



# Raising the Stakes: How Oil Wealth Threatens Democracy After Civil War

## Eric Keels

24 July 2017

**Postwar elections that occur in oil-rich economies dramatically decrease the durability of postwar peace. Controlling postwar elections, though, can actually increase the durability of postwar peace.**

As the civil war drags on in South Sudan, the international community continues to struggle with identifying and implementing a peaceful resolution to the fighting. With well over 50,000 killed and two million people displaced since fighting began in December of 2013, South Sudan is a clear humanitarian crisis. The collapse of the 2015 Comprehensive Peace Agreement between Salva Kiir's government and rebel factions (the SPLM-IO) underscores this significant challenge.

Outside of the hurdles of bringing the parties to the table and instituting the difficult process of disarming and demobilizing each side, South Sudan faces a significant barrier to establishing a durable peace: significant oil wealth. Specifically, oil wealth complicates the process of electing a new post-war government by raising the stakes on the initial elections that follow the end of fighting. The process of establishing democratic reforms as part of a peace process becomes more difficult in oil rich states, as belligerents are motivated by not just a need to control the state, but also the desire to enrich themselves in a tattered economy.

### Post-War Elections and Civil War Recurrence

Image credit: Paul Lowry.

#### Latest

[An Update on the Security Policy Change Programme](#)

[Chances for Peace in the Third Decade](#)

[A Story of ORG: Oliver Ramsbotham](#)

[A Story of ORG: Gabrielle Rifkind](#)

#### Most read

[The Role of Youth in Peacebuilding: Challenges and Opportunities](#)

[Making Bad Economies: The Poverty of Mexican Drug](#)

Before we explore why oil makes post-war elections so dangerous, it is important to understand why elections in the aftermath of civil war are so tenuous. First, each side has a paramount interest in either being in control of, or having a place within, the post-war government. Especially following the disarmament and demobilization process, whichever side gains control of the government will maintain a [monopoly on the coercive apparatus of the state](#). When one controls the armed forces and police, it makes it easier to use the security sector to find and sanction your wartime opponents. This feeds into a major concern in the aftermath of civil wars that is known as the [credible commitment problem](#). Essentially, after fighting stops, belligerents have an incentive to renege on agreements and use renewed violence to gain the upper hand in their dispute.

Furthermore, both sides are aware that this incentive exists and therefore they have trouble credibly committing to abide by the terms of whatever settlement is reached. Because combatants are worried about being targeted by their opponents after fighting ends, control of the state (or simply representation within the government) is critical. Elections can pose a particular problem in the aftermath of civil wars as the electoral process generates uncertainty about who will be in control of the state. As famously noted [Adam Przeworski](#), democracy is the process of institutionalizing uncertainty. This is a bitter pill to swallow if losing an election means that one may be the target of post-war score settling.

Equally, when elections are held shortly after the war ends, the elections end up being largely [referendums on the civil war itself](#). As rebel groups and the government often target civil society figures during the conflict, armed factions are generally the only organized political force left when fighting ends. Voters

## Cartels

---

## ORG's Vision

---

## Remote Warfare: Lessons Learned from Contemporary Theatres

are then tasked with voting for former rebels or the incumbent government. When militant factions fail to do well during the election, they often feel that it is more advantageous to return to the proverbial bush and use renewed violence as a way to get a better bargain in the future.

This was illustrated well by the failure of the 1991 Bicesse Accords in Angola. As part of the peace process, elections were held in 1992. The UNITA rebel group suffered significant losses at the polls. Shortly after the votes were in, Jonas Savimbi stated that the game was rigged and led his rebel group to return to fighting. Voters are therefore often left between a rock and a hard place, as elections that held shortly after a settlement is reached typically leaves only armed factions as the only real candidates. Many voters that are tired of war will often side with the faction deemed most likely to reengage in violence if they lose the popular vote. Following the 1996 Abuja Accords in Liberia, Liberians voted for Charles Taylor not because he seemed to offer the most sensible policy solutions, but because the country worried that his powerful NPLF rebel group would resume the civil war if he lost.

Almost ironically, elections are the most common provision in peace agreements. The international community often pushes for elections as a first step to achieving democracy. On the one hand, this does make sense. Established democracies (as compared to new and transitioning democracies) are at a far lower risk for suffering political violence. Equally, the regular turnover of leaders often leads to a greater respect for human rights as compared to more autocratic governments not constrained by the ballot. But the road to establishing a democracy in the aftermath of civil war is precarious to say the least. Given the unstable nature of post-war democratization, scholars refer to this challenge as the [war-to-democracy dilemma](#). After a civil

war ends, how does one establish a functioning democracy when democratic processes may actually lead to renewed fighting?

### **Raising the Stakes: Oil Wealth and Election Salience**

Post-war elections are further complicated by the **presence of oil wealth**. The presence of oil wealth raises the salience surrounding the outcome of the initial post-war election, as control of the government in oil-rich countries affords leaders not only physical security, but increased wealth as well. Civil wars are devastating for national economies. Major fighting often crumbles the national infrastructure, forces human capital to flee (leading to a significant brain drain), and robs money from necessary investments in public goods so that the government can prosecute the war against insurgents. Though post-war economies receive a noticeable increase in growth when fighting ends (known as the **peace-dividend**), their long-term prospects for generating substantial wealth are low given the costs of the war. For elites interested in using their elected office to line their own pockets and funnel government resources to ensure the support of their allies, post-war economies rarely offer these benefits. This is not the case for post-war governments that have access to oil rents.

Unlike lootable goods (such as alluvial diamonds), governments generally maintain a monopoly on oil rents given the infrastructure and security that is necessary to drill and transport crude. This often provides governments in oil rich countries with significant assets that may be used to invest in public goods and (more often than not) use oil rents to pay off opposition figures so as to consolidate their control of the state. Post-war elections in oil rich states therefore not only determine who will control the coercive apparatus of the state, but who will manage oil rents collected in the aftermath of fighting. For

elites who win the initial post-war election, the use of oil rents will allow political entrepreneurs to cement their control on elected office by doling out patronage to supporters. Scholars have referred to this as the **stabilization hypothesis**, where oil wealth is used to prevent major political challengers from emerging. For instance, since the end of the Angolan civil war in 2002, the dos Santos government in Angola has not been shy with using oil wealth to reward their supporters (and fill their own personal coffers). This has led President José Eduardo dos Santos's prolonged tenure in office.

South Sudan has been no different. After independence, SPLM officials have stolen large shares of the fragile state's oil revenue, leaving little for critical issues such as infrastructure development or to pay for new committees to adjudicate contentious land disputes (which was called for in the 2005 comprehensive peace agreement). After fighting ends, the first post-war election not only determines who will have control over the coercive apparatus of the state, but which party will benefit the most from oil production. The additional benefits from oil wealth significantly increases the salience associated with the first post-war war election, which in turn pushes each side to engage in illicit electioneering such as vote-tampering, intimidation, and election violence. These actions discredit the results of the post-war election and allows the loser to return to insurgency as a way to pressure the state to offer concessions.

## **Lowering the Stakes**

How can the international community help reduce the risk that the initial post-war elections in oil rich countries will result in renewed fighting? Fortunately, a considerable amount of research has underscored many strategies to avoid civil war recurrence.

First, a key strategy is to delay elections. While there is often substantial pressure from international and domestic actors to hold elections shortly after fighting ends, the scholarly consensus is that these actions will further destabilize the post-war peace process. By holding off on elections, the international community will buy time for civilian organizations to form their own political parties that are effective enough to challenge the government and former rebels. This was one key difference between Angola's failed 1992 Bicesse Accords and the 2002 peace agreement. Elections were postponed until 2008, allowing more than just the MPLA and UNITA parties to compete effectively. Equally, postponing elections also allows for the complete disarmament and demobilization of rebels and pro-government militias. Post-war governments are also allowed time to form new unified militaries from disarmed factions.

Finally, **electoral laws** can be revised and renegotiated by both the opposition and the government to reduce uncertainty over the initial election. As parties may object to postponing the elections for numerous years following the end of fighting, the process of rewriting electoral laws and cooperating in the implementation process allows both parties to have agency over the electoral process. The emphasis on electoral laws was one reason why the 2003 Accra III peace agreement in Liberia was more successful than the Abuja II accords in 1997. While the international community cannot remove oil from the equation in difficult conflicts like South Sudan, concerned parties can help manage the risk by allowing time for non-combatants to organize their own political front and reshape the institutions to reduce the risk of the initial elections.

**Eric Keels is the Post-Doctoral Research Fellow in Global Security for the Howard H. Baker, Jr. Center for Public Policy at the University of Tennessee.**

## Share this page



## Contact

Unit 503  
101 Clerkenwell Road London  
EC1R 5BX  
Charity no. 299436  
Company no. 2260840

Email us

020 3559 6745

## Follow us



Registered with  
**FUNDRAISING  
REGULATOR**

## Useful links

[Login](#)  
[Contact us](#)  
[Sitemap](#)  
[Accessibility](#)  
[Terms & Conditions](#)  
[Privacy policy](#)