

The Washington Consensus and Armed Conflict: Sketching the Correlations in Health Care and Education

By John Tirman

It is said that the introduction of Islam and Christianity into Africa (and perhaps elsewhere) succeeded so quickly because of these religions' claims to universality. In local competitions for power, those who clung to traditional and local religions were suddenly confronted by rivals who laid claim to a more universal, and hence powerful, set of symbols. This was, in effect, an early form of the globalisation of knowledge, and the religious contest was significantly "won" by the globalised forces. It wasn't just universal knowledge that triumphed, of course, it was often (but not always) braced by armed force, migration, and colonialism. But this universalised knowledge and its popular discourse were nonetheless formidable, creating alternatives in social, cultural, and political forms. Where trade accompanied these introductions, it also signaled a powerful economic incentive to adopt the new epistemes: would a local farmer or merchant succeed more readily if he were to be the interlocutor for the Arab trader or the British merchant ship? The proselysers of Islam and Christianity had the winds of commerce at their backs. The new religions were adopted, very quickly in many places, and continue to thrive and grow, and their growth is still stoked by their claims to universalism.

The introduction of market and political reforms over the last 30 years may very much look the part of the mundane in contrast to this story of the sacred, but the process of adopting globalised economic and political knowledge bears some striking similarities to the insinuation of Christianity and Islam into Africa. The fervor with which the "Washington consensus" on marketisation and good governance is proselytised approaches a pitch of religiosity, and its claim to universality and authority conveys the tone of the Abrahamic covenants. And while the level of empirical validation is far greater for the economic and political sciences than for divine revelation, the policies fostered by the World Bank and other such institutions also bear some resemblance to the faith-based initiatives of the earlier kind. The globalisation of their knowledge has been backed by colonialism, force, and migration; it has altered political, social, and cultural relationships; and it is made ultimately alluring by its promise of worldly riches. It creates new opportunities for entrepreneurs and predators of all kinds, rivalries that subvert the traditional order of things, and hence disrupt and destabilize societies large and small.

Like the great religions, the Washington consensus does not tolerate deviations or heresies, even when its doctrine is shaken by facts on the ground. Structural adjustment policies (SAPs) fostered by the World Bank and International Monetary Fund, so fervently preached in the 1980s and '90s, are now widely recognised as economic failures, even as they continue to be pressed upon the developing world. This is momentous, and not only for the prospects of economic growth. For marketisation policies also exact another price---the depletion of social and political institutions. Among the consequences of this is political instability that can devolve into civil strife, organised violence, and large-scale war.

Marketisation and good governance policies intentionally shrink the public sector to disencumber private markets, and the governmental entities so condensed are education, health care, some security services, and public works. Natural resource development, a particularly important source of revenue in Africa, typically moves to private, foreign ownership, as do telecommunications, transportation, and other basic industries.

Privatisation and downsizing, at a minimum, sharply reduce the public payroll and cronyism. This makes sense in purely economic terms, perhaps, but it removes from the hands of political leaders an instrument of stability, the power to provide livelihoods and to ameliorate class or ethnic disparities, and to deploy resources as a means of conflict prevention. It also creates a perverse incentive for unscrupulous leaders to further undermine public institutions and capture state assets for themselves, as William Reno so vividly describes in *Warlord Politics and African States*. The economic and political flux that many countries are cast into sets up conditions for contests of rent seeking that can readily turn into armed conflict.

This line of analysis is not adequately studied. The evidence for a correlation between SAPs (and their twenty-first century progeny) and civil war is incomplete. Even where there have been some attempts to explore a relationship, the methods tend to be econometric. But statistical calculations are inadequate: the data are unreliable or nonexistent in many cases, and cannot capture qualitative evidence (interviews with young rebels in Sierra Leone, for example, who cite the absence of schools as a core reason for their enlistment). We simply do not have a body of knowledge that addresses the relationship between structural adjustment and the civil unrest that can lead to organised violence.

One way to start such an inquiry is to suggest how the assault on public institutions in the last two or three decades has created conditions that have been destabilising. Two such examples stand out, being public institutions with primary social consequences: health and education. The international financial institutions have acknowledged that their early policies on these were deficient, and even the Bush administration includes them as key components of its Millennium Challenge Accounts. A brief tour of what has happened to health and education will tell us much about their relationship to conflict, and what we must learn to avert the inimical effects of poorly designed policies.

Disease and Conflict

The relationship between widespread infectious disease and national security are not well established, but the HIV/AIDS crisis in Africa has prompted new interest in the topic. Clearly, high prevalence among soldiers is a multidimensional concern: an AIDS-depleted army is an ineffective security force; militaries are vectors for infection, especially those in foreign operations; soldiers frequently act in sexually aggressive ways toward civilian women, and so on.

The security threat inherent in HIV/AIDS is broader and more penetrating than the involvement of infected soldiers, however, and is potentially more catastrophic. In particular, a number of analysts worry about the possibility of social dissolution in countries where HIV/AIDS's infection rates are high---more than 20 percent, for example. What happens in these cases depends on who is infected and why, but among the concerns are food security, functioning education systems, the viability of the health care sector, economic conditions generally, and, ultimately, the legitimacy and stability of the state. Many of these characteristics are visible in places with high infection rates, such as Botswana, Zimbabwe, and South Africa. Significant instabilities attributable to the disease have not yet shaken these places, however, and thus the correlations are difficult to make with confidence. But places with somewhat lower rates of infection---Haiti, for example---have suffered social dissolution, and the disease is very likely to be a contributor.

The risks remain troubling, however, a worry that has reached into the highest councils of government. The U.S. National Intelligence Estimate in January 2000, in its document, "The Global Infectious Disease Threat and Its Implications for the United States," cited HIV/AIDS, most prominently with other diseases, as a national security issue:

Infectious diseases are likely to slow socioeconomic development in the hardest-hit developing and former communist countries and regions. This will challenge democratic development and transitions and possibly contribute to humanitarian emergencies and civil conflicts. (<http://www.cia.gov/cia/reports/nie/report/nie99-17d.html>, accessed May 25, 2005)

The 2002 estimate cited the likelihood of India, China, and Russia would suffer substantially higher infection rates, though none approaching African countries that now have several in the 30 percent and higher range. The 2002 estimate regards Ethiopia and Nigeria as particularly vulnerable to catastrophic rises in infection rates. They are, moreover, key states for regional security, as Nigeria has demonstrated in strife-torn West Africa, and engines of economic growth, at least potentially. With South Africa, another such key state, already suffering more than a 20 percent infection rate, such a prospect for Ethiopia and Nigeria bodes ill for African prospects.

The relationship to the international financial institutions (IFIs) pivots on how the public health systems have responded previously, and are able to respond now. There is little doubt that structural adjustment policies exhausted the public health systems in Africa, limiting access of patients to health care, driving up the number of patients per nurse or doctor, and sending many nurses and physicians---in some places, half of a nation's total---to the United States and Europe. SAPs forced a reduction in expenditures on health care at just the time HIV/AIDS was manifesting. Because public health systems are unique educational platforms as well as providers of medical care, this essential element of prevention was also compromised. A benchmark study of human cost of the IFIs' policies notes that

poverty and SAPs have undermined the viability of rural economies, promoted mass labor migration and urban unemployment, worsened the condition of poor women, and left health systems to founder. As a result of these shifts, vast numbers of people in Africa are at risk for HIV infection (Schoepf, Schoepf, and Millen, 2000: 108).

Remarkably, the National Intelligence Estimate makes a similar point: "Some remain concerned that the [World] Bank's emphasis on fiscal balance can sometimes have a negative health and social impact in developing countries," says the 2000 estimate. The 2002 document from the National Intelligence Council notes that the five worrisome countries

have overburdened and under funded healthcare systems and limited abilities to provide integrated, nationwide programs to test people, track infections, and deliver treatment and education programs (http://www.cia.gov/nic/PDF_GIF_otherprod/HIVAIDS/ICA_HIVAIDS20092302.pdf).

It goes on to litany of inadequacies, many of them borne by the demands of the international donors and lenders. One of the most insightful scholars of HIV/AIDS, Helen Epstein at Princeton's Woodrow Wilson School, makes a cardinal point about the social fabric of Africa in particular and the pressures imposed by Washington policies:

during the 1980s economic policies that emphasized exports, often at the expense of rural farms and small businesses, upset the equilibrium of African communities and probably contributed to the creation of a social ecology favorable to the spread of HIV by swelling already significant waves of migration south of the Sahara. (Epstein, 2001: n.p.) Labor migration is central to the logic of economic globalization, and it is also now central to the dissolution of traditional authority, economic planning, and transmission of AIDS.

Even after the Bank recognized its previous, wayward policies, it persisted in privatization schemes that under serve rural areas. In fact, privatisation--not just demands to shrink the public sector--remains a key instrument of IFI policies that continue to impede logical solutions for the disease. For example, the WTO's "Doha Mandate" on patent protections for pharmaceutical firms has limited access to these life-extending drugs in poor regions of the world.

While it cannot be said definitively that the IFI policies reducing the effectiveness of public health systems have significantly raised the infection rate and the social dislocations that go with it, there can be little doubt that the deterioration of these systems is a calamity for any country facing the AIDS pandemic, one that stretches well beyond Africa. These public systems were societies' infrastructure for education, prevention, and treatment. And because they were operating in countries where denial of HIV/AIDS was strong, just as it was in the West until the late 1980s, health professionals were important political actors, too. So the IFI assault of public health systems was inimical in numerous, interacting ways: increasing poverty, restricting access to, and undermining the vitality of, health-care services, upsetting the social ecology of whole regions, encouraging migration, and delegitimising the state. The consequences for human security are apparent, and for civil conflict equally troubling, especially as infection rates rise in dense and volatile parts of the world.

Education and "Angry Young Men"

The impacts of World Bank, IMF, and WTO policies on education follow a similar contour. In structural adjustment, the World Bank infamously prodded its loan recipients to charge school fees, for example, which resulted in staggering declines in enrollment--70-80 percent in some places. Budgets for education were also targeted. Such policies contributed to an erosion of education that disaffected the young men who are so essential to warlordism and conflict. With other public employment opportunities also diminished, the best career choices often appear to be in rebel armies. This is the much-lamented phenomenon of "angry young men" as fodder for organized violence--i.e., the availability of large numbers of unemployed young men who satisfy the manpower needs of warlords, revolutionaries, and others intent on civil war, a phenomenon that has caught the attention of, among others, the World Bank economists, led by Paul Collier, who study civil war onset.

The problem is much deeper than the reserve army of surplus labor, however. Unemployed young men and women also engage in other activities that undermine social cohesion, authority, and comity--crime (especially drug, sex, and arms trafficking), substance abuse, and so on. Because education not only provides skill sets for employment, but social values and stakeholding, the virtual collapse of education as a social institution leaves these communities without an anchor for youth. In the absence of schools and teachers, boys are taught in the street. It is apparent that social capital, in this grisly scenario, can also be privatised.

Economics comes into play as well. Education and per-capita income are highly correlated statistically, so declines in education may be a condition of poverty that contributes to violence. This is particularly relevant to countries where “horizontal inequality”---poverty relative to other groups---is new and prevalent. For example, a certain ethnic group may be disadvantaged by the sale of an industry to foreign investors at the same time that schools are being deserted by the state. Employment in the previously state-owned industry is reduced, but the alternative for employment---getting an education---is also constricted. So the group suffers from both real and relative deprivation, and a lack of pathways out of poverty.

Much field research supports the conjecture that a decline in educational opportunities contributes to instability. This has been rather well-documented in war zones like West Africa, particularly Sierra Leone. As one account puts it, “When interviewed, young combatants of all factions, almost without exception, represent themselves as victims of educational collapse” (Richards, 1999: 437).

The widespread deterioration of schools doubtlessly stems from many sources, including mismanagement and neglect (visible in first world countries as well). But one source of the trouble can be found in the cold metrics of decision-making in the responsible international institutions. In the World Bank, notably, “the education sector does not establish operational priorities,” concludes an empirical study of decision making, because “the allocation of internal resources and the establishment of operational priorities are solely in the hands of the country economists” (Heyneman, 2003: 319). Hence, the foolishness of school fees.

African warlordism is not the only manifestation of this phenomenon. In Pakistan, where the large IFI debt repayment has lowered spending on public education, the koranic schools grew as public sector vigor declined. “The general boom in the Madrassah system indicates a decay in governance that may ultimately affect regional stability,” notes a 2001 Brookings Institution study. “That is, the religious schools are filling a void in a basic area of social services where government has failed . . . In essence, the secular welfare state has been privatized to those with a dangerous agenda of their own.” (Singer, 2001: 4) That agenda often includes religiously inspired warfare against the West and India, in Kashmir, Afghanistan, Iraq, Sudan, and elsewhere.

Are the IFIs contributing to violence?

Two of the most obvious worldwide trends of the last twenty-five years---instability and violence, mainly in the developing world, and economic, political, and cultural globalisation---are rarely linked in public discourse. Yet when one examines specific sectors, like health and education, the linkages begin to appear. The policies of the World Bank and IMF especially in this period are the leading edge of globalization, the enabling knowledge and the rules that are drawn and imposed from that knowledge. In some places, these rules have produced more prosperity. In many places they have not. But economic growth, trade openness, and the other measures of economic globalization are not the only relevant standards. Stability, social cohesion, health, opportunities, and other sometimes difficult-to-measure qualities are just as important to the provision of security and material well being. And, as former World Bank vice president Joseph Stiglitz notes in *Globalization and its Discontents*, at a minimum the IFIs were blind to the sequence with which reforms should take place, a “failure to be sensitive to the broader social context.” In fact, it is not just a mechanical failure, but an ideological one. “Many of the sequencing mistakes,” Stiglitz

writes, “reflected fundamental misunderstandings of both economic and political processes, misunderstandings that were particularly associated with those who believed in market fundamentalism” (Stiglitz, 2003: 73).

The widespread failure of structural adjustment should have alerted practitioners and observers of development that the second-order effects in the “social context” could be disturbing. The adjustment reforms in promoting marketization have powerful effects on social structure as well as economics and politics, and social forces--loosened by the rapid and transformative dynamics of global capitalism--are nearly always at the core of organized violence. That the Bank and IMF could not see this, and, what’s more, made palliative moves with good governance measures of anti-corruption and democratization reforms, as if these addressed the massive social dislocations of the SAPs, encapsulate the ongoing misunderstanding of state-society, and state-economy relationships. But because a narrow creed of economic knowledge, untroubled by social or political knowledge, is the coin of the realm in the high temples of international finance, the purveyors of that knowledge could represent it as universal, verified by quantitative calculations and the gospels of the promised land. The actual results for hundreds of millions of people, however, are more proximate to tragedy than to deliverance.

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