The Drivers of Grievance and Unrest in the World's Populations: Understanding Instability, Terrorism & Migration

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Team:

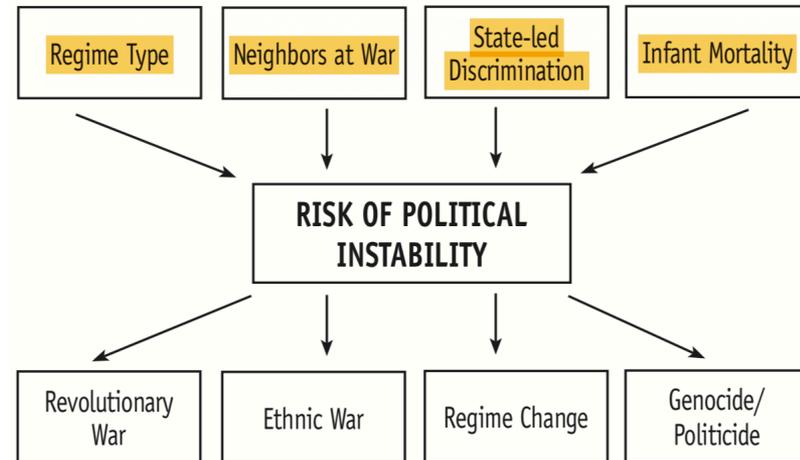Weston Aviles, Eric Kuznar, Mariah Yager

General Concept & Approach

- Great power competition is as much over the hearts and minds of populations as it is about strategic force and control of natural resources.
  - Ligon, Jones & Yager 2019 *The Age of Disruption: How Power Shifts Create More Conflict*. SMA White Paper
- People's grievances and frustrations lead to social unrest, acts of terror and politically destabilizing migration.
- The results of this study anticipate hot spots and their effects on US interests for strategic planning, and identify factors potentially influenced by inter-agency efforts.

Populations are key battlefields in Global Power Competition

- Great powers vie for allegiance of populations
- Great powers manipulate grievances and unrest of populations
- Great power objectives can be frustrated by social unrest

- Products
- *The Age of Disruption: How Power Shifts Create More Conflict*, Chs. 7,10, 13
- Report *Aggrieved Populations: Statistical Modeling of Risk and Political Instability in the Influence Environment*
- Report *Inequality, Risk Sensitivity and Grievance in Context: Summary of Aggrieved Populations Country Reports*
- Individual reports on 25 countries

Background: PITF & Academic Research

- Political Instability Task Force (PITF)
  - 1994 CIA-funded unclassified database of social unrest events, culminated in a series of publications in early 2000s
- Influenced research on political stability, terrorism scales
- Primary finding:
  - Instability predicted 70% of the time with only 4 variables:
    - Weak Democracy
    - Neighboring warfare
    - State-led Discrimination
    - Infant Mortality

Problematics
- Prediction vs theory
- Updating
- New concerns: climate change, food insecurity
- Inequality-driven Risk sensitivity

Aggrieved Populations Project: Concept and Plan

- **Purpose:** Anticipate the Operating Environment 2019-2029 by identifying Emerging Regional and Non-state Challenges

1. **Phase I: Global Analysis**
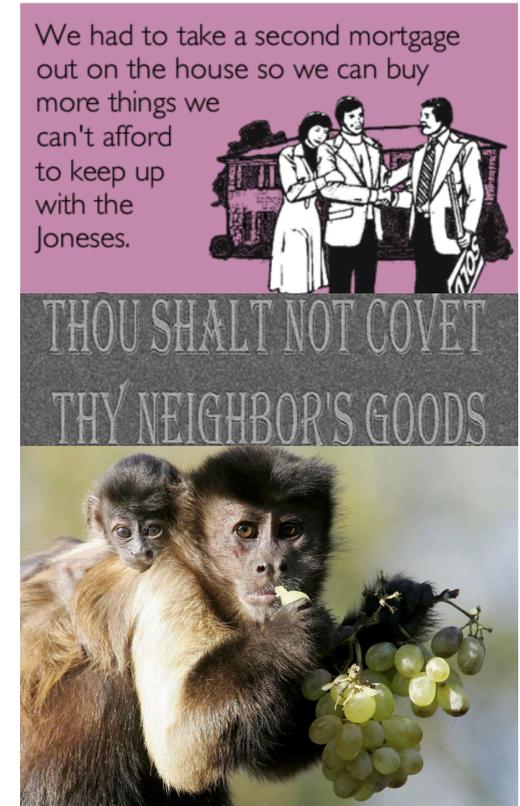   - Re-evaluate leading statistical models

2. **Phase II: Country-specific Analysis**
   - Use risk sensitivity methods to search for social cleavages within 25 key countries

- **Central Concept:** Assess inequality, decision making under risk and political stability

- Control
  - Finland
- Eastern Europe
  - Russia
  - Serbia
  - Croatia
- Western Europe
  - Germany
  - France
  - Great Britain
  - Italy
- North America
  - US
  - Mexico
- Central America
  - Honduras
- South America
  - Brazil
  - Venezuela

- Africa
  - Nigeria
  - Ethiopia
  - South Africa
- East Asia
  - China
  - Indonesia
  - North Korea
  - South Korea
  - Japan
- South Asia
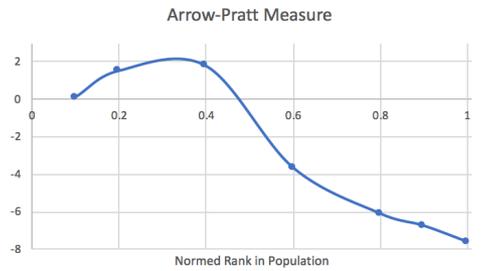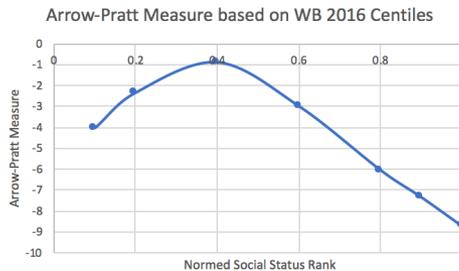 - India
  - Pakistan
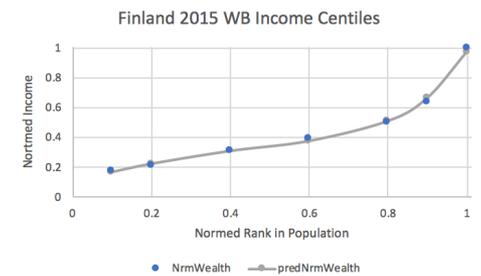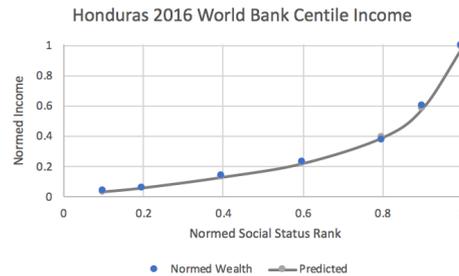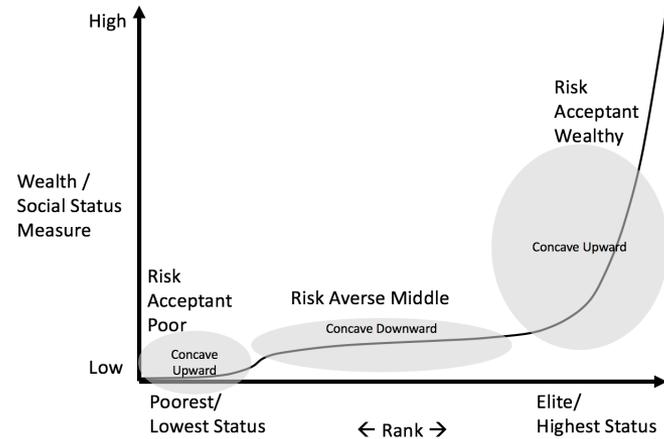 - Afghanistan
  - Iran

Signaling Status with Wealth

- What if value originated in the social distribution of wealth?
  - Keeping up with the Joneses
  - Deadly Sin of Envy
  - Violating the 10th Commandment
- Friedman, M., & Savage, L. J. (1948). The Utility Analysis of Choices Involving Risk. *Journal of Political Economy*
- People strive to gain tokens of social status (**greed**), resent when they are aware others have more (**envy**), and become distraught when they lose them (**loss aversion**).
  - Even monkeys do it!
  - It's the root of the neuropsychology of fairness and grievance
- Kenneth Arrow & John Pratt propose the Arrow-Pratt measure of risk aversion =
  - $-U(wealth)''/U(wealth)'$

We had to take a second mortgage out on the house so we can buy more things we can't afford to keep up with the Joneses.

THOU SHALT NOT COVET THY NEIGHBOR'S GOODS

Aggrieved Populations Project: Risk

- Previous research in dozens of societies (tribes, ancient states, communities, modern countries, world) established a pervasive distribution of wealth – expo-sigmoid curve

- Gathered data on percent wealth owned by percentiles of population for 162 countries

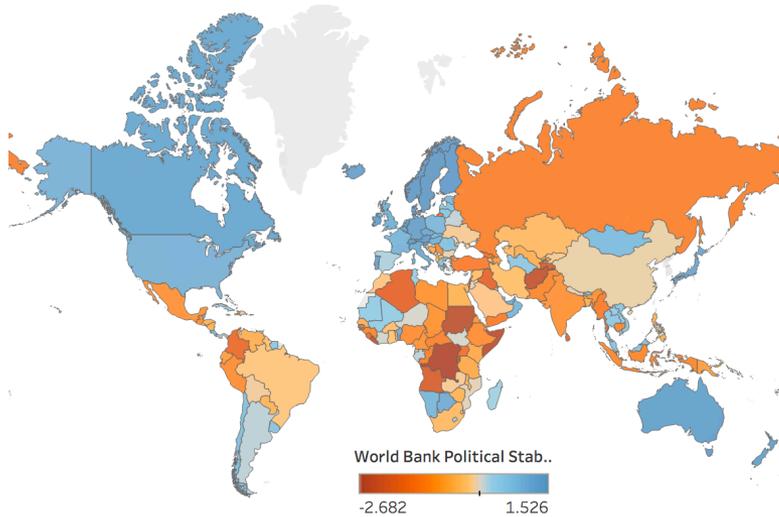- Expo-sigmoid curves fit and used to generate estimates of risk sensitivity

Positive Arrow-Pratt values = Risk Avoidance
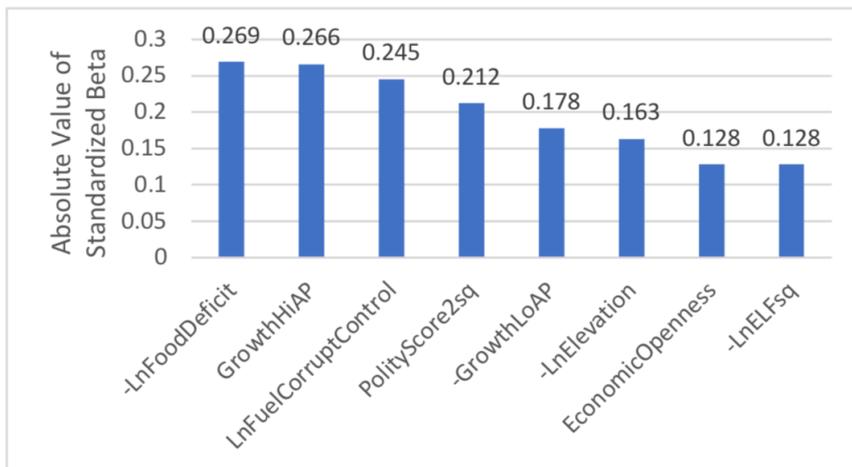Negative Arrow-Pratt values = Risk Acceptance

Statistical Approach

- Focused on three dependent variables:
  - **Political Instability** – World Bank Political Stability Scale
  - **Terrorism** – START Terrorism Index
  - **Migration** – UN estimates of net migration
- Began with all variables cited in previous statistical modeling, plus overlooked variables such as:
  - Food insecurity – UN food deficit
  - Impacts from Climate Change – Notre Dame GAIN Index
  - Risk Sensitivity
- Used a stepwise regression and relative value regression to control for multicollinearity and to eliminate variables with no or dubious causality

Political Instability

World Bank Political Stab..
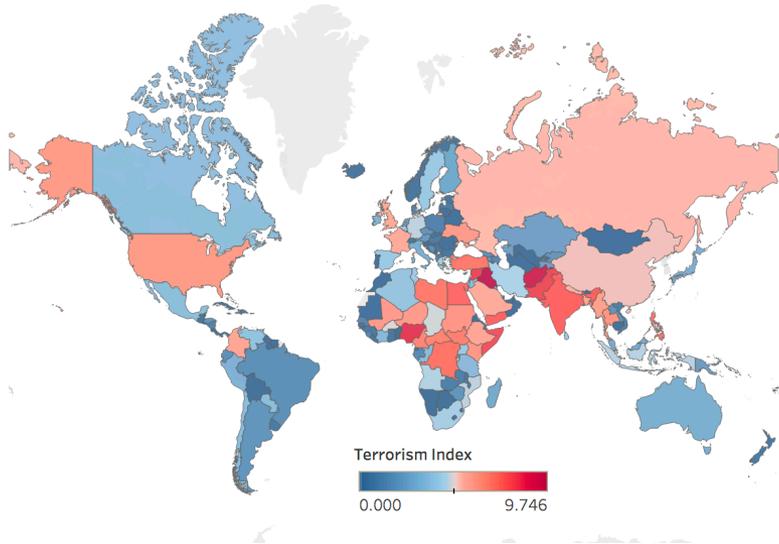-2.682   1.526

WB Political Stability Index

- **Political Instability Model**
- DV: World Bank Political Stability Scale
- Explanatory Variables:
  - Hunger
  - Risk Acceptant Elites
  - Corruption/Oil Export
  - Weak Democracy
  - Mountainous Terrain
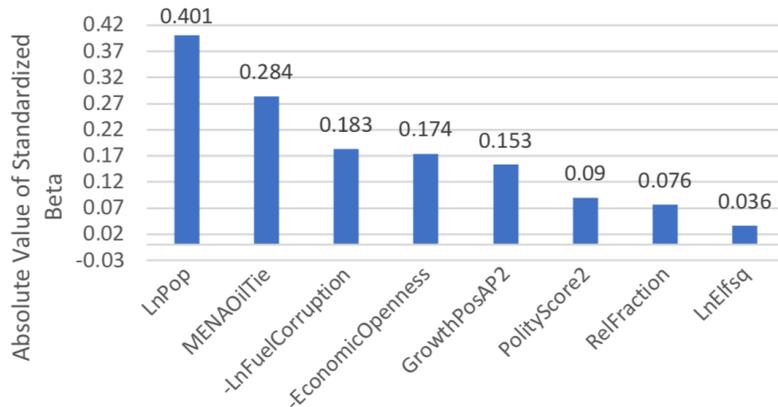 - Economic Isolation
  - Ethnic division

- Hungry people have a grievance, but it takes manipulative and restive elites to mobilize them
- Its not just oil, its corruption +!
- Mountains are difficult to govern
- Engagement with world economic system may create disincentives of elites to defect
- Social divisions are problematic
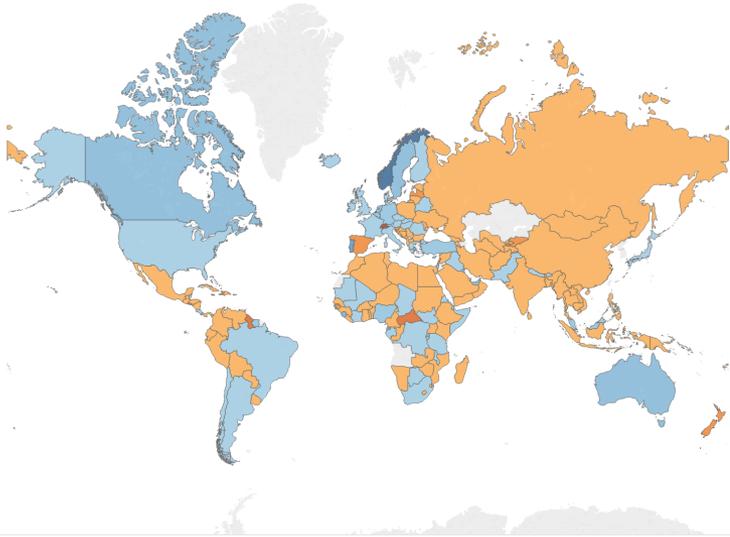
Terrorism

Terrorism Index

- **Terrorism Model**
- DV: Global Terrorism Index
- Explanatory Variables:
  - Large Population
  - Ties to MENA Oil Producers
  - Corruption/Oil Export
  - Status loss among the middle class
  - Weak Democracy
  - Religious division
  - Economic Isolation

- More people = more rare people who will engage in terrorism
- There is something about an oil economy and corruption, and ties to such regimes that is problematic
- Loss aversion creates outrage among middle class – main source of terrorists
- Weak democracies lack capacity to deal with terrorism
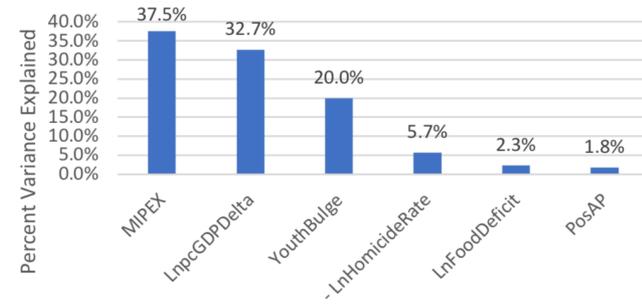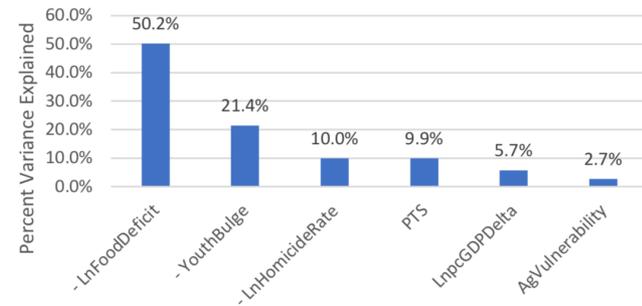- Religion motivates on sacred values

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Migration

Per Capita Net Migration

per capita Net Migration
-0.0716   0.1574
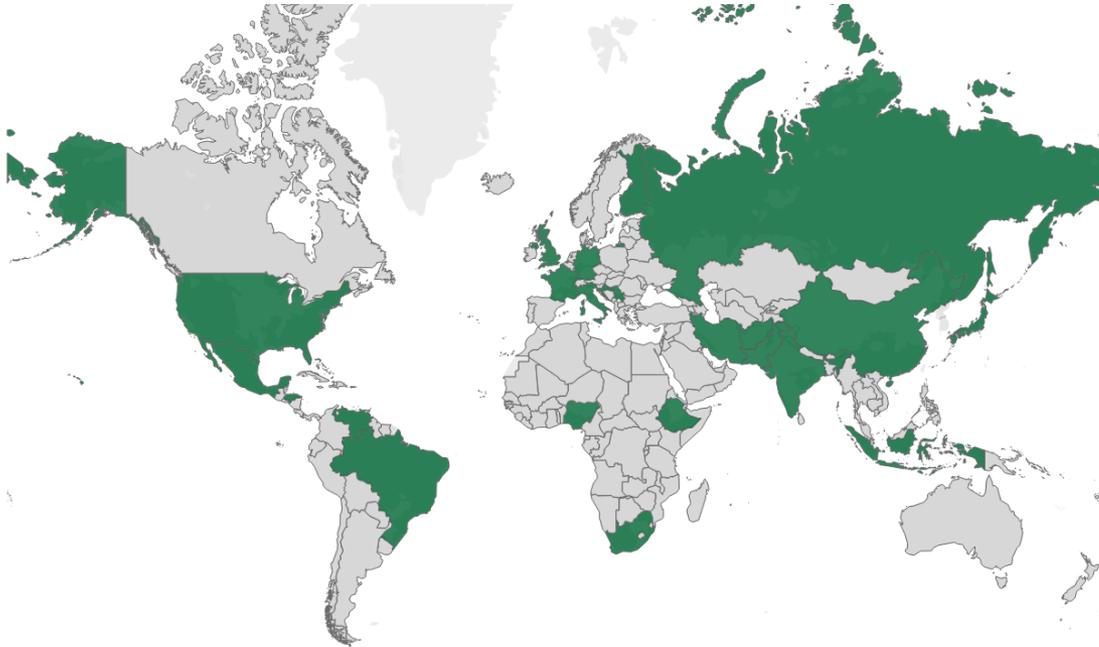
Immigration to Developed Countries

Emigration from Undeveloped Countries

- **Immigration to Developed Countries Model**
- Explanatory Variables:
  - Permissive Immigration Policy (High MIPEX Score)
  - National Wealth (High GDP)
- Wealthy countries with permissive immigration policies attract migrants

- **Emigration from Developing Countries Model**
- Explanatory Variables:
  - Hunger – Food Deficit
  - Youth Bulge
  - Homicide
  - Political terror at home
- People flee hunger, young are able to flee, and people flee homicide & political terror

Country Studies of Inequality and Risk Sensitivity

- **Six Dynamics Identified**
- **Baselines**: **Finland** and the **US**
  - Finland – **low inequality, high stability**
  - US – high inequality + middle class losses from recession
- **Typical Populations**
  - India, Indonesia, Japan, Russia, Serbia and South Korea
- **North Korea**
  - Masses just try to survive, intense intrigue & competition among elite; Kim family uses terror to contain dissent

- **Risk Acceptant Populations**
  - Brazil, Honduras, Mexico, Nigeria, South Africa, and Venezuela
  - Primary manifestation – **Homicide & Emigration**
- **Loss Averse Populations**
  - Europe, Pakistan, Venezuela, Iran
  - Angry middle class, protest, political shifts
  - Sanctions exacerbate these effects in Iran
  - Primary manifestation - **Nationalism**
- **Agrarian Populations**
  - Afghanistan, Ethiopia, Honduras, India, Indonesia, Nigeria and Pakistan
  - High inequality and **competition/unrest in rural areas**

Summary Findings

Global country-level study:

- **Political instability** is driven by hunger, risk acceptant elites, the interaction of fuel export and corruption, weak democracy, mountainous terrain, economic isolation, and ethnic division.

- **Terrorism** is fueled by large populations, ties to MENA oil producers, the interaction of fuel export and corruption, economic isolation, and a risk acceptant middle class.

- **Migration from undeveloped countries** is driven by hunger, a youth bulge, homicide and political oppression, and

- **Migration to developed countries** is driven by permissive immigration policies and the attraction of national wealth.

Country-specific statistical analyses revealed several patterns of stability and instability based on the inequality and risk sensitivity of their populations.

- Countries with **low inequality** are **stable**, such as Finland.

- Countries with **unusually high levels of inequality** are characterized by extremely **high levels of interpersonal violence**, such as Honduras and South Africa. Interpersonal violence is a driver of **illegal migration**.

- **Agrarian countries** have extremely **high levels of inequality** and consequently **experience unrest** in rural areas, which in turn is exacerbated by rural/urban inequalities. Afghanistan, Pakistan, Honduras, Nigeria and Ethiopia are good examples.

- Countries where some **sectors have lost wealth and status**, or perceive an external threat to their status, have **seen nationalist and populist parties gain power**. Examples include Pakistan, Germany, Italy, UK, and to a lesser extent Iran.