

## PROF. MATHIAS THOENIG (HEC / DEEP)



**PROJECT TYPE** ERC Starting Grant (FP7)

**TITLE** The Economics of Grievances and Ethnic Conflicts

**ACRONYM** GRIEVANCES

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**BUDGET** 1 031 370 €

Does violence breed violence? Well, beyond case studies and anecdotes, it turns out that our understanding of the causes of the perpetuation of violence and wars is still incomplete. This lack of scientific evidence is worrying because the vicious cycles between poverty and war recurrence are of foremost importance for post-conflict reconstruction. Out of the 34 poorest countries in the world, 20 of them have experienced conflicts in the recent years. So it's impossible to investigate topics such as development, growth and shared prosperity without addressing the connection with conflicts.

My ERC project aims at analyzing theoretically and empirically the interaction between wars, economic incentives and ethnic identities. Indeed wars destroy economic capital and the social fabric. While physical infrastructure can be rebuilt fairly quickly, it is harder, and takes much longer, to rebuild social ties, mutual trust and moral values. But trust is a crucial ingredient of any economic transaction: No trust, no trade! Hence distrust, economic collapse and conflict are mutually reinforcing.

We explore these channels in various war and post-war contexts, such as Uganda, Democratic of Republic of Congo ... or Switzerland (by looking at refugees). From a methodological perspective we exploit big dataset with geocoded information on conflicts events, soil quality, natural resources, etc. We combine methods from graph theory with statistical technics from spatial econometrics. Our approach is grounded in quantitative economics but borrows many elements from other disciplines in the social sciences.

Our ultimate goal consists in designing policy relevant interventions and in setting priorities in the pacification agenda of the various national and international agencies that intervene in the field.