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The Redistributive State and Conflicts in Africa*

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This article argues that ethnic problems are only one aspect of political violence in Africa, while violent conflicts must be considered a failure of the state to perform some of its fundamental tasks. State formation in Africa is a transition process starting from an institutional endowment of ethnic division. Ethnic capital in Africa ensures the provision of many of the services that a modern state has taken over in rich countries, e.g. security, education, norms of behaviour. Few African states can deliver all these services adequately, and must go through an initial phase of federation of ethnic groups before they can provide a credible substitute for ethnic capital. The system of redistribution within and among groups is the key to creating the solidarity links between them, and its breakdown is liable to trigger political violence. A formal game-theoretic model is presented which brings out the impact of redistribution on rebellious activity, as well as the crucial role of the ability of the government to commit credibly to its expenditure policy. Without this, there is no redistribution taking place in equilibrium, and large amounts of resources are invested in warring. Civil wars, or other forms of political violence, are thus an integral part of the political economy of Africa.

Introduction

There is tribalism and ethnic division in most countries and on all continents. The recent Kosovo war is a striking reminder to us that Europe is not immune to this type of problem; World War II involved a clear ethnic dimension. Nevertheless, at least since 1945, ethnic violence seems to have erupted most frequently in poor countries, and (sub-Saharan) Africa offers many examples of political violence or civil wars which have involved an ethnic or tribal dimension. However, most of the time the reference to ethnicity is used as a ready-made explanation for the eruption of civil wars, especially in the mass media, while a closer look at the facts suggests that it falls short of providing even the beginning of an explanation. For each example of an ethnically divided African country that has been the victim of a civil war, several examples can be presented of equally divided African countries managing to remain peaceful, and where ethnic tension has been smoothed out in the political process, or has resulted only in extremely limited violence. In fact, only a minority of African states, albeit a sizeable one, have experienced serious insurgency (Clapham, 1998), while all the African countries are ethnically divided.

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In this article, I argue that ethnic problems are only one aspect of political violence in Africa, while violent conflicts must be thought of as resulting from a failure of the state to perform some of its fundamental tasks. State formation in Africa is a transition process starting from an institutional endowment of ethnic division. Ethnic capital, a term coined by Borjas (1992), ensures to most African people the provision of many of the services that a modern state has taken over in rich countries, including security, social insurance, education, norms of behaviour, contract enforcement, justice, and so on (see, e.g., Wintrobe, 1998). Hence, roughly speaking, 'ethnic capital' is the 'social capital' that the ethnic group provides for its members. Both the state and the ethnic group share certain common characteristics within different boundaries: 'universal membership and compulsion' (Stiglitz, 1989: 22). All citizens of a country are subjects of the ruling state, and similarly, and probably even more strongly in many instances, one cannot exit from the ethnic group into which one is born.[1] Both the state and the ethnic group obey 'constitutional' rules enforced by some authority. If the state is defined *à la* Weber, as having the monopoly over coercion, then the African states have to be regarded as being at a stage of formation, because the kin group and the ethnic group both exert substantial coercive power. Few African states can deliver adequately all the services that the ethnic group provides; an initial phase of federation of ethnic groups must be gone through before African states can provide a credible substitute for ethnic capital. The system of redistribution within and among groups is the key to creating the solidarity links between them, and its breakdown is liable to trigger political violence. Civil wars, and other forms of political violence, are thus integral parts of the political economy of Africa. They need to be understood if aid policy is to be improved, and if fuelling local conflicts by providing aid in a mindless way is to be avoided.

The state and ethnic groups are connected by the participation of the elite of the latter in the former. Ethnic groups, and their constituent part kin groups, invest collectively in the out-migration of their fittest members, which generally means investment in education, with a view to getting them involved with the urban elite. The education bias of migration has been documented by various researchers, like Collier & Lal (1986) for the case of Kenya. Economists emphasize the function of insurance that results from the diversification of income risk, resulting from migration and the ensuing flow of remittances (Lambert, 1994). Drèze & Sen (1989) have illustrated how the threat of a food crisis can trigger a flow of food help from urban centres to the affected regions, in particular in Kenya in 1982. Even in the case of milder exigencies, the flow of remittances and gifts maintains some links between the migrant and his group of origin.

No less important is the fact that sending educated members of the ethnic group to the city, via the education system, is a means by which to ensure political participation for the group. In peaceful African countries, a sophisticated system of inclusion of the educated people from the different ethnic groups in various organizations (e.g. students unions or single party) has evolved, whereby the state purchases loyalty from the groups through

[1] Most travellers in Africa know exceptions to this rule. I have personally known a Dogon who has become a Bozo in the course of his life, in Mali, because he wanted to make a living out of fishing, which is only open to Bozo people in that area. More generally, various political scientists have emphasized the fluidity of ethnic identity. For example, it is well known that the divide between the Utu and the Tutsi in Rwanda is generally blamed on the Belgian colonial administration, as an artefact, initially based on the inequality of cattle ownership. Young (1994) has underscored the part played by the colonial administration in fostering 'ethnic consciousness' (Rothchild, 1997; Young, 1994). Nevertheless, ethnic identity is a major *datum* of the African social fabric.

their educated urbanite 'delegates'. At election times, the latter have to go back to the village to mobilize renewed support for the state. In Côte d'Ivoire, for example, former President Houphouët-Boigny was a *maestro* in the art of buying the loyalty of the most active representatives of the different ethnic groups (Azam & Morrisson, 1994). Along with a policy of visible public investment in the various regions, this flow of redistribution, often involving corruption, regarded as 'morally wrong' only by people in donor countries, provided the cement of the emerging Ivoirian nation. This country was initially endowed with a precarious partition into four main ethnic groups, two being close to one another in the north, all of them strongly related to groups living across borders. In addition, there was a religious division between Muslims in the north and Christians in the south. Collier & Hoeffler (1998) have shown econometrically that, *ceteris paribus*, ethno-linguistic fractionalization acts nonlinearly on the probability of civil war, with the maximum risk occurring when there are two or three ethnic groups. Nevertheless, apart from one exception in 1970 when the Bété Kragbé Gnagbé was killed by the army along with his followers, this country has avoided ethnic violence ever since independence. Multi-party elections, introduced in 1990, have probably resulted in the exclusion of a non-negligible part of the elite, and have thus increased political risk in the short run.

This illustrates how the maintenance of civil peace is one of the fundamental tasks of a development state in Africa, a task that is often neglected by more ethnically dominated governments. Milton Obote and Idi Amin in Uganda, for example, have behaved in exactly the opposite way to Houphouët, showing massive favouritism towards their minority ethnic group from the north, which was overwhelmingly represented in the army, to the detriment of the majority Baganda group. This has resulted in a long history of civil war and atrocities (Mutibwa, 1992). The ethnic group is the natural component of a rebellion against the state, as the many links that exist among its members provide an efficient way of overcoming the free-rider problems involved in mobilizing a rebellion or insurgency. This is probably why many observers blame African civil wars on ethnic division, while the failure of the state to maintain peace is the root cause of the problem. Similarly, ethnicity is the main obstacle to a 'divide-and-rule' policy, in that it unites large chunks of society and they are hard to break up. A complication is the artificial African borders, which often cut through the land of ethnic groups. Economic and political activities internal to the group appear as cross-border activity from the perspective of the state (e.g. smuggling).

The next section presents the basic theoretical argument according to which redistribution of the state's resources is the core issue in the war/peace problem. This is done using a very simple model, which is then qualified by references to the actual experience of African countries. The third section discusses briefly how the ethnic group is itself based on redistribution, and how the educated elites from each group can be federated into a state using the intra-ethnic redistribution as a means to purchase political support. This section aims at uncovering some interesting lines of research by reference to the theoretical framework presented here and to the discussion of many examples from recent African history. The fourth section discusses the role of high public sector wages within this framework, as they fuel the redistribution flow down the ethnic channel.

Rebellion Versus Redistribution: The Basic Argument

Rebellion, or in its more extreme form, insurrection, is a dangerous endeavour that people engage in only if the expected payoff is worth taking the risk. Most models of insurrection, and in particular the seminal one by Grossman (1991), focus precisely on this trade-off and bear some similarity with rent-seeking models. Neary (1997) presents a systematic comparison between rent-seeking models and models of conflict. In this literature, rebellion is defined as the investment of resources for increasing the probability of toppling the government. However, if this probability is modelled as a continuous function, at least locally, then very different levels of rebellion intensity can be taken into account, so these models should be understood as encompassing very different types of political violence, i.e. from limited rioting up to full-blown civil wars. Azam (1995a) uses a model of this kind to bring out the role of redistribution of the state's resources in a peacekeeping policy, with special reference to conflicts in African countries (see also Azam, Berthélemy & Calipel, 1996).

The Basic Model

The basic format models the conflict between the government and the opposition as a lottery, *à la* Tullock (1967): the probability of getting the prize, i.e. of taking over the state power, depends on the relative resources invested in the game by the two parties. Here, it is the probability of overthrowing the government that is a function of the resources invested by both the opposition and the government. This reflects the fundamental uncertainty of the outcome of any fight. We now discuss a variant of this model, one that highlights the part played by redistribution of the state resources in maintaining peace. If R is the amount of resources invested by the rebellion in the struggle against the government, and if D is the amount invested in repressing it by the government, then I assume that the probability of overthrowing the government is determined by the following function:

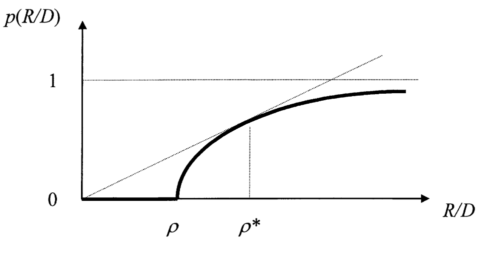
$$p(R/D) = 0, \text{ if } R/D \le \rho, \text{ for a given } \rho > 0, \text{ and} \quad (1)$$

$$p(R/D) > 0, \text{ if } R/D > \rho, \text{ with } p'(R/D) > 0, p''(R/D) < 0 \quad (2)$$

This captures the idea that there are locally increasing returns to scale in rebellion, such that there is a critical mass of resources to be invested in rebellion activity before there is any chance of overthrowing the government. Define ρ^* by $p'(\rho^*)\rho^* = p(\rho^*)$. Figure 1 represents this function.

Then, let T denote the total resources of the state, given exogenously by the taxing capacity and the available means of coercion of the state, and G the amount of these resources redistributed to the people, either as social expenditure or by other means that are discussed later. Let me emphasize here that I use a fairly broad meaning of the term 'redistribution', as it may include also the provision of public goods. What matters here is that G is the public expenditure that benefits the opponent, say the people at large, when applying the model to think about a possible massive insurrection, while $T - G$ represents the expenditure that benefits only the incumbent government, including its close circle of parents and allies, for the sake of realism. This might represent the type of 'white elephant' that was so common in Africa during the first two decades of independence, or the magnificent and sumptuous coronation ceremony of Emperor Bokassa I of the Central African Republic, or again the

Figure 1. The Probability of Overthrowing the Government



enormous Swiss bank accounts accumulated by Mobutu and Abacha, for example. Then, if the government is overthrown, assume that the opposition gets the whole T, while in the opposite case, it gets only G. Denote also ω the unit cost of the rebellion effort. Then, the expected profit of the rebellion is:

$$\pi^R = \max_R \{p(R/D)\,(T - G) - \omega R, 0\} \quad (3)$$

Now, for an interior solution, the first-order condition reads:

$$p'\,(R/D) = \omega \frac{D}{T - G} \quad (4)$$

Then, the amount of resources invested by the rebellion is such that:

$$R/D = 0, \text{ if } \omega \frac{D}{T-G} \geq \frac{p(\rho^*)}{\rho^*}, \quad (5)$$

$$R/D > 0, \text{ if } \omega \frac{D}{T-G} < \frac{p(\rho^*)}{\rho^*}, \quad (6)$$

with $R = R(D, T - G)$,
$(+\ ?)(+)$

such that:

$$d\,log\,R = \left(1 - \frac{1}{\eta}\right) d\,logD + \frac{1}{\eta}\, d\,log(T - G), \quad (7)$$

where $\eta = -\dfrac{p''(R/D)R}{p'(R/D)D}$ can safely be assumed to be larger than 1, so that $\dfrac{\partial E}{\partial D} > 0$

Hence (7) gives us a rebellion function which is predicted to be increasing with the amount of resources invested by the state in repressing the rebellion, and with the size of the cake T, while it is decreasing with the amount of redistribution of the state money that is forthcoming.

An Econometric Test

Azam, Berthélemy & Calipel (1996) have tested econometrically a version of equation (7) using an unbalanced panel of data from 21 African countries with 213 active data points. The estimated equation is a probit model where the dependent variable equals 1 if any violent political event, including insurrection, riots, attempted or successful coups, strikes, demonstrations, etc., has taken place in a given year, in a given country. This is supposed to result from a positive level of rebellion activity, irrespective of the intensity of the rebellion. In other words, they assume that the probability of a political event of this kind hitting the headlines of the newspapers, where the observations have been taken from, increases with the underlying level of rebellion activity, with low levels remaining unnoticed.

The amount of public expenditure in health, as a ratio of GDP, is found to have a significant negative impact on the occurrence of violent political events, and so also has the enrolment ratio in primary education. Both these variables can be regarded as redistributive expenditure acting with a negative impact on rebellion as predicted by the theoretical model. The other two significant public expenditure variables included in their equation are the amount of defence expenditure as a ratio of GDP, which acts positively on the level of rebellion, as predicted by the theoretical model, and the level of enrolment in secondary education, which turns out to act positively, as if the redistribution content of such expenditure was not confirmed by the African people. Perhaps secondary education has a positive impact on the probability of rebellion, because it in fact redistributes in favour of the middle class and the elite itself, rather than benefits a wider audience, or because it reduces the cost of rebellion, as students are less frightened to fight the police. Lastly, they find that a dummy variable indicating whether the country is a member of the CFA franc zone is also significant. This seems to reduce the level of rebellion. I will come back to this, the ‘CFA Zone exception’, later. Despite its shortcomings, such as the relatively poor fit shown by a low value of the corresponding *Pseudo*-R^2, or the small number of included variables assumed to represent the redistributive activity of the state, this equation seems to agree with the important role played by some public expenditure with a clear redistributive content, e.g. public expenditure in health and education, in maintaining civil peace, that is highlighted by the theoretical model presented here.

The Government Side

Now, because of the assumed non-concavity of the p(-) function, we know that the interior solution just described will not prevail in all cases. From equation (5), we find that for any given levels of T and D, there is a high enough level of redistribution G that will reduce rebellion to zero. Rearranging the terms in (5), we can write:

$$\frac{R}{D} = 0 \text{ if } G \geq T - \frac{\omega\rho^*}{p(\rho^*)} D \qquad (8)$$

Whether or not the government will choose a public expenditure mix $\{D, G\}$ that entails a positive level of rebellion depends on its objective function, but most fundamentally on its capacity to commit credibly to any pre-announced $\{D, G\}$ mix. We can show quite simply that a repression bias follows when the government plays under a credibility constraint, i.e. when it cannot pre-commit credibly to an announced policy. To see this, assume that the government seeks to maximize the expected profit from remaining in power, i.e.:

$$\max \pi^G = (1 - p(\frac{R}{D}))(T - G) - \xi D \qquad (9)$$

under the non-negativity constraint $G \geq 0$. Then, whether the government will take into account the equations (7) and (8) depends on the dynamics of the game, itself dependent on the capacity of the government to commit credibly. If it fails to do so, then the government and the opposition play simultaneously, and the former will maximize (9), taking as given the equilibrium amount of rebellion activity R. In other words, we assume in this case that, whatever the policy announced by the government, the latter will not hesitate to reverse it once the level of rebellion activity is known, basing in fact the choice of its policy on this information. Then, under this Nash conjecture, its objective function is such that:

$$\left(\frac{\partial \pi^G}{\partial G}\right)^N = -(1 - p(\frac{R}{D})); \text{ and}$$
$$\left(\frac{\partial \pi^G}{\partial D}\right)^N = -\xi + \left(\frac{T-G}{D}\right) p'(\frac{R}{D}) \frac{R}{D} \qquad (10)$$

Hence, under the credibility constraint, i.e. given the level of rebellion, the impact of the redistributive expenditure on the expected profit of the government is negative, so that the non-negativity constraint must be binding in equilibrium, with $G = 0$. On the other hand, the impact of repression is bell-shaped, so an interior solution is very likely to prevail in equilibrium. Notice, however, from (8), that the government will never choose in equilibrium a level of repression expenditure higher than $p(\rho^*)T/\omega\rho^*$. Hence, in this case, whether or not there is a positive level of rebellion in equilibrium only depends on the level of repression chosen by the ruler, as the latter will not use redistribution as a means to reduce the threat of rebellion.

If, on the contrary, the government is able to commit credibly to an announced expenditure mix, then the government will play first, like a Stackelberg leader. It then engages the promised expenditure mix and will not reverse it when the information about the level of rebellion is revealed. In this case, the government takes (7) and (8) into account, and the impacts of the two types of public expenditure on its objective functions become:

$$\frac{\partial \pi^G}{\partial D} = \left(\frac{\partial \pi^G}{\partial D}\right)^N - p'\left(\frac{R}{D}\right)\left(\frac{T-G}{D}\right)\frac{\partial R}{\partial D}, \quad (11)$$

and

$$\frac{\partial \pi^G}{\partial G} = \left(\frac{\partial \pi^G}{\partial G}\right)^N + p'\left(\frac{R}{D}\right)\left(\frac{T-G}{D}\right)\frac{\partial R}{\partial (T-G)} \quad (12)$$

Hence, when the government is able to commit credibly, and thus plays the part of a Stackelberg leader, it takes due account of the impact of its choices on its opponent's behaviour; this reduces the marginal profitability of repression and increases the marginal profitability of redistribution. This confirms the existence of a repression bias when the credibility constraint is binding. Moreover, it opens the possibility that the credible government will choose an equilibrium expenditure mix with $G > 0$ and $D = 0$ in equilibrium, if the new terms added in (11) and (12) relative to (10) are strong enough to rotate clockwise in a strong enough way the indifference curves of the government in the $\{G, D\}$ space. This depends on the parameters of the two objective functions, and requires, inter alia, that the rebellion function be quite responsive to its two arguments. In an interior solution, the incumbent government will use both a positive level of repression and of redistribution in order to maintain a low enough level of investment of resources in rebellion activity by the opposition.

Therefore, the simple model presented above highlights the part played by the inability of the incumbent government to commit credibly to an announced expenditure mix, as the key to the eruption of political violence, with positive values for the resources invested wastefully in rebellion and in repression. This ability to commit credibly is the relevant basis for distinguishing between a weak and a strong government. A weak government, which is unable to commit credibly, will impose too much repression and not enough redistribution, with the entailed risk of fuelling too much rebellion activity. A strong government is one that can commit credibly to its public expenditure policy. Our distinction between a strong or credible government, one that relies on redistribution to remain in power, and a weak or not credible government relying only on repression, is akin to the distinction introduced by Rodrik (1992) between an autonomous government that has a capacity to commit credibly and a subordinate government that does not. Here, the government is subordinate in the sense that its expenditure mix is dependent on the level of rebellion activity chosen by the opposition. This has implications for aid policy: without an extremely careful conditionality, a weak government will use a large share of the aid to increase defence expenditure, entailing an increase in rebellion activity, while a credible government will use the additional resources with a large share devoted to redistribution. Whether the type of conditionality needed to force a weak government to use aid money for the benefit of its people is possible is a hotly debated issue (World Bank, 1998).

Sources of Credibility

What remains to be explained, obviously, is what determines the ability of a government to commit credibly or not. In a static framework, this rests on rough assumptions, which must be regarded as convenient shorthand for characteristics of the players that would be determined endogenously in a repeated game framework – reputation, for instance, or the emergence of institutions that hold the rulers to their word (North, 1990). Democracy, understood not so much as the existence of an electoral process for selecting the ruler, but as a set of checks and balances for protecting the rights of the minority groups, is certainly a method for achieving this outcome. However, the econometric results of Collier & Hoeffler (1999) show that democracy, as measured by the Polity III democracy scale, affects the risk of civil war in a quadratic way, with the maximum risk being found at intermediate levels. They interpret this as showing that a gradual move to democracy, from dictatorship, puts peace at risk. Similarly, Hegre et al. (2001) have found an inverted U-shaped relation between the risk of civil war and democracy. They explain this with a model where opportunity and grievances put in place opposing influences on the risk of civil war. Moreover, they find that autocracies, which are more stable than semi-democracies, are in fact less stable than full democracies, such that democracy is the most probable end-point of a democratization process in the long run. An alternative approach to enhancing the credibility of African states is to rely on donors and conditionality to enforce it, as illustrated by Azam (1999b), in the case of optimal seignorage. If the expected cost of reneging on its engagements is large enough, in terms of cut aid, and if the donors are really credible, then the donor community could help promote peace by subjecting the public expenditure mix to conditionality emphasizing a clear redistributive content, as defined here.

Nevertheless, the emphasis put by the simple model presented in this section on credibility, on the one hand, and on redistribution, on the other, provides a useful set of tools for looking at the real world. However, the model is too simple and schematic to be applicable without qualification and enrichment. In particular, the separation between the incumbent government and the opposition is more complex in the real world, where the state serves as a federation of diverse ethnic groups in peaceful countries. We thus need to analyse more carefully the relative parts played by the state and its 'rational-legal' bureaucracy, on the one hand, and the traditional hierarchy that governs the ethnic group, on the other. While the latter is bound by various channels of redistribution within the ethnic group, a very important part played by the state is to redistribute between groups. The next section describes how these two redistribution systems are articulated in Africa.

Ethnic Capital, the Urban Elite and the Redistributive State

Most African countries are characterized by recent settlements: for example, in the forest zone of West Africa, the population was negligible three centuries ago, and most ethnic groups have a founding myth based on migrating ancestors. Queen Pokou, who sacrificed her new born baby in order to achieve a safe crossing of the Comoë river while escaping from her father's Ashanti kingdom, is remembered in all the Akan groups of Côte d'Ivoire. Even further north, among the Dogon of Mali, for example, the memory of the migrating couple who founded the group is still alive.

Internal and external migrations have been analysed by economists, sociologists, anthropologists, demographers and others, and seem to respond to various motivations (Stark, 1991). For example, rural–rural migrations, whereby part of a kin group moves to another place in the same country, can have an insurance objective: by diversifying the income sources of the kin group, the latter acquires the possibility of smoothing its consumption stream in the face of idiosyncratic shocks, provided the contingent transfers between the different subgroups can be relied upon. In West Africa, and in other parts of the continent, migration can also be a substitute for the lack of credit in the early part of a man's working life, as there is a social stigma attached to accepting work for a wage in one's own village. Men have to move to a place where they are unknown in order to find a job for a wage if they want to accumulate the means to start a business as self-employed or as a farmer, and found a family.

Sometimes this implies emigration, within Africa or even as far as Europe or the USA.

However, the most important flow of migrants in a development perspective is that between the rural and the urban sectors. Urbanization, part and parcel of the development process, is involved in the process of industrialization and in the process of state formation. Cities have played an important part in the African development process ever since the Middle Ages, with Timbuktu and the other Sahelian kingdoms, or the Muenemutapa empire in southern Africa, as the best known examples. However, modern African cities have been shaped to a large extent by the colonial phenomenon, which has left behind a distinctive 'modern sector' style. The formal sector, including both the government sector and the enterprises of the formal sector, be they privately or publicly owned, attracts many of the most educated migrants. These sectors pay the highest and most stable wages and salaries available in African countries, so getting a job there provides the kin group with significant insurance services. However, this kind of job usually requires a sizeable level of human capital. Therefore, kin groups and villages in Africa often invest collectively in the education of some of their young members, with a view to sending them to the city to get a formal sector job, preferably in government or in some public enterprise. This is where they can extract the highest and most secure flow of income to fuel a flow of remittances back to the village. Conversely, the restrictions on access to education of large factions of the population, as may sometimes happen in times of budgetary restraint, or under dictatorial regimes, are often perceived by social groups as a process of exclusion from the benefits of the modern sector. Therefore, giving access to education to some offspring from all groups is a route that the government can take to provide them with a credible flow of remittances.

A Federation of Ethnic Groups

A federation of ethnic groups is a typical African organization of society where the state bureaucracy and the political elite are composed of people from most of the different ethnic groups of the country; they in fact play the part of 'delegates' of their kin groups or ethnic groups. This is the phenomenon known as the 'good pupils' republic' in Francophone West Africa (Azam & Morrisson, 1994). However, this federation of 'delegates' from the different regions of the country creates new links of solidarity. Although these people have been sent there to collect high and regular incomes for funding transfers in favour of those who stayed behind in the village, they can collude implicitly to use the taxation and coercive powers of the state for levying impersonally a lot of resources from the rural people who sent them there in the first place. Bates (1981) was probably the first to analyse the way in which states have distorted the functioning of agricultural markets in order to secure additional resources for the urban elite. Pedersen (1997) builds on these foundations and presents a model where the state in developing countries is precisely regarded as a coalition of politically influential urban people organizing the 'exploitation' of the rural people and of foreign aid. Although the distortion of various markets has been the rule rather than the exception in tropical Africa since the colonial days (see Collier & Lal, 1986; Azam & Daubrée, 1997), the diversity of the means used for creating profitable distortions in markets in favour of the urban elite has been astonishing. This has entailed, for agriculture alone, a great variety of adjustment policies, with attempts being made to liberalize these economies in order to restore the efficient functioning of markets (Azam, 1996). The foreign exchange market has also been an important means of levying resources for the benefit of the political elite, in economies with a striving parallel market (Azam, 1999a). Hence, a perverse system has evolved, whereby the different ethnic groups send 'delegates' to the city to collect money from the formal sector and the government, while the coalition of educated elite members is able to extract from the people left behind, and behind the impersonal veil of anonymity of the state, much more than they send back. However, this system is also instrumental in creating the new solidarity networks that can progressively push ethnic links to a secondary role.

The African state is thus constructed, or should be, as a means by which to federate the different ethnic groups via a coalition of their elites, and thus entails two interlinked redistribution systems. First, there is a system of transfers within the ethnic or kin groups whereby the rich migrants, who owe their human capital to initial investment by their group, are supposed to remit a large part of their income back to the village, either on a regular basis, or, more often, on a contingent basis, as a way of absorbing exogenous shocks. Next, there is a system of redistribution between the ethnic groups through their elite or via the government budget. While the state raises funds by taxing the economy more or less transparently, it is supposed to share the benefits of these resources with the people. When the benefits of public expenditure are distributed broadly, the 'delegates' of the ethnic groups can usually obtain renewed support for the state from their people. Hence, this distinction between two types of redistribution system enriches the interpretations that can be made of a redistribution-based model of the state like the one presented in the previous section. Both types raise interesting problems of organization and also the possibility of a breakdown. The fact that the geographical areas of many ethnic groups are divided by international borders complicates the picture, as illustrated for example by the Tuareg rebellion in the early 1990s, without reducing the relevance of this analysis.

Exclusion and Rebellion

The ethnic redistribution system, whereby the state buys some loyalty from the social base via remittances from the urban-based workers to their folks back in the village, is rarely the cause of political violence, besides the examples discussed below. It is usually a well-enforced mechanism founded on the initial endowment of ethnic capital which most of the time ensures compliance with the rules of the game. It usually forms an almost exhaustive partition of the people of the country, with very few remaining out of it, the exception being some migrants of foreign origin. Nevertheless, a study of recent African conflicts provides some examples of insurrection triggered by the discontent of the ethnic base with the fallout from the participation of their elite in the state game.

A first example is that of the Tuareg movement in Mali and Niger in the early 1990s. Although this rebellion has often been presented as an ethnic problem between the Tuaregs and the other groups of Mali and Niger, closer scrutiny shows that an important reason for this fighting was the discontent of the young jobless Tuaregs with their tribal rulers. The Ishumar (derived apparently from the French word *chômeur*, meaning unemployed) were former soldiers from the Libyan army fired by Colonel Khadafi when the oil money started to dry up. On returning to their homeland, these young Tuaregs soon realized that there were no opportunities for them, in particular because of the poor education that they had received and the very poor infrastructure invested in their region by the Malian or Nigerian governments. General Moussa Traoré of Mali had purchased the tacitness of the Tuaregs by distributing certain advantages to the members of the Tuareg traditional cheiftancy, with very little fallout for the rest of the people. Then the north witnessed an insurrection directed as much against the feudal leaders as against the Malian and Nigerian states (Gaudio, 1992; Azam et al., 1999). Another example of the breakdown of the redistribution system within the ethnic framework was the insurgency in Sierra Leone in the early 1990s, described by Abdullah & Muana (1998) as a revolt of the lumpen-proletariat. With no ethnic support and no national programme, the Revolutionary United Front, formed from the underclass of Freetown and the illegal diamond miners, turned into a sort of bandit movement, committing atrocities against the people from any group. Bates (1989), in his analysis of the Mau-mau insurgency in Kenya in the 1950s, suggests that it was also triggered by a breakdown of the relationship between the Kikuyu elite and its ethnic base. These examples illustrate how the ethnic group can fail to provide the required link between its members and the higher levels of the state, and in this case, a type of political violence that is particularly difficult to control erupts.

A violent insurgency is more likely to arise when the elite from one or several ethnic groups is excluded from sharing the state bounty than when the remittance flow is cut between the elite and the villagers. It is fairly significant that the insurgent groups are very much a reflection of the structure of the ethnic groups described above: the analysis of recent guerrillas presented in Clapham (1998) shows that most insurgent groups are led by the most educated members, and that the loyalty they get from their followers depends to a large extent on their ability to secure and redistribute resources within the group. Then, if there is no foreign support, which is more and more difficult to mobilize in the post-Cold War period, the looting of alien groups is often the only solution. In some cases, looting allows warlords to sustain long-duration insurgencies aimed not so much at toppling the government as at creating an enclave under the control of the insurgents in a kind of partial secession.

Among others, Pool (1998), for the case of the Eritrean People's Liberation Front, and Young (1998), for the Tigray People's Liberation Front, illustrate precisely how educated elite members organized the distribution of resources among their supporters, and how this helped attract more of them. Cross-border relationships with each other, as well as with southern Sudan, played a crucial role. However, in these days of the Cold War, it was relatively easy to get funding from one of the superpowers, so looting was less necessary. Another interesting case is that of the urban rebellion that led to the overthrow of General Moussa Traoré in Mali. At the cost of about 300 deaths, the people of Bamako, and of a few other cities in Mali, managed to overthrow the dictator who had ruled the country for more than two decades. The insurrection movement was in fact led by a small number of medical students returning from several years of study abroad, mainly Dakar. This was followed by urban people of all social origins, but the most heroic fighters were the students' mothers, hitting the soldiers with their sticks. The latter burned down the market with the mainly women customers inside (Azam et al., 1999). The reason for this rebellion, consistent with the theoretical framework sketched here, was that Moussa Traoré had followed a policy of gradual reduction of state involvement in the accumulation of human capital, cutting down social expenditure in health and education, and was thus progressively erecting strong barriers to entry into the politically influential elite. As we have seen above, education is the key to entering this elite and establishing credible access to the bounty of the state or the formal sector.

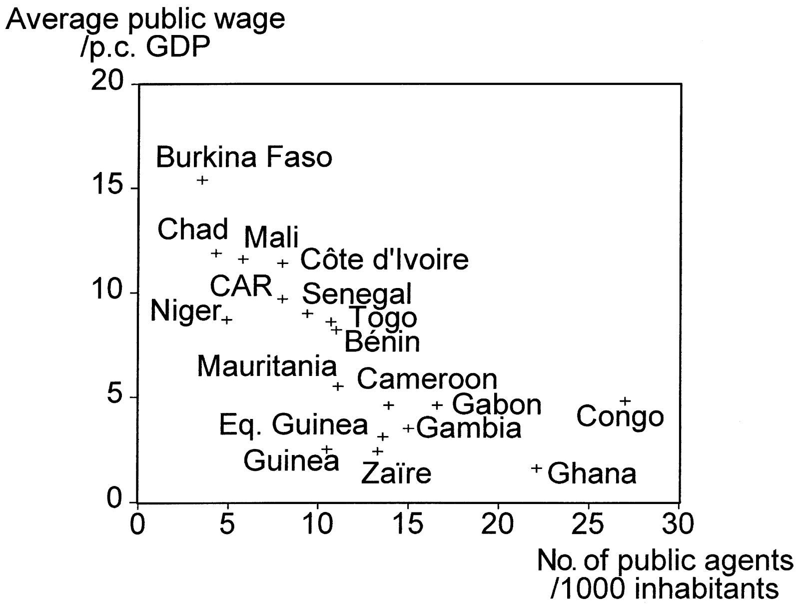
The analysis of recent conflicts suggests that the exclusion of threatening groups from sharing in the resources of the state is more likely when the country is reliant on mineral exports than on agricultural exports. The history of the Biafran war in Nigeria in the late 1960s is the archetype of such a war – an ethnic group wanting to secede from the country in order unilaterally to exploit mining resources located in its regional area, oil in this case. This is an example of one ethnic group trying to exclude the other two main groups from the 'loot-sharing' game. The civil wars in Angola and in the Democratic Republic of Congo provide other examples, as does Cairns (1997). Collier & Hoeffler (1999) have confirmed this assumption emerging from case studies by estimating an econometric equation, a probit regression, explaining the causes of civil wars. With a global sample, they find that the share of mineral exports in GDP is the most important predictor of the incidence of civil wars. On the contrary, however, agricultural or industrial exports – the production of which is not located in one place, and is spread over a wider portion of the territory, belongs to various ethnic groups, or is located in urban centres where all the different ethnic groups are mixed – do not seem to enhance the chances of civil violence erupting.

Political Economy of High Public Sector Wages

Among the methods used by African governments to maintain peace, high public sector wages seem to play an important part. In the present framework, high public sector wages and salaries are meant to fuel a large flow of remittances between members of the urban elite group and their fellow ethnic-group members as a means of buying support from them. Some suggestive evidence about this role is provided by enquiring about the reason for the negative effect on the probability of political violence of CFA Zone membership (the 'CFA Zone exception') found at the probit equation described above, explaining the occurrence of violent political events, from Azam, Berthélemy & Calipel (1996). Although this falls short of an adequate test of the assumption, one may conjecture that the main relevant impact of membership in the CFA Zone has been, historically, to entail much higher wages and salaries in the public sector than in other African countries relative to income per capita. This point has been made before by van de Walle (1991) and Azam (1995b), and is brought out vividly in Figure 2. It is clear from this chart that CFA Zone member countries were paying much higher wages and salaries, relative to income per capita, to their civil servants and, by contagion, to other formal sector employees, than other countries in Africa, relative to per capita GDP, at least until the 1994 devaluation of the CFA franc. This is brought out even more clearly in Table I, which presents the mean of these variables for three groups of countries: the UMOA (West African Monetary Union), the BEAC (Central African Monetary Union) and Non-CFA Zone members.

This suggests that high public sector wages, purchased at the cost of a smaller number of public agents relative to the population, are strongly associated with a more peaceful society (see Figure 2). In other words, the private redistribution of state money down through the ethnic channel seems more important than the anonymous provision of public goods by the state for maintaining political risk at a low level. However, the example of Côte d'Ivoire qualifies this statement. Former President Houphouët-Boigny followed a strategy of highly visible public investments in the regions peopled by the other ethnic groups. These included the San Pedro port in the Bété area and the less successful sugar complexes in the Sénoufo country in the north, which probably had a major impact on peacekeeping. Moreover, the CFA Zone member countries are regarded in most ratings as less corrupt than other African countries, and this may be another channel by which high public sector wages reduce the risk of political violence. When the high

Figure 2. Relation Between Public Wages and Public Employment, 1987



Source: Asche (1994), from World Bank.

Table I. Public Wages and Public Employment

Country group	*No. of countries*	*Mean public wage /per capita GDP*	*No. of public agents per 1000 inhabitants*
UMOA	7	10.4	7.6
BEAC	5	7.2	14.1
Non-CFA zone	6	3.1	14.4

Source: Asche (1994), from World Bank.

incomes of the elite members are levied anonymously, through the tax system, this creates less inter-ethnic resentment than petty corruption, which entails extortion by identifiable persons. This proposition is testable by analysing whether there has been an increase in political violence in the CFA Zone, or in state collapse, since devaluation of the CFA franc in January 1994, which is known to have reduced the relative incomes of civil servants and formal sector employees. Casual observation suggests that the coup in Niger and the emergence of near-chaos in Congo-Brazzaville, where the 'Cobras', the 'Ninjas' and the 'Scorpios' have fought a nonsensical war, could provide some support for this idea, but a formal test of this hypothesis falls outside the scope of the present article.

In any case, whether or not this can be proved by empirical evidence, it seems that many African dictators believe this link exists. A historical study of Burkina Faso and of Mali (Azam et al., 1999) suggests that rulers use increases in public sector salaries as a means by which to buy loyalty and political support when they feel their position in power is becoming uncertain. In fact, the different governments of Burkina Faso seem to have alternated between a phase of moderation of the wages and salaries of civil servants, with high provision of public goods, at the beginning of their stay in power, and a phase of low provision of public goods, associated with rising wages and salaries of civil servants, at a later stage. The reign of General Moussa Traoré of Mali displays the same pattern, but at a much slower pace.

Conclusion

This article has formally presented the basic argument that the occurrence of civil conflict in Africa is intimately related to the failure of governments to deliver the type of public expenditure that the people want, i.e., with a strong redistributive component such as in health and education. A simple game-theoretic model has been discussed showing that a government able to commit credibly to its announced public expenditure mix will resort more to redistributive public expenditures, and less to repression, than a government that reneges on its promises once potential opponents have reduced their involvement in rebellious activity. In a precise sense, then, a weak government implies a repression bias, while a strong government will take less repressive actions, even give them up altogether, and rely more on redistribution.

This general framework is brought to bear more closely on African problems by suggesting, by means of examples, that redistribution can appear in the real world under different guises. The fundamental problem confronting African states is how to substitute state-provided services for ethnic capital in the long run, starting with a strong endowment of the latter. Then, during a transition phase, the aim of the benevolent state is to federate the different ethnic groups, and not to destroy their role, as some 'modernizers' advocate. Instead, the aim should be to build on their capacities, but at a wider level. Towards this aim, various mechanisms of redistribution, both within and between ethnic groups, can be used. Roughly speaking, the main problem faced by the government is in choosing between two methods of buying public support: the provision of public goods with a clear and strong redistributive content, like primary education and basic health care, on the one hand, versus the payment of high wages and salaries, enabling public agents to redistribute large sums of money privately down to their kin group, on the other. The experience of the CFA Zone suggests, although no formal test has been offered, that the high wage policy is fairly effective for buying civil peace. The benefits of this policy, in terms of peacekeeping, have to be balanced against its cost in terms of under-provision of public goods, with potentially detrimental effects on long-term growth, according to some brands of endogenous growth theory.

This line of analysis has very clear implications for aid policy. First of all, it shows that the latter must at all costs avoid undermining the process of state formation. Second, it suggests that political conditionality should emphasize checks and balances, defence of the rights of minorities, etc., and not necessarily multi-party elections, which might lead to the exclusion of large parts of the people from political participation, proportional representation, which cuts representatives from direct popular control, and other formal institutions imported from the north. Conversely, it suggests that 'demonizing' traditional institutions, institutions that form the cement of most African societies, must be avoided, and that the development capacities of ethnic communities should be used, while African states are slowly moving toward their modernized forms. Lastly, it suggests that the trade-off between high wages in the public sector and the resulting under-provision of public goods must be handled with care, due account being taken of the need to purchase popular support for the state and avoid the eruption of insurgencies.

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