

THE BROOKINGS INSTITUTION

THINGS FELL APART: POLITICAL INSTABILITY IN AFRICA

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Introduction and Moderator:

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Featured Speaker:

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PROCEEDINGS

MR. ARYEETAY: I would like to welcome you to this afternoon's event, which is going to feature Professor Robert Bates from Harvard. I'm very happy that you found the time to join us today at the event organized by the Africa Growth Initiative.

Before introducing Bob, I would like to say a couple of things about the Initiative. This Initiative has been put together by The Brookings Institution with the support from the Gates Foundation. And the Initiative is aimed at doing three things:

First, to enhance the quality of development research taking place in African institutions and using that for a voice creation program here in Washington and in other cities of the North. The whole rush now is basically that there's a lot of good work being done by African researchers which does not get fed into the policy debates internationally. So we'd like to use this Initiative to create a voice for Africans and the collaborators here in the U.S. and in other European cities.

A third part of the Initiative also looks at strengthening the contribution of local researchers into domestic policymaking. In many African countries, the work of local researchers does not get recognized by the policymakers. By developing partnerships with well-established institutions like Brookings and so on, we do hope that more policymakers in

Africa and elsewhere would begin to pay attention to what the researchers are doing.

We chose Bob Bates for today's event for one simple reason: He's a U.S.-based academic who is highly respected in the region. And you have this write-up about Bob. Well, let me say a few things of what I know of him.

I first met him 15 years ago in Nairobi, where we were taking part in a workshop organized by the African Economic Research Consortium, a consortium that brings together every 6 months about 200 African economists and the partners from the U.S. and European universities. It's been one of the most, shall I say, the most positive developments in Africa in the last two decades in the sense that for the first time you will find in almost every African country a group of economists who do very, very serious work and can engage with anybody in terms of research quality and policy advice. And people like Bob have made all of that possible.

Bob has been doing work all about West Africa and East Africa, Southern Africa. And his work is very well known for the further it uses lookout data, and for that he works very much in partnership with Africans. That's what has made me quite interested in the work that Bob has done. I'm very, very happy that over the years he has continued to

show interest in Africa and every six months comes to Nairobi to meet with African economists.

He, himself, comes from a very strong political science patron, as many of you may know, by his very, very interesting work engaging economists and other developments enthusiasts has ensured that his work is meaningful to African policymakers and also meaningful to African academics.

I was very happy when I asked him to come and join us here and he agreed without any arguments. Bob is sort of the kind of person to argue over things, but I was expecting him to tell me that he had a very tight schedule, which all of us do have, (inaudible) one of excuses, but he didn't. He said, when? That was the response. And, Bob, I'm grateful to you for that.

Today he's going to talk about political instability in Africa. It's something that we've all known about for many, many years. Africa has been through different kinds of crises from the '60s through the '70s and '80s and '90s. Today, there's a strong perception that Africa is beginning to turn around, and while turning around it's very possible that we may forget where we've come from.

I like the work that Bob has done in the sense that it reminds us of the difficult times we've been through and what has been behind it, and

how the future can shape up. I am very excited about this, and I look forward to Bob sharing his experiences in Africa with us.

Over to you, Bob. (Applause)

MR. BATES: It's an honor to be here, and I really appreciate the introduction. I most of all appreciate the invitation, so thank you.

The talk I'm going to give today, as Ernest has already alluded to, is a talk about a period when things fall apart in Africa. It's a period when states broke down, people picked up arms and formed armed militias, fighting took place, civil war broke out, and political order was lost. It was a time of -- a very dark time in Africa's political history, but it's one that I think we have to learn from. I hate to call it an opportunity, but I am a scholar and you find your opportunities where you can. And what the opportunity gave me and my colleagues was the chance to understand what are the foundations of political order? What makes political order possible? We assume its existence, but when you lose it, you feel the difference.

And I will share some of my feelings with you about that, but it also means that we have to understand the conditions under which it is possible and how they were violated at that period of Africa's history and how the causal path by which those changes in fundamental parameters of fundamental variables led to the disintegration of political order. And that may give us insight into some of the stability we have today. Let's see.

Well, this is about the plug. This is my book -- run and buy it, please -- but this is where the talk is coming from. Let me begin -- and pardon my voice; I'm just getting over a most recent version of the flu -- let me begin with some background, and this will be personal. It'll be about my experiences and how I was driven or drawn to a subject that is inherently in many ways repellant, and then how I came to terms with it, intellectually, having had to deal with it emotionally. And this was in a series of discussions with a very able economic historian and game theorist, Avner Greif, who had himself served in the Israeli army in Lebanon, and seeing 20-year-olds with hand grenades and AK-47s, and knew what I was talking about.

And I divide the work I -- thinking I did with Avner into two sorts: one, just looking at political order without the states and the limits of that order when you don't have a state, and that informs us as to why states are desirable and what they do; and then, looking at just the political order when states can exist and then seeing why states failed once we have that analysis in hand, seeing how that thinking informs us about what was going on that drove political order states to fail in Africa in the 1980s and 1990s.

Well, here's the background. I was working in agriculture; that's how I started my career, and I've gone back to working in agriculture now. And I was -- Idi Amin had just been driven out of the presidency of

Uganda. And USAID, which knew I was interested in agriculture and because I was young and I was cheap called me and said, look, why don't you join a mission and advise on the rehabilitation of export agriculture in Uganda, see if we can get this country back up on its legs again?

So I went out to study two of the main export crops, which were coffee and cotton. And I took with me an able graduate student who was working with me at the time whose name has reemerged in recent days in American political debate. This is Robert Hahn, who is the author of the -- did the basic economics on setting up markets for pollution and pollution rights, something he innovated in the Los Angeles basin while he was still a graduate student at Cal Tech. In any case, he came with me to work on trying to set up a market mechanism and auction mechanism for the auctioning of Uganda's coffee to replace the marketing boards which were mishandling and oppressing that sector.

So we went out in the spring, and in the autumn we wrote a very nice report, and the World Bank picked it, and so the next spring they said come on out and implement this report. And I learned about the world of coffee. I was afraid to implement an auction if the international coffee was not competitive, but was dominated by two or three big firms, and so the government oppressing the farmers would be international business. And so they sent me around the world to look at the structure of the market, and I

went back.

All right. What I found in Uganda was a struggle for power. What had happened is the Ugandan -- the Tanzanian military had entered from the West Nile District, driven up through Kampala, and drove Amin east and then north up to West Nile from which he had come and to which he retreated. And along with the Tanzanian army came a whole phalanx of aspirant politicians, each of whom wanted to replace Obote, who was being driven -- Amin, I meant -- each one of whom wanted to replace Amin, and to increase their bargaining position in the period after Amin was driven out, each of them had recruited their army. So all of a sudden there were these armies loose in the suburbs of Kampala, in the countryside of Uganda, and what I observed was what that did to the quality of life of the people I was working with in the Ministry of Agriculture and the Ministry of Finance.

Examples: One of the things I discovered was when I went in August, they were all excited; when I came back the next spring, they were shells of their former selves. Too many of them had -- went to the office and found colleagues missing, who were dead. They'd been shot during the night by soldiers.

Or you found ones who were enthusiastic about the fact that Amin was gone and Uganda was no longer a prized state, but back in the international system, and, therefore, they could go to conferences to

upgrade their skills and get back in contact with their professions globally. Only there was an additional reason they liked to go to international conferences: because they could sleep all night. They didn't have to stay awake to listen for the sounds of trucks full of soldiers coming into their village or township and flee into the bush.

So it was a life in which death was very much part of people lives and, indeed, became part of my calculation about how to handle my team. We did very well. I was very proud of us. We would go out to a place only so far as we knew that we'd be able to get back before dark, and we learned where the different checkpoints were manned either by the Tanzanian soldiers, many of whom were Islamic and professional and didn't drink, or the Ugandan army, who were okay, not terrific, or the police, who were a disaster. And you just learned how to maneuver in that environment so that members of my team would not get shot.

When I left Uganda, I was very proud of what we'd done, and I knew I was feeling feelings I had never had before. They were profoundly powerful, they were extremely distressing, and I didn't have names for them: something about terror, something about fear, something about the recognition that I'd just encountered. It was like when I lived in California and the earthquakes, something that I'd taken for granted was unstable. And that was political order and the presumption that I was safe.

So I retreated to Nairobi. I called my family, I said I was out, and I stayed quite drunk for a couple of days. (Laughter)

The second reaction I had was I couldn't take it anymore. This was a bad time in Africa and I couldn't take it. So what I did was I took advantage of the fact I now knew a ton about coffee and decided to go to part of the world -- the part of the world where the big economic forces in coffee originated from, and that's clearly Latin America. So I went to Colombia and I went to Brazil, and I discovered something.

What I discovered was that violence is not an African problem. Violence is a development problem. Because when I went to Colombia, this is what happened the year I was going: the presidential candidate was murdered on March 3rd before I arrived; March 11th, a lawyer for El Espectador, one of the great newspapers or magazines there, periodicals there, was murdered; so on and so on and so on. This was at the height of the drug-related political violence in which Colombia was about to disappear and from which it's now really just emerging.

And so I realized that I should move. You know, this wasn't Africa. This was politics as lived by large numbers of people in many portions of the world, including in my own country, which I'd been insensitive to. And it was something I then decided that I had to understand.

So what I got was the opportunity to write up my work on

coffee, which I did in '93 at the Center for Advanced Studies. And I was working on another book which is in sort of economic history and called The Analytic Narratives. And the group I was with included Avner Greif.

And so what each of us did is we worked on our own projects in the morning and The Analytic Narratives book, which we were all doing together, and then Avner and I would meet about once or twice a week to discuss what we had both experienced and what we'd both seen, and to try and look at order not as something that could be assumed, like we do in our day-to-day lives, but as something that has to be achieved and secured. And what are its properties? Where does it come from? What makes it possible?

It's almost a philosophic question. It's attracted some great philosophic minds -- Locke, Hobbes, Aristotle -- but I'm none of those guys, but it's still a compelling question: What makes it possible? And when does political order become a state? And I'm going to argue it becomes a state when the behaviors that characterize order, which are the non-violation of other people's property rights, the relinquishing of arms, when those become choices that persist as equilibria in a game.

So what we first thought through was what we called the private provision of security; that is, the attempt by people themselves to provide their own protection. And we see this, for example, in tribal

societies. We see it in some of the harsher parts of our own urban areas in the United States, the right to bear arms, form guns, have guns. And we see it -- and so we wanted to understand what that looked like. Was it possible to have political order without a state? And what we found was, yeah, it was. You can have political order without a state. But the political order you get is limited in really important respects.

Well, let's look at that part of the argument, and then we'll take it to the next step and say why you then might want a state and then what makes possible political order supplied by states, and why didn't Africa have it. What happened to Africa?

We set it up -- don't freak out (Laughter) -- as a game, with a two-player game, where people can either -- they have a limited amount of time, so they have a constraint on their time. Can you see that arrow? Yeah? Good, so I don't need a laser pointer. And they can spend their time either working, or -- this is supposed to be an L, but Bill Gates wouldn't give me an L -- so this is leisure, or they spend their time -- devote the resources of their time to military activity, and that's 24 hours. All those things, that's how you partition your time, you have those choices.

And what people want, as we say in political economy, they want to maximize the utility, and utility comes from income and it comes from leisure. So it comes from playing with your kids, reading a book, watching

TV, sitting around drinking beer, talking with folks, the good life.

Now, where the income comes from is your own production activity which generates -- there's a production function that yields something that you can sell, or the production activity of somebody else -- that is player J -- which you can steal; that is, you can add to your income by acquiring military capabilities that allow you to take a portion of player J's money. So if two people, two families -- two moieties in anthropology speak -- in a village, they operate as a group, they can either work or they can have celebrations and festivities, -- or they can fight. And what they want is they want more income and they're willing to steal to get it.

So how, if that's the way the world is, if that's how people live and what they want, can we have order in this society? Can it be that people, in fact, will not fight and will not steal? And the answer is, yes, you can have order, and it comes from the fact that these people who are living together, there are repeated interactions in these settings, and I can condition my behavior to you based on how you've treated me. So if you steal my stuff, I can retaliate, and that fear of retaliation under the right circumstances is enough to prevent me from violating your property rights.

So what I do -- what Avner and I did was to go through a repeated interaction two-person game. What happens is if we're living peacefully, we get something around -- you know, a little income; we're not

rich folks here. So it's -- I've normalized it to zero.

But what I can do -- what you may want to do is to not live peacefully; that is to defect. You know, sneak in grab some of my stuff, take some of my cattle, you know, pick through my stuff while I'm out in the field, fool around with my family. But if in the future as time goes on, I can then drive you below -- I can drive you into negative numbers by beating you up, retaliating, harassing you in the village, making you wish you had not trespassed.

And that threat is what keeps people from trespassing in the first place. If that payoff, the benefits of initial defection followed by the shadow of the future, the shade of a punishment phase adds up to a number that is smaller than the small series of payoffs add up over time, well, then I'll prefer the small series of payoffs to what I could get if I were to engage in -- defect and violate your property rights. And this is enough to secure non-defections.

Now, I got real excited when we got this result, although it's a standard result in game theory. It's called the folk theorem. It was out there, everybody knew it was true and somebody proved it, the two whizzes at Stanford Business School proved it. But what I particularly liked is this resonated with one of the most famous books out of African studies, a book that belongs in the classics of the social sciences anywhere, any time, from

any part of the world, and this is Evans-Pritchard's classic study of the Nuer.

As many of you may know, the Nuer live in the Southern Sudan, and this is an area where the Nile comes from the Central African lakes; one branch of the Nile, the other branch of the Nile comes from the Ethiopian Highlands. They whoosh into this low area where there's no -- where the land is totally flat, and that means the waters come storming in after the seasonal rains in the Highlands, and they're not going to go downhill. There's no downhill. So they spread out and they form a large water-laden swamp during the period of the rainy season, following the rainy seasons in the adjacent Highlands. And the Nuer live on the margins of this swamp.

This swamp recedes after the rains have stopped. The Nuer and their cattle follow the swamp -- follow the recession of the water because the flush new grass is coming, and it's great for the cattle. When the water returns, the Nuer retreat from the oncoming water and up into higher ground.

Now, there's no state in this area. According to Evans-Pritchard there was no state, one reason being if had there been a state -- there may have been a state, but the British took it out. That's one of the first times the British ever used their air force to defeat a colonial area. But what Evans-Pritchard found in this area was

-- there's no state, and the Nuer nonetheless were greedy. They were like the rest of us. And the thing they loved most in life were their cattle. And these are pictures of the Nuer and their cattle.

When I got a chance to do some work in 1976, this was during the Peace Treaty right after the first of the civil wars, and I knew I had to go there because I wanted to see what this was like, and here's what they do. These kids, where I lived in San Francisco, they would have been the kind of kids that would have made low riders out of cars. You know, they were into "teenageness" and they were into possessions and strutting and whatnot. But they -- in front of a cow they would melt into affection. And they'd decorate -- they'd shape their horns, they decorated their horns and stylized their horns, so they loved their cattle-- they had this thing they wanted more than anything else in the whole wide world.

So Evans-Pritchard thinks, hmm, there's no state here. Cattle here are worth more than life itself, but nobody's stealing anybody else's cattle. There is order in the society in the absence of a state, and he set himself the challenge to figure out where it came from. And we basically, in our reasoning, simply recreated his reasoning: There is no state. This is the leopard skin chief, the big political official, he hardly inspires shock and awe. He's a humble little guy, and he -- what he does is he knows everybody and he's wise. And if there's a problem in the village, he will figure out who to

bring together, who to have discussions with, when to have them when people have cooled down, and basically, how much is it going to take by way of compensation from one family to the other so that the problem gets taken care of. So he's all wisdom, but he isn't power.

Now, where the power comes from that provides the political order are guys like these. This is a guy in the crane pose, and this is not a guy you'd want to meet in the back street at night. (Laughter) He's one tough dude. And it's this threat of retaliation by the young men in the families, guys like this, that makes you think twice before you steal somebody's cow.

So returning to the game, basically what Evans-Pritchard found is that defection does not look so attractive when you know that the future that faces you is having that guy in your face, making your life miserable playing what's called the "grim trigger strategy."

So we had a model which we liked. We had a relevant case, which was a canonical case, which we thought was really cool, you know. Good, we thought it through and, bang-o, here's another -- here's somebody else who thought it through at least as smart as we are and we came to the same place.

But we weren't done because it occurred to us that this analysis of the possibility of political order in a society without a state had

limited -- had few legs. It would not travel far. In particular, it would not travel precisely to those parts of the world that we were interested in, and that is the world in which development is taking place. Because if you go to a world where there's this punishment and future losses, but where the value of stuff is growing day by day because the economy is growing and wealth is accumulating and there's more and more good stuff out there to steal, at some point that deterrent loses force. You can have the same rate of discount, same -- attach the same value to the future. You can have everything else the same, but if the payoff to defection increases, then political order will break down.

So we took -- and bear with me -- two further steps: One was to look at equilibria in which people would live peacefully, and the other was to look at equilibria where people would live industriously, and to see what the properties of those equilibria were. We're not allowing people to have both peace and prosperity. We're allowing people to have either peace or prosperity and what makes that possible.

If you have peace, the amount of military activity is zero. The condition for that to be in an equilibrium, we discovered, is that you have to work less. You have to spend more time in leisure. In other words, the price of peace is poverty. It's not having things worth stealing. That's what makes it possible to be peaceful when people are defending their own goods and

their own property rights.

The other possibility is for prosperity. When you have prosperity, you better be able to fight. That is, if you have stuff worth stealing, you better -- and you want to have -- and if you want to have the stuff worth stealing, you bet you're going to have to be able to defend it yourself. So in a society without states, you can either have peace or you can have prosperity. You can't have both.

But what people want is they want both. And that's where we then decided we had to look at how they get both, and how they get both is with the formation of states. So we invented a third player who's going to be the government. And this guy is what we call the specialist in violence; that is, this guy -- G-guy, government -- is a guy who does not work, go to industry or manufacturing or to a farm -- if he goes to a farm he goes there to have sundowners, not to work -- he gets his income from his control over violence and his skill over violence.

And if you don't think that's relevant, just work your way down the East Coast of Africa and ask where those heads of state came from. They came -- and if you still don't think it's relevant, think about what George Bush could have done to some of us after 9-11 and did do to some people after 9-11. As Fabor said long ago, the thing about government is it's about coercion. It's about the use of violence. Violence doesn't go away when

you have political order, it gets reorganized.

So we wanted the guy who was the provider of violence. And what we wanted to see were the conditions under which that person would use his control over violence to make prosperity possible by protecting private property as opposed to using his control over violence to predate upon private property and thus undermine the economy. So we wanted to look at the conditions under which a specialist in violence will foster economic prosperity making prosperity and security jointly possible.

Now, that wouldn't be enough because we also have the citizens who can, like that guy with the crane pose, who can pick up weapons and arm themselves. So we also had to ask ourselves, well, what are the conditions under which people will choose to put aside their arms and to spend all their time -- and to refrain from raiding each other, pay taxes to the specialists in violence to provide the service of protecting their property rights, and devote their time to production and to leisure?

So we have two actions by the citizens where they put their arms aside, hire a guy to protect them, and stop raiding and take in -- and work productively, and the other guy, who is a specialist in violence, who protects them for money. So those are the two behaviors that we say define political order.

Now, notice the stress on choice. Political order is not a given

here. It is a choice that people make, which means it's always fragile. Now, what we then looked at is when those choices prevail in equilibrium, that is, no one will alter their choice given the behavior of the other person. And when those choices represent equilibrium we say you have a state. The pun is on steady state, although this is not a dynamic model, but it's a state when these choices persist over time.

Now, what we then looked at having assembled all this was what are the conditions under which these choices will be in equilibrium? Because those conditions define when political order is possible or when a state can exist. And, therefore, they define the conditions under which states can collapse, and Africa will tell us whether we're right or wrong.

Well, here are the conditions: You have a payoff -- this is looking at the specialist in violence. He's getting a salary, taxes that get paid over time. Those tax revenues cannot be too low or else he'll choose to use his control over violence to raid his own people. If the revenues collapse, the temptation to defect increases by comparison and is relatively attractive by comparison.

Secondly, those tax revenues cannot be too high because if they're too high, the citizens will find it cheaper to provide the protection themselves. So the tax revenues are bounded from above and below. The second thing to make the preference rational for a specialist in violence to

live off tax revenues instead of using his violence to loot his own people is that the future has to be -- there has to be a heavy weight on the future; that is, he has to be farsighted. He has to care about what's going to happen 5 or 10 years from now because otherwise he'll defect today and be willing to - - and discount the pain, the future pain, and say, so what? Tomorrow will take care of itself. If he's impatient this punishment phase will not deter him.

The third thing that determines whether he is -- whether the person will protect people and live off tax revenues as opposed to preying upon people and seizing their money is the strength of the temptation to defect. So we have the level of public revenues, we have the security of the incumbent and the degree to which he sees long-term and can conceive long-term, and we have the alternatives that he faces if political order disintegrates and he can live off something he stole.

In Africa in the 1980s and the 1990s, all of those variables were shocked in ways that made it rational for the leadership to begin to attack its own people rather than to protect them. What do I mean? What I mean is there was a collapse of public revenues, and the collapse of public revenues came from the global recession and the collapse of the value of exports, which is where much -- most of Africa's revenues come from. And the right-hand panel here, or the left-hand panel here is the rate of growth of revenues. And they ain't growing. It's going down. And the left-hand panel

is the percentage of government revenues coming from export taxes -- or from trade taxes.

So the governments were revenue starved. What happens when a government's revenue starved? Well, it becomes corrupt. Public servants start to pay themselves by charging you for things that you're entitled to get for free, and that happened everywhere. Or soldiers, who are public servants, specialists in violence, begin to pay themselves by looting, by stopping you on the road, holding up transport things, looting stores, looting banks as they did in Zaire. So the state turns predatory when the public revenues collapse, and that began to happen.

Here, for example, are the public revenues that accrued to the government of Sierra Leone. It went down to less than 5 percent of GDP. It had been 17 percent of GDP. Now, part of this was because Siaka Stevens was stealing a large part of it himself, but.

Now, how about the ability to be patient to look forward to the future and to fear future punishments? Well, these governments all of a sudden had a very foreshortened time horizon. Why? Because of the democracy movements. The citizens rebelled against their governments or protested against the governments that were looting them, and the international community, after the fall of the Soviet Union, was not willing to keep rough governments in power.

So all of a sudden the Mobutus of the world woke up to the fact that they were threatened at home and they were not going to be protected from abroad. And they freaked out and began to line their pockets because they knew their political future was short. These are the democracy meetings and these are changes to the party system.

The last thing is that this confluence of changes in these basic variables that defined the existence of this equilibrium of political order took place in an environment in which the alternatives to living off public revenues were enormously attractive. You could privatize. That is, if I were the president, I would privatize. I would steal the minerals, the mineral rights, gemstones, timber concessions, petroleum concessions, petroleum deposits, so I didn't need the state. I could live happily in the future with a high rate of income without getting tax revenues from my people, and I didn't have to take care of them so they'd be willing to pay the tax revenues.

So I think what we had in Africa in the late 20th century was simply a fundamental political perfect storm with each leg of the support of that equilibrium of political order and the sustainability of political order being kicked out from underneath Africa states. Now, what does that mean about today? Well, one thing it means about today is the revenue positions of African governments now are a lot better. That's got to be good.

The other thing that we have today is we do have elections

where people have -- foresee possible future losses of office, but these elections were not ones that followed 20 and 30 years of dictatorship where you knew that if you lost office, you were probably going to lose your life or all your possessions. You'd go to the international court of -- you know, a criminal court or something. So people in anticipation of losing the office now don't have that fear of annihilation that somebody like Moi had -- although he negotiated in typical Moi style brilliantly -- or Mobutu faced or other African dictators.

And, furthermore, while the mineral revenues remain the enormously attractive alternative, I think right now the temptation to steal them is less because the rewards, the possibility of being successful in government, are higher. You don't try and line your pockets as part of your exit strategy the way the KGB did in Russia, the way TANU did in Tanzania, or the way a lot of the dictators did stashing away their loot before they retired to Geneva or South Africa or Zimbabwe.

So that was the pursuit of trying to understand what we were seeing, and in what we found, and I think it's time to get your reactions to it.

(Applause)

MR. ARYEETAY: Thank you very much, Bob. I think I listed you will take care of questions and comments from the audience.

Yeah?

MR. SURUMA: Thank you very much, Professor Bates. My name is Suruma. I'm from Uganda, and you brought back some very difficult memories --

MR. BATES: I'm sorry.

MR. SURUMA: -- of that period after Amin was overthrown. I had been teaching here in the United States in exile, and when Amin was overthrown, I went back to Makerere University to teach. And -- because I had been there in 1974 getting (inaudible), but I ran away.

So when he was overthrown and I went back, I thought that now, finally, we had peace, and I could do my work, but as especially you described where people are being found murdered all over the place -- doctors, lawyers, professors -- it was extremely difficult. And it was in the midst of that, that we formed the Uganda Patriotic Movement.

One of my favorite professors gave a lecture and quoted I believe Aristotle or Plato -- I'm not sure which one -- that if intelligent people do not get involved in politics, they have to accept to be ruled by fools. I found that very hard to take and I decided to join politics. And the party we formed at that difficult time later on became the National Resistance Movement, which has been in power in the last 25 years. We were eventually successful after a civil war, and we took power in 1986.

Now, I'm not sure that I can put your theory to my experience.

It's an extremely interesting theory. I have certainly seen statelessness. I've seen the states preying on civilians, and I have suffered from that experience and it's a very, very difficult experience.

Now, part of the work I'm doing here is to see how stability, political stability, in my country can be sustained. We have had now almost 25 years of peace and progress, but we have discovered oil, and I'm extremely worried that through the discovery of oil the prospects of peace may diminish considerably.

So I'm extremely intrigued and interested in what you've said. We've gone from one state of statelessness, who gained political order after military struggle, and we've gained stability and growth. But having now discovered petroleum, substantial amounts of it, I'm worried that we might gravitate back into violence, although I'm not quite clear about this aspect of your description of how this resource -- I know that, of course, many resource-rich countries, like Nigeria, for example, if I may mention a case or be permitted, and Congo have had problems.

I'm not saying that necessarily we will have instability, but there is a probability of it. And my interest would be to hear your reaction on what we can do, given a reasonably enlightened environment and competitive political environment. But I would be interested to hear your view of what could be done in these circumstances to ensure that we don't

go back to a predatorist state that would take us back 25 years.

Thank you very much.

MR. ARYEETAY: Thank you, sir. The lady at the corner, please.

MS. MAGGIE: Hi. My name is Maggie. I'm a journalist. I want to ask how you see Darfur genocides in terms of your theory now. Do you think that Arab tribes have (inaudible) with the government in Sudan, dropped in revenues, and that's why they retaliated against its own people? How do you see Darfur?

How do you see, also, the coming split between the North and the South?

And the third is, how do you see the water crisis between countries like Egypt and the rest of the African countries, like Kenya?

Thank you.

MR. ARYEETAY: Thank you. Please, let's try to be brief with our questions.

MR. AKUETTEH: The name is Nii Akuetteh. My first point is I want to appeal to you and Brookings to see whether your outline can be shared. Some of us didn't take good notes.

And, secondly, I'm wondering if you allow people to communicate with you to explore issues, because I want to keep my

question to one, and save the others.

So my question is about what I think you left out, especially since we are speaking here in Washington. I happen to think that when you've got powerful countries interfering in your country, that leads to some political instability, too. And I've seen the literature stuff that diplomats have called "friendly tyrants": Mobutu, Siad Barre in Somalia. So I wonder whether you think that's a valued factor, the friendly tyrant factor.

MR. ARYEETAY: Let's do these three, and then we'll come back to you.

MR. BATES: They're all good questions, and I'll try and be brief because I spoke too long already. As for Uganda, I worry. Two of the most important things that drove countries into state failure in my analysis were the transition to a two-party system from a one-party system or from a personal dictatorship -- I'm trying to get the stats up -- and the other was regional inequality associated with differentials in wealth, resource wealth. And I see the possibility of both of those issues becoming important issues in Uganda, and I think it will be, if my analysis is correct, good luck. And I'm sorry to say that. But you can determine whether I'm right or not if you want to look at these notes or my book or something. But it's too bad. It's beyond too bad, it's -- worries me.

For the Sudan, exactly the same. I think the North/South split

in the Sudan, the regional inequality in the Sudan, leads to this kind of predatory behavior by central governments -- in this case the government in Khartoum -- that causes redistributed struggles, and causes people to try and arm themselves to keep the specialists in violence from extracting the resources; oil in the South would be the example.

As for Darfur, I'm sorry, I'm going to say something that you'll hate, and I'm prepared to believe I'm wrong. In spring, I teach in Toulouse University in the South of France, and Toulouse is a place that hates Paris, at least my friends there do. They're all cultural nationalists. They were subject to the Crusades, they were invaded by the Catholic Church, by Paris, and their land was taken and they were subdued, and it was what the historians now call state-building.

Well, I think state-building looks like that. And I think Khartoum now has the money and the jobs to take and incorporate a province into it that has lived basically semi-independently for centuries. And I can't reduce it to an Arab versus Christian, or a Black versus Arab, or a pastoralist versus arable. None of that adds up when you look at the groups. It's a struggle for power that is being highly contested by local elites and the center, and I think that's what's going on.

As I say, you can correct me.

The last gentleman's question was about --

SPEAKER: Friendly tyrants.

MR. BATES: Oh, god, yes. I mean, part of the reasons these governments were predatory was because they were being backed up by the international community. You know, I -- this figure -- and part of the reason they freaked out of their gourds is when they realized the international community was done with their services, thank you very much.

So I think that was part of that element of the foreshortening of the time horizon. I'm insecure at home, and my back is not being protected by my international friends. And that happened with the fall of the Soviet Union.

MR. ARYEETEEY: Dr. Mikell.

MS. MIKELL: Thank you. Gwendolyn Mikell, Georgetown University. Professor Bates, it's a real pleasure to see you here.

MR. BATES: My pleasure.

MS. MIKELL: As an anthropologist, I'm going to go back to the first part of what you did and said. I followed right along with you through state/non-state and the reasons that people accept the state to offer that kind of protection. The problems I had came when we began -- when you began to talk about the resources.

MR. BATES: Yeah.

MS. MIKELL: And it strikes me that states don't exist in a

vacuum, and the process of state-building itself is one in which states are very conscious of who's at their borders, who's in that large environment. They take territory when they can. They figure out how they're going to -- what they're going to do with those resources. And so I'm wondering where the global community fits into your model because the gold, the diamonds, the oil, the timber, the -- they are valuable only to the extent that there is a market for them out there and that the states in the larger community of states will look the other way as they negotiate for their resources.

So I'm wondering where does that global community fit into your model of violence and the future of violence? And for African countries it strikes me that at the core of it must be some way of factoring in how resources will play in that -- in transactions with the global community.

MR. BATES: Mm-hmm, yeah.

MR. ARYEETHEY: Right behind. Here.

MR. PURI: Hi, Professor Bates. My name's Munish Puri from the Fletcher School of Law and Diplomacy. I really appreciated your model. I wanted to hear a little bit about how, when you are talking about the tradeoff between peace and prosperity, you dealt with a variance in wealth, basically. So if it was about the large gap between the richest in the society and the poorest in the society and how you accounted for that in splitting peace and prosperity.

Thanks.

MR. ARYEETAY: Thank you. Yeah, right in front here.

MR. WAGNER: Hello, Professor Bates. My name's Karl Wagner, currently unemployed, and Africanist from overseas.

First of all, I'd like to thank you for writing this book.

MR. BATES: An honorable tradition.

MR. WAGNER: Sorry?

MR. BATES: It's an honorable tradition.

MR. WAGNER: First of all, I'd like to thank you for giving a speech about something else other than your urban bias theory from the '80s. But my question revolves around what happens when the state relies on external forces that are not necessarily other state players in solving conflict and violence in their own country such as executive outcomes in Sierra Leone, Angola, DRC for concessions in minerals, which help them, but not the people that are living with norm serving.

MR. ARYEETAY: Thank you. Right in front, by you, yeah.

MR. ENESU: Thank you very much. My name is Yahye Enesu with the US4Africa Coalition. Thank you for your framework. It's interesting, but how long do you think that will sustain in the existing fragmentation, political fragmentation of the existing states in Africa?

MR. ARYEETAY: Thank you. Then we should be out of here

in the next few minutes. John?

MR. MUTENYO: Thank you. I'm John Mutenyo from Uganda and from AGI. Now, Professor, some way under your model you mentioned that to have peace, people should be poor so that there is nothing to steal.

(Laughter) Now, I have another alternative: What about, especially whereby you should encourage African governments to share the national resources equitably so that each person has a TV set, he has a car, he has everything so that one family has nothing to steal from the other family?

Like for the case of Botswana, I mean, they are sharing resources more while this is equitable, they have so much peace compared with other countries like my country, Uganda, where one region has better resources. I mean, they are sharing most of their resources. In another country like in Kenya, and about what happened in Kenya? Okay?

MR. ARYEETAY: Okay. I'll take the last two and get someone here. Yes?

MR. KLEIN: Thank you very much for your presentation. Richard Klein from the National Democratic Institute. I have two sets of questions.

One, I'm wondering to what extent -- I know you had limited time in your presentation -- you've thought about some other Africa perhaps specific factors such as the rise of the HIV/AIDS pandemic and that on

people's events horizons, the effect of economies of affection that might drive leaders in Africa to need more resources than leaders in other parts of the world, and also the imposition of colonial boundaries in Africa which might change the way people are willing to treat other people. We might be able to be willing to treat people who are different than us worse than we treat people who think the same as us; so to take between the Nuer and the Dinka, for example, in Sudan.

Related to that, since I'm from NDI, you seem to be suggesting that there may be multiple equilibria, one that is a single-party state equilibria. You seem to also suggest there may be a multiparty state equilibria, but there are some transactional costs between moving between those equilibria. If you could talk a little bit about what thinking you had done about how states move from one equilibria to the other.

Thank you.

MR. ARYEETAY: The lady behind you?

MS. THOMPSON: Good afternoon, Professor Bates. My name's Eleanor Thompson. I'm with the Public International Law and Policy Group. My question is on rebel movements, and it's a little similar to the question that was asked before, but it seems that today, particularly in conflicts on the African continent, you have sort of a bifurcated system in terms of who is a specialist in violence. How does that fit into the model that

you describe? Are rebels -- rebel movements just outliers, and why is there this inability to develop credibility as specialists in violence?

And then, does a history of conflict change the populists' conception of political order such that they eventually move toward equilibrium because of their understanding of how conflict has played out in the past?

MR. BATES: Okay. There's a lot of terrific questions here and I have limited time, so I will gallop through them.

Several of them looked at minerals and the -- or natural resources and what I'd say is the political abuse of them by illegitimate interests, either foreign interests or custodians of the public interest to turn greedy and privatize them. And what can the international community do about that?

It's very difficult to handle. I mean, there are some one or two cases of where -- like the conflict diamonds movement, which did appear to have some effect, but we know that sanctions usually leak like a sieve. South Africa, Zimbabwe, other places have shown us that in the world of petroleum, and I wish I had an answer. I don't. I think the main answer is to hold -- exploit the power of brand names; that is, to be willing to destroy the reputation of firms as a means of controlling their behavior. And that can work some of the time, but it's difficult to do, but I think it's worth trying.

Peace or prosperity and the group differences, that was an excellent question. It's -- I would have to rethink the model in terms of, you're right, all the paths for all the players were roughly the same. There is part of the model where it would not work, which is where you pay -- where there's a standard list of compensations that you're expected to pay. The leopard skin chief would collect them.

There's, for example, a very famous list of body parts and the price that had to be paid for the removal of those body parts that was done to try and control feuding in England in the 13th century. And it's, obviously, there's the fixed fee. The rich guy will lop somebody's head off, and then toss a nickel on the ground, pay the fine, and walk off a free man. So it's not going to work if there is a lot of -- if you do have that mechanism and you do have wealth differences. And I'll have to think about it. It'll be sort of fun to think about, actually.

The role of executive outcomes in private firms. Actually, I think in Sierra Leone, the private firms, I don't like private firms. My student who is now here, Peter Singer, wrote a graduate thesis on them, and I think his sentiments and mine are aligned. I don't like that stuff, but that firm seems to have done a damn good job in Sierra Leone. And then the British backed away from it because it was, obviously, very political, a politically difficult thing to support the use of violence and killing by private individuals

for money. You don't like to do that stuff, and we shouldn't, but they did.

They're good at what they do for better or worse.

And the static defense for natural resources and for firms is just growing by leaps and bounds in Africa, and for that matter, it's growing by leaps and bounds in the United States and other parts of the world as well as private security is -- and gated communities and this kind of transition is taking place all over, I think, for better or worse. I think for worse.

Okay. I want to go to -- cut to the last question. Yeah, I think government -- or one of the last questions. Yeah, governments ought to give everything to everybody, but that's -- forget about that. That's not going to happen, so okay.

Now, on HIV, HIV seems, oddly, to have no measurable effect on a lot of things that we thought it would have a measurable effect on, and we don't understand it very well. It could be problems of measurement; it could be problems of substitutability. There's all sorts of stuff we just flat out don't understand.

The economy of affection I have no time for as a concept. I think people were treated in subsistence because they were taxed into subsistence at the time that Goran Hyden was writing that book, but I won't go back to that fight. But I do think your point about there being different cultural communities and whatnot raises a very important point that I didn't

make, which is that in the context of Africa, under those realities peace is extremely expensive.

It's just you got to make all kinds of transfer payments between groups, and that means you've got to intervene in the economy more than you would if you didn't have to do that, and you have to buy people's loyalty because their natural loyalties are not to you. And so these are expensive systems to hold in place.

About the transition between the equilibria, that was exactly what I was writing about. That's -- this is what happens when you transit between equilibria. Once you've moved into a democratic system, you're not going to beat the bejesus about of somebody and steal all their stuff if you're not going to -- if you're going to be voted out of office next time because then they'll come after you. But these guys had been beating the bejesus out of people and stealing all their stuff, and they were about to lose office. So it was a -- part of what you're seeing here are transition dynamics between those two equilibria.

Eleanor, about these rebel movements and the transition of rebel movements, it's something I'm thinking a lot about and my students are thinking a lot about. If you have an organization like the National Liberation Army in Uganda, and it's fighting in a guerilla group, how -- what are the internal contracts that have to be broken or renegotiated to move

that group out of the bush and into the public institutions? Part of it means is that your elite, your articulate elite who can speak English and look good on TV, are going to make off like bandits, and the thugs are going to be left behind. And that's a very hard thing to manage.

And in Zimbabwe, they failed to do it and the thugs took it back. So it's that transition from a fighting group to a ruling party is something that deserves a lot more attention than we've given it.

MR. ARYEETAY: Thank you very much. Well, I think we've come to the end of what was a very interesting presentation and a very extensive string of comments and questions.

As we leave here, one thing I would like to think about the fact that Africa appears to me to have come a very long way since the events of the mid-'70s and '80s.

MR. BATES: Absolutely.

MR. ARYEETAY: Today in Washington there are three bigger events, including this one, to look at success in Africa. At the World Bank is a big event marking success stories from Africa. Also at the IMF is another event looking at Africa's recent growth history, which is going to be very likely positive. Indeed, throughout the financial crisis of the last two years, Africa has been the fastest growing economy anywhere in the world.

So it looks like Africa is beginning to learn the lessons from

these episodes that we've discussed today. And the challenge for all of us is of how best we can learn the lessons of yesterday and let them inform how we pursue policy into the future, so that whatever we express they can sustain long into the future.

We thank you all very much for coming. And we do hope that at our other events in the next few weeks you will make time to join us.

Thank you. (Applause)

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