

AFTERMATH OF AN ECONOMY OF VIOLENCE-SCENARIO IN THE RUSSIAN-UKRAINIAN CONFLICT

A COMMENT

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ABSTRACT

The Ukraine conflict, which has been ongoing since 2014, is drawing new political-strategic challenges at the diplomatic supra- and international level with Russia's attack on 24 February 2022 and the surprising resilience of the defenders. Based on this constellation and referring to the Briand-Kellog Pact of 1928, so-called non-belligerent parties are allowed to get involved to ward off the breach of law and to strengthen the fighting capacity of the Ukrainian troops with supporting financial aid and arms supplies. Prolonging the conflict, western parties strive to counteract Putin's ambitious goal of geostrategic border demarcation in the sense of the glorified romanticism of a neo-Russian Soviet Union on the one hand. On the other hand the initial spark of the war of aggression is based on the defensive narrative of maintaining Russia's own sovereignty in the face of an overly expansive NATO. But how can this position continue to be justified as a result of the attack on Ukraine's critical infrastructure, which sends millions of people into undignified living realities (apart from the actual state of war)? Due to the possibility of a sustained conflict between combatants and the burgeoning poverty framed by a unsecure social habitat in which residents fear for their lives, the regional impacts must also be taken into account. What are the further consequences given Ukraine's territorial fragility? Where do lawless spaces of a failed state already exist with what impact on society and economy? And what conditions for achieving sustainable peace would have to occur first? The following commentary abstract provides an initial assessment with emphasis on war economies in general as a result of an external attack.

Keywords: Ukraine, Russia, Putin, Conflict, NATO, Economy, Society.

INTRODUCTION

A recently published report by the Nato Defense College (NDC) in Rome takes up the finding that the Russian narrative on the war in Ukraine is almost always a defensive one, but that Russia is concerned with changing the geographical status quo.

Thus, Moscow is trying to expand Russian strength and influence in former Soviet states in the West and South. More broadly, Russia aims to expand its power and influence in its post-Soviet Western and Southern neighbourhood, or at the very least to turn its post-Soviet neighbours into permanently fragile or failed states. Such a constellation has profound consequences not only for the monopoly on the use of force of the Ukrainian state or other local authorities, but also for organisations. The following therefore offers an outline of the significance of the state.

Significance of the state

The institutional weakness of the state and its inability to act as a regulating authority and to order social life, which is stated in inner-state conflicts (e.g. as a result of an external attack), reinforces endemic centrifugal-political tendencies and thus favours the emergence of autonomous centres in which parallel economies can be organised by the respective violent actors and conflict parties. In order to mobilise the economic resources needed for the continuation of armed conflicts, processes are evoked by the violent actors on the territories they control, which are intended to ensure the financing of continuous violent conflict. In contrast to the antagonism of war and commercial spirit postulated by Kant, in economies of violence the one-sided economic processes and the maintenance of violent conflict are mutually dependent, since one cannot function without the other and vice versa. Thus, armed units are set up, combatants are recruited and forcibly annexed territories are administered in order to extract the economic benefits inherent in this behaviour. These specifications describe the constellations of economic processes typical of economies of violence in intra-state conflicts, which have arisen, among other things, from the problem of having to solve a series of material problems, which at the same time present themselves to them as economic constraints.

War economies define a social space in which the distribution and appropriation of resources is controlled by violence. Physical violence is used to obtain goods, to secure opportunities to sell them and to generate resources. These are not necessarily only material goods, but can also be legal or monetary or intrinsic goods.

The typical constellations of the economic process, on the other hand, describe economic strategies used by the politico-military actors to finance their struggles, to control the population and to appropriate state privileges. The conflicts are primarily politically motivated or determined and, in connection with this, draw attention to a whole series of problems that defy sound economic analysis. For example, the criminalisation and informalisation of the economy or the military competition for resources and transport routes have not yet been adequately studied by economic science, as there are no model equivalents. In order to nevertheless arrive at an economic understanding of economies of violence, Georg Elwert's social anthropological approach with his theory of markets of violence can serve as a starting point. He defines a violent market as an environment of action determined by acquisitive goals, in which both robbery and the exchange of goods as well as their transitional and combined forms (such as ransom extortion, road tolls, protection money, etc.) occur.

Elwert's argument is based exclusively on the economic motivation of violent actors in civil war economies, who use divisive cultural or religious dualisms only as a pretext to use violence as an efficient means of market-based acquisitiveness. Markets of violence arise when spaces open to violence, i.e. spaces in which no monopoly of violence prevails and no fixed rules limit the use of violence, "coincide with market-economy structures. Market economic interests enlarge the spaces open to violence, and in spaces open to violence, market interests are realised on an increasing scale, which leads to a positive feedback process of self-stabilisation of the market for violence. Reproduction and use of violence lead to the disappearance of trade and industrial production, reduce employment opportunities in peaceful economic sectors and ultimately lead to crises. The violent market, in which the risk but also the profit opportunities are higher, thus absorbs capital and labour and causes lasting socio-economic changes. The spaces open to violence, on the other

hand, are fragile within, as the security of people's expectations is very low there. The 'rules' of the use of violence take into account their fragility: contracts between warring parties can be broken; within a warring party, violence can dissolve patronage relations between warlords, their colonels and the mercenaries. Discipline is particularly difficult to establish in the lucrative market for violence. The reason for this is that markets of violence often present themselves as segregated spaces of poverty, parcelled out in lawless precincts where the maintenance of order or discipline are among the pejoratively perceived characteristics when the self-enrichment calculus of the actors evokes the effect of factionalism. This makes markets of violence very different from other markets. It is salient that a pragmatic demarcation of economies of violence from other forms of economic order can be made via the identification of violence as a regulator of the market, i.e. of production and appropriation. The opportunity costs of the use of violence are thus higher than the costs of liberal trade. War economies are markets of violence in which the threat and exercise of violence is not an additional cost factor but a decisive prerequisite for generating income. Although the actors can in principle act multi-optional, namely from trade to expropriation, the self-stabilising effect of the economy of violence always increases when the more profitable use of violence displaces peaceful activities of production and exchange, i.e. there is an asymmetrisation of exchange relations.

The extent of the profit motive correlates with the potency of the use of violence, which in turn is related to the degree of stability of the civil war economy. This is additionally dependent on the mobilisation or stabilisation of so-called 'secondary motivations' such as religion or the cult of war, because without them the market for violence is unprotected and exposed to cyclical fluctuations and remains a rather ephemeral phenomenon. If this is not the case, however, i.e. if 'secondary motivations' are actually mobilised and stabilised, economies of violence can become permanently established with the consequence that they give rise to some systemic patterns of change that need to be examined more closely. For Klaus Schlichte, these systemic tendencies manifest themselves in four different dimensions: internal and external expansion, informalisation and dissolution of boundaries.

Internal expansion means that the economy of violence spreads to all parts of the country and tries to use all suitable forms of financing. Thus, not only goods such as drugs and weapons are important in a conflict, but also resources derived from the export of diamonds and tropical timber or from the skimming of trade profits, as well as goods that have only a low profitability value. This development means that even the smallest use value can lead to robbery and the use of violence.

External expansion refers to the phenomenon that economies of violence are not limited to their local context of origin, but tend to spread regionally through spill-over effects. Thus, a state of conflict can have a destabilising effect on entire regions if the consequences of war that cross borders are imported into different, usually neighbouring territories. Economies of violence are characterised by a decentralisation of economic activities, which is due to the different and separate organisation of economic areas by the actors of violence. This is followed by a connection of the violent actors to shadow globalisation or the emergence of relations with other countries, which leads to an informalisation of economic activities through the extension of informal zones. Economies of violence display a teleological symptomatology of dissolution of boundaries, which tends to abolish familiar limits of the classical understanding of war. Often there is neither a "front"

nor a differentiation between combatants and non-combatants in these conflicts. Nor is it possible to diagnose or determine a temporary framework for the conflictual confrontation, since this type of war neither begins with a declaration of war nor ends with a peace agreement. Above all, however, the removal of boundaries applies to the war economies themselves, for these are not self-contained economic systems, but are densely interwoven with their environment and part of a global economy in which different degrees of political control and violence operate. A distinction is made between open and closed war economies.

Accordingly, an open war economy is a system in which armed movements have areas of retreat outside the actual conflict area, whereas in a closed war economy the resistance movement operates inside a state territory and can only dispose of the resources found there and builds on an agrarian subsistence economy. The latter are hardly able to survive due to their great dependence on the civilian population, because as soon as the support of the inhabitants dries up, the guerrillas are either forced to surrender or to respond with counter-terror and organise the securing of resources through violence and robbery.

However, since the armed grouping with this pattern of behaviour very quickly lacks any symbolic and functional legitimacy, the constant exercise of repressive physical violence becomes an indispensable means with sometimes devastating economic consequences.

In open war economies, there are rear military bases ("humanitarian sanctuaries", "military retreat areas") that allow insurgent movements to provide weapons and food for their soldiers beyond the borders of the contested territory. In addition, the establishment of such bases facilitates the provision of aid by political movements or foreign governments and opens up alternative sources of revenue.

The military radius of action and the degree of networking of the actors are increasing. The permanent threat to one's own survival vehemently shortens the planning horizon of people as well as organisations, because this is always directed only towards the survival of the next moment. In war economies, the preferences of their members would consequently lie in the exploitation of the present, whereas investments in the future appear inopportune.

The focus of the violent actors is therefore concentrated on the mobilisation of easily exploitable resources that are available at short notice. In order to increase the value of their own resources, infrastructures that are still functioning are sometimes destroyed; the incompatibility of the various claims is fought out in the here and now through ever more efficient mechanisms of exploitation. The inherent reduction in the availability of resources increases the compulsion to exploit and magnifies the problem of people's immediate survival. Exploitation and overexploitation lead to more exploitation and overexploitation. The economy in civil wars thus gets caught in a self-propelling deinvestment spiral that works within the system and is based on the enrichment mode of robbery and the threat and use of violence. The mechanisms of this deinvestment spiral are characterised by the conditions of violence (exercise) under which more resources are consumed than generated. In war, society lives off its stocks and therefore its capital stock is continuously decreasing. The use of violence offers actors a mode of access to appropriate or secure the largest possible share of the scarce resource stock.

CONCLUSION

The Ukraine war has been going on since 2014, even though the first eight years with over 12,000 dead did not startle the world nearly as much as it should have. It is possible that the escalation that has taken place since 24 February 2022 could have been countered in time. In 2022, after initial astonishment at Ukraine's resilience and the poor organisation of the Russian invasion, a war of position and attrition has become established. In the long run, it could lead to a partisan war. Belarus has become a warring country in Russia's wake. Time and again, direct talks between Russia and Ukraine are hoped for. Just like local ceasefires (evacuation of Azovstal), the path to a genuine state of peace will probably continue to prove arduous, if not impossible, for the foreseeable future. It is to be feared that even ceasefires mean only stages, but not yet an end to the war in and around Ukraine.

Historical comparisons are always ambivalent, but they are a reminder of the longevity and tenacity of complex conflicts fought with violence and aggression. The First World War lasted four years. The Second World War lasted six years. Quite a few historians see the overall phase from 1914 to 1945 as a European civil war lasting over thirty years. The Vietnam War lasted from 1955 to 1975. The armed conflicts over Afghanistan began with the Soviet invasion in 1979 and ended for the time being with the ignominious withdrawal of Western armies in 2021. The four Yugoslav succession wars lasted eight years (1991-1999).

A look at history gives little hope for a quick end to the war over Ukraine, its territorial sovereignty, foreign policy self-determination and internal social and political order. A peace for Ukraine must first consist of four steps:

- 1.) Ceasefire
- 2.) Demilitarisation of the frontline under United Nations supervision
- 3.) Ukrainian-Russian agreement on the future of Crimea and the Donbass
- 4.) Ukrainian-Russian agreement on Ukraine's military neutrality, combined with security guarantees by states allied with Ukraine.

Ukraine itself must decide on all the conditions of a ceasefire. Otherwise, there is a real danger of a permanent "failed state" in a deeply unstable region - one of the basic preconditions for establishing regions of economies of violence.