would seriously undersupply the commodity or service in question (How should one run the primary education and primary health systems for low-income citizens?); and (c) markets go through downturns, throwing people out of work (If so, who should take care of the unemployed?).

The last disability is considered especially damaging for markets: by depriving people of work during downturns, even when people are willing to work, markets erode citizen faith in economies relying solely on the market processes. Hence the famous paradox that political economists and philosophers have repeatedly emphasized for a long time: namely, to reap the welfare benefits of markets in the long run, governments must save markets from themselves in the short to medium run. Markets are not self-legitimating. Unemployment benefits are not an act of charity, but an exercise in enlightened collective interest for a market economy.

In addition, if the state could also supply affordable health care and education to those who did not have the financial capacity to pay; provide for the elderly and disabled; and make it possible for women to balance their lives between professional needs and child care – none of which free markets would do, or do well – we would have the makings of a mature market-based society. *Social policy, in this view, is a necessary supplement for a market economy*. Capital may be more productive when entirely unshackled, but a society’s overall productivity is determined by capital as well as labor productivity, not by capital productivity alone. Dealing primarily, though not exclusively, with labor markets, social policy or welfare state can reconcile the needs of capital and the needs of people (Gough, 2000). There may be tensions between these two needs, but ultimately they are reconcilable in a welfare state.

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11 The theory of public goods and externalities in economics constitutes the core of standard economic arguments about what markets can not do, or achieve.

12 See, for example, Lindblom 1977.
The second rationale for social policy justifies all of these state interventions on grounds of citizenship and/or social solidarity, not for preserving markets and the benefits they bring. As much as those with means, power and resources, workers, women, children, the elderly and the disabled are also citizens. If citizenship means something at all, it must come with a minimum bundle of rights. One should be taken care of when sick, especially if one is unable to pay for health care; be assured a decent living if one has the necessary skills; be given safety nets if work is not available but the desire to work is evident; be provided equal pay for equal work; and generally not be not discriminated against in the public sphere on grounds of gender, age, or disability. Markets in the long run may well benefit from such state-based support systems, but that is a smaller reason to have them. The larger reason resides in citizenship rights. Freedom from want, misery and fear is a basic human striving, which must be respected by the state and society. A variant of this argument takes it towards social solidarity as a justification for social policy. Effective citizenship, it is argued, contributes to solidarity; lack of a basic human minimum available to all makes for a fractious and disputatious society. Nordic welfare states, especially Sweden, are often equated with this “social democratic” view of social policy, whereas the first, market-residual view is seen to be more applicable to the political culture of “liberal capitalist” welfare states such as Britain.13

It is now clear that the crisis of the welfare state in the late 1970s and early 1980s did not lead to its abandonment, only to its reorientation (Pierson 1994, 1996 and 2000). Conceptually, the reorientation consisted of “shifting the goals of social intervention from income maintenance to employment promotion, from full employment to individual employability, and from a state guarantee of income to a commitment to invest in social capital.” (Martin 2004, 44). Much greater reliance has of late been placed on implementing social policy through private sector employers than through public employment alone.14 The emergence of the European Union as an important multinational policy actor in Europe has not changed this picture radically.” The welfare state remains one of the few key realms of policy competence where national governments still appear to be remain supreme (Leibfried and Pierson 2000, 270).

How has conflict been visualized and analytically treated in these versions of social policy? Avoidance, or reduction, of possible conflict is a primary background theme of all of these formulations. If unrestrained markets were allowed to throw people out of work, pay unequal wages for equal work, and leave those injured or made ill at the workplace unattended, social conflict might increase. If every citizen in society was not given a minimal bundle of securities as rights, if a society did not make it easier

13 Esping-Anderson (1990) has famously argued that there are three, not two, models of social policy in Western Europe. Beyond the liberal capitalist and social democratic models, he also notes the “the conservative welfare” model, such as that in Germany. Germany, according to him, is a “welfare state built on the traditional conservative and Catholic principle of subsidiarity, meaning that women and social services (outside health) belong to the domain of the family. Hence it has been very reluctant to provide the kinds of services which permit women to take employment...” (Esping-Anderson 1990, 224).
14 Martin notes that state subsidies paid to employers for hiring the unemployed have of late been about 50 per cent of wages in Denmark and 54 per cent in Britain (Martin 2004: 53).
for its families to balance professional and child care responsibilities, social cohesion would suffer. Markets alone cannot be allowed to run a society; the state must step in with a social policy.

However, Skocpol’s observation cited above, that in the Western European notions of welfare state, “social identities based on ethnicity, race and gender . . . tend to be overlooked” remains partly valid. Gender over time has come to be recognized as a separately identifiable basis for extension of social policies virtually all over Europe, but race, ethnicity and religion remain a peripheral theme.

**Minorities and Disadvantage**

European social policies did not explicitly theorize what ethnic, racial or religious diversity would do to social conflict, or what belonging to an ethnic, racial or religious minority might do to “structural disadvantage”? By and large, if members of a minority community were poor, social policy would allow them to qualify for welfare benefits as *poor people*, but not as *racially, ethnically or religiously diverse people*. Does this distinction matter? Is a poor person from a minority community simply a poor citizen? Is a rich minority simply an aggregation of rich citizens, or can it still be suffer from some disabilities? Does belonging to a minority community constitute a special class of problems for a state?

In one of the most influential answers to this question, Charles Taylor (1994) has argued that our identity as modern human beings

"is partly shaped by recognition or its absence, often by the *misrecognition* of others, and so a person or groups of people can suffer real damage, real distortion, if the people or society around them mirror back to them a confining, demeaning, or contemptible picture of themselves. Nonrecognition or misrecognition can inflict harm, can be a form of oppression, imprisoning someone in a false, distorted, and reduced mode of being.” (Taylor 1994, 25)\(^{15}\)

In short, our identities are shaped in a “dialogue” with groups that surround us – i. e., identities evolve dialogically. Hermits may define dignity monologically, but the more average pursuits of dignity require recognition from society. This is especially so because society is not a random collection of individuals; rather it often comes with a historical inheritance of perceptions and misperceptions. Thus, "confining, demeaning or contemptible" pictures for some groups may well, and do, exist.

Consider the following description of the Roma, a mere 7.5 per cent of Slovakia’s population.

“There are towns which have banned the Roma from entering, never mind living there. To many Slovaks including officials and police, they are ‘filthy’; to some even ‘thieves’ and ‘vermin’ fit only to be ‘sent to the gas chambers’.” (Branigan, 2004)

\(^{15}\) Also see Kymlicka 1995.
Crude illiberal prejudice or hatred is, of course, an obvious source for such “demeaning images”. But the problem is much more complex. It is worth recalling that historically, even well-meaning liberals believed in group-based notions of civility and barbarism. In one of the founding texts of liberalism, this is how John Stuart Mill argued about the Bretons, the Basque, the Scots and the Welsh:

“Nobody can suppose that it is not beneficial to a Breton, or a Basque of the French Navarre, to be brought into the current of ideas and feelings of a highly civilized and cultivated people -- to be a member of the French nationality. . . than to sulk on his own rocks, the half-savage relic of past times, revolving in his own little mental orbit, without participation or interest in the general movement of the world. The same remark applies to the Welshman or the Scottish Highlander, as members of the British nation. (Mill 1990, 385-6, emphasis added)16

The implications of the literature on identity politics for social policy should now be obvious. Low incomes are not the only source of disadvantage, requiring public intervention. Ethnicity, race or religion can also be a source of enduring disability in modern society, especially for minorities. Markets do not necessarily remove such structural disadvantages.

Although a great deal of European policy discussion in the 1990s was about “social exclusion”, European social policy on the whole remained silent on ethnic, racial and religious disadvantages of groups.17 If poor, such minorities qualify as low income citizens for social policy, but not as minorities. On the whole, as Brubaker (1992) explains, Continental Europe has followed one of two models for dealing with minorities: the jus solis model, represented in its pure form historically by France, a model that requires suspension of minority identity in the public sphere and does not, like the US, allow a hyphenated citizenship (such as Arab French, or North African French, a la Arab American or African American); and the jus sanguinis model, represented by Germany, where blood has historically been the basis of nationhood and a huge number of Turks, even those born in Germany, have traditionally had the status of guest workers, not citizens.

Britain constitutes a possible third model, in that it allows terms such as “British Asians” to be used in the public sphere, but it has not gone all the way towards following the American or Canadian model of hyphenated citizenships and affirmative action policies for ethnic minorities. Compared to Europe, as the literature puts it, the US may be “welfare laggard” on income-based disadvantages, but as the rising commentary on French riots notes, American public policy, especially since the mid-1960s, has paid special attention to disadvantages based on ethnic, religious and racial groupings, and recognized their group identities.18

16 For a fuller analysis of this problem in the framework of ethnic conflict, see Varshney 2003.
17 See Vlemickx and Beghman (2001) for an overview of the social exclusion debate.
To sum up, Western Europe has on the whole followed the one-nation-one-ethnicity-one-state model; the majority community has defined the nationhood; ethnic/racial/religious minorities have not been viewed as worthy of special treatment *qua minorities*; and if there is a notion of minority rights, it has been an entirely peripheral theme in the conception of social rights, formed primarily around low incomes and lately gender. The only exceptions are the small “consociational” democracies of Europe, where the basic societal cleavages were conceptualized in ethnic or religious, not in class, terms.\(^\text{19}\)

### II. How Developing Countries Are Different

Following Hirschman (1981), one can argue that the term social policy was not relevant in the 1950s, 1960s and 1970s, the golden days of development planning. The entire foundation of development economics after all was heavily Keynesian and welfare-oriented. Development planning was not only about state-led, or heavily state-mediated, industrialization, but also about state guardianship of the marginal and poverty-stricken groups. Often the two were combined. Via industrial location choices, license allocations for businesses and reservations of bank credit, planning was to take special note of backward areas, the marginal and the poor.\(^\text{20}\) Since markets were not the primary mode of welfare-enhancement, social policy was not required.

Starting in the 1980s and lasting relatively uncontested through the East Asian financial crisis, it is the neo-liberal turn towards markets that made social policy relevant to developing economies. As development planning collapsed, the states moved away from what they used to do, and markets became the principal engine of economic growth. As a consequence, the same questions that emerged in Europe became relevant over time. A UN official makes the connections plain:

> “The World Summit for Social Development in Copenhagen in March 1995 was convened in part because of the concern that liberalization had been receiving disproportionate attention and causing neglect of the central human and social priorities. There was a widespread perception that poverty was increasing, unemployment was high, and many societies were in disarray and these problems were not being adequately addressed by the prevailing economic orthodoxy.”\(^\text{21}\)

In short, a social policy for the developing world is made necessary by the market-based shift of economic thinking.\(^\text{22}\) But does that mean that the European idea of social policy can also be transferred?

\(^{19}\) See Lijphart 1975.

\(^{20}\) That this did not actually happen does not mean that central planning was not in principle assumed to go in this direction.

\(^{21}\) Langmore 2001, xi. Langmore was at that time the head of UN Division for Social Policy and Development.

\(^{22}\) Also see Taylor (2001)
The Three Revolutions

Social policy in Western Europe was formed after Western European societies had already gone through three revolutions: a bourgeois revolution, a bureaucratic revolution, and a national revolution. While this paper concentrates on the last of these revolutions, let us consider each in turn briefly before turning to national revolution at length.

A bourgeois revolution breaks down the personalized lord-peasant relations, interlaced with a whole variety of informal but powerful patron-client bonds that had marked European feudalism until the 19th century. A bourgeois revolution creates a national labor market with formalized contractual relations between employers and workers. A peasant used to work for a lord without a contract clearly specifying work conditions, hours and compensation; an industrial worker under capitalism does not.

These conditions do not apply to much of the developing world. Personalized patron-client relations continue to mark much of society, especially as a large proportion of the population is typically in the informal economy. On the whole, wherever most citizens still rely on agriculture, informal labor markets are the norm, and formal labor markets an exception.

A bureaucratic revolution means that state capacities have been created, and a more or less Weberian bureaucracy works according to impersonal rules and has the entire country covered under its jurisdiction. It will be hard to maintain that rule-based state bureaucracies either mark the developing world, or their writs extend to all parts of their formal domain. Africa specialists argue that in much of Sub-Saharan Africa, a juridical state exists, but an empirical state does not. The former means a state recognized by international law as such; the latter means the chimerical quality of the actual state apparatus. Order is maintained not by law, but by a whole host of traditional relationships, as in European feudal times. Sub-Saharan Africa is perhaps the extreme illustration of this problem, but as papers from Asia, the Middle East and East-central Europe in this conference show, the problem is more generic.

A national revolution creates mass loyalties towards a nation, with few groups seeking secession. Western European nations had been “made” before social policies were institutionalized in the 20th century. Colley (1992) shows how the British nation was forged out of the English, Scottish and Welsh peoples between 1707 and 1837, and how the presence of France as a “Catholic enemy” and a colonial empire especially blunted the historically rooted intensity of English-Scottish rivalries. Similarly, Weber (1976) shows how the nation-making process began in France with the French revolution but it took more than a century to turn “peasants into Frenchmen” through conscription armies and a public school system reaching out far and wide. By the early 20th century, however, the French nation was firmly in place. Similar historical narrative can be presented about other Western European nations.

23 See Jackson and Rosberg 1982.
A large number of developing countries have not yet gone through a national revolution. Even countries which were not colonized -- for example, Thailand -- have witnessed repeated secessionist pressures (Baker and Phongpaichit, 2005). The nation-building situation is typically worse in countries that are postcolonial, especially in Sub-Saharan Africa. While the literature on nation-building in postcolonial countries is clear that the absence of national revolution cannot be blamed entirely on colonial rulers, there is also a consensus that serious problems began in the colonial era, as ethnic cleavages were institutionalized as a way to facilitate colonial rule. On the whole, though not always, colonial masters tended to favor one group over the other, leaving bitter group rivalries to simmer in an enduring manner.25

The postcolonial prevalence of endemic ethnic conflict, especially when it takes a secessionist form, is one of the clearest signs that a national revolution is still to take place in many developing countries. Nearly a quarter of all countries in the world -- over 60 in all -- had acute civil conflict in the 1990s. An overwhelming proportion of these conflicts -- up to 90 per cent -- took place in Africa and Asia. Moreover, 20 of the poorest 38 countries, mostly in Africa, had endemic group violence in the 1990s.26 The problem, of course, is not confined to Africa. Kashmir in India, Baluchistan in Pakistan, Jaffna in Sri Lanka, Aceh in Indonesia, Mindanao in the Philippines, and the “Muslim South” in Thailand are Asian examples of virulent, secessionist or part-secessionist, violence.

III. Varieties of Ethnic Conflict

If addressing conflict is to be part social policy, we need a conceptual distinction between various forms of conflict, and need also to know which forms will be more amenable to policy. Civil wars and secessionist violence are not the only form ethnic conflict takes.27

Two policy-relevant conceptual clarifications are necessary. First, a distinction needs to be drawn between violence and conflict.28 In any ethnically or religiously plural society, which allows free expression of political demands, some conflict on identity-based cleavages is more or less inevitable. Indeed, such conflict may be inherent in all pluralistic political systems, authoritarian or democratic. Compared to authoritarian systems, a democratic polity is simply more likely to witness an open and frequent expression of such conflicts. Authoritarian polities may lock disaffected ethnic groups into long periods of political silence, giving the appearance of a well-governed society, but a coercive containment of such conflicts also runs the acute risk of an eventual and accumulated outburst when an authoritarian

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25 For new “constructivist” arguments, different from the earlier nationalist arguments -- about how the colonial rulers deeply institutionalized ethnocommunal divisions -- see Pandey (1990). For how in some colonies, the colonial authorities chose not to emphasize ethnocommunal distinctions, see Laitin (1986).
26 For more details, Humphreys and Varshney, 2004.
27 Needless to add, there are also class-based civil wars. For the distinction between the two, Kalyvas 2001.
system begins to liberalize or lose its legitimacy. Contrariwise, conflicts are a regular feature of plural democracies, for if different groups exist and the freedom to organize is available, there are likely to be conflicts over resources, identity, patronage and policies.

The real issue is whether conflict is violent or waged in the institutionalized channels of the polity. If ethnic protest is expressed in the recognized institutions of the polity -- in parliaments, in assemblies, in bureaucracies -- and ameliorative action is sought there, or alternatively, it takes the form of non-violent demonstrations on the streets, civil disobedience being the highest realization of such politics, it is conflict to be sure, but not violence. Such institutionalized conflict, which can be quite healthy for a polity in many ways, must not be equated with a situation when protest becomes violent, riots take place, pogroms are initiated against some ethnic groups with connivance of state authorities, and, in its most extreme form, a civil war breaks out. Ethnocommunal peace should, for all practical purposes, be conceptualized as an institutionalized channeling and resolution of ethnic conflicts. It should be visualized as an absence of violence, not as an absence of conflict. Conflict per se is not a cause of concern; violent conflict is.

A second conceptual clarification concerns the various types of violent conflict. Forms of collective violence, not individual violence or homicides, are at issue here. Collective violence can be defined as violence perpetrated by a group on another group (as in riots and pogroms), by a group on an individual (as in lynchings), by an individual on a group (as in terrorist acts), by the state on a group, or by a group on agencies of the state (as in civil wars).

Most widespread collective violence is typically divisible into three forms -- riots, pogroms, and civil wars. In the case of riots, the clash is between two groups of civilians, and while the neutrality of the state may be in doubt, the principle of neutrality is not abandoned altogether by the state. In the case of pogroms, typically a majority community targets an unarmed minority, and the principle of neutrality is also effectively dropped by the state. In the case of civil wars, the state not only gives up the principle of neutrality, but it either becomes a combatant fighting an armed rebel group, or is physically unable to arbitrate between two armed groups fighting each other. The key difference between pogroms and civil wars is that in the former, the target group -- typically, though not always, a minority -- is hapless and unarmed, whereas in civil wars both combating sides are armed. Riots or pogroms typically precede civil wars, as in Sri Lanka in the 1980s, but all riots and pogroms do not lead to civil wars. Unlike Sri Lanka, the massive 1969 Malay-Chinese riots in Malaysia did not lead to a civil war, nor for that matter have the Muslim-Christian riots of Northern Nigeria in the 1990s led to a civil war there.29

29 The last civil war in Nigeria took place in the late 1960s, and it had nothing to do with Muslim-Christian divisions. It was ethnically driven.
All forms of violent conflict hurt development, but it is beyond doubt that civil wars are the most destructive. Civil wars typically remain entirely ungoverned by law and often lead to a situation where the existing state gives up its developmental or welfare role completely, at least with respect to a section of the population. During 1986-89, the Sudanese government “deliberately starved” the non-Muslim southern region “by endorsing genocidal militia raiding and obstructing food relief” (de Waal, 1990). This is not an isolated example.

Civil wars may damage development most, but of all forms of collective conflict, civil wars are the least amenable to standard public policy. The first step towards civil war resolutions is typically a power sharing institutional arrangement. It is after such basic institutional compromises are made that policy packages “kick in”. There is very little that international development institution can openly do to end a civil war, especially because they tend to deal with governments directly, or at best with civil society organizations, but not with those raising the banner of armed revolt against existing governments.

Riots and pogroms are more “policy treatable”. Since the geographical integrity of the nation-state is not at issue in riots, governments are less resistant to proposals about corrective action; and since groups in question have not already committed themselves to secession, they maintain a certain commitment to the existing state, however ambivalent their feelings might be. They normally seek ameliorative action, not a break-up of the state. As a result, there is much greater room for constructive policy intervention.

For policy actors, there is also a normative reason for taking riots more seriously. Since riots and pogroms often precede civil wars, working on how to control or prevent riots is also a way to reduce the odds of a civil war, which tends severely to undermine the possibilities of almost any kind of economic or social development. From the perspective of civil wars, investing intellectual and policy energies in controlling riots is thus a preventive measure, with a huge potential long-term pay off. It buys insurance against the possibility that law and order will completely break down and the state will become a combatant against a particular ethnic group, rather than a welfare provider.

What solutions exist for dealing with ethnic violence and bringing peace? The existing literature identifies three different routes.

30 Note, however, that despite a horrendous civil war, Sri Lanka has achieved economic growth rates of over 5 per cent per annum over the last decade and a half.
31 See Roeder and Rothchild (2005), especially the essays by Rothchild and Roeder, Hoddie and Hartzell, and Lake and Rothchild.
32 Unless natural disasters like the Tsunami make it possible to interact openly with the insurgents. Both in Indonesia and Sri Lanka, such links were made in 2005.
33 I am not including here a fourth line of argument – an economic one – that has emerged in recent years. Concentrating on civil wars, Collier and Hoeffler (2004) argue that greed drives civil wars, not grievance, and that being so, price manipulations can kill civil wars in countries that are “resource rich.” This line of argumentation is seriously implausible for a whole variety of
(a) institutional restructuring, such as changing electoral laws to force politicians to seek multi-ethnic support\textsuperscript{34}, or evolving consociational arrangements that guarantee a specified quota of power to different ethnic groups in state institutions\textsuperscript{35};
(b) standard policy engineering, such as putting in place affirmative action policies or changing education policy to counter ethnic bias\textsuperscript{36}; and
(c) civil society centered interventions, especially those emphasizing ethnic integration.\textsuperscript{37}

The first two have been the principal ameliorative mechanisms proposed in the traditional literature. The third is based on new research. It suggests that if civil societies, especially at the organizational level, are ethnically integrated, the odds of violence promotion by the political elite, or “riot entrepreneurs” will go down.\textsuperscript{38} Civil society as term here covers part of our collective life, which (a) exists between the state on the one hand and families on the other, (b) allows individuals and families to come together for a whole variety of collective activities and (c) is relatively independent of the state.

It is to the civic, or horizontal, integration that I now turn. Why should such integration promote lasting peace? What evidence exists that it can do so? Can states promote integrated civil societies?

IV. Integrated Civil Societies and Ethnocommunal Peace

Sooner or later, a puzzling empirical regularity confronts scholars of ethnic conflict. Despite ethnic diversity, some places -- nations, regions, towns, villages -- remain peaceful, whereas others with the same diversity experience frequent outbursts of violence. Similarly, some multiethnic societies, after maintaining a long record of peace, explode all of a sudden. Variations across time and space have until recently not been a focus of inquiry in the field of ethnicity and nationalism.

How does one account for such variations? My book, \textit{Ethnic Conflict and Civic Life}, dealt with variation across space for Hindu-Muslim violence in India (Varshney 2002). The analysis began with a large-N dataset. All reported Hindu-Muslim riots in the country between 1950 and 1995 were statistically

reasons. Constraints of space do not allow me to comment in detail, except to say that (a) resolutions of civil wars can only be political, and (b) Collier and Hoeffler conflate the \textit{origins} and \textit{continuation} of civil wars. It is possible to suggest that greed can sustain a civil war, but they don’t conclusively show that without grievance, a civil war can begin. Investigation of this point requires process-tracing, which cross-country regressions simply cannot handle.

\textsuperscript{34} See Horowitz 1987.
\textsuperscript{35} Lijphart 1977; also see \textit{Human Development Report 2004}, Chapter 3.
\textsuperscript{36} See Horowitz 1985.
\textsuperscript{37} See Varshney 2002, Chapter 1 and 2.
\textsuperscript{38} The claim here is not that the first two methods are irrelevant. Rather, there are other ways of achieving lasting peace as well, and one should ask which method is more practical, or appropriate, for different kinds of historical, political and cultural settings.
analyzed.\footnote{The data set was put together in collaboration with Steven Wilkinson (Duke University). For the principles used to construct the large-n dataset, see Varshney, 2002, Appendix B. Wilkinson’s own arguments based on the dataset alone, not on the city-level investigation reported below, are contained in Wilkinson 2004.} Two results were crucial. First, the share of villages in communal rioting was remarkably small. Between 1950-95, rural India, where two out of three Indians still live, accounted for a mere 3.6 per cent of the deaths in communal violence. Hindu-Muslim violence was (and is) primarily an urban phenomenon. Secondly, within urban India too, Hindu-Muslim riots were highly locally concentrated. Eight cities accounted for a hugely disproportionate share of communal violence in the country: roughly half of all urban deaths and 45 per cent of all deaths, urban as well as rural.\footnote{The cities are: Ahmedabad, Bombay, Aligarh, Hyderabad, Meerut, Baroda, Calcutta and Delhi} As a group, however, these eight cities represented less than a fifth of India's urban population (and only about 5-6 per cent of the country's total population, both urban and rural). Eighty two per cent of urban population has not been "riot-prone".

In other words, India's Hindu-Muslim violence is city-specific. Divisive state (and national) politics is best seen as providing the context within which the local mechanisms linked with violence, or peace, get activated. To explain communal violence, we should not only pay attention to national-level or state-level politics or institutions where most of the attention so far has been focused, but we must also thoroughly investigate these local mechanisms, about which relatively little is known. Following this reasoning, my book selected six cities -- three riot-prone, and three peaceful -- and arranged them in three pairs. Thus, each pair had a city where communal violence is endemic, and a city where it is rare, or entirely absent. To ensure that we did not compare "apples and oranges", roughly similar Hindu-Muslim percentages in the city populations constituted the minimum control in each pair.\footnote{The cities were Aligarh and Calicut, Hyderabad and Lucknow, and Ahmedabad and Surat.}

The relationship between civil society and ethnocommunal violence emerged from this comparison. My argument focuses on the \textit{inter}communal, not \textit{intra}communal, networks of civic life. In an evocative set of phrases, Putnam (2000) calls the former bridging, and the latter bonding, social capital.

These networks, both bridging and bonding, can be split into two other types: organizational and quotidian. I call the first \textit{associational forms} of civic engagement; and the second, \textit{everyday forms} of civic engagement. Business associations, professional organizations of doctors, lawyers, teachers and students, reading clubs, film clubs, sports clubs, festival organizations, trade unions and political parties are some of the examples of the former.\footnote{It should be noted that like Putnam (1992), I am including political parties in my definition of civil society. This point needs to be qualified. In one-party systems, political parties are appendages of the state, not part of civil society. In multi-party systems, however, other than the ruling parties which are part of the state, opposition political parties have the freedom to mobilize citizens for an array of public activities. Thus, in multi-party systems political parties can be part of civil society, but not in one-party systems.} Everyday forms of engagement cover routine interactions of life such as: whether Hindu and Muslim families visit each other, eat together often enough, jointly participate in...
festivals, and allow their children to play together in the neighborhood. Both forms of engagement, if robust, promote peace: contrariwise, their absence or weakness opens up space for communal violence. Of the two, the associational, or organizational, forms turn out to be sturdier than everyday engagement, especially when confronted with the attempts by politicians to polarize ethnic communities. Vigorous associational life, if intercommunal, acts as a serious constraint over the polarizing strategies of political elites.

**The Mechanisms**

Why should this be so? Two links connect civic life and ethnic conflict. First, prior and sustained contact between members of different communities allows communication between them to moderate tensions and preempt violence, when such tensions arise due to: a riot in a nearby city or state; distant violence, or desecration, reported in the press, or shown on television; rumors planted by politicians or groups in the city to arouse communal bitterness and passions; or a provocative act of communal mischief by the police, thugs or youth. All of these can be equated with sparks that do not necessarily turn into fires. In cities of thick interaction between different communities, peace committees at the time of tension emerge from below in various neighborhoods; the local administration does not have to impose such committees on the entire city from above. Because of mutual consent and voluntary involvement, the former is a better protector of peace than the latter. Such highly decentralized tension-managing organizations kill rumors, remove misunderstandings, and often police neighborhoods. If prior communication across communities does not exist, such organizations do not organically emerge from below. They are typically imposed from above, and the committees from above do not work well because their politician members, though inducted for purposes of peace, are normally already committed to polarization and violence for the sake of electoral benefit. Their presence on peace committees is often merely notional.

Second, in cities that have associational integration as well, not just everyday integration, the foundations of peace become stronger. In such settings, even those politicians who would, in theory, benefit from ethnic polarization find it hard to engender ethnic cleavages, arouse widespread bitterness, and instigate violence. Without a nexus between politicians and criminals, big riots and killings are highly improbable. If unions, business associations, middle class associations of doctors and lawyers, film clubs of poorer classes (extremely popular in several parts of the developing world), and at least some political parties are integrated, even an otherwise mighty politician-criminal nexus is normally unable to rupture existing links. Everyday engagement in the neighborhoods may not be able to stand up to the marauding gangs protected by powerful politicians, but unions, associations and the integrated cadres of some political parties -- those, unlike the polarizers, not interested in ethnic conflict -- become bulwarks of
peace in two ways: their local strength convinces those who would benefit from riots that engineering riots is beyond the realms of possibility, or even if violent cadres of polarizing parties and the thugs associated with them try, they do not normally succeed in instigating riots. Integrated organizations constitute a forbidding obstacle for even politically shielded gangs. When associational integration is available, the potential space of destructive and violent action simply shrinks.

Civic links across communities have a remarkable local or regional variation. Depending on how different communities are distributed in local businesses, middle class occupations, parties and labor markets, they tend to differ from place to place. As a result, even when the same organization is able to create tensions and violence in one city or region, it is unable to do so in another city or region where civic engagement crosses communal lines. Local and regional variation in ethnic violence, its uneven geographical spread, can thus be a function of civic engagement, which tends to vary locally or regionally.

This argument is diagrammatically presented in Figure 1. It builds upon the metaphor of ‘sparks’ (small clashes, tensions, rumors) and ‘fires’ (riots) to make the point about the role of civil society. Intercommunal ties between Hindus and Muslims, not intracommunal ties among the Hindus or among the Muslims, were a strong bulwark of communal peace.

**Figure 1: Civil Society and Ethnocommunal Violence**
If towns and cities were organized only along intra-Hindu or intra-Muslim lines, the odds of riots (fires) breaking out, given sparks (tensions, rumors, small clashes), were very high. In Indian cities, bonding social capital was highly correlated with Hindu-Muslim violence, but bridging ties could put out sparks very effectively, not allowing them to disrupt the local equilibrium of peace. The local organs of the state – the police and administration – simply worked better at riot-prevention in integrated cities.

Two further points should be noted. First, this argument is stochastic (odds based), not deterministic (as in Physics). A state hell-bent on destroying integrated civil societies, or instituting pogroms against minorities, can alter the odds significantly. In the language of the argument, that will amount to raising the intensity of the spark by a huge margin, thereby making it harder for local resistance to work and making fires more likely. While this can happen, it should also be noted that we do not yet have deterministic theories in the field of ethnic conflict and we may never be able to develop them. As in several other fields, odds-based arguments could be our best bet.

Second, Islamic or Hindu religiosity has not been the principal reason for riots. Rise of religiosity was in evidence in both peaceful and violent cities, not simply in the latter. In facilitating or preventing riots, it is the types of civic linkages – bridging or bonding, integrated or segregated – that matter most.

Is the Indian Argument Portable?

Is the integrated civil society as a bulwark of peace an India-specific argument, or does it work elsewhere as well? Although disaggregated statistics on local or regional dispersions of ethnic violence have not been systematically collected for many countries, the data that we do have -- for example, for Northern Ireland, or for Indonesia -- show roughly the same larger pattern that exists in India. On the whole, ethnic violence tends to be highly locally or regionally concentrated. Short of a brutal civil war, a countrywide breakdown of ethnic relations is rare.

If we systematically investigate the links between civil society and ethnic conflict, we can get a better understanding of violence in general as well as of its local or regional variations. Though such research is only of recent vintage, some potentially powerful indications are available in the existing literature. Let me give three examples from Northern Ireland, the former Yugoslavia, and Malaysia.

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43 For whether or not the 2002 Gujarat riots in India indicate that the state altered the odds dramatically, see Varshney 2004.
44 For Northern Ireland, see Poole, 1990; for Indonesia, see Varshney, Panggabean and Tadjoeddin, 2004. It should also be noted that the data for racial riots in the US also attest to their local concentration. See Lieberson and Silverman (1965).
45 My current research project investigates links between civil society and 15 cities in four countries: Indonesia, Nigeria, Sri Lanka and Malaysia.
(A) Northern Ireland

The available data on post-1969 Catholic-Protestant violence in Northern Ireland are disaggregated at the town-level (Poole, 1990). And, despite the larger conflict, some towns have indeed remained peaceful. What explains the variance?

Darby (1986) studied three local communities in Greater Belfast -- Kileen/Banduff, the Upper Ashbourne Estates, and Dunville. All three communities analyzed by him have mixed populations, but the first two -- Kileen/Banduff and the Upper Ashbourne Estates -- have had a lot of violence since the late 1960s, whereas the third, Dunville, has been quiet. Darby found that as expected, churches, schools and political parties were segregated in all three communities, but Dunville had some distinctive features not shared by the other two. In contrast to the segregated voluntary groups in the first two communities, Dunville had mixed rotary and lions clubs, soccer clubs, bowling clubs as well as clubs for cricket, athletics, boxing, field hockey, swimming, table tennis, and golf. There was also a vigorous and mixed “Single Parents Club”. These results, too, are quite consistent with the Indian argument.

(B) The Former Yugoslavia

The former Yugoslavia was often presented in the media as having been heavily ethnically integrated until the civil war broke out in the 1990s. If true, the implications of Yugoslav civil war would run contrary to my argument. Is the popular impression correct?

Specialists of Eastern Europe have long argued that in Communist societies, civic organizations independent of the state were not allowed by the rulers. Thus, prior associational engagement between different ethnic communities -- the more important determinant of peace than everyday engagement in this study -- becomes more or less irrelevant to the analysis of ethnic conflict in most former Communist countries. It also means that a) once Communism ended, the absence—or utter weakness -- of associational civic life made the former Communist countries highly vulnerable to ethnic “shocks”; and b) the variation in ethnic violence could be seen to a substantial extent as a function of the intensity of everyday engagement between ethnic groups.

The available studies seem to support both of these derivations. Research on two widely noted Yugoslav civic bodies—the self-managed industrial societies and local self-governments—shows that the Communists had completely penetrated these organizations, turned them into appendages of the state, killed the interests of ordinary citizens in participating in them, and robbed them of their civic role (Zukin, 1975). The evidence on the second point—everyday interethnic engagement—is also supportive but quite in contrast to the popular discourse about the former Yugoslavia. A high incidence of interethnic marriage in the country in general, and Bosnia in particular, is often cited as an example of everyday

46 These are pseudonyms of communities, which could not be identified with their actual names.
interethnic integration in the former Yugoslavia. In the literature on ethnicity, interethnic marriage is indeed considered to be the highest form of everyday integration.

Contrary to popular wisdom, statistics indicate that a) the rates of interethnic marriage were very not high in Yugoslavia (12-13% only, not the oft-cited 30%) and did not increase at all between 1961-89; and b) Bosnian intermarriage rates were no different from the overall Yugoslav averages (13%). The region recording the highest interethnic marriage rates was Vojvodina (28%), which also remained peaceful during the civil war in Yugoslavia. Serbia (minus Vojvodina) had the lowest intermarriage rates (Botev, 1994). The relationship between ethnic violence and inter-ethnic engagement is inverse.  

(C) Malaysia

Malaysian materials challenge my argument at one level. As is well known, Malaysia has not had significant riots since 1969. Ethnic peace has prevailed for over thirty six years. While it is not yet unambiguously clear what explains Malay-Chinese peace since 1969, it is already obvious that the Indian hypothesis – civic integration as a foundation of ethnic peace – is not applicable. The Malay and the Chinese in Malaysia continue to be highly segregated, both in everyday life and in organizations.

In my current project, I am studying, among other things, the foundations of ethnic peace in three Malaysian cities: Kuala Lumpur (KL), Ipoh and Penang. The data from KL, already available, are highly instructive.

To put the matter in perspective, let us compare the city of Kuala Lumpur (KL), the site of Malaysia’s worst Malay-Chinese riots in 1969 but also the widely noted site of Malay-Chinese peace ever since, with Calicut, one of the peaceful cities in the Indian study. In Calicut, the mass survey was conducted in 1995, and in KL, in 2005. The sampling methodologies were roughly similar.

Whereas nearly 83 per cent of sampled Hindus and Muslims in Calicut reported “eating together often”, in KL that proportion is 1.8 per cent. Nearly 90 per cent of the Calicut sample had reported that Hindu and Muslim children played together in the neighborhood, the proportion in KL is 15 per cent. About 84 per cent of Calicut Hindus and Muslims visited each other socially; only 20% of the KL Malay and Chinese report doing so.

In Calicut, a huge proportion of associations and civic organizations – for businessmen, labor, middle class professionals-- were integrated. In KL, only 3 per cent said that the business organizations

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47 These statistics are only regionally disaggregated, not locally. For more rigorous results, further disaggregation of violence will be necessary. However, town-level disaggregation of Yugoslav violence is not available, and given what we know about data on civil wars, it may never be unearthed with any accuracy. But, even at the current level of disaggregation, the data are by and large consistent with the Indian argument.

48 Penang, strictly speaking, is not a city, but an island and a state, though it is often called one. The project is studying the Georgetown part of the island.

49 There was a Malay-Indian riot, however, in Kampung Medan, Petaling Jaya in
they had joined were mixed; only 2 per cent said reported being in mixed labor organizations; a mere 2.3 per cent were in mixed middle-class professional organizations; and finally, 1.8 per cent, 5.7 per cent, and 1.4 per cent, respectively, said that the NGOs, party organizations and neighborhood associations in which they had participated were mixed.

In short, both in quotidian and organizational life, KL is a highly segregated city. Two more points should be noted. While such data are yet to come in for two other cities in my project, Penang and Ipoh, the best prediction is that the figures will not be significantly different. KL is Malaysia’s most cosmopolitan city. If anything, the prediction is that the eventual statistics will show an even lower level of integration in the two other Malaysian cities selected for the project.

Second, the current trends in group interaction are quite consistent with historical patterns. Early in the 20th century, Furnivall had described Malay society as a place where different ethnic groups lived mostly separately, meeting at best in the market place for buying and selling. A careful study published in the 1970s had also concluded that “despite considerable changes in the city’s ethnic composition, segregation of racial groups continues”, the few upper class neighborhoods of KL being the only exception (Sidhu 1978, 21).50

Despite remarkably little integration, Malay-Chinese peace in KL since 1969 has had its longest run for over a century. Most observers argue that it is the capacity of the state to nip tensions in the bud, or its policy performance, that accounts for the long peace. 51 Further research will show whether this explanation is correct.

Meanwhile, it should be noted that the Government of Malaysia does not think state-level measures alone can continue to ensure peace, even if they have by now. Considering Malaysia’s racial peace fragile, the government has launched a new drive aimed at societal integration. *Rukun Tetangga*, neighborhood level committees, are the principal organizational vehicle for the drive. Expecting that such committees will bring the three races – the Malays, the Chinese, the Indians -- together, the government aims to cover the entire country with them over time. Presumably, once put in place by government, they will acquire a life of their own, much like the Bhiwandi experiment analyzed in the next section:

“National Unity Department director general Abdul Rashid Sahad said racial polarization in the workplace is becoming a worrying trend in the country. He said the tendency of workers to stick within their own community is gradually infiltrating workplaces, which is unhealthy for a multi-racial country like

50 Also see Clarke and Sidhu 1977.
51 For example, see Jesudason 2001. It is equally likely that “self policing”, a mechanism theoretically proposed by Fearon and Laitin (1996), is also, or more, applicable. It means intra-ethnic, or intra-communal, policing of one’s own youth, who are typically earliest to strike, or strike back, at other groups. If exercised by elders, by an ethnic association, or by civic organizations such as Churches, intra-ethnic policing may lead to the same result as inter-ethnic engagement does in India.
Malaysia...

In an effort to achieve “zero racial conflict” this year, the department has approved grants for Rukun Tetangga and public education programs, particularly those targeting the urban population, on the sensitivities of various races. Rukun Tetangga (RT) is a neighborhood watch group run by residents in housing estates to combat crimes and to promote racial integration. Abdul Rashid said the government hopes to set up 3,000 RTs to serve 7.5 million people by the end of the year, and eventually increase this to 4,800 for 12 million people by 2010.52

Malaysia is one of the best comparative cases we know of a society previously torn by ethnic violence, but one that has moved towards ethnic peace. Ethnic integration is clearly not the reason for its peace, but its government is convinced that without integration in the future, the peace may not last. It is a remarkable compliment to the idea of horizontal integration.

V. Towards Policy: Can States Build Integrated Civil Societies?

It is often suggested that civil society, being a non-state sphere of collective life, depends entirely on citizen initiatives, and it is not something that the state can either build, or should try to. Case evidence suggests that the story is more complicated. The state can play two roles: direct and indirect. Both can promote integrated civil societies.

Direct Role: An Example

Bhiwandi, a town just outside Bombay, India, was infamous for Hindu-Muslim riots in the 1970s and 1980s. Nearly 200 lives were lost in riots during the late 1970s and early 1980s. The turning point was the arrival in June 1988 of a police chief for three years. In those three years, Bhiwandi was transformed from a town, notorious for its capacity for rioting, to one that could meticulously work for, and keep, communal peace, even in the worst of times, as between 1988-1993 and again in 2002. The key was building Hindu-Muslim contacts in an organized way and around common issues of concern. Peace has already prevailed for sixteen years since 1988.

The town of Bhiwandi is a rather unlikely site for healthy and robust civic engagement. A center of small textiles most of which exists in the informal sector, Bhiwandi is full of “sprawling hutment colonies, narrow streets, the never-ceasing rattling of powerlooms”, and “the town’s civic amenities are bursting at the seams under the increasing demands of the shanties mushrooming all round”53. Moreover, Hindus and Muslims tend to live in segregated neighborhoods.

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52 The Straits Times 2003.
53 Khopade, undated, preface.
Undeterred by this setting and the town’s history of violence, the police chief argued that instead of fighting the fires when they broke out, it was better for the police to bring Hindus and Muslims together to create mutual understanding. The aim was to set up durable structures of peace. If the Hindus and Muslims could meet each other often enough and discuss common problems, a reservoir of communication and perhaps trust would be created, which in turn would play a peace-making role at the time of communal tensions. Thinking that “to be forewarned is to be forearmed”, the police chief decided to put together neighborhood committees (mohalla samitis) for the whole town under his supervision.

Since segregated living was the norm in the town, each committee covered two neighborhoods and consisted of an equal number of Hindus and Muslims, selected on the basis of local knowledge. The committee members were those who “wielded considerable influence in their respective neighborhoods (mohallas) and had a clean record”. Special care was taken to ensure that “no communalist or known criminal”, lacking a “genuine desire for peace”, was selected. For every two or three committees, one police officer was appointed to act as liaison officer. Wherever available, the committee members included highly respected professionals, like doctors and advocates. But in the poorest neighborhoods, where no such professionals were present, the committees consisted of “coolies and even housewives”. Whether professionals, coolies, or housewives, the only condition for committee members was that they be respected by their neighbors for probity and goodwill, for which local knowledge was used, and have no criminal records, for which police data was.

Seventy such committees were created to cover the entire town. They would discuss “matters of mutual concern”. They would meet as and when necessary, at least once a week normally but daily in times of tension, with a police officer presiding. And as time wore on, they turned out to be so successful that even non-members started attending important meetings, thus broadening “the base of mutual confidence”.

During 1988-92, the nationwide mobilization, sponsored by the Hindu nationalists, for the destruction of the Baburi mosque was at its peak. As a consequence, communal tensions in much of India were high, and there were many moments of tension and bitterness in Bhiwandi as well. But

“when passions ran high…, members on both sides came together and voluntarily undertook the task of patrolling the streets for nights on end. Rumors were suppressed on the spot and rumor-mongers handed over to the police . . . (As a result), the evil-doers preferred to lie low, . . . (and) were totally isolated by the constant vigilance against them by committee members.”

54 Khopade, p. 115.
55 The citations in this paragraph are from Khopade, p. 116.
56 Both citations in this para from Khopade, p. 118
57 Khopade, p. 119.
Not a single life was lost. In 2002, the neighboring state of Gujarat saw brutal anti-Muslim riots. As the Gujarat riots raged, the head of a rather extreme Hindu nationalist organizations, Bajrang Dal, was murdered in the town of Bhiwandi. The suspicion was that Muslims had killed him to avenge the killings of Muslims by Hindu nationalist mobs in Gujarat. Again, tensions emerged, but only to subside. No riots broke out in Bhiwandi.

What should one conclude from this example? The Bhiwandi experiment, in particular, questions the idea, widely held in some circles, that there is an adversarial relationship between the state and civil society. Civil society is a non-state, not an anti-state, space of our life, whose vigor can be, though is not necessarily, promoted by the state. Civil society is typically anti-state when the state, by design or unintended consequence, begins to undermine civic life, not if it does not. Because civic linkages were forged on the initiative of the local organ of the state, the Bhiwandi experiment suggests fruitful possibilities of a state-civil society synergy for stemming endemic violence. With a strong civic edifice in place, the state can prevent riots with considerable ease. Organizationally integrated towns are simply easier to police in times of communal tensions, as helpful information travels quickly from civil society to local state organs and the two – local civil society and the state -- work synergistically. Sparks are normally put out before they become fires. Some other towns have of late followed the Bhiwandi model of neighborhood committees, reporting considerable success.58

Indirect Role

A heroic intervention of the Bhiwandi kind may not be replicable, though one cannot tell until one tries. The basic issue is however different. Should some individuals in control of local state organs be expected to pioneer such efforts, or can the state also have the institutional capacity to lead systematic and organized attempts of this kind? The Rukun Tetangga initiative in Malaysia is state-led. As of now, the level of state sincerity or state commitment, however, remains unclear.

At any rate, whether or not the state can directly create integrated civic organizations, it can certainly indirectly contribute to their evolution. The basic idea here is creation of an ethnically inclusive template from which integrated organizations and experiences can grow organically over time. For that to happen, social policy must be viewed not simply as a means to help the low-income groups, but also as a way to promote multicultural inclusion in a multiethnic society. The formula should be: low incomes plus ethnic inclusion.

How might one do that? Let us take two standard social policy arenas: education and housing. Rich citizens of the developing countries go to private schools, leaving government schools primarily for those not so privileged. Government schools thus “self-select” on low incomes, but do they also promote

Ethnic inclusion? Not necessarily, unless special attempts are made to recruit students from all ethnic backgrounds. Governments can easily develop an incentive system, which makes it clear that beyond the minimum allocation of resources to all government schools, special grants would be made to those that have a better record of diversity.

Creating integrated schools, however, may not be enough. If the curriculum teaches ethnic primacy, the multicultural experiment may go awry. In Malaysia’s colleges and universities, all races are present, but separate ethnic tables easily form in the same dining hall. The ideology of Malay primacy creates obvious power hierarchies and inhibits freer interethnic communication. Education policies require both inclusion and equality. The template for integrated experiences and networks otherwise will be hard to create.

Consider housing policies now. Western European governments have created low income housing for those unable to pay market prices for real estate. But if such housing leads to ethnic ghettos, the inclusion would be less than complete. Integrated neighborhoods perhaps cannot be created through individual sales and transactions. What one needs is a policy towards housing societies. Such societies typically get land and credit at preferential rates all over the developing world. The same principle that covers schools -- namely, a state-mandated incentive for those who would build integrated neighborhoods, not simply low-income neighborhoods -- can be extended to housing societies.

These are just two examples of a larger principle. Other arenas for action can also be imagined, including development projects that require inclusivity in their personnel as well as beneficiary coverage. So long as the idea of social policy is widened to include both those who have fewer means as well as those who come from a variety of ethnic backgrounds, we will be using social policy for purposes more suited for the developing world.

VI. Conclusion

By way of conclusion, let me summarize my main argument. In the land of its birth, Western Europe, social policy addressed the inadequacies of markets, attending to those who would be vulnerable if markets were left unregulated. It sought to moderate the potential class conflict between the haves and have-nots by providing health, education and safety nets to those who would not receive these services from the market.

Over the last two decades, the turn towards freer markets in the developing world has made social policy essential. However, ethnic conflict, not class conflict, is the principal form of conflict in the developing world. Education, health and safety nets for the low income classes are necessary in the new setting, but social policy must go beyond this standard Western European package.
The customary social policies are necessary, for a lot of people in the developing world badly need affordable education and health. They are, however, insufficient, for such policies do not necessarily alleviate ethnic conflict. They may be the right policy instruments for moderating class conflict, but the policy instruments dealing with ethnic conflict have to be different. The problem is doubly serious, for if ethnic conflict is left unchecked, even the European style social provision can become a victim of conflict. Compared to Western Europe, social policy in the developing world must carry a heavier burden.

Ethnic integration is one of the most promising ways to build peace in multiethnic societies. States can achieve that by building integrated civic organizations, or by providing not only the poorer citizens with access to education, housing and business, but also ensuring at the same time that such access is multicultural or multiethnic. The emphasis has to be on low incomes and multicultural inclusion, not only the former.
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