



RESEARCH CONCEPT NOTE
The Impact of Humanitarian Aid/Development Funding Distribution on Horizontal Inequalities and Conflict Management

University of Oxford, Department of International Development,
Centre for Research on Inequality, Human Security and Ethnicity (CRISE)
Principle Researchers: Professor Frances Stewart / Rachael Diprose
Sri Lanka Partners: Centre for Poverty Analysis (CEPA), Sri Lanka
Indonesia Partners: Ariyanti Rianom, Research Coordinator
Indonesian Institute of Sciences (LIPI), Centre for Political Studies

Research Funding: Australian Development Research Award (ADRA) Grant, AusAID, Canberra

Research Aims:

- 1) To examine development/humanitarian aid programs in each of two regions in Indonesia (Aceh – two programs; and Central Sulawesi – one program) and two regions in Sri Lanka (regions and programs currently in discussion).
- 2) To examine how the program design principles and practical implementation of three programs in each country (state and donor funded) interact with local contextual factors, specifically local conflicts and the dynamics of inequality between culturally defined groups (horizontal inequalities, HIs).
- 3) To compare and contrast the research findings in each site for each program to provide constructive inputs for program designers and policy makers in general and specific to the programs.

Demand for the research:

The work of the Centre for Research on Inequality, Human Security and Ethnicity (CRISE) has established that horizontal inequalities (HIs – defined as economic, social and political inequalities between culturally defined groups) not only have negative effects on the welfare of members of poorer groups, but can increase the likelihood of violent conflict (Stewart, Brown and Langer 2008).

In the course of CRISE's work over the past four years, discussions with a range of aid practitioners and policy makers responsible for conflict and justice-related development programs and humanitarian aid distribution in complex emergencies have highlighted the need for a greater understanding of how aid, HIs and conflict intersect. These discussions have included policy makers from developing countries and representatives from UNDP, the World Bank, AusAID, DfID, USAID, the Asia Foundation, the Ford Foundation and other donors in workshops held at both international and country level. CRISE has also had inputs from the government agencies in charge of development planning in Indonesia and Sri Lanka, as well as the relevant national research institutions (the Centre for Poverty Analysis, CEPA, Sri Lanka; the Indonesian Institute of Sciences, LIPI, and the Centre for Strategic Studies, CSIS Indonesia).

These exchanges have highlighted the need for more research on the specifics of how HIs and conflict interact with humanitarian aid and longer-term development programs: while research to date has identified a general relationship between HIs and conflict, there is a notable lack of research on how humanitarian aid/longer-term development programs contribute to ameliorating or worsening the situation. Such research will help to ensure that aid and development programs do not undo development gains or worsen the often already dire circumstances in communities which triggered the need for humanitarian aid/development assistance in the first place. It will also provide an avenue for dissemination of best practice examples of conflict sensitive planning which takes into account and even redresses horizontal inequalities in practice.



Research rationale:

Violent conflict can and does undo the development gains achieved in education, health, employment, capital generation and infrastructure provision (Drèze and Sen 1989; Stewart and Fitzgerald 2001; Elbadawi 1999; Barron, Diprose and Woolcock 2006, 2009 forthcoming). Violence impedes human freedom to live safely and securely and can sustain poverty traps (Diprose 2007).

A large and growing proportion of violent conflict occurs between ethnically (or religiously) distinct groups. Yet, violence is not an inevitable part of human interaction in multi-ethnic contexts, as the majority of poor peoples manage to live together in peaceful ways (Fearon and Laitin 1996). The work of the Centre for Research on Inequality, Human Security and Ethnicity (CRISE) has established that horizontal inequalities (HIs – defined as economic, social and political inequalities between culturally defined groups) not only have negative effects on the welfare of members of poorer groups, but can increase the likelihood of violent conflict (Stewart, Brown and Langer 2008 forthcoming). This is particularly the case when political exclusion is combined with economic inequalities, allowing for grievances arising from horizontal inequalities (HIs) to be mobilised by local and supra-local elites (Diprose 2007). The concept of horizontal inequality differs from the 'normal' definition of inequality (which we term 'vertical inequality') in that the latter type lines up individuals or households *vertically* and measures inequality over the range of *individuals* rather than *groups*. HIs are *multidimensional* and encompass the group dimension of inequality.

An increasing proportion of development programs are directed at relief for countries in conflict, post-conflict reconstruction and disaster relief. Yet development programs, including humanitarian aid programs, have the potential to contribute to violent conflict as well as being part of its solution (Barron *et al.* 2006). They can contribute positively or negatively to conflict, both by the way they affect HIs and by the way they contribute to the management of inter-group tensions. On the one hand they may effectively redress conflict tensions and HIs. On the other hand, programs which are not sensitive to local conflict dynamics and HIs may even have negative impacts on stability and undermine the very objectives of the aid programs themselves, including hard-fought development gains. Understanding how and under what conditions humanitarian aid can make conflict better (or worse) is imperative for better program and policy design aimed at improving the lives of poor people.

This research seeks to explore how the allocation of such development and aid programs may affect HIs and conflict, notably their targeting principles and the quality of program implementation. The research will identify the principles of program design and the aspects of program implementation which are most sensitive to conflict management and the generation, evolution, and reduction of group-based inequalities. The social and economic benefits for communities from the research findings will result from the provision of valuable inputs for policy makers, program designers and practitioners to ensure the equitable and conflict-reducing targeting and distribution of humanitarian aid. The research will also shed light on how best to design aid programs to counter long-standing inequalities.

Specific Research Questions:

- 1) To what extent does the design and implementation of development/humanitarian aid programs impact on horizontal inequalities (inequalities between groups) and the management of inter-group tensions?**
- 2) Which aspects of program design and implementation are most sensitive to exacerbating horizontal inequalities and contributing to poor conflict management?**
- 3) Which aspects of program design and implementation are most important for redressing horizontal inequalities and contributing to effective conflict management?**



Why Indonesia and Sri Lanka?

Indonesia and Sri Lanka are multi-ethno-religious societies in which groups are competing for scarce resources, and where there has been serious violent conflict. Both countries have experienced humanitarian disaster as a direct result of violent local conflict (in part generated by horizontal inequalities), and both suffered from the 2004 tsunami which triggered the need for massive humanitarian aid to be delivered in areas already experiencing conflict. This research explores the impacts of a minimum of six humanitarian aid programs (three in each country) on conflict management and HIs, with a mixture of state and donor funding sources. The program cases across the two countries allow us to explore how far the design principles and implementation realities of humanitarian aid/development programs have improved or worsened the conflict environment in general, and HIs specifically, under different sets of conditions: natural disaster aid in conflict areas, and direct conflict/post-conflict aid. The research is being conducted in parallel in each country during the course of the research period (June 2008 – end 2009), in partnership with local institutions.

Data collection:

The research uses both bottom-up and top-down methods of data collection. Qualitative in-depth interviews with key stakeholders in senior levels of government, civil society and the agencies involved in the program design and distribution will allow for the triangulation of opinion with project documents and other secondary sources on design and implementation process. Further in-depth interviews with actual program beneficiaries and potential aid beneficiaries in each region are being conducted to identify the strategies adopted to manage the potential tensions caused by aid distribution and perceptions of inequality.

Apart from ensuring that interviews are conducted with members of each of the ethno-religious groupings in each site (as both aid recipients or not), special attention is being given to those most vulnerable to the negative outcomes of violent conflict: women and young people. We will ensure that women from the different ethno-religious groups are interviewed, as it is often women who are overlooked in conflict research in areas where they are not the public figures dominating the public discourse. Women, nonetheless, are often recipients of aid, in charge of its distribution within the household in their role as chief carers, or they are left as the head of the household following the death and injury of husbands, fathers and sons resulting from conflict. In this sense they bear a major burden of conflict.

The research also includes an analysis of historical, demographic and statistical data in order to piece together a picture of groups and inequalities in each local region. A household survey (N=400-450/region) is being implemented in each region where the program is under evaluation to capture data on economic, social and cultural features of groups, people's perceptions of identity, program impacts and HIs. This survey broadly follows the pattern adopted in previous CRISE perceptions surveys (see, for example, Guichaoua *et al.* 2006; *CRISE Research News* 3, Summer 2007: www.crise.ox.ac.uk), with additional modules dealing with perceptions of aid program design and implementation.

Background on the administering organisation:

The administering organisation is the University of Oxford, through the Centre for Research on Inequality, Human Security and Ethnicity (CRISE), which is based in the University's Department of International Development (Queen Elizabeth House). CRISE is funded by the UK Government's Department for International Development (DFID) and aims to identify economic, political, social and cultural policies which promote stable and inclusive multiethnic societies. CRISE consists of a partnership between the University of Oxford and institutions in Asia, West Africa and Latin America, and is now in its fourth year. Much of the Centre's research is available on its website (www.crise.ox.ac.uk) and has been widely disseminated.

Background on principal investigators:

The principal investigator Rachael Diprose has previously worked with a variety of international institutions and local development institutions in Indonesia, Cambodia, Nigeria, Kenya, the United



Kingdom, and Australia on conflict, access to justice, social safety nets, decentralisation, migrant workers, dispute resolution, measuring violence and other development issues. Rachael Diprose will be the principal researcher and research coordinator at Oxford. Rachael's research has primarily been conducted in Southeast Asia and West Africa, mostly in local languages. She is a researcher at CRISE and previously OPHI (the Oxford Poverty and Human Development Initiative).

Professor Frances Stewart is Director of CRISE and was previously Director of Queen Elizabeth House for ten years. She has had a long career in research on development, poverty, human development and conflict in developing countries, as well as working with development institutions all over the world. In particular she has worked closely with UNDP New York on the Human Development Report, on Human Development generally and on conflict-sensitive policies; and has just co-edited the UNDP's Report on Post-Conflict Economic Recovery.

CRISE is working together with the research coordinator for the program in Indonesia, Ariyanti Rianom, as well as the Indonesian Institute of Sciences (LIPI), in particular the Centre for Political Studies on the Indonesian component of the research. In Sri Lanka, CRISE is working with the Centre for Poverty Analysis (CEPA) to implement the research. Analysis of the research findings is a collaborative process, as is publication of the results. Research team members from each of the countries will also hold Junior Fellowships at Oxford during the research, to interact with other members of the CRISE team, collectively analyse and write up research findings gain academic feedback on the research.