

**Nurturing Community Capacity to Manage Local Conflict:
Lessons from Indonesia***

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November 5, 2004

Submitted by invitation for publication in Ted MacDonald (ed) *Moving Beyond
Armed Actors* (Cambridge, MA: Harvard University Press, forthcoming)

* This chapter draws material from a larger study on local level conflict and participatory development projects in Indonesia. Rachael Diprose and Adam Satu were key members of the research team and contributed to developing the ideas explored here. We are indebted to Scott Guggenheim for his active support and feedback. DfID, AusAID, the Norwegian Trust Fund, and the World Bank's Conflict Prevention and Reconstruction Unit, Social Development Department, and Development Economics Vice Presidency all provided financial help. Versions of this chapter were presented at seminars at George Mason, Harvard, Johns Hopkins, Universitas Indonesia, Yale, the World Bank (Washington and Jakarta), the Southeast Asia Conflict Studies Network (SEACSN) conference, and the MOST-LIPI/UNESCO conference on Conflict in the Asia-Pacific. The views are those of the authors, and should not be attributed to the organizations with which they are affiliated. Address for correspondence: Michael Woolcock, 1818 H Street NW, Washington, DC 20433, USA. Email addresses: pbarron@worldbank.org, cgibson@worldbank.org, c.q.smith@lse.ac.uk, mwoolcock@worldbank.org

1. Introduction

Peaceful conflicts are essential features of functional democratic systems, yet even the most cursory reading of today's newspaper headlines quickly reveals, to use one observer's phrase, a 'world on fire' (Chua 2002), with a number of states experiencing multiple and severely violent conflicts. Whereas previously the most conspicuous and deadly conflicts were between states, since 1989 the most intense forms of violence have been within states. As the Cold War powers have withdrawn from client states (or, in some cases, re-entered them forcefully), and as authoritarian governments have collapsed, institutions left behind have too often been unable or unwilling to contain disaffected or criminal elements, let alone to build vibrant and inclusive economies. The movement of populations and goods, the acceptance (albeit often rhetorical) of universal human rights standards, and the increasing availability of small arms have all impinged upon old norms of absolute state sovereignty, simultaneously affecting both the nature of violence and the state's ability to manage it.

The result is a world where 'pre-modern' developing states, arrayed along a spectrum of state failure, often no longer hold a monopoly on the means of violence (Cooper 2004), with violence itself increasingly taking a form not dissimilar to that observable in the pre-industrial West—clashes between warlords, ethnic/kinship-based armies, and high levels of opportunistic violent crime, often with correspondingly violent responses (Bates 2001). As the intrinsic and instrumental development costs became apparent, development agencies and donors have increasingly come to see conflict prevention and reduction, and post-conflict reconstruction, as part of their mandate (Uvin 2002).

In this changing climate, how much room for maneuver do developing states and development actors have? Recently, the solution has been seen to be one of nation- or state-building (Ignatieff 2003; Fukuyama 2004). But what does this mean in environments where, until recently (and, in some cases, still), the relationship between the state and segments of society has been by and large one of repression, with state-sponsored terror and accompanying rights abuses the preferred method of conflict 'management'. What practical and actionable approaches can be pursued to help improve the ability of states and citizens to manage destructive conflict, without resorting to authoritarian means?

Even with the recognition of the scale and impacts of violent conflict in the developing world, and its changing nature, it seems that precious few strategies exist for dealing with it. Most previous research on conflict has focused on large-scale, high-profile episodes of violence and framed them in terms of ethnic/religious tensions, separatist discontent, thwarted economic opportunities, or weak institutions. Such research, often derived from secondary sources and/or from observations at a single point in time, tends to offer cultural or structuralist explanations and solutions. The prevailing frameworks have tended to be overly state-centric, with little attention paid to the many domains of life in which informal institutions and actors have jurisdictional authority and cultural legitimacy. This precludes attention being given to understanding how the efficacy of prevailing customary dispute resolution mechanisms are shaped by (a) broader forces of social and political change, and (b) the nature and extent of their links to formal state institutions (for example, local government and the judicial system).¹

¹ There are exceptions, notably the work of Mamdani (1996, 2001).

In this chapter, we look instead at local level (‘everyday’) conflicts, the dynamics shaping their evolution over time, and the mechanisms by which these different outcomes are achieved through engagement with (and interactions between) informal, often traditional, and formal dispute resolution mechanisms. We take as our case study two very different provinces in Indonesia. Having implemented a radical decentralization process, conducted three largely peaceful national elections in a year (among a population of over 200 million, the fourth largest in the world) and managed to maintain economic stability in the wake of a number of external shocks (including three large terrorist attacks in two years), Indonesia is increasingly seen as a positive example of a country in transition (Rieffel 2004). Yet, at the same time, Indonesia’s recent experience has been wracked by violent conflict, with at least 4,869 deaths in 2002 alone. Further, local level conflict is endemic across the nation (Barron, Kaiser, and Pradhan 2004).

On the basis of detailed research in two Indonesian provinces, we present an integrated framework for understanding the pathways that conflicts can take, the conditions under which they follow one trajectory rather than other, and the characteristics that make for effective intervention. The study followed the evolution of more than seventy local level conflicts—some violent, some not—collecting data on conflict pathways, as well as data on the structures (demographic, political, social, economic) of the communities in which these conflicts took place. Our frameworks, we argue, are potentially applicable to other countries and other conflicts, and may help citizens, policymakers, and practitioners to craft more effective responses to conflict in developing countries.

The chapter proceeds in five sections. Following this introduction, we summarize in Section 2 the basic methodology employed to choose research sites and collect data. In Section 3, we provide a distilled model of the frameworks we developed to help us understand the pathways local conflicts take and the contexts in which given conflicts are most likely to emerge, be resolved, stagnate, turn violent, and/or escalate.² Section 4 presents some of the broad policy and project implications of our findings, and, particularly, the parameters along which effective interventions might be crafted to help lower the likelihood and escalation of violent conflict. Section 5 concludes.

2. Exploring Conflict Pathways: Methodologies and Methods

While scholarly work from four theoretical strands of literature on conflict³ has contributed important insights to our understanding of conflict’s causes, nature, and impacts, key questions remain. They remain in part because different theoretical frameworks have been inadequately integrated, and because methodological strategies have often been insufficiently developed to answer the questions both theories and previous research have posed. How and why, for example, do some small conflicts escalate into large-scale violence, while others stagnate or get resolved? To what extent, and in what ways, does societal context shape conflict’s incidence, nature, and outcomes, and how do these contexts interact with particular issues, and the role of particular actors, in given places? How does the development process create and interact with

² The full framework is outlined in detail in Barron, Smith, and Woolcock (2004).

³ See Barron, Smith and Woolcock (2004) for a summary of these strands.

existing tensions, and how does this affect the ways in which these tensions can (or might) be managed?

Our study seeks to contribute to a greater understanding of these issues, with the explicit aim of helping to contribute towards the crafting of policy and programmatic responses to conflict in Indonesia (and, hopefully, elsewhere). The study sought to integrate qualitative and quantitative tools, and involved over six months qualitative fieldwork, the fielding of a key informant survey, the use of national household and key informant survey data, and the creation of datasets of secondary (statistical and newspaper) data.⁴

At the heart of our research strategy was a focus on variation (in contexts and in conflict outcomes), which necessitated the use of a carefully structured sampling framework. Two very different provinces were chosen for the research (East Java and East Nusa Tenggara⁵) based on consultation at the national and provincial level.⁶ Within each province, two districts were selected, one with a ‘high capacity’ to manage conflict, the other with ‘low capacity’. Working in both ‘high’ and ‘low’ capacity districts in each province allowed us to examine more closely the district-level factors that may affect the trajectories local conflicts take.⁷ In each of the four districts, four ‘matched’ sub-districts were chosen using a combination of quantitative propensity score matching techniques⁸ verified by qualitative discussions with local field staff.⁹ The specific villages to work in (41) and cases of conflict to follow (72) were then selected using a range of criteria which aimed to elicit insights on: (a) local-level mechanisms for peace and/or conflict that were as independent of the broader institutional environment as possible; and (b) the different local-level institutional factors that helped explain differences in conflict pathways and their outcomes.¹⁰ As such, conflict cases were selected from a range of areas, and with wide

⁴ For a full description of the methodology used in this study, see Barron et al (2004).

⁵ This province is referred to throughout the paper by its common Indonesian title, NTT, or Nusa Tenggara Timur. Both district research sites in NTT were on the island of Flores.

⁶ The provinces were chosen to be as different as possible, the rationale being that, as we are looking for common patterns, our findings would be strengthened if they held up in two different settings. Conversely, variation in conflict types and outcomes between the two provinces may give us insights into provincial level factors that affect conflict incidence. Variance was determined based on population size and density, ethnic and religious homogeneity (and dominant ethnic/religious group), dominant industries, and level of provincial development.

⁷ In many ways, this is similar to the approach Varshney (2002) takes in India. However, we extend his principle of matching sites with similar structures but different conflict outcomes down to both lower geographic units (the sub-district and the village) and to actual cases of specific conflict incident (see below). We also used a larger range of variables to match our research sites (Varshney concentrates on population size and religious mix). The selected district sites were: Pamekasan (low capacity, East Java), Ponorogo (high capacity, East Java), Manggarai (low capacity, NTT), and Sikka (high capacity, NTT).

⁸ The propensity score is a statistical measure designed to calculate the probability of a given household or village being selected for inclusion in a program (for an introduction, see Baker 2000).

⁹ The study aimed to provide a better understanding of the trajectories of local level conflicts, but also aimed to evaluate the impact of the Government of Indonesia/World Bank’s *Kecamatan* Development Project (KDP) on both those trajectories and local conflict management capacity. While this paper does not examine the linkages between the project and conflict (management), in forthcoming work (see Barron, Diprose, and Woolcock, forthcoming) we present the empirical results assessing KDP’s impact on conflict. To do so, in each of the four sub-districts we selected a ‘control’ (non-KDP) sub-district and a statistically identical ‘treatment’ (KDP present) sub-district, plus two additional ‘treatment’ sub-districts to further explore variation.

¹⁰ Since our primary unit of analysis was the local level, most of our fieldwork took place in villages. Despite the impact of common external or structural factors caused by economic and political transition (and, in particular, the economic crisis, democratization and decentralization of the post-Soeharto era), large variations exist in the level

variation in the sample of the issues being contested, the outcomes, and associated impacts. Conflicts studied included—but were not limited to—those centered on: land use and boundaries (private, public and communal); ownership and management of natural, common pool, and man-made resources; political and administrative disputes; gang fighting; attacks on thieves and witch doctors; domestic violence; and disputes related to development projects and corruption.

Using a modified version of the process tracing method (Bennett and George 1997, Varshney 2002), researchers traced the chronologies of these conflict cases with the aim of trying to establish why conflicts took particular trajectories, and to examine how different actors—villagers, facilitators, local leaders—together negotiated (or fail to negotiate) different types of conflicts in different settings. By doing this, we were better able to identify the factors that transform underlying social tensions into different outcomes. Comparative analysis of these cases—drawing on context-specific qualitative and quantitative data demographic, economic, historical, political, cultural—allowed us to discover both commonalities and difference in patterns of escalation, resolution and stagnation, which in turn helped to explain similar/alternate conflict outcomes.

To understand how and under what conditions contextual factors become salient, however, it is first necessary to map out a finite range of pathways down which a given initial dispute can go, and a finite range of possible outcomes that can be reached. When a dispute occurs, three logically possible outcomes can be attained: resolution, stalemate, or escalation. Analytically, these outcomes will either be reached by the disputants themselves and their immediate representatives (i.e., first and second parties), or via the intervention of a person, or group of persons, who are external and, in principle, neutral to the conflict (i.e., third parties).

An analysis of our case studies led us to the schema outlined in Figure 1 (below). A local level conflict breaks out (for example, a dispute over the precise location of a property boundary). In most instances, the immediate parties to the conflict will first try to negotiate a solution (path 1), though in others it will be relatively clear from the outset (e.g., in the case of a murder) that a third party has immediate jurisdiction (path 2).¹¹ In many instances, the parties to the dispute reach a resolution (path 1-3), or do so via the intervention of a third party (path 2-12).¹² If,

and impacts of violence. This suggested the presence of some endogenous causes of violence, or at least uneven impacts of exogenous forces. Selecting disputes at the local level to follow helped us explore why, despite similar structural or transitional features, some villages experienced violence while others did not, and the factors that are most salient for explaining this variance (for fuller details, see Barron et al, 2004, pp. 39-43).

¹¹ As we shall discuss below, one factor that exacerbates conflict in developing countries is in fact the absence of a clear jurisdiction for addressing particular conflicts, a feature we call low problem-jurisdiction compatibility.

¹² There is much debate in the literature about what exactly is meant by ‘resolution’. As Nader (1990), among others, has pointed out, short-term and long-term resolution may be very different things. A conflict may initially be seen as resolved when proximate causes are addressed, because cultural norms stress the importance of ‘harmony’, or because solutions are imposed in an autocratic manner. However, the conflict may well re-ignite at a future point. We acknowledge that, depending on the type and result of the intervention, the end points in our model may signify only a temporary dispute-specific resolution. In that case, even when conflicts have reached this end equilibrium, another spark may again trigger a new conflict or re-ignite an existing one. Indeed, given the cyclical nature of conflict, and the difficulty of providing true resolution that satisfies all disputing parties, this is a frequent outcome. As such, our framework should not be seen to encompass all aspects of every conflict’s lifecycle, but rather constituent elements of episodes within a given conflict. For a justification of breaking larger events down into smaller ‘episodes’ for analysis, see McAdam, Tarrow, and Tilly (2001).

however, the immediate disputants fail to reach a satisfactory resolution, their next move is usually to either recruit additional people to their cause (neighbors, family members, mercenaries) and/or to turn to a local leader or other designated individual (e.g., a community elder).¹³ Sometimes local leaders will help the disputants reach a resolution (path 1-4); other times, for whatever reason, they will fail (path 1-5). If the dispute is one the community prefers to resolve itself, yet a resolution is not or cannot be reached, a stalemate may result in which the problem remains in perpetual limbo, locked into a loop (path 5). From here the conflict may remain latent or escalate into violence (loop 6) as cycles of vengeance and revenge take hold. At some point, local leaders, the disputants themselves, or formal authorities may seek to break the stalemate or stem the violence through the intervention of a third party (path 7).

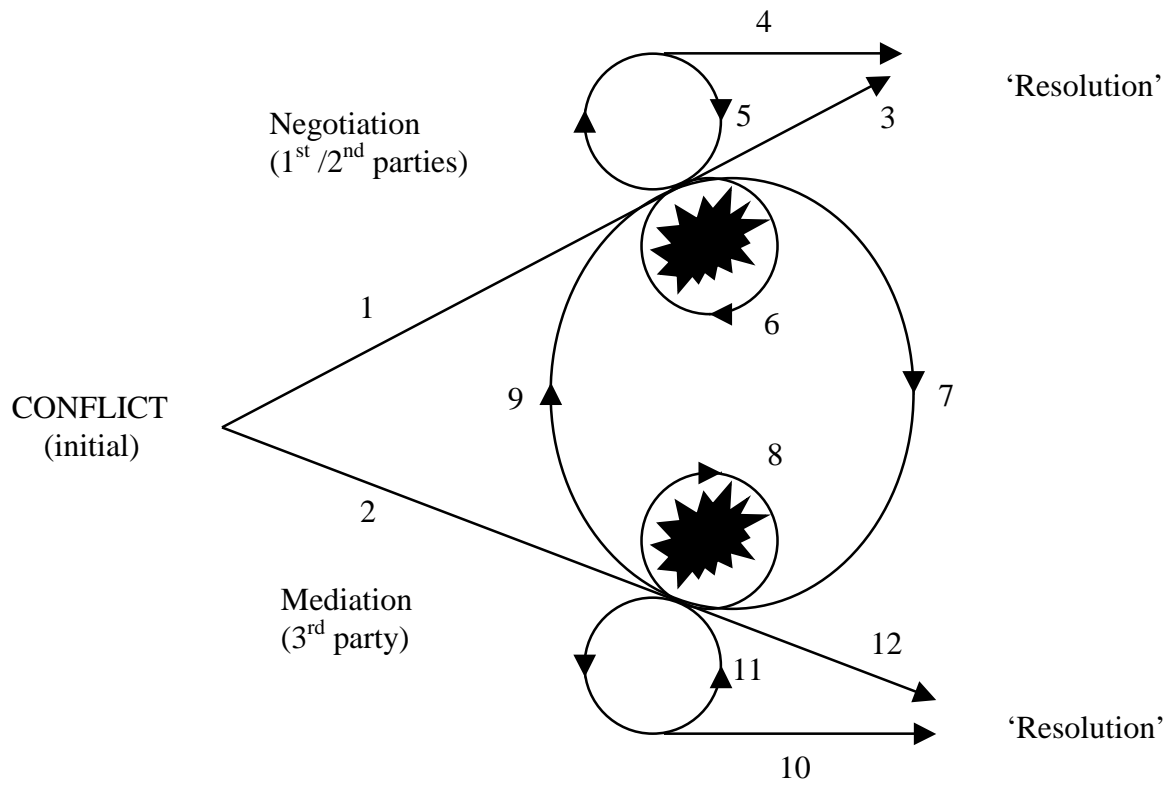
The involvement of third parties may be successful (paths 2-12 or 1-7-12), or it may not. Third parties, having entered into initial negotiations, may decide that the problem is beyond their capacity, interest, or mandate, and may return the case to the community (path 9) or give it to a different third party. From here another stalemate may result (loop 7-9), in which both the community and any designated third party exchange responsibility for (but never actually reach) a resolution.¹⁴ Alternatively, a series of new third parties may be called upon, and one of them may find a resolution (path 10) or they may not. If it is clear that a particular third party is required to address a particular problem (e.g., a court of law in a murder case), a resolution may not be reached because of inadequacies on the part of that third party (e.g., a long backlog of cases in the judicial system that leaves tensions to simmer), leading to a stalemate (loop 11). In the worst case scenario, the third party itself becomes part of the problem (e.g., delivering a verdict that is patently unfair, as when judges are bought off by vested commercial or political interests), leading to a rapid escalation of conflict and then violence (loop 8), seen most graphically in our cases of attacks on police stations and the burning down of a court house.¹⁵

¹³ We do not categorize such people as ‘third parties’ because, as prominent members of the community, they are not neutral or external, to the conflict. Moreover, although some selected conflicts (e.g., domestic disputes) are seen to be the exclusive realm of the immediate disputants (often creating, in the process, an additional layer of potential injustice, in this case for women), in most instances there is little ‘legal’ distinction between inter-individual and intra-community disputes. Thus, local leaders are often, analytically speaking, indistinguishable from the initial first and second parties.

¹⁴ This loop was apparent in many of the studied cases of conflict involving incidents of sexual abuse. Here, power imbalances between the ‘disputing parties’ prevented any negotiated settlement. However, when a third party was called upon—often by the woman’s family—they would frequently refuse to address the problem, arguing that such matters should be kept in the family and resolved there. Only in one case (in Sikka, Flores) did a legitimate and respected third party intervene, mediate and then enforce a resolution; in all other cases a stalemate was reached, without resolution. This form of stalemate was also common to land conflicts in the regions studied where traditional communal land ownership patterns are still strong. In these cases, the incompatibility of the problem of land ownership conflicts, with the jurisdiction of state land titling authorities, meant no third party ever had clear jurisdiction or legitimacy (in the eyes of the community) over land conflict mediation. Thus the stalemate situation (loop 7-9) was perpetuated as state authorities consistently failed to mediate adequate solutions. Prior (2003, 2004) highlights the grey legal areas between national law formulated in Jakarta and indigenous customary law related to land use and management of ancestral lands. Neither body of law recognizes the other, causing intractable land conflicts in the region.

¹⁵ When villagers believe that they cannot access the formal legal system and receive a timely and fair hearing, they may be forced to take the law into their own hands. On the forms and prevalence of vigilantism in Indonesia, see Colombijn (2002) and Welsh (2003).

Figure 1: Local Level Conflict Pathways



By now, however, the initial conflict has evolved substantially, most likely requiring a different set of resolution mechanisms, not least because it has reached a scale of public visibility and impact that leads it to be re-framed in more conventional (‘ethnic’, ‘religious’, ‘political’) terms. It is at this point, we argue, that most of the earlier academic and policy research on conflict enters the scene. If we are to better understand how to prevent the occurrence of larger-scale conflict, understanding how such conflicts actually began and then evolved is surely crucial.

3. Explaining Conflicts: Three Key Analytical Realms

The schema outlined above sets out the analytically finite range of actors, stages, and outcomes associated with a given initial dispute, though it should be clear that the actual pathway taken by any particular conflict as it evolves will most likely entail a complex sequence of these pathways. Our initial purpose here has been to build a framework within which to map, and put a boundary around, these numerous possibilities. The next step, of course, for both theoretical and policy reasons, is to identify the conditions under which a conflict heads down one pathway rather than another. In the sections that follow, we seek to identify these conditions, based on the detail of the conflict case study data.¹⁶

¹⁶ Two provincial reports—from NTT (Satu and Barron 2004) and East Java (Diprose 2004)—provide the detailed analysis upon which our frameworks rest.

‘Rules of the Game’

Formal and informal rule systems within communities govern people’s behavior in response to events, actions or choices. Understanding the rules that exist within a given society is vital if we want to understand the ways in which social, political, and economic relations are structured, and hence the ways in which individuals and groups interact. We find three dimensions of rule systems particularly salient.

First, the degree of difference or similarity between alternative rule systems, laws and norms matters in conflicts. There are three primary sources of incompatibility of rule systems. The first is where, for a given issue, more than one set of rules is deemed applicable by disputants. Incompatibility may be between formal and informal rules, different sets of informal rules, or different, contradictory, sets of formal rules. Second, incompatibility may arise from different interpretations of the same rule, by different actors. Third, incompatibility can arise from differences between the spirit and the letter of the rule when it is applied.

Although incompatibility of rules can, indeed, be a source of conflict, it does not necessarily and inevitably spell trouble. If an overarching rule or process exists for choosing and mediating between competing rules systems, incompatibility of rules is much less likely to lead to conflict. We call such mechanisms ‘meta-rules’. Meta-rules are agreements to principles about what to do where there is ambiguity or incompatibility amongst rules; they may be rule systems in themselves, or they may be authorities (individual or institutional) to which legitimacy is commonly ascribed from different groups and actors in conflict. A coherent meta-rule—that is, where there is shared agreement on the rule system or rule that should apply when there are alternate rule systems that clash with each other—can (potentially) override incompatibilities between rule systems.

Lastly, rules can either be enforced formally or informally. By formal enforcement, we mean application of a rule or decision by an agent of the state. By informal enforcement, we mean application by a non-state agent. These agents can either enforce formal or informal rules. In most cases, formal actors will enforce formal rules, and informal actors informal rules, but the reverse can also occur. In the absence of effective state presence, for example, non-state agents may (either legally or illegally) enforce state legislation or, alternatively, may resort to informal codes, such as vigilante killing of thieves. Conversely, agents of the state (e.g., policemen) may enforce informal rules, particularly in cases where no formal state legislation exists to guide action, or where an informal norm is so strong that it is commonly accepted that it should override the formal rule. In such cases, no coherent meta-rule exists.

Figure 2 (below) illustrates four key variables that are at play when rule systems are being applied, and helps illustrate why the application of rule systems can fail, and, consequently, why in some contexts conflicts are more or less likely. Contexts can thus be classified by the extent to which the rules of the game are coherent, that a meta-rule exists, and the extent to which rules are enforced, formally and/or informally. We argue that in situations where rules are compatible and/or where there is a coherent meta-rule, and where the agreed upon rule or meta-rule is enforced (by either a formal or informal actor, or preferably both), conflict is less likely to occur

and, if it does, is less likely to escalate. This is because there are either agreed norms of acceptable behavior or agreed processes to deal with any arguments over what constitutes unacceptable behavior, and because these norms or processes are enforced.

Figure 2: Characteristics of Rule Systems

		Compatibility of Rules			
		<i>Low</i>		<i>High</i>	
		Coherent Meta-Rules		Coherent Meta-Rules	
		<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>
Enforcement	Low Formal Low Informal				
	Low Formal High Informal				
	High Formal Low Informal				
	High Formal High Informal				

‘Dynamics of Difference’¹⁷

If the ‘rules of the game’ set the broad parameters of acceptable behavior within and between communities through the deployment of informal sets of rules and norms and formal (explicit) rule systems, what we call the ‘dynamics of difference’ between groups shapes how *intra*-group norms, interests, and identities are influenced, and how, in turn, the corresponding bases and political salience of differences *between* groups may fluctuate. While our study does not propose a complete theory of the construction and maintenance of ‘difference’ between groups, analysis of our cases did show the extent to which it is important to take account of such processes in explaining conflict.

The evidence from our study indicates that a large proportion of conflict in Indonesia found at the local level is group-based. As numerous authors (e.g., Horowitz 2000) have noted, group-based identity can be either ascriptive (whether based on race, language, clan, caste, language, and so on), prescriptive (village location, political party affiliation, economic group where mobility is possible, etc), or a combination of the two. As Anderson (1991) and others have reasoned, the formation and transformation of identity are conditional on demographic, political, economic, cultural, policy, and legislative environments, and changes on multiple levels. Our data suggests that the ways in which groups (their leaders, and constituent individuals) interact with each other and assert, defend and reconstruct their identity—or, more accurately, particular forms of identity in response to particular circumstances—constitutes one of the major determinants of conflict trajectories. Recognizing the constant, dynamic foundations of identity

¹⁷ For ideas and background on this section, we are indebted to Rachael Diprose and Adam Satu.

formation helps to explain why relationships between groups that may initially appear harmonious can quickly degenerate into group-based conflicts.

In the conflicts we explored, three primary factors were relevant to the construction, maintenance, and (political) salience of group difference. These were: (a) history as institutional legacy and consolidation; (b) history as the invocation and re-imagining of the group's biographical narrative; and (c) appeals to present interests and future aspirations to sustain group size and vibrancy. The first refers to the ways in which political and legal events at a given moment in time conspire to institutionalize particular demographic categories, resource endowments, and rules of ownership and procedure, thereby formally consolidating—via mechanisms of 'path dependence'—certain arrangements and options while precluding others. The second factor addresses the ways in which elites are able to craft a compelling and durable narrative (ably supported by and reified during rites-of-passage rituals and festivals, and reinforced by outbreaks of conflict) of the group's origins, struggles, and defining characteristics, doing so in a way that is simultaneously able to provide a coherent account of everyday life *and* to adapt itself in the face of internal 'legitimation crises' or external threats or opportunities.¹⁸ The narrative of a group's struggle, and thus group identity, is often reinforced by the stories told about incidents of conflict, with each side describing their own acts of violence as part of a noble response to antagonism from the other group.¹⁹ The third factor concerns concrete ways in which leaders seek to protect and/or expand group membership by appealing to present interests (e.g., people's human need for security) and future aspirations (e.g., for power). Conflict can therefore be used as a means for mobilizing group identity, reinforcing divisive identity groupings, or enabling the positive re-imagining of group identity.

'Efficacy of Intermediaries'

Our data suggest that when the immediate parties to a dispute are engaged in seeking a resolution, three variables are paramount in shaping the likelihood of success. First, both parties must be willing to act to seek a solution. This might initially sound self-evident, but in many instances of enduring local level conflict it turns out that one or more parties in fact have a vested interest in having the conflict continue. Second, the parties need to have the resources—human, financial, and administrative—to seek a resolution. Third, the parties need to have a high and shared understanding, both of the details of the local context (its people, culture, and problems)²⁰ and the technical expertise needed to consolidate a final decision. Where both parties have the willingness to seek a solution, have adequate resources, and shared understanding (contextual and technical), they are likely to reach a joint resolution; where the opposite is the case—that is, where one or both parties has a low willingness to seek a solution, few resources, and/or low understanding—conflicts are likely to fester, escalate, and/or be deferred to third parties (see Figure 3).

¹⁸ This strand of the argument draws on, among others, Habermas (1975) and Anderson (1991).

¹⁹ Brass (1997) outlines several cases of the different narratives told by each group involved in the same incident of conflict. While certain facts may not be disputed, constructions of conflict, and the role of groups in these conflicts, are usually highly contested. The perpetuation of such opposing viewpoints in the press, in everyday discussions, and within government itself contributes to the construction and maintenance of group difference.

²⁰ Scott (1998, pp. 311) refers to such knowledge as 'mētis', a Greek concept that refers to "forms of knowledge embedded in local experience" as opposed to "the more general, abstract knowledge deployed by the state and its technical agencies."

Disputes can sometimes be deferred to (putatively) neutral third parties, but the result of third-party mediation is not necessarily positive, in large part because their perceived legitimacy is so crucial. The legitimacy of third parties comes in two forms. First, it must be clear to all concerned that intermediaries possess a jurisdictional mandate.²¹ Secondly, third parties must be known to be competent and/or fair. Mediators must also be both willing and capable of acting as a third party to a conflict. In many cases we looked at, when a government official had been turned to by disputing parties at the village level, the officials were not necessarily willing to act, despite having the legitimacy to do so. There were other cases where local government leaders were willing to act, and had the legitimacy to do so, but lacked the practical or technical resources. In short, where third parties lack legitimacy, prove unwilling to seek a solution, or lack adequate capacity (resources and understanding), it is unlikely they will be able to reach an effective resolution.

Figure 3: Efficacy of Intermediaries

		Legitimacy			
		High		Low	
		Willingness to Act To Seek a Solution		Willingness to Act to Seek a Solution	
		High	Low	High	Low
Capacity	High Resources High Understanding				
	High Resources Low Understanding				
	Low Resources High Understanding				
	Low Resources Low Understanding				

4. Policy and Project Implications

Realignments of economic and political power, reconfigurations of expectations and identities, and ‘great transformations’ of space, social relations, and institutional structures are an inherent—even defining—feature of the development process (Bates 2001). As such, conflicts great and small are both normal and inevitable. The corresponding challenge for domestic policymakers and practitioners, and international actors, is to discern how to provide constructive mechanisms and spaces for: (a) addressing the conflict that inherently accompanies all of their activities; (b) delivering vital public services in moderate conflict settings; and (c) rebuilding physical and civic infrastructure after episodes of violent conflict.²² While not offering a blueprint for how to proceed, our research nonetheless suggests five areas for attention.

²¹ For more on the gap between villagers and the formal justice system in Indonesia, see Stephens (2003) and World Bank (2004).

²² On the potential role of community-based approaches to rebuilding after conflict, see Cliffe, Guggenheim and Kostner (2003).

(i) Rethinking ‘Policy Implications’ Orthodoxy

Local level conflicts, at least in their initial stage, are primarily embedded in relational dynamics; as such, any resolution is usually arrived at through protracted dialogue and debate. To help these processes, development interventions should support the kinds of conflict management practices required to find these solutions. Unfortunately—in Indonesia and elsewhere—top-down reform efforts too often do not reflect local level realities, where multiple and often contradictory legal systems exist.

We argue that it is crucial to understand ‘policy responses’ to local level conflict in ways that transcend orthodox technocratic assumptions and procedures. This is not to suggest that the formal legal system in Indonesia is not in need of reform, or that responsibility should be ascribed or devolved in wholesale ways to traditional conflict resolution systems, but rather that attention should be directed at improving the intersection between the two. This task requires skills sets and a modus operandi not usually associated with development elites or the programs they fund (Pritchett and Woolcock 2004). As Heifetz (1994) and others have argued, the resolutions to these types of policy problems are ‘adaptive’ rather than ‘technical’ in nature. Solutions require contextually and locally specific negotiation between the concerned parties of a type that cannot be determined *ex-ante* by outside technocrats. It is our contention that local level conflict resolution falls largely (though not exclusively) into the realm of adaptive problem solving. Spaces, incentives, time, and resources need to be created that make it possible for disputants to craft resolutions that all sides can own, uphold, and enforce.

(ii) Creating Mediating Institutions and Meta-rules

To the extent that conventional policy levers can be pushed in directions that lead to more viable and constructive local level conflict resolution procedures, our results suggest a number of ways in which this might be done. The first concerns the establishment of mediating institutions capable of forging greater coherence between different or competing rules systems. Given the heterogeneity of these systems across Indonesia (and elsewhere), and the often fundamentally different ontological foundations on which they rest (e.g., land as personal property versus land as ancestral connection), it is hardly surprising that efforts to find ‘common ground’ are frequently elusive. In many such instances, identifying even a ‘lowest common denominator’ is wholly inadequate.

Our data suggests that a more fruitful course can be charted by seeking to craft mediating institutions that embody what we have called ‘meta-rules’—that is, coherent overarching agreements that make it possible for otherwise competing or incompatible systems of rules to co-exist. This is, in effect, the role played at the international level by the United Nations in making possible a (more or less) coordinated approach to the management of inter-state relations. Local level agreements will primarily need to be forged by the participants themselves (that is, it is not at all obvious, *ex ante*, what they will look like), though external actors can play a pivotal role, primarily through establishing and protecting the political or social spaces, incentives, simple interim rules, and the resources that make these processes possible. External actors may also be able to play a role in setting minimum standards for a meta-rule that all parties could agree to.

(iii) Innovative Enforcement Mechanisms

The persistent problem with the idea and the practice of the ‘United Nations’, of course, is the enforceability of its agreements. Even if all parties sign up to an agreement, its inherent weakness is in the (potential and actual) lack of enforcement of such agreements. If, as we have argued, the crafting of coherent meta-rules should be a key component of strategies for seeking effective local level conflict resolution, then serious attention also needs to be given to the issue of enforcement. As discussed above, enforcement needs to be understood and agreed to at both the formal and informal level. Enforcement by the formal sector of formal rules alone is insufficient in the context of rural life in Indonesia (and elsewhere). This is true, on the one hand, because the state is still a long way from having the human, administrative and financial resources necessary to do such a job well. On the other hand, it is true because state legislation and state actors often do not have the same legitimacy within rural communities as informal rules and norms (and informal leaders), hence enforcement will not ‘stick’. This is one of the reasons why traditional rule-of-law approaches seeking to strengthen the central legal organs of the state have often failed in developing countries (Golub 2003).

Having said this, it would be unwise to simply turn to local and traditional leaders to enforce rules, for such an approach can all too easily reinforce and institutionalize power imbalances and the marginalization of certain groups—whether women, ethnic minorities, or the most poor—at the local level. The needs and preferences of different members of local communities, and the supportable sources of legitimacy and authority that already exist, must be properly understood before financial and capacity-building support is allocated to a specific community. Given the extent to which needs and preferences vary at a very local level, this suggests a need for the creation of instruments and forums through which community needs can be ascertained and enforcement mechanisms developed, rather than technocratic solutions developed by outside planning agencies and ‘experts’ far removed from the local situation. Certainly, initial baseline rules would need to be created and enforced through these instruments. For example, violent solutions to a problem would need to be outlawed—an approach that would require intensive negotiation in certain communities. Applying relevant incentives to encourage different communities to sign up to the process and agree to certain baseline rules would help this process.

(iv) Supporting Intermediaries

Another central feature of our framework with direct policy implications concerns the capacity and legitimacy of intermediaries, those agencies or actors who typically occupy two crucial social spaces. The first is between the parties to a dispute, in which case their core task is to act as a *broker*, helping both sides reach an agreement that they (for whatever reason) could not or would not on their own. The second space (for our purposes) is between this institutional entity called ‘the project’ (and/or ‘the state’) and this other entity called ‘the community’, providing a personal line of information and resource flows, and a potential basis for ensuring mutual accountability; here their core tasks are that of *translator* and *bridge-builder*. It is these intermediaries who will most likely be charged with facilitating the crafting and enforcement of mediating institutions and their attendant meta-rules. The effectiveness of brokers, translators,

and bridge-builders, as our evidence revealed, was a direct function of two things. First, their capacity mattered, that is, their combined local knowledge and technical skill, and the quality and quantity of human, financial, administrative resources at their disposal. Second, their legitimacy affected the outcome—that is, the perceived professional competence and integrity of the individual and the organization s/he represents, and the extent to which both are seen as occupying an appropriate jurisdictional role.

The corresponding ‘policy implications’ should be clear. Enough time and resources must be allocated to recruit, train, and retain appropriately skilled intermediaries, and to give them the incentives, autonomy, and resources they need to their job. It is also important to recognize the importance of building on (and working with) existing sources of legitimate authority with communities and appreciating that when external intervention is deemed necessary or desirable, legitimacy is largely earned over time through demonstrated evidence of successful intervention. Small victories, early, often and repeated over time, are vital as a basis for making wider, longer-term successes possible in conflict-ridden and isolated areas (cite Guggenheim article here?). This may also help to prevent bigger conflicts from evolving from the smaller ones.

(v) Negotiating Difference

A final policy implication drawn from our study is the importance of finding ways and means to make difference less divisive. Our research suggests this can be achieved in two ways: through reducing the potency of initial grievances within groups, and/or building more effective bridging mechanisms between groups. The broad policy challenge is to recognize the salience and complexity of twenty-first century identities, especially in communities that contain both ‘pre-modern’ and highly modern elements. At the same time, it is essential to minimize the extent to which those sources of identity are also grounded in vastly unequal material circumstances and differential political statuses.

In more applied terms, development interventions can help build more broadly inclusive and deliberative routines for managing a range of inter- and intra-group difference and in so doing reduce the likelihood of violent conflict. Where such routines confirm that groups are actively considered by their various leaders (from the local to the national level) to be valued and equal members of ‘the same moral universe’ (Skocpol 1990), a positive cycle can be created in which members of different identity groups have a stake in the public good, while also ensuring that there are wide coalitions of support for policies needed to reach and sustain it. So long as communities lack actual or meaningful citizenship, and find themselves living in circumstances that deny them better prospects, it is unlikely that they will have an abiding interest in seeking constructive resolutions to conflicts, let alone the capacity to do so. Indeed, such conditions are likely to both increase the likelihood of conflict and undermine the possibility of redressing it.

5. Conclusion

Drawing on a comparative empirical study in rural Indonesia of the conditions under which various types of initial local level conflicts follow particular trajectories, this chapter has sought to provide a new perspective on the dynamics of conflict pathways in developing countries, and

with it help to lay a richer foundation on which to identify more effective policy responses. The key elements of this foundation have pointed to the importance of coherent and enforceable rules and overarching meta-rules ('the rules of the game'), the malleability and political salience of different identity group claims ('the dynamics of difference'), and the willingness, capacity and legitimacy of mediators ('the efficacy of intermediaries'). These elements can help inform a set of policy recommendations focused on providing incentives, resources, and spaces for crafting viable mediating institutions that enable otherwise weak, competing, or incompatible rules systems to co-exist.

As a group, these proposals also provide a possible challenge to the idea of what constitutes a 'policy recommendation', if by that term we mean a top-down instrument solely or primarily designed and implemented by technocrats or other external political elites. The early and effective resolution of local level conflict, we argue, is in large part an 'adaptive' rather than 'technical' problem, one requiring an emphasis on establishing a basis for effective dialogue, evidence-based decision making, and enforceable agreements, the final specification of which is not always likely to be known at the outset. Effectively addressing Chua's 'world on fire' will entail directing more and better resources, not only financial but also human, from governments and donors to the initial sources of conflicts, but doing so in ways that give disputants a tangible basis for both committing to a shared negotiation procedure and upholding agreements, and ensuring that all parties are held accountable for their actions. This is the challenge ahead.

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