Palabras de Mark L. Schneider, vicepresidente del International Crisis Group al Seminario de la Serie Houston 2007 “Inequidad social, pobreza y conflicto”

Cartagena, Colombia
17 de noviembre2007

Quiero agradecer a los gobiernos de Estados Unidos y de Colombia por invitarme a participar en el Seminario de la Serie Houston de 2007. Hoy, quiero hablarles primero sobre la interrelación entre inequidad social, pobreza y conflicto en relación con la comprensión global y el reconocimiento internacional del tema. Y, segundo, analizar los mismos temas en relación con América Latina y, tercero, dirigir hacer unos comentarios sobre el conflicto civil de casi medio siglo en Colombia.

Una gran cantidad de investigaciones se han desarrollado durante la década anterior, buscando identificar las motivaciones del conflicto, los factores en los países, que si son desatendidos, pueden llevar a una violencia mortal y los elementos presentes in procesos de paz exitosos y no exitosos y la estabilización post-conflicto.

La premisa es que mediante la identificación con mayor precisión de los elementos distintivos presentes en una sociedad en los años anteriores al brote de un conflicto civil es posible intervenir con políticas nacionales, regionales e internacionales efectivas y con programas acciones para prevenir el deterioro de esas condiciones que conllevan a una mayor violencia. Donde existen los conflictos, podemos entender mejor como ponerles fin, y cuando cesa la violencia, ayudar a garantizar una paz más duradera.

Dentro de este contexto se creó el Internacional Crisis Group en 1995. Somos una organización de campo, no gubernamental, y sin ánimo de lucro que identifica y analiza las motivaciones de esos conflictos, diseña políticas para controlarlos y prevenirlos, busca influir, mediante la intervención directa e indirecta, a los tomadores de decisiones en los países respectivos, en Washington, en Nueva York, en Bruselas y en cualquier otro

lugar para examinar nuestros análisis e idealmente para que adopten las políticas que recomendamos. Fueron los genocidios de Rwanda y los crímenes de lesa humanidad de Srbrenica que motivaron la creación del Crisis Group.

Los fundadores del grupo creían que el fin de la Guerra Fría haría más posible que las grandes potencias y la comunidad internacional en general ignoraría aún los abusos más flagrantes contra los derechos humanos fundamentales, lo cual era inaceptable tanto en lo moral como en lo estratégico, por el impacto potencial que tendría en la paz internacional. Sabemos ahora que los Estados vulnerables al conflicto pueden también volverse santuarios para terroristas cuyo alcance toca a todas las naciones.

Actualmente funcionamos en 60 países con presencia de campo en 33. Nuestra oficina de la región andina tiene su sede en Bogotá. Nuestro valor agregado real empieza con la calidad de nuestro análisis desde laóptica de un equipo sobresaliente de investigadores de más de 41 nacionalidades que hablan más de 50 lenguas distintas. Publicamos más de 1000 informes cada año. Contamos también con una junta directiva que incluye ex jefes de Estado de casi todos los continentes.

(El Crisis Group ha estado trabajando durante los últimos 10 años en la identificación de las causas estructurales y de las causas directas del conflicto en cada país que si se le permite desarrollarse conduciría a una violencia generalizada.)

Dónde estamos hoy cuando analizamos el conflicto alrededor del mundo

La buena noticia es que un grupo de académicos que, a pesar de las masivas violaciones contra los derechos humanos y el arraigado desconocimiento del valor de la vida humana que presenciamos cada día en CNN o en la BBC, ve alguna luz al final del túnel.

- Un reciente informe de Seguridad Humana realizado por Andrew Mack de la Universidad de British Columbia encontró que, a partir del final de la Guerra Fría,

hay un declive en el número de guerras a nivel mundial, en el número de muertos en guerra y de genocidios.

- Desde 1991 se han registrado menos muertes debido principalmente a que durante la Guerra Fría, las guerras sustitutas se lucharon con grandes ejércitos y cada uno de los conflictos nacionales estaban imbuidos por un significado estratégico internacional.

- Los asaltos mortales sobre la población civil, mediante el genocidio, definido en la Convención como la eliminación "total o parcial" de grupos raciales, étnicos, religiosos, nacionales o políticos específicos; utilizando la definición de la Dra. Barbara Harff de campañas de "asesinatos políticos en masa", dirigidas primordialmente contra civiles y cuyo propósito es eliminar total o parcialmente grupos de personas en razón de sus puntos de vista políticos, han disminuido de 10 en 1989 a un Darfur hoy.

- La Fuerza de Tarea para la Estabilidad Política, un grupo de académicos internacionales trabajando en este tema desde 1994, expresó en su informe de 2007 sobre Conflicto, Gobernabilidad y Debilidad del Estado, que los conflictos armados mayores habían disminuido equilibradamente en términos del número de Estados y la magnitud de los conflictos en más del 60 por ciento desde mediados de los años 80 siendo el 2006 el año con el menor nivel desde 1964. (Ver diapositiva 1)

Desafortunadamente también hay malas noticias.

- Hallazgos del mismo estudio indicaron que hay 20 países envueltos en conflictos armados mayores; 19 de ellos en guerras civiles: Afganistán, Chad, Colombia, República Democrática del Congo, Haití, India, Irak, Israel (Palestina), Burma, Nigeria, Filipinas, Pakistán, Somalia, Sri Lanka, Sudán, Tailandia, Turquía, Uganda y Yemen. Una de las guerras actuales se ha denominado la "Guerra de Estados Unidos contra el Terrorismo Global", aunque si es definida como ataques

repetidos y reiterados, esa “Guerra global” se limita actualmente en su totalidad a la guerra en Irak y Afganistán.

- Un estudio reciente de la Dra. Harff concluyó también que aún hay seis países con alto riesgo de genocidio y asesinatos políticos: Sudán, Burma, Algeria, Burundi, Rwanda y Etiopía. El séptimo podría ser Irak.

También hay malas noticias con respecto a conflictos civiles de alta intensidad y “ violencia de un solo lado”.

- Según el barómetro de conflicto desarrollado por el Instituto Heidelberg para la Investigación del Conflicto Internacional, en el año 2006 hubo 278 conflictos políticos de los cuales seis operaban al más alto nivel de intensidad. Estos conflictos de alto nivel de intensidad incluyen: Somalia, Sudán, Sri Lanka, Israel/Palestina, Afganistán e Irak.

- Desde 1992, las campañas de violencia contra civiles, conocidas como “violencia de un sol lado”, según definición del Uppsala Conflict Data perpetrada por milicias, rebeldes, señores de la guerra u organizaciones criminales en parte diseñadas para aterrorizar a la población civil aumentaron de 18 a 28. Actores no estatales, más que actores estatales, se responsabilizaron por esas acciones, pero al igual que con el Janjaweed, la milicia paramilitar en Darfur, ellos son actores no estatales cumpliendo las órdenes de autoridades estatales. (Ver diapositiva 2)

Entonces a dónde nos llevan todas estas cifras? Todavía encontramos guerras, conflicto civil y violencia contra civiles por parte de actores estatales y no estatales ocasionando más refugiados y poblaciones desplazadas cada año que la población entera del Estado de California, al menos 14.000 muertes en batalla por año y al menos otras 20.000 muertes

de civiles causadas por violencia unilateral y violencia organizada sin empezar a discutir los excesos de muertes que resultan indirectamente del conflicto.

Los no combatientes tienen mayores posibilidades de morir si viven en un comunidad afectada por la violencia porque no tienen acceso a hospitales, sus provisiones de alimentos agua se recortan por cuenta de facciones o ejércitos enemigos o debido a los incendios de sus campos.

Creemos que ha habido tres desarrollos institucionales internacionales fundamentalmente positivos desde Rwanda:

- Primero, la expansión de la capacidad de las Naciones Unidas para hacer, construir y mantener la paz. Durante el curso de los últimos 15 años, el fin de la Guerra Fría le quitó un gigantesco peso de encima a las Naciones Unidas, liberándola para jugar un papel más activo, utilizando sus buenos oficios políticos para buscar prevenir el conflicto y para tratar de llevar a la finalización de conflictos existentes. Hay 18 misiones de Naciones Unidas para mantener la paz con 100.000 soldados actualmente en servicio. De hecho, Mack encontró que la mitad de todos los acuerdos de paz firmados entre 1946 y 2003 tuvieron lugar desde el fin de la Guerra Fría. Donde Naciones Unidas pudo manejar el proceso de una manera sostenible, verificable y monitoreada de los acuerdos de paz, hubo mayor oportunidad de prevenir la recurrencia del conflicto. A este mismo hallazgo llegó un estudio de la Rand Corporation de todos los acuerdos de paz desde finales de la Segunda Guerra Mundial.

- Segundo, la exigencia de que los responsables por el derramamiento de sangre y crímenes atroces deben ser responsables ha llevado al establecimiento de cortes penales internacionales como la Corte Penal Internacional para la Antigua Yugoslavia, la Corte Penal Internacional para Rwanda, las cortes especiales para Sierra Leona, Timor Oriental y Cambodia y, actualmente, la Corte Penal Internacional permanente. Hoy es un reto

potencial para cualquier comandante militar o líder político creer que los crímenes atroces, genocidios u otros crímenes de guerra, puedan llevarse a cabo sin correr el riesgo de ser llevados a la justicia. Hemos demostrado que líderes como Charles Taylor, Augusto Pinochet y Slobodan Milosevic pueden ser llevados ante un tribunal internacional. La soberanía no sirve ya como un escudo protector contra la responsabilidad que acarrean las masacres. Se espera que la responsabilidad será vista cada vez más como un derecho de las víctimas y de la sociedad como una norma legal aceptada or el marco legal nacional e internacional.

- Finalmente, la Asamblea General de las Naciones Unidas adoptó en septiembre de 2005 el concepto de responsabilidad de protección y el Crisis Group está ayudando a construir los mecanismos que permitan pasar ese concepto de una resolución a una realidad. La decisión de la Asamblea General de las Naciones Unidas durante la cumbre "Millennium Plus 5" para adoptar el concepto de "Responsabilidad de protección" fue fuertemente apoyado por un grupo de ONG de la sociedad civil alrededor del mundo.

--Esto es lo último en una evolución del pensamiento sobre cuándo y cómo el compromiso colectivo de la comunidad global es requerido a pesar de los límites tradicionales de la soberanía nacional. Ese concepto comienza con la afirmación que los abusos contra los derechos humanos violan principios básicos de la Carta de Naciones Unidos y los derechos humanos y el derecho internacional humanitario.

-- La primera obligación descansa en el Estado-Nación para prevenir las violaciones a los derechos humanos, especialmente aquellas que se extienden a las limpiezas étnicas, crímenes de guerra, masacres y genocidios.

--Pero en estos casos extremos el concepto explica que cuando esas masacres ocurren y el Estado-Nación es incapaz de prevenir su continuación o es cómplice hay una “responsabilidad de protección” colectiva que entra en juego.

--La responsabilidad de protección abarca tres responsabilidades especificas destacadas dentro del documento final..

Primero, la responsabilidad de prevenir: haciendo todos los esfuerzos posibles para enfrentar tanto las causas fundamentales como las directas del conflicto interno y otras crisis producidas por el hombre que ponen en riesgo a la población civil. Segundo, la responsabilidad de reaccionar con medidas apropiadas a situaciones de necesidad humana urgente, a través del espectro diplomático, económico y político dando prioridad a medidas no coercitivas, como el desplazamiento pacífico de fuerzas militares pero con la posibilidad de incluir medidas coercitivas como sanciones y acusaciones internacionales, y, en casos extremos, el uso de la fuerza militar si así lo autoriza el Consejo de Seguridad. Tercer, la posibilidad de reconstruir como elemento del concepto de responsabilidad de protección. Este exige proporcionar, especialmente después de una intervención militar y, asistencia total en la recuperación, reconstrucción y reconciliación final, enfrentando las causas de el daño que la intervención se proponía frenar o evitar.

Comenzando con la responsabilidad de prevenir, la alerta oportuna es un elemento fundamental y tal vez decisivo. Sin embargo, no existe aún un sistema de alertas temprana legítimo y global de aceptación internacional. La prensa local e internacional, o las ONG, las cancillerías, las agencies intergubernamentales regionales y las mismas Naciones Unidas, tiene todas la capacidad de sacar toneladas de papeles, informes y documentos así como correos electrónicos. Pero, esto no constituye un sistema organizado.

Como tal, hay menos alertas oportunas de las que se necesitan y hay menor capacidad de prevenir el conflicto de lo que se necesita. Hoy en día, a pesar de la explosión mediática no existe una garantía que el derecho a la información sobre el potencial para una futura

Rwanda o Sarajevo, llegue de manera oportuna As such there is less in the way of early warning than there should be and there is less in the way of preventive conflict capacity than there should be. Today, despite the information explosion there is no guarantee that the right information on the potential for a future Rwanda or Sarajevo, will be delivered in a timely fashion to the right individuals with the capacity to make decisions.

When we look at the potential causes of violent conflict, we see the structural causes that were identified by a few years ago by former Secretary General Kofi Annan and his deputy Louise Frechette as:

--socio-economic inequity;
--inequality particularly systematic ethnic discrimination;
--denial of human rights and access to justice;
--lack of representative or effective governance;
--long standing grievances over the allocation of land, water and other natural resources.
--insecurity

They were elaborating in many ways on the report of the Carnegie Commission on Deadly Conflict, a decade ago, that summarized them as the absence of security, prosperity and justice.

Early warning analysis can involve both qualitative and quantitative assessments of the structural factors and also of the immediate triggers. The Crisis Group focuses on qualitative early warning. The task of our analysts is to find out what is happening and why. They identify the underlying political, social and economic factors creating the conditions for conflict as well as the more immediate causes of tension. Our role is to warn, as early and effectively as possible, those who are able to influence a situation where the risk of new or renewed conflict has reached a dangerous threshold, potentially vulnerable to a sudden unforeseen trigger—a faulty election; a stark challenge to a

respected institution, such as the Pakistan supreme court; a corrupt response to a natural disaster.

Quantitative warning, on the other hand, relying as it does on statistical analysis, requires a theory of conflict with quantifiable factors that can be measured, compared and analysed. Many in the conflict prevention field, including within my own organisation, doubt the automaticity implied in this type of conflict warning. However, recent research clearly indicates that specific factors are, in individual country settings, more important than others and should be yellow warning lights to force policy makers to examine the play of those factors with other forces, to see if the "perfect storm" is building.

Paul Collier at the World Bank has led in identifying which are the most significant indicators of future conflict. As all of us who have examined his virtual annual production of scholarly works know that three of the most significant indicators, after analyzing all conflicts of certain size going back to 1945, were: namely low per capita income, slow economic growth, and large exports of natural resources (see, for example, "Post-Conflict Risks", Paul Collier, Anke Hoeffler and Måns Söderbom, July 2006).

That was what he came to describe as the "greed" drivers of conflict. Low per capita income points to the incapacity of the state to maintain effective control over its territory. Both low income and slow growth can be interpreted as lowering the recruitment cost of rebel troops, and substantial exports of primary commodities can provide rebel organizations with financing.

But he also analyzed "grievance" drivers that Barbara Haar, Pauline Baker and others also have identified. Those "grievance" factors, such as inequality and political, ethnic and religious grievances, are not to be ignored either. However those factors were honed down and defined in quite specific ways, and ultimately it was ethnic dominance which proved to be more significant, doubling the risk of conflict than others. Others have argued that those grievance factors, particularly when coupled with issues of poverty, combine to raise the likelihood of conflict. Here there are overlapping factors relating to

the dispersion of population that also increase the likelihood of armed violence persisting over time.

Ultimately, as we have seen a short distance from a previous conflict—particularly if there has been conflict within the past five years--becomes the single most important major predictor of future violence, according to Collier.

Two other studies, one the Failed State Index of the Fund for Peace, publicized through Foreign Policy magazine and the Political Stability Task Force have identified a similar and overlapping series of factors which I want to bring to your attention. Finally, the U.S., UK, Canada and the Scandinavian countries have built their own conflict prevention and early warning methodologies on those efforts. Governments, particularly the UK, Canada, Norway and the US, have attempted to take these analyses and fashion their own early warning system. They put together the risk factors with government and national capacities and try to measure to what degree higher state capacity will lower the likely consequences of greed and grievance and thereby avoid the consequences of poverty, injustice and inequality.
(Slides 3,4,5,6,7)

I just want to note that these studies also identify virtually the same factors leading to the durability of civil conflicts, not just their onset. Again low per capita income, and in several recent studies inequality and perceptions of inequality are significant factors in conflict persistence. Collier and his team now also have come up with a “beyond greed and grievance” conclusion that the feasibility for the creation, financing and sustainability of a rebel army are additional crucial determinants both in whether a civil conflict is likely to erupt and whether it will persist over time.

Here the issues of financing—which goes back to the presence of primary commodity exports which offer an opportunity for extortion and corruption, diaspora support where there is exogenous sources of sustainability, and military advantage, where a dispersed population in a geographically complex environment add to the risk of conflict—and to

the potential sustainability of the civil conflict. For example, where a country is in a "bad neighborhood" – Afghanistan bordered by Iran, Pakistan, Turkmenistan, Uzbekistan, Tajikistan is a classic case. The Congo is another. And this is an issue as well as to some degree when we look at the Colombian conflict.
(Failed State Slides 10, 11, 12, 14, 16)

The Political Stability Task Force also crossed these factors of conflict with questions of governance and development (based on the accumulation of physical and social capital) to argue that while the factors of greed and grievance may exists, greater capacity with respect to governance, as in Colombia, may act to forestall the outbreak of violence. (p. 4, Global Report on Conflict, Governance and State Fragility 2007 Monty G. Marshall, George Mason University). However, those factors may not be sufficient to bring conflict to an end once it has begun—unless there is a direct and visible response to the underlying factors that produced and sustained the conflict.

I would just here interject one slide from the World Bank study on Inequality that Guillermo Perry co-authored. It showed that in Colombia, the perception of unfairness in terms of income distribution and access to services was the highest in the hemisphere among the lowest socio-economic sector and in overall population covering 96% of the population believing the situation to be very or extremely unfair.
(slide 17)

Now let me go back to the underlying issues of poverty, social inequality and conflict and ask how does this conflict framework look in Latin America today.

Latin American GDP Growth was far below the promised levels and far below comparable regions.

From 1988 until 2006, the average annual percent change in GDP for Latin America was 3.2 percent, considerably lower than the Middle East's 4.3 percent average and less than half of developing Asia's 7.6 percent average over the same time period. Furthermore, most of Latin America's more significant growth has come in the last four years, but its 5.3 percent average change in GDP since 2003 still is below the Middle East's 5.6

percent and nowhere near developing Asia's 9 percent average since 2002.[1] The latest report yesterday announced by CEPAL shows a projected estimated GDP growth of 5 percent in 2007 in the region. CEPAL also shows Colombia with a 6.8% growth in 2006 and a similar projected level in 2007.

Poverty has been relatively least affected and so the number of people living in both poverty and extreme poverty has risen over the past 25 years.

According to the United Nation's Special Economic Commission for Latin America and the Caribbean (CEPAL), since 1990, poverty in the region has been reduced by just under 12 percent. However, in 2006, according to Jose Luis Manechea, on releasing the Social Panorama 2007, 36.5 percent of the region's people were still living at or below the poverty line, and 13.4 percent were classified as extremely poor or indigent.[2] That means, since 1980, the number of people in Latin America living in extreme poverty has actually risen from 62 million to 69 million.[3] The total population living in poverty moved from 136 million in 1980 to 194 million last year. Colombia also has shown improvements in recent years, but still less than I know you would like. CEPAL shows some 46.8% of Colombia's population living in poverty in 2005 and 20.2% in extreme poverty. I understand a recent DANE report sees further improvements, with preliminary figures this year reportedly showing 42% living in poverty and 12% in extreme poverty.

If we look particularly at rural America, poverty still hovers around the 70 per cent . The World Bank has found that in at least 12 countries, the majority of the poor are rural. In Colombia, the levels of rural poverty continue to remain substantially higher than the national average.

(slide 18, poverty and indigence from CEPAL 2007 Social Panorama)

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[1] International Monetary Fund (IMF). *World Economic Outlook Database – 2007*. Select economic indicators. 11 April 2007. http://www.imf.org/external/pubs/ft/weo/2007/01/data/index.aspx.
[2] CEPAL. *2007 Social panorama of Latin America*. United Nations: New York, NY. February 2007; p.58.
[3] UN Economic Commission for Latin America and the Caribbean (CEPAL). *Social Cohesion – Inclusion and a sense of belonging in Latin America and the Caribbean: Summary*. Santiago, Chile. May 2007; p.38.

Inequity and inequality have remained worse in comparison with other regions acting as a drag on the region's capacity for growth, and undermining the social contract and political stability.

According to the 2006 UNDP Human Development Report, the richest 10 per cent of the population in the region receive 48 per cent of the national income and the poorest ten per cent receive 1.6 per cent. It also is clear that the richest 10 per cent pay virtually no taxes. Perhaps the most stunning statistic, coming from the current CIA World Book was that of 98 countries it tracked on which such data were available, 12 of the 20 most unequal in the world were in Latin America. The average GINI coefficient – arguably the best objective measure of inequality in income distribution – for the region actually increased from .55 in 1990 to .58 in 1999. The most recent figure that I have seen shows it returning to .55 last year. Colombia, according to that CIA tracking was at .538 in 2005. Again it may have improved but it still puts Colombia at about 15th most unequal in the world, according to that CIA ranking.

In fact, this CEPAL slide, places Colombia at the third worst in the region simply in terms of the greater share that the top 10% receives against the bottom 10%, some 25 times greater than the poorest.

(slide 19 CEPAL—presentation in May by Jose Luis Machinea).

Here perhaps Colombia should be most concerned, both because of the unfairness felt by a high percentage of the population, and by the reality that while income inequality at the national level should be a matter of concern, one has to assume that it is far, far worse when looking at the nation's rural areas.

(slide again on the perception of unfairness).

Discrimination affects indigenous and Afro-Latin Americans who now can protest through the ballot box.

A linked phenomenon to the challenge of reducing poverty and inequity is the growing realization that indigenous peoples and Afro-Latin-Americans still are discriminated against on a daily basis. The World Bank study found indigenous men earning 65 per cent less than white in seven Latin American countries, including Colombia, with the highest numbers of indigenous among its population. Indigenous women also have the least access to potable water, education and employment.

Adopting policies aimed at rural poverty reduction would have a direct impact on the lives of the indigenous who constitute significant majorities of the population of the rural areas of many Andean countries as well as Guatemala, and to a lesser degree, Mexico.

The failure of democratic governments to assign high priority to ending exclusion of these groups, most of whom dominate the rural populations in their countries has paralleled rising militancy, rising violence and rising political instability. The comparative failure to extend physical infrastructure of roads, water, electricity and sanitation, as well as schools and clinics to their communities has strained social cohesion in many countries. Obviously they are a much smaller fraction of the population in Colombia, but their disproportionate representation among the victims and the displaced and among those in extreme poverty should be of significant concern.

Now let me try and draw some conclusions about the issues of concern as we look at Colombia in relation to these indicators and to the overall goal of bringing an end to the conflict. I should add that this discussion recognizes the major improvements in the reality and perception of greater security as a result of strengthening of Colombia's security forces and their generally effective measures in restricting some of the options of the FARC.

- In Colombia, the persistence of a reality and perception of lack of attention, investment and inclusion of rural communities, arguably makes it more difficult to end a conflict whose victims for the most part are rural non-combatants. {The International Crisis Group produced a report on "The Humanitarian Crisis in Colombia" three years ago and not surprisingly, found that} the rural municipalities with the highest levels of poverty were the regions where conflict was most severe. Most of the Internally Displaced in Colombia, which has the second or third highest number worldwide, are from those rural departments.

(slide 20—CEPAL public spending on social services—no change since 2000 and slightly less in 2005 than two years earlier and less than the Latin American average as a proportion of GDP.

- We are convinced that whatever else is occurring in Colombia that may be positive—in the absence of a visible and high priority rural development strategy--all efforts to bring an enduring end to the conflict are made much more difficult. The same situation exists today with respect to the aftermath of the paramilitary demobilization. In August, I visited rural communities in Tierralta near where the paramilitary negotiations took place over two years, and found ex-paras, their victims in the nearby communities and the displaced, all asking where were the promised benefits in schools, clinics and jobs. No wonder that there has been a reappearance of rearmed paramilitary groups.

As we have heard from the Minister of Defense and from the opening speeches, much is taking place to improve those conditions. I still would argue that it is not enough.

- A recent World Bank study on horizontal inequalities between groups in a country, looked at 55 countries including Colombia and demonstrated that "All the inequality measures (and particularly regional inequality) are positively

> associated with higher risks of conflict" and "the presence of both regional inequalities and political exclusion of minority groups seems to make countries particularly at risk of (continued) conflict".

Just to suggest the kinds of concerns, the World Bank report "Beyond the City" found in 2005 just under four times greater primary school drop-out rate between urban and rural areas in Colombia 6% versus 21%. It found a substantial variation in government expenditures per rural inhabitant versus individuals at a national level.

The Bank found one third of the rural population living in extreme poverty. I suspect that there has been a slight reduction in the past two years as overall economic growth has increased. However, it is clear that both poverty and indigence rates in rural areas remain disproportionately high.

Fair access to land, a fair share of physical infrastructure projects, a fair share of credit and technical help, and commercial and human capital investment have essentially by-passed rural Latin America and rural Colombia. Overall investment has been half what it should have been, given the size of agriculture in the economy, according to the World Bank.

Guillermo Perry was the World Bank chief economist for Latin America and a principal author both of the "Beyond the City: The Rural Contribution to Development" and Inequality in Latin America and the Caribbean: Breaking with History?" – two ground-breaking works of research and policy direction argue that too few countries in the hemisphere have harnessed agriculture and rural development sufficiently---Colombia, I would argue, among them.

The authors argue that redressing those imbalances would both increase national economic growth substantially as well as reduce not only rural but national poverty more directly.

What I hope to have argued is that our research on the linkages to conflict, particularly in a country like Colombia, where the feasibility of a rebel army is significantly enhanced by its capacity to operate and finance itself in rural areas, justify not only all of the current levels of Colombian expenditures through accion social as well as the support from USAID and other donors, but far more significant commitments.

It is not as if we do not know ways to incorporate the rural poor in national life.

- Investing in expanding the rural poor to have access to land through land reform—one way or the other, that is, through land markets, land funds and what Brazil calls "land market-assisted land reform", through expropriation of unproductive land, or through a land tax mechanism that encourages making more land available to small farmers;
- Investing in providing secure title to the land the poor own as a fundamental step to enable them to acquire working credit for their farming and micro and small loans for their non-farm activities;
- Massive additional investment in micro and small credit facilities to enable them to use their land more productively and to facilitate their off-farm activities. Perhaps six years ago, Enrique Iglesias was at a conference on microfinance and we calculated that USAID was financing close to 1 million microentrepreneurs and the IDB, World Bank and others another 1 million—and the need was for 50 million;
- Investment in human capital formation—in schools, health, nutrition—at least equalizing access to urban areas;
- Investment in social capital; cooperatives and joint ventures, rural micro-entrepreneurs.
- Investment in technology and rural infrastructure—so that rural roads, electricity, water and sewers and information technology actually reach the rural poor—is crucial. In the New Deal after the Great Depression there was a national campaign to reach out to the rural poor as a matter of urgent priority—that is what is needed in Colombia.

I am talking not about multiplying by two-fold current expenditures but by ten-fold.

The U.S. Congress, in its wisdom, is about to adjust the U.S. aid package for Colombia to increase substantially the available funds for supporting rural poverty reduction including alternative development. I would hope that Colombia would consider how it could do the same—perhaps by raising taxes and dedicating the additional amount to rural infrastructure investment and development. I know that a so-called war tax was added last year to boost military spending. Perhaps a similar amount could be added as a peace tax and directly aimed at reducing rural poverty.

For those who say we cannot afford to pay more taxes, let me note that Fedesarrollo recently published data showing Colombia's tax burden as a percentage of GDP as compared to the Latin American average. In 2006, it was 13.6%. It is expected to rise this year, partly due to the war tax aimed at the wealthiest, but the bulk of the increase coming from the spike in oil and gas royalties that has followed the upward trend of world oil prices. In 2007 the tax burden rose to 16.8% of GDP—still quite low compared to comparable Latin American economies—and regressive. (slide on tax burden). Compared to the average OECD tax burden of 36 per cent with some 30% coming from income and corporate profits, the lack of progressivity should be a matter of rising concern. I would add as well that the trend in the U.S., both with respect to the progressive nature of the tax burden is worrisome in recent years, but it remains in the neighborhood of 28%, with 43% coming from taxes on personal income and corporate profits, according to the latest OECD data.

Pursuing greater equality and poverty reduction in relation to the indigenous, Afro-Colombians and the rural poor, strengthening accountability and the rule of law are important in and of themselves—but they also are important for increasing social cohesion in Colombia. And if the research on conflict around the world has some bearing on Colombia, they are important in helping to create an environment in which the harder elements of a national security policy can be more successful than they have been in creating an environment in which the conflict can be brought to an end.