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THE DEVELOPMENTAL COSTS OF CONFLICT IN THE ESCWA REGION: A COMPOSITE MDG INDEX FOR CONFLICT-AFFECTED COUNTRIES

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Glossary of Terms and Abbreviations

Term	Explanation
GDP	Gross Domestic Product
GNI	Gross National Income
HDI	Human Development Index
IDPs	Internally Displaced Persons
MDGs	Millennium Development Goals
oPt	Occupied Palestinian Territory
p.c.	Per capita
PCBS	Palestinian Central Bureau of Statistics
PPP	Purchasing Power Parity
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
U5MR	Under 5 Years Child Mortality Rate (per 1,000 live births)
WDI	World Development Indicators
WGI	World Governance Indicators

Introduction

The relational nexus between conflict and development is well established, though the strength and direction of the relationship is less than uniform across not only countries but also across different conflict types (primarily civil strife and inter-state war).[1] This study focuses on the ESCWA region, particularly its five conflict-affected member countries; Iraq, Lebanon, the occupied Palestinian territory (oPt), The Sudan and Yemen.[2] The region is a conflict hotbed, with recent conflicts often-times either reflecting relapse or at least related to some significant degree to a previous conflict, including those that predate the collapse of the bipolar Cold War world order. Its developmental consequences among conflict-affected ESCWA member states have been largely reflected in poor MDG attainments relative to other member states, though this in itself does not exclude other reasons for the disparities.[3]

The perceived negative relationship between economic growth and development on the one hand and conflict on the other can be viewed as a prism from which we can contextualize the conflict-MDG nexus, especially given the clear and strong link between economic growth, development and MDG targets.[4] Countries experiencing conflict, or those with recent history of conflict are, as a whole, lagging behind in achieving their MDG targets, while some are even regressing.[5] Despite being largely heterogeneous in terms of country characteristics (thus indicating possible non-conflict causes of this gap between 'current and targeted' outcomes), one cannot help but be struck by their singular shared similarity; that they are either in conflict or have recently come out of conflict.

The creation of a basic model composite index to yield greater insight relating to the conflict–development nexus and to ease the analysis of the plethora of MDG targets is attempted and posited in this study. Assuming that causality starts from the conflict realm, the index finds that all the five conflict-affected countries witnessed some deterioration in the economic and social welfare spheres between 2006-8 compared to either 2002-5 or earlier. However, the index is a preliminary and crude statistical model that neither checks for causality nor controls for explanatory variables. As well, the index was hampered by poor data availability which suggests that results should be treated with a certain degree of caution. Nevertheless, the composite index has the potential and scope to engender debate on the MDGs in conflict countries and in that sense is a 'value adding' contributor to the literature.

Background and Methodology

[1] See ESCWA (2011) for an encompassing overview of the literature and regional findings.

[2] These five countries make up the conflict affected countries that are under the Emerging Conflict and Related Issues (ECRI)'s purview. The recent events and pursuant instability arising out of the Arab Spring phenomenon has certainly enveloped other countries that are part of ESCWA, and these may, in the near future, be placed under ECRI's area of responsibility. The remaining ESCWA member states are as follows: Bahrain, Egypt, Jordan, Kuwait, Oman, Qatar, (the Kingdom of) Saudi Arabia, Syrian Arab Republic and the United Arab Emirates.

[3] This study is not asserting that these countries are continuously in conflict, only that they are conflict affected. As such, they alternate between conflict and post-conflict stages, though the latter stage is relatively fragile, with an estimated 44 per cent of post-conflict countries relapsing into conflict within five years. This link is further strengthened by noting that conflicts tend to be disproportionately played out in poor countries (22 of the 34 poorest countries of the world are either in, or emerging from conflict) where the need for achieving MDG targets is particularly pressing (UN Millennium Project, 2005). See Annex Table A1 for a summary of MDG progress in the ESCWA region.

[4] A cursory look at HDI rankings will show a very high correlation between high HDI scores and GDP per capita for example (though it should be noted that GDP per capita is a component of HDI). These countries also generally have very high levels of attainments in terms of MDG targets. Of course, exceptions occur. Cuba's HDI ranking for example is far greater than its ranking in terms of GDP per capita, whilst some GCC countries, such as Saudi Arabia have significantly higher GDP per capita rankings as opposed to HDI rankings.

[5] See Stewart (2003).

This study attempts to measure, admittedly crudely, the conflict-development relationship by aggregating into one index score a series of disaggregated indicators. More specifically, it posits that one can use a series of economic, social welfare, political and security variables that impact on the perceived relationship between conflict and development in order to better encapsulate their co-existence. These variables are thus viewed as the 'nexus' of the relationship. This will be done via the creation of a composite index that will hopefully open up a debate as to the strength of the conflict-development relationship; one which will produce not only far superior and robust measurement techniques and outcomes but also propose policies and recommendations that bring forth concrete steps that allow for development to continue in the face of conflict. Substituting for a complex set of figures and tables, the composite index brings together a wide ranging number of varied but related variables that are assumed to co-exist within the nexus setting. This allows for a more in-depth analysis regarding not just the relationship between certain variables that link conflict and development but has the added advantage of also placing all these variables together in order to gauge their inter-relationships. Table 1 below indicate the seventeen indicators placed within four baskets so as to present the reader with a concise yet coherent picture of the proposed nature of the conflict-development nexus.

Table 1: The Proposed Conflict-Development Nexus

Economic	Social Welfare	Political	Security
Real GDP Growth	Fertility Rate	Government Effectiveness	Political Stability and Absence of Violence
GNI p.c. PPP	U5MR	Rule of Law	Conflict Intensity
Trade-to-GDP Ratio	Primary School Completion by Gender	Voice and Accountability	Regional Spillover
Male Youth Employment	Gender Labour Force Participation Ratio		Ratio of Refugees to Population
Petroleum Exports-to-GDP Ratio	Access to Improved Water Source		

The four indicator-laden baskets that are argued to impact upon the nexus are the:

- 'economic basket,'
- 'social welfare basket,'
- 'political basket' as well as the
- 'security basket.'

Whilst acknowledging the presence of overlap between baskets (*e.g.* especially in the political and security spheres), this study nevertheless posits that a separation can be made on methodological grounds.[6] The creation of these four baskets allows for a clearer analysis of the aforementioned nexus, whereas a presentation of the myriad of disaggregated indicators without the contextual aid of aggregated baskets may result in incoherent analysis due to the sheer complexity of viewing a multitude of indicators. The creation of these baskets should not be taken to mean that they collectively encapsulate all spheres of the nexus. Indeed, due to a lack of data, a fifth proposed basket, the environmental basket, was excluded despite the environment featuring prominently within the MDG targets. As well, many potential critical indicators, such as the Gini co-efficient (a measure of societal income inequality) had to be excluded on similar grounds. The index is merely an initial

[6] See tables A2a-d in the Annex.

attempt to encapsulate the conflict-development nexus and is presented in order to engender further debate on the issue.

These baskets were not created in an *ad hoc* manner; indeed, these four baskets have previously been utilized by the Brookings Institute[7] in their study on state weakness in the developing world, although with different sets of indicators that are less relevant to an MDG-based approach such as the one we are seeking in this study. The presentation of these baskets is due to a combination of previous studies as well as theoretical underpinnings discussed in chapter two and hypotheses developed by the research team in the lead-up to the writing of this report. Each basket, on its own, seeks to clarify the conflict-development nexus from the prism of its specific sphere. Thus, the economic basket articulates the role of economic indicators in elucidating the relationship between conflict and development. The same applied for the indicators in the social welfare, political and security baskets.[8] A more detailed explanation is presented below:

Role of Indicators in the Economic Basket

The indicators in the economic basket have been carefully chosen so as to highlight the aforementioned nexus. Following findings in the literature and consistent with the other baskets, a negative relationship between conflict and development is posited. To elucidate further, a relatively stable economic climate is assumed to be more conducive in generating the necessary wealth and income that would aid in the financing of developmental related programs. Such an environment would, *ceteris paribus*, require either an absence of conflict or at the very least, that it is quarantined in a specific part of a country and/or is of low intensity. Hence, the presence of conflict would, *ipso facto*, jeopardize economic stability and as a consequence, the realization of developmental goals. Reverse causality is also proposed, insofar as poor economic performance lowers the opportunity cost of conflict.

Role of Indicators in the Social Welfare Basket

Following closely from Rice and Patrick (2008), the indicators in this basket have been selected on the basis of their ability to gauge a country's ability to meet the human needs of its citizens in the face of the scars of conflict past or present. **The 'meeting of its human needs' are by themselves direct MDG issues**, such as the achievement of universal primary education (goal 2), promoting gender equality and empowering women (goal 3),reducing child mortality (goal 4), improving maternal health (goal 5) as well as combating HIV/AIDS, malaria and other diseases (goal 6). The presence of conflict is argued, for obvious reasons, to impede in the achievement of such goals.

Role of Indicators in the Political Basket

The citizenry's acceptance of a country's political system and its governance is vital in ensuring the legitimacy of the authorities. A lack of legitimacy would tend to strengthen the probability of conflict, whilst conflict would weaken and possibly dissipate in the face of stronger political legitimacy. Given the near universal recognition of the need for governance in the provision of public goods and services, political stability is a vital cog in the required mechanism to achieve development targets. A

[7] Rice and Patrick (2008).
[8] This study has been significantly hampered by data constraints. Hence, a number of 'preferred' indicators have been excluded from the analysis. Those that remain are either remnants of the initial 'preferred' set of indicators, or are supplements placed in order to substitute for the omitted indicators.

weak or failed political system would severely hamper the provision of vital goods and services, which would be only further exacerbated in the face of an on-going conflict.

Role of Indicators in the Security Basket

Much as the social welfare basket is closer in its interest with the development rather than the conflict part of the nexus, so it is that the reverse applies with regard to the indicators in the security basket. These indicators will measure the ability of a country to provide for the security of its citizens. This study argues that a lack of security will have negative repercussions for the achievement of development goals as the state either prioritises achieving security over say, MDG targets or because insecurity simply disallows the populace from accessing available public goods and services that are conducive to development.

Whilst there is no universalistic method of creating composite indices based on country-level indicators (Rice and Patrick, 2008), a number of options exist, from parsimonious statistical methodologies to more complex econometric evaluations. Given that this study is an initial attempt to create a conflict-developmental nexus, and is based on a set of countries with severe data limitations, a simple analytical statistical methodology based on the Brookings Institute's Index of State Weakness in the Developing World is used for the following two reasons:

- It is replicable, and hence transparent
- It is simple to understand and can be adjusted easily

This study makes no claim as to the primacy of its methodology *vis-à-vis* alternate methodologies. Indeed, various other methods could have been utilized.[9] Given significant constraints, a parsimonious methodology that is both transparent and easily replicable could potentially yield results that are easily understood and openly debated in the wider community without ambiguity as to its creation. The sub-sections below explain the background of the composite index used in this study.

Years of Coverage

Given that the nexus is linked to the MDGs, it would have been preferable to cover the entire period from 1990 onwards so as to be consistent with the MDG targets, which use 1990 as their base starting point. Nevertheless, the indicators used in this composite index encapsulate a twelve year period ranging from 1997 to 2008. These years have been chosen mainly due to data availability. Latest mass available data for 2009-11 are still largely unavailable while data prior to 1997 are also difficult to find. This twelve year period is divided into four triennia (T1: 1997-99; T2: 2000-2; T3: 2003-5 and T4: 2006-8) whereby a weighted average of the values of an indicator in a three year period is used in order to minimize fluctuations and outliers.[10]

Weighing the Indicators and Baskets

[9] The statistical methodology used in this report is certainly more limited in its explanatory power compared to econometric evaluations such as those used by the Canadian Centre for Research on Lifelong Learning and the European Commission's Joint Research Centre (see Saisana, 2008 for technical details), but the latter are well funded centres with time-series survey data created specifically to create their composite indices.

[10] No greater weight is given to more recent data, unlike that of the Brookings study. This is as the Brookings study presents only one value per indicator and/or basket, whilst this report presents four values per indicator and/or basket – one for each triennium.

There is no single formula to weigh indicators and/or baskets in the literature (Rice and Patrick, 2008). Given an absence in the literature regarding the appropriateness of weighing one indicator/basket over another, and consistent with the Brookings paper, this report weighs all baskets equally. Hence each basket will have a weight of 25 per cent of the overall composite index score, despite differences in the number of indicators per basket, unlike the Brookings paper. In order to check whether the results obtained are robust to changes in weightings, two other weighting mechanisms were tested against the preferred mechanism as noted below:

(a) Equal (25 per cent) weighting per basket (the final choice, consistent with the Brookings paper)
(b) Weighing baskets based on the number of indicators found per basket (hence more heavily weighted towards the economic and social welfare baskets), and
(c) Ignoring the baskets and measure weights simply on the basis of the number of indicators.

Whilst the numeric values differed, there was no changes across the four triennia in terms of ranking the five conflict affected countries in comparing methods (a) and (c). Hence, only differences in magnitude were observed. This was also the case with comparing methods (a) and (b) with one exception in the first triennium, where Iraq and Yemen swapped places in the rankings. Overall, the presented results are relatively robust to changes in weighting. Within each basket, each indicator is given a weight based on its share within the basket. For example, in the economic basket with five indicators, each indicator is given a weight of 20 per cent. In a situation where there is a missing indicator in a basket (*e.g.* no GNI p.c. PPP indicator data for the economic basket for Iraq in the first triennium), the weighting per indicator will be adjusted accordingly.[11]

Coverage of Countries

The estimation of the composite index is based not only on the five ESCWA conflict-affected countries but more widely encompasses all non-high income countries.[12],[13] A possible weakness of this approach is that the majority of these countries are not conflict-affected countries, and hence the scores obtained by this group of countries simply refer to their developmental situation. A counter-argument to this is that given the belief that development reduces the probability of conflict, no country in the sample should be seen as not being appropriate for inclusion in the nexus. This is as a non-conflict scenario is then an outcome of the developmental process. Equally, their development outcomes could be due to their non-conflict scenario.

Calculating Indicator Scores

To make country comparisons, all indicators were standardized. Closely following from Rice and Patrick (2008), for each indicator, countries are ranked from best to worst performing. The country with the best result gets a score of 10 while the country with the worst result gets a score of zero. All other countries results are then adjusted to reflect their distance from the best performing country. Thus, all countries get a score ranging from zero to 10 for each indicator. This is done for all the countries, not just the five in focus. Nevertheless, results are only presented for our five conflict

[11] Alternative weighting techniques rely on the factor analysis approach, such as principal components. The loading factors of the first principal component constitute a rather objective and intuitive system of weights for the construction of an aggregate index. However, further research in this area would be needed.
[12] Whilst numbers differed based upon data availability, the number peaks at a high of 144 countries.
[13] This is admittedly an arbitrary delineation. Some high income countries are still developing. Saudi Arabia for example, is one such high-income country in the ESCWA region with development issues.

affected countries for two reasons; first parsimony and second, to avoid losing focus on the reasons behind the score by concentrating too much instead on rankings. Country comparisons, while useful should not be overstated. More important is to be able to get to grips with the reasons behind a particular score. This chapter's emphasis with the latter point thus excludes country rankings.

As previously alluded, this study is significantly hampered by data unavailability. Two challenges in particular require elucidating. First, when data is completely missing and second, when only some data points are available (*e.g*. when data is only available for 1997, 2003 and 2007). With the former, and consistent with the Brookings paper, a complete absence of data that renders an indicator missing for a country does not lead to it being dropped or imputed on the grounds that this study lacks the resources to calculate imputed data, and assumes that the missing data would not significantly distort the results, as to a certain extent, the indicators within each basket are inter-related. This issue of missing data for the chosen indicators is not however, significant as it is either minimal or consistent across countries and mainly occurs only for the first triennium, particularly for Iraq.[14] The issue of missing data points that do not however render an indicator 'inoperational' is also present. In this case, it is not always possible to obtain a weighted average result for a three year period (*e.g.* when only 1999 data is available for the 1997-9 period). Nevertheless, this is also not a major issue in this chapter.

Results and Discussion

Country results are presented below in Table 2.

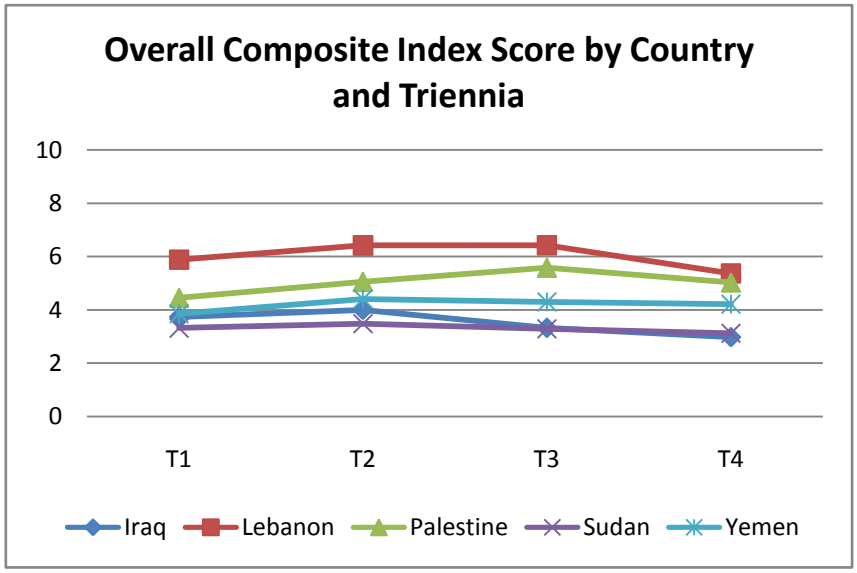
Table 2: Composite Index by Basket and Triennium

Time	Country	Overall Score	Economic	Social Welfare	Political	Security
T1	Iraq	3.73	5.37	2.77	0.85	5.95
T2		4.00	2.98	4.92	0.59	7.49
T3		3.32	3.06	4.74	1.20	4.28
T4		2.98	2.49	5.05	1.98	2.41
Change T1 – T4		Deteriorate	Deteriorate	Improve	Improve	Deteriorate
% Change T1 – T4		-20.11%	-53.63%	82.31%	132.94%	-59.50%
T1	Lebanon	5.89	4.82	5.20	5.49	8.05
T2		6.42	5.42	7.25	4.97	8.04
T3		6.43	5.44	7.36	5.10	7.80
T4		5.37	5.11	7.25	4.77	4.34
Change T1 – T4		Deteriorate	Improve	Improve	Deteriorate	Deteriorate
% Change T1 – T4		-8.83%	6.02%	39.42%	-13.11%	-46.09%
T1	oPt	4.46	3.54	3.00	4.08	7.22
T2		5.05	4.12	5.47	3.36	7.26
T3		5.59	5.64	5.38	3.90	7.45
T4		5.03	3.84	5.40	3.79	7.10
Change T1 – T4		Improve	Improve	Improve	Deteriorate	Deteriorate

[14] Hence, we suggest that the results from the first triennium be treated with some caution relative to the remaining triennia. Annex Table A3 provides details on the comprehensiveness of 'indicator availability' by country and triennia.

% Change T1 – T4		12.78%	8.47%	80.00%	-7.11%	-1.66%
T1	Sudan	3.32	3.37	3.84	2.04	4.04
T2		3.48	3.93	4.46	1.98	3.57
T3		3.29	3.62	4.18	1.81	3.57
T4		3.12	3.20	4.13	2.41	2.74
Change T1 – T4		Deteriorate	Deteriorate	Improve	Improve	Deteriorate
% Change T1 – T4		-6.02%	-5.04%	7.55%	18.14%	-32.18%
T1	Yemen	3.86	2.12	1.22	3.73	8.36
T2		4.41	3.40	3.17	2.84	8.21
T3		4.30	3.12	3.34	3.20	7.52
T4		4.22	2.48	3.53	3.46	7.42
Change T1 – T4		Improve	Improve	Improve	Deteriorate	Deteriorate
% Change T1 – T4		9.33%	16.98%	189.34%	-7.24%	-11.24%

A broad overview of Table 2 provides a mixed picture as to 'progression' along the conflict-development continuum. First, this study notes that the overall composite index score between the fist (1997-9) and fourth (2006-8) triennia deteriorated for 3 of the 5 countries, mainly due to more uncertain political and security climates. On the positive side, improvements are exhibited in terms of social welfare across the board while economic improvements are relatively more prevalent. As well, we witness deterioration in economic and social welfare scores between the third and fourth triennia, consistent with falls in security scores, suggesting that conflict raises the spectre for de-development, or at least slows down the rate of its progression.[15] Finally, we note that the five countries do very poorly indeed in terms of gender labour force participation ratio, which pulls down their social welfare scores. The following section will discuss the situation of each country in turn based on results presented in Table 2 and detailed country tables as listed in tables A4-7 in the Annex.



[15] Of course, reverse causality is also theoretically feasible, but given that changes in the economic scores were relatively small whereas changes in the security indicators were of a much larger magnitude, this study adopts the stand that, in this instance, it is the deterioration in the security sphere that is leading to a fall in the economic scores. As well, the literature on the conflicts in these countries during 2006-8, or 2003-5 has not attributed them to economic collapse.

Iraq

The Iraqi nation has been exposed to massive political, security and economic instability during the twelve year period under investigation. This is reflected in its extremely volatile scores for every basket, yielding changes in its overall score that seems relatively stable in comparison. Certainly, even looking beyond its volatility, the overall score suggests that the conflict-development nexus in Iraq, viewed as a continuum is located closer to the conflict extreme of the said continuum.[16] Its economic basket has deteriorated from the first triennium, a time of relative peace within the researched period, though we note that this is almost certainly driven by an absence of information in the initial period relating to the ratio of petroleum exports to GDP ratio, of which Iraq is the most dependent on of all the surveyed countries.[17] But even so, deterioration did clearly occur with respect to GDP growth and male youth unemployment, while the trade to GDP ratio was volatile. The large improvement in social welfare should also be treated with some caution, as Iraq performs well in terms of U5MR and access to improved water sources-two indicators unavailable in the first triennium. Nevertheless, a comparison of the three remaining triennia does suggest improvements, albeit slowly. Relative to the best performers, Iraq is stable for U5MR and access to improved water sources and is improving its performance in reducing the fertility rate. Its gender labour force participation ratio, however is dragging down its social welfare basket score, and indeed, is the worst performer in the last two triennia.

Progress in the political arena is obvious but should not be overstated given that the absolute score remains worryingly low. There is a long way to go before the conflict-development nexus continuum in terms of political indicators begins to favour development over conflict. After all, among the four baskets the best improver remains the worst performer. Iraq's biggest worry however, is surely the security scenario. After achieving relative improvements in the first half of the surveyed period, the situation not only deteriorated but continued to worsen rather than plateau. This has been driven mainly by conflict intensity, the refugee to population ratio and the lack of political stability and lack of violence. In sum, the 1997-2008 period found Iraq in a state of flux. It was a nation stable only in terms of its instability. This is reflected in the great volatility of its scores, which are sometimes exacerbated by missing data for important indicators. This study suggests that the deleterious condition in Iraq is driven from the conflict side of the nexus; the collapse of the security situation, alongside that of the very poor performing political indicators has impacted upon the economic and social welfare indicators. Given such circumstances, Iraq would struggle to meet its MDG targets without first addressing its security and political instability.

Lebanon

Lebanon remains the most likely MDG best performer among the five countries in focus. It would seem that only significant negative security and political conditions could throw its MDG target attainments off-course. This is however, a realistic scenario. We witness such an eventuality when looking at the fourth triennium. The events of the Lebanese-Israeli conflict in 2006 and the

[16] In other words, we hypothsise that a lower score tends to suggest a larger likelihood of conflict impacting upon development rather than development impacting upon conflict. Figuratively, we suggest that this can be viewed as a horizontal continuum with conflict and development on either axis as follows:

'conflict' 0----------5----------10 'development.'

[17] More specifically, this yields a score of zero in T2-4. It is very likely, had information been available that the Iraqi score for T1 would also have been zero or very close to it. Hence, Iraq's economic basket score in T1 is almost certainly an over-estimation relative to its score in T2-4. Indeed, if this indicator was removed from Iraq's economic basket in T2-4, its economic score in T2 would have been 3.98 instead of 2.98; in T3 it would have been 3.83 instead of 3.06 and for T4 3.12 rather than 2.49.

subsequent security and political uncertainty that enveloped the nation in 2007 and 2008 not only damaged the scores of its political and security baskets, but also reversed advances in its economic and social welfare scores. We note however, that the improvements shown by Lebanon between the second and third triennium were minimal reflecting either impediments in progress or the fact that diminishing marginal improvements are evident for nations with high(er) absolute performances.[18] As well, we should be careful not to assign too much weight on simply the overall score as it fails to account for heterogeneity in outcome between the baskets. In fact, despite its fourth triennium overall score being lower than that of the initial triennium, this is only consistent with the situation faced by the political and security baskets. Indeed, the overall score outcome in the fourth triennium is heavily influenced by the massive 44.46 per cent deterioration of the security basket score (4.34) compared to the third triennium (7.80). The corresponding deterioration in the security score between the first and third triennium however, is only 3.11 per cent.

The Lebanese economic basket has remained largely stable over the twelve year surveyed period, though some deterioration is evinced in the fourth triennium. Clearly, Lebanon can improve its score by improving its trade to GDP ratio and ensure stable GDP growth. Lastly, the lack of petroleum resources in Lebanon ensure a high score for (a lack of) dependency on natural resources, which may artificially inflate its economic basket score.[19] Lebanon is also an impressive performer on the social welfare front, and improvements in the slowing of fertility rates and U5MR continue apace even during the fourth triennium. As with the other four focus countries, the Lebanese performance on the gender labour force participation ratio remains worryingly low, especially given female progression relative to males at various levels of education. Females are increasingly getting the same level of education as males, but they are not actively participating in the labour market. This is a significant source of inefficiency, and probably degrades the vast and important achievements females have made on the education front. Very many females were engaged in either non-remunerative employment or domestic engagements in the days when education was largely denied to them; it would seem the situation remains largely unchanged even after education is made available to them.

Lebanese political indicators remain somewhat volatile, perhaps accurately reflecting the tumultuous nature of its polity. More pertinent to this study are its security indicators. After a period of peace in the late 1990s up to 2006, conflict has once again become pervasive, leading to the previously noted deterioration. Whilst this occurred across all indicators it was especially pronounced for the refugee to population ratio[20] and 'political stability and absence of violence.' Overall, Lebanon has shown that while conflict can drive the emphasis away from development along the continuum, it is able to maintain progress in social welfare and maintain some economic stability. Its progress towards attaining the MDG targets remains impressive in the face of its political and security uncertainties.

<u>The oPt</u>

Despite occupation, the oPt's position on the conflict-development continuum is closer to the latter when compared to the bulk of the other focus countries. Despite a myriad of well-documented

[18] For example, Iraq's 132.94 per cent improvement in its political basket score, while impressive masks the fact that it is starting from an extremely low base.

[19] Whilst the literature (see for example Collier and Hoeffler, 2004) posits that a dependence on natural resources increases the likelihood of conflict, it does not necessarily follow that a lack of access to natural resources has the opposite effect. Nevertheless, for the sake of consistency the indicator 'petroleum exports to GDP ratio' is utilized for all countries. Interestingly, Lebanon and Palestine, the two non-oil dependent states among our five focus countries also have the 'best' scores. Whether that reflects that the oil-dependent states are more prone to conflict or that the aforementioned indicator over-states the Lebanese and Palestinian scores is indeterminate.

[20] Driven by IDPs.

turmoil, its performance throughout the surveyed period also remains largely stable, with only its social welfare score exhibiting significant change and even then, stability is evident between the second and fourth triennia. It may be the case that overall stability arose out of security stability, should this study's assertion that this factor led to overall 'basket' deterioration in Iraq and Lebanon be proven correct.[21] Certainly aiding this is the fact that a sizeable number of Palestinian refugees are found outside the territory, which inflates the security basket score.[22] Political indicators, on the other hand, suggest that the stability highlighted in the political basket score across triennia does mask significant disparities between indicators. Government effectiveness is unsurprisingly low, given that the oPt is under Israeli occupation. Voice and accountability is improving whilst worryingly, rule of law is deteriorating. It is difficult however, to draw conclusions on the future trend of this basket given that it is largely held hostage to external factors beyond the control of the Palestinian authorities.

As with Lebanon, the economic basket may be over-estimated due to the lack of access to oil resources, without which the economic basket score would be significantly lower. GDP growth is extremely volatile, and in the opinion of the authors of this study, is partially owing to the constant destruction of capital stock due to periodic conflict.[23] The sizeable fall in the trade to GDP ratio is a consequence of the Israeli blockage on the Gaza Strip, and once again exhibits the vulnerability of the oPt with respect to the actions of external players. This same blockade may also prove to be an exemplar of the deterioration in youth male employment rates, as the Gazan economy collapsed.

The overall stability in social welfare score between the second and fourth triennia hides the vast heterogeneity between its indicators.[24] Whilst exhibiting improvements, the oPt does extremely poorly in gender labour force participation ratio and with regards to fertility rates. The situation with the former is similar to Lebanon, given favourable gender ratios in education. If anything the situation regarding the unseen processes hidden in the 'black box' that produces an outcome that marginalizes females in the labour force but which starts with ever closer gender gaps in educational outcomes deserves closer investigation.[25] Also while slowly deteriorating though starting at high levels are the U5MR and access to improved water sources indicators. In sum, the stability (rather than absence) of insecurity in the oPt seems to produce stable overall outcomes. Nevertheless, two caveats are attached to this. First, there is substantial variability between indicators within baskets, and second that indicators in which the oPt have been performing adequately or well are beginning to evince signs of decay. This suggests that should the current trend continue, MDG attainment targets may not be met anytime soon.

<u>The Sudan[26]</u>

[21] This point should be elucidated further. Conflict was actually prevalent throughout the surveyed period, but the intensity of it remained stable. This produces an environment of relative 'stability' or 'certainty,' where the level of intensity becomes the norm and all aspects of societal life are viewed within its prism.

[22] This is admittedly open to debate since many refugee camps are in operation within the oPt. This is a matter of data collection and its administration. UNHCR data was utilised in this study. Nevertheless, it should be acknowledged that the reality on the ground (especially in the Gaza Strip) does suggest that the refugee to population ratio indicator score is an over-estimate.

[23] Economies with destroyed capital stock tend to show dramatic improvements in terms of percentage growth (which is what GDP growth usually denotes-annual percentage increase). Postwar Germany and Japan provide illuminating examples.

[24] The social welfare score for the first triennium is almost certainly an under-estimate due to missing data for U5MR, the oPt's best performing social welfare indicator.

[25] The intricacies of this matter are however, beyond the scope of this study.

[26] Note that The Sudan here refers to the Sudanese polity that that currently encapsulates the new borders of The Sudan and the now independent state of South Sudan.

The Sudan's composite index scores exhibit more stability relative to the other focus countries. Unfortunately, its scores are consistently mediocre, and its best improvements (the political basket), much as in Iraq are due more to its initial low scores rather than reflect stark positive changes over the surveyed period. Indeed, a closer inspection of the political basket suggests that not all indicators show signs of positive change either. Worryingly for the provision of basic public goods and services that are requisite for MDG attainments, government effectiveness has deteriorated, whereas improvements are reflected in the rule of law and voice and accountability. The security basket scores, on the other hand, have consistently fallen over the triennia, which could partially explain the poor economic and social welfare scores. This is despite stability in conflict intensity, similar to the oPt except that the intensity itself is large in magnitude (unlike the oPt), leading to sufficient impediments to societal progression. Nevertheless, we caution the reader as to the accuracy of our security basket score for two reasons. First, despite high conflict intensity, conflict in The Sudan is concentrated in specific regions and do not directly impact on the majority of the population. Second, The Sudan is also a neighbour to a number of countries with conflict issues, which also lowers its score as the indicator 'regional spillover' is low (indicating potentially significant spillover), even if tensions in neighbouring countries do not actually spillover.[27] But equally, The Sudan has witnessed a sharp drop in its refugee to population score and a 32.18 per cent fall in the indicator gauging the level of political stability and absence of violence. Thus, despite the aforementioned qualifications, it would be safe to suggest that the security situation in The Sudan has deteriorated somewhat, though we cannot be sure if it has done so in a significant fashion or otherwise.

The Sudanese economic indicator scores are consistently poor bar its petroleum exports to GDP ratio, which came a bit as a surprise to the authors of this study.[28] This positive score does suggest that despite claims that The Sudan needs to diversify its economic base to lower its dependency to petroleum exports, perhaps its economy is already more diversified than acknowledged. Having said that, its ratio indicator score is deteriorating every triennium; hence it may be the case that The Sudan is becoming increasingly dependent on petroleum exports. GNI p.c. PPP is extremely low relative to the best performer, indicating issues of income generation per capita, despite improving levels of GDP growth. The trade to GDP ratio is also falling, suggesting a fall in the trade of non-petroleum products. Sanctions imposed by the USA may also be a contributing factor to the low ratio, but given that sanctions have been in place for the duration of the surveyed period, it in itself cannot explain the fall in the indicator score. Social welfare scores are relatively stable overall. This stability is evident in that there has been little change in the already poor gender labour force participation ratio, though we note that in this case, The Sudan is, in relative terms the best performer among the five focus countries. Worryingly, improvements are only visible for the controlling of fertility rates; deterioration is exhibited for U5MR, gender primary school completion ratio and access to improved water sources. The Sudan, it would seem, is struggling to move closer to the development side of the conflict-development continuum as calculated in the composite index.

Yemen

Yemen, like The Sudan is a poor relative performer among all surveyed countries, and not a single triennium score in any basket reaches even half the score of the best performer (*i.e.* all scores are less than five). Given its low starting base, one would hope that improvements would at least be large in

[27] In both cases, the index does not correct for conflict segmentation or actual regional spillover as opposed to potential regional spillover. These are two potential inaccuracies with respect to The Sudan.
[28] Nevertheless, one can only go with the data at hand, which are derived from reputable sources. In this case data from the World Bank and the United Nation's Commodity Trade Statistics Database were used.

magnitude, and this has at least been the case for the social welfare basket. As with all the other focus countries however, the security score in the fourth triennium is lower than the first and like Lebanon and The Sudan has been consistently falling. Nevertheless, this deterioration has been occurring in a smooth fashion. Hence, while security is worsening, it is occurring gradually, as evinced by its indicators. The deterioration in its political basket score should not necessarily make for depressing reading, as its final triennium score is an improvement over the previous two triennia. Hence, while lower than the first triennium score, Yemen is exhibiting improvements. A closer inspection of the indicators suggests that these improvements (compared to triennia two and three) are occurring for the rule of law and voice and accountability. As with The Sudan, we note that government effectiveness is reducing, thus potentially directly impeding MDG attainments. The improvements in its economic basket scores should be treated with caution as it masks variability in its indicator performances. GDP growth has tailed off alarmingly in more recent triennia, while GNI p.c. PPP scores remain close to zero and are stagnant. Also worrying are falling trade to GDP ratio scores, which already began at an already low base. Male youth employment, a paragon of stability (though a poor performer) fell sharply in the last triennium. Only the ratio of petroleum exports to GDP denotes some improvements, but even then volatility is evident. It is in the provision of social welfare where Yemen has made significant strides.[29] It has begun to take concrete steps to lower the fertility rate, an important issue in a country with one of the highest rates in the world. U5MR remains stable while large strides are being taken to tackle the gender primary school completion ratio. We should however, treat this improvement with caution, as it does start at a very low base indeed. While a lot higher than the first triennium the final triennium score for gender labour force participation remains worryingly low and stagnation between the second and fourth triennia is evident. Lastly, access to improved water sources scores are deteriorating relative to the best performers. Overall, the results for Yemen are mixed. It is a nation where progress on social welfare scores is overshadowed by its relatively poor performances for the other baskets.

Summary of Findings and Future Directions

The composite index paints a patchy and worrying picture of the recent relationship between conflict and development amongst our five conflict affected countries. Preliminary indications, which are admittedly based only on statistical inferences and *a priori* beliefs, suggest that a deteriorating security climate, be it into conflict or into the realm of political uncertainty tend to impact upon the two vehicles that increase the capacity to fund MDG attainments (the economic basket)[30] and provide the goods and services that make the targets attainable (the social welfare basket). Their deterioration (or slowing progress in the case of social welfare), could in turn lower the opportunity cost of engaging in conflict, raise disaffection at the economic and political levels, and further exacerbate security uncertainties. Nevertheless, one must note the caveat that as an initial investigation, the composite index remains a crude approximation of the conflict-development nexus, and the lack of data leads to not only treating the results (particularly that for the first triennium) with some caution, but also that the index lacks several indicators (and indeed baskets) that would better encompass the nexus and produce more robust and credible results.

[29] This result holds even if we disregard the low T1 score when data on Yemen's two best performers (U5MR and access to improved water source) were not available. Calculating Yemen's T2-4 scores without these two indicators, while lowering the social welfare basket scores (T2 = 1.37, T3 = 1.78 and T4 = 2.12) still signify an improvement of 42.45 per cent between the first and fourth triennia.

[30] In every case, the fourth triennium scores are lower than the third. Only the tail-end of the fourth triennium would begin to capture the effects of the global financial crisis (GFC); hence it would be improbable to blame the tail-off on this global economic slowdown.

This should not however, cloud the indicative findings of this study. Clearly, even our basic statistical presentation picks up a *seemingly* significant conflict-development relationship that has been usually (though not always) confirmed in a plethora of other more robust statistical and econometric studies. This conclusion does of course require a leap of faith, but the gamut of information across sources, techniques and simple observations, combined together with the use of common sense and logic should not be summarily dismissed due to the weaknesses posited above. In sum, preliminary results (and their interpretation) point to the need for a more robust investigation of the conflict-development nexus among the conflict-affected countries of this region. This will require a massive undertaking in terms of data collection in order to ensure that hypotheses can be reliably tested in order to ensure the credibility of results.

Annex

Table A1: Current MDG Progress in the ESCWA Region

	MDG1	MDG2	MDG3	MDG4	MDG5	MDG6	MDG7
Bahrain							
Egypt							N/A
Iraq							
Jordan							
Kuwait							
Lebanon							
oPt							
Oman*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Qatar							
Saudi Arabia							
Sudan							
Sudan – South**							
Syria							
UAE							
Yemen							

	On-track. Refers to goals that are either achieved or are likely to be achieved by 2015
	Feasible. Refers to goals that are likely to be achieved by 2020
	Off-track. Refers to goals which are unlikely to be achieved by 2020, or goals where progress is either stagnation or even deterioration
N/A	Insufficient information

* No reports accessible for Oman

**This entity refers to the region (prior to the creation of South Sudan) then under the jurisdiction of the autononomous Government of South Sudan.

Source: Slightly abridged from ESCWA (2011)

Table A2a – Indicators and Rationale Encompassing the Economic Basket

Economic Indicators	
Real GDP Growth	Def.: GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. Real GDP growth is the annual percentage growth rate of GDP at market prices based on constant local currency
	Rationale: Higher GDP growth increases national income that can be used to achieve MDG targets. Conflict makes it more difficult to increase GDP growth
	Data Source: WDI except for the oPt (EIU)
GNI p.c. PPP	Def.: GNI is the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. GNI p.c. PPP is converted to international dollars using purchasing power parity rates.
	Rationale: Low GNI p.c. PPP rates are a proximate cause and effect of both conflict as well as a proximate cause for the non-achievement of MDG goals.
	Data Source: WDI
Trade to GDP Ratio	Def.: A measurement of the degree of 'openness' of a country's economy. Trade is made up of the total dollar value of a country's imports and exports while GDP measures a country's total dollar value of output.
	Rationale: A higher trade to GDP ratio indicates a more 'open' economy, which should boost economic growth and increase income, with perceived positive effects to the achievements of MDG goals. Conflict, on the other hand, is expected to lower the ratio and hamper economic growth.
	Data Source: WDI for Lebanon, The Sudan and the oPt (1997-2005; PCBS 2006-8). EIU data for Iraq and Yemen
Male Youth Employment	Def.: Employment to population ratio, ages 15-24, male (%). Employment to population ratio is the proportion of a country's population that is employed. Ages 15-24 are generally considered the youth population.
	Rationale: Youth unemployment irrespective of gender is an inefficient allocation of resources, and apart from negatively impacting output also adversely affects unemployed individuals in many ways. It is also argued that the larger the

	percentage of unemployed young males, the lower is the opportunity cost of them engaging in conflict. *Given a lack of data on male youth unemployment, male youth employment figures are used instead*.
	Data Source: WDI
Petroleum Exports to GDP Ratio	Def.: The USD value of petroleum exports as a proportion of nominal GDP in USD.
	Rationale: This indicator is presented in order to evaluate the role of the 'natural resource curse,' insofar as the literature suggests that there is a significant correlation between an over-dependence on the extraction of natural resources (usually proxied by petroleum) and conflict.
	Data Source: WDI

Table A2b – Indicators and Rationale Encompassing the Social Welfare Basket

Social Welfare Indicators	
Fertility Rate	Def.: Fertility rate, total (births per woman). Total fertility rate represents the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with current age-specific fertility rates.
	Rationale: The youth bulge prevalent in the five conflict countries is due to high fertility rates. A lack of economic opportunities creates unemployment and push young females into early marriage creating a vicious cycle.
	Data Source: WDI
Under 5 Child Mortality (U5MR)	Def.: Under-five mortality rate is the probability per 1,000 that a newborn baby will die before reaching age five, if subject to current age-specific mortality rates.
	Rationale: High rates of child mortality reflect limited access to a citizenry's 'human needs,' a situation exacerbated in times of conflict.
	Data Source: WDI
Primary School Completion Gender Ratio	Def.: Primary completion rate is the percentage of students completing the last year of primary school. It is calculated by taking the total number of students in the last grade of primary school, minus the number of repeaters in that grade, divided by the total number of children of official graduation age. The ratio is created by dividing the female rate with that of the male rate.
	Rationale: Equality of completion by gender will empower women and should lead to greater employability, and better health outcomes, thus decreasing the likelihood of conflict.
	Data Source: WDI
Labour Force Participation Gender Ratio	Def.: Labour participation rate, by gender (% of female and male population ages 15+)**.** Labour force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labour for the production of goods and services during a specified period. The ratio is created by dividing the female rate with that of the male rate.
	Rationale: Access to employment opportunities for females is normally restricted in conflict countries due to priority being given to male counterparts in the face of limited jobs. This is an especially negative phenomenon given rising educational outcomes for females.
	Data Source: WDI
	Def.: Improved water source (% of population with access). Access to an improved water source refers to the percentage of the population with reasonable access to an adequate amount of water

Access to Improved Water Source	from an improved source, such as a household connection, public standpipe, borehole, protected well or spring, and rainwater collection. Unimproved sources include vendors, tanker trucks, and unprotected wells and springs. Reasonable access is defined as the availability of at least 20 litres a person a day from a source within one kilometre of the dwelling.
	Rationale: Access to safe drinking water is an especially pressing problem in the conflict countries of the ESCWA region. The presence of conflict creates an infrastructure vacuum that makes access harder to obtain, especially given the arid climate of the region.
	Data Source: WDI

Table A2c – Indicators and Rationale Encompassing the Political Basket

Political Indicators	
Government Effectiveness	Def.: Captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
	Rationale: Allows for a measurement of the strength and quality of a country's institutions, vital for the provision of public goods and services, which play a significant role in achieving MDG targets. The relationship is broadly argued to be negatively related to conflict.
	Data Source: WGI
Rule of Law	Def.: Captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.
	Rationale: The ability to govern on the basis of legitimate public norms and institutions is a significant indicator of the likelihood of long-term political stability. Assumed to be negatively correlated with conflict.
	Data Source: WGI
Voice and Accountability	Def.: Captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.
	Rationale: Measures the strength of the mechanisms that allow for peaceful dissent, transfer of power and policy reform. Assumed to be negatively correlated with conflict.
	Data Source: WGI

Table A2d – Indicators and Rationale Encompassing the Security Basket

Security Indicators	
Political Stability and Absence of Violence	Def.: Measures the perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including domestic violence and terrorism.
	Rationale: Widespread perceptions of a country's political stability are assumed to be a good proxy for its actual stability. Lower levels of stability are thought to heighten the likelihood of conflict with a commensurating adverse impact on MDG targets.
	Data Source: WGI
Conflict Intensity	Def.: A conflict ranked from 1 (smallest) to 10 (greatest) that occurs within the border to a country.
	Rationale: The presence of intense violent conflict is an indication of a country's ability to maintain peace and ensure the provision of basic physical and human security..
	Data Source: Monty C. Marshall. Center for Systemic Peace
Regional Spillover	Def.: The strength of the impact of a conflict in a country sharing a border with the country in focus. Value based on conflict intensity. In case of multiple spillovers, the value of the strongest spillover is taken.
	Rationale: External factors can cause conflict in a given country with negative repercussions for MDG achievements..
	Data Source: Monty C. Marshall. Center for Systemic Peace
Refugee to Population Ratio	Def.: Following UNHCR convention, this ratio includes those who are refugees, asylum seekers, returned refugees, internally displaced, returned IDPs, stateless persons and 'others of concern.'
	Rationale: A high ratio places undue burdens on a country, especially one which may suffer from its own conflicts, with negative repercussions for both MDG targets as well as the likelihood of conflict within its own borders.
	Data Source: UNHCR for refugee data. USA Census for population projections.

Table A3: Indicator Availability

Time	Country	Total Indicators (17)	Economic (5)	Social Welfare (5)	Political (3)	Security (4)
T1	Iraq	13 (76.47%)	3	3	3	4
T2		16 (94.12%)	4	5	3	4
T3		17 (100.0%)	5	5	3	4
T4		16 (94.12%)	5	4	3	4
Average		**91.18%**				
T1	Lebanon	15 (88.24%)	5	3	3	4
T2		16 (94.12%)	5	4	3	4
T3		16 (94.12%)	5	4	3	4
T4		17 (100.0%)	5	5	3	4
Average		**94.12%**				
T1	oPt	13 (76.47%)	3	3	3	4
T2		16 (94.12%)	4	5	3	4
T3		16 (94.12%)	4	5	3	4
T4		16 (94.12%)	4	5	3	4
Average		**89.71%**				
T1	Sudan	15 (88.24%)	5	3	3	4
T2		17 (100.0%)	5	5	3	4
T3		17 (100.0%)	5	5	3	4
T4		17 (100.0%)	5	5	3	4
Average		**97.06%**				
T1	Yemen	14 (82.35%)	4	3	3	4
T2		17 (100.0%)	5	5	3	4
T3		17 (100.0%)	5	5	3	4
T4		17 (100.0%)	5	5	3	4
Average		**95.59%**				

Table A4: Detailed Economic Basket

Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	GDP Growth	6.24	1.44	3.21	2.37	2.32
T2		1.39	4.60	0	5.91	5.09
T3		3.13	3.94	6.61	4.71	4.05
T4		2.76	2.79	0.69	4.27	1.80
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	GNI p.c. PPP	N/A	5.12	N/A	0.56	0.99
T2		N/A	5.08	N/A	0.62	1.03
T3		1.45	5.45	N/A	0.79	1.12
T4		1.48	5.71	N/A	0.81	1.02
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Trade to GDP Ratio	5.89	2.68	4.42	0.99	3.02
T2		6.44	2.48	4.15	1.56	2.72
T3		7.42	2.90	4.04	1.92	2.79
T4		4.40	2.30	2.81	0.91	1.72
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Male Youth Employment	4.15	4.85	3.10	2.91	2.14
T2		4.10	4.94	2.35	2.74	2.15
T3		3.33	4.89	1.97	2.61	2.15
T4		3.82	4.77	1.87	2.13	1.95
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Petroleum Exports to GDP Ratio	N/A	9.99	N/A	10	N/A
T2		0	9.99	9.99	8.80	6.02
T3		0	9.99	9.96	8.08	5.49
T4		0	9.99	9.99	7.86	5.90

Table A5: Detailed Social Welfare Basket

Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Fertility Rate	3.87	7.84	2.82	3.79	1.89
T2		4.18	8.19	2.82	3.97	2.25
T3		4.66	8.70	3.00	4.37	2.62
T4		5.07	8.89	3.39	4.84	3.06
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	U5MR	N/A	N/A	N/A	N/A	N/A
T2		8.37	9.35	9.10	5.60	6.19
T3		8.17	9.54	8.91	5.02	6.52
T4		8.12	9.60	8.85	4.90	6.72
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Gender Primary School Completion Ratio	4.40	6.59	6.27	5.23	0.95
T2		4.28	N/A	6.33	4.94	0.91
T3		3.67	N/A	6.20	4.69	2.02
T4		N/A	6.36	5.73	4.43	2.48
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Gender Labour Force Participation Ratio	0.12	1.34	0	2.61	0.08
T2		0.29	1.47	0	2.71	0.96
T3		0	1.22	0.05	2.50	0.71
T4		0	1.39	0.32	2.62	0.83
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Access to Improved Water Source	N/A	N/A	N/A	N/A	N/A
T2		7.47	10	9.11	5.06	5.57
T3		7.22	10	8.75	4.31	4.86
T4		7.00	10	8.71	3.86	4.57

Table A6: Detailed Political Basket

Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Government Effectiveness	0.40	5.86	2.92	3.20	4.42
T2		0.11	5.40	2.41	2.41	3.61
T3		1.14	5.18	2.93	2.14	3.57
T4		1.85	4.72	2.88	2.85	3.53
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Rule of Law	1.64	5.77	6.26	1.94	3.09
T2		1.42	4.96	4.93	1.95	1.91
T3		0.74	5.36	5.61	1.75	2.74
T4		1.56	4.52	4.50	2.80	3.73
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Voice and Accountability	0.52	5.01	3.19	1.03	3.80
T2		0.27	4.71	2.82	1.63	3.08
T3		1.75	4.92	3.28	1.59	3.40
T4		2.60	5.21	4.11	1.64	3.23

Table A7: Detailed Security Basket

Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Conflict Intensity	6.67	10	7.14	1.43	10
T2		8.57	10	7.14	1.43	10
T3		0	10	6.67	1.67	8.89
T4		0	7.78	6.67	1.67	8.33
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Regional Spillover	5.71	7.14	8.57	2.86	10
T2		10	7.14	10	2.86	10
T3		8.33	6.67	10	1.67	8.33
T4		8.89	6.67	8.89	1.67	8.89
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Refugee to Population Ratio	9.75	9.94	9.99	9.53	9.80
T2		9.59	9.88	9.99	9.23	9.71
T3		8.79	9.97	9.99	9.14	9.83
T4		0	0.38	9.99	5.88	9.15
Triennium	Indicator	Iraq	Lebanon	oPt	Sudan	Yemen
T1	Political Stability and Absence of Violence	1.68	8.05	7.22	4.04	8.36
T2		1.79	8.04	7.26	3.57	8.21
T3		0	7.80	7.45	3.57	7.52
T4		0.74	4.34	7.10	2.74	7.42

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