Public policies for peace

SUMMARY

Can public policies influence incentives for violence? Can policymakers design economic and security strategies that effectively reduce conflict, terrorism, and crime? This review synthesizes existing research on the role of public policy in mitigating the drivers of armed violence. It examines a broad spectrum of interventions—from labor market and educational policies aimed at expanding opportunity and promoting inclusion, to strategies designed to deter conflict through detection, enforcement, and prevention. The article summarizes the current state of knowledge, distills key lessons for policymakers, and identifies critical research gaps and promising directions for future inquiry.

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1. INTRODUCTION

Recent evidence points to a troubling rise in global conflict and insecurity. For the first time since World War II, the world has faced multiple consecutive years with over 50 active armed conflicts, predominantly affecting low-income countries. Across Africa, militant groups driven by religious extremism have severely undermined political stability, triggered mass displacement, and intensified cycles of violence. At the same time, gang violence and organized crime have surged, creating profound governance and security threats not only in nations historically plagued by violence but increasingly within high-income countries previously known for peace and stability.

In this context, gaining a deeper understanding of the underlying drivers of violence—and the potential for public policy to prevent and mitigate its occurrence—has become increasingly urgent. Although conflict research has grown rapidly in recent

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decades, it remains a relatively young field, with many unanswered questions and substantial gaps in the evidence base. There is a pressing need for innovative and policy-relevant research that can generate both theoretical insights and practical tools for peacebuilding and violence prevention.

This article contributes to this agenda by reviewing how public policies can influence the incentives that lead individuals and groups to engage in violence—whether in the form of armed conflict, terrorism, or organized crime. The article distills key lessons for policymakers and identifies critical research gaps, offering a roadmap for future studies on how public action can promote peace and reduce violence. This approach reflects the reality that, in contexts of state fragility—where the state cannot reliably guarantee protection and the peaceful and legal resolution of disputes—large-scale political conflict and widespread interpersonal violence represent different points along the same continuum. Both forms of violence profoundly undermine individual well-being, security, and the realization of fundamental rights.

While the range of policy instruments available to governments and international donors is vast, this review concentrates on areas primarily within the direct control of national governments and public administrations. These are domains that do not rely on international agreements or negotiations, nor do they require responses from private sector actors such as firms. Instead, the policies examined in this study can be implemented by national or subnational authorities as a means to directly influence potential perpetrators of violence—either by improving their alternative legal opportunities or by raising the costs associated with violent behavior. These areas include labor market and welfare policies, the discouragement, prevention, and detection of violence, and the design and implementation of foreign aid programs.

The topics in this review are organized as follows. We begin with a set of constructive interventions that aim to reduce violence by expanding access to services and resources. Section 2 examines labor market programs; Section 3 analyzes educational policies and initiatives; Section 4 considers the role of welfare systems; and Section 5 discusses the effects of foreign aid and cash transfer programs. The second part of the review turns to interventions that seek to disincentivize violence. Section 6 investigates the role of natural resources, illicit economies, and criminal markets in fueling violence. Section 7 explores policies designed to deter conflict through discouragement, enforcement, and deterrence mechanisms.

By focusing on these domains, we highlight the levers that states and subnational authorities can autonomously use to address the root causes of violence and promote sustainable peace. In all these settings, the underlying assumption is that governments act as benevolent social planners, aiming at reducing violence while maximizing welfare. We acknowledge, however, that there are settings in which states may have no intention of reducing harm. Even in such cases, the insights of this article continue to hold—international organizations can intervene to alleviate suffering by applying the same policy prescriptions. Even when a government's objectives align with those of its population, it may still lack the capacity to implement the most effective policies identified in these

studies. In such cases as well, third-party actors—such as international organizations—can serve as supplementary forces.

Several fundamental policy tools and areas of conflict are intentionally excluded from this article. This article is part of a broader compendium of studies aimed at exploring how public policies can mitigate and prevent conflict, and it is not intended to stand alone. The subset of policy interventions analyzed here is not exhaustive; rather, it is meant to complement and integrate with the other pillars of this research program. For instance, McGuirk (2025) examine the international dimensions of violent conflict through a geoeconomic lens; Vanden Eynde and Vargas (2025) focus on the role of climate change and natural resources; and Mayoral and Mueller (2025) study the impact of institutional reforms—just to name a few contributions within this series.

Methodologically, this article draws on theoretical and conceptual insights from a range of disciplines, including economics, political science, psychology, anthropology, sociology, and history. However, when deriving policy lessons, we rely exclusively on evidence from studies that offer well-identified causal estimates. This includes both observational studies employing credible causal inference strategies and experimental research designs where treatment assignment is determined through randomization.

This review highlights several promising policy avenues for promoting peace. In particular, employment, education, and active labor market programs (ALMPs) that integrate cognitive behavioral therapy (CBT) and broader socio-emotional skill development have shown encouraging results, even among high-risk adult populations. Emerging evidence suggests that skills such as improved decision-making, perspective-taking, and the ability to evaluate long-term consequences can be effectively cultivated and may significantly reduce involvement in criminal behavior. This body of evidence warrants further examination in contexts characterized by chronic violence, where ideological, institutional, political, and religious cleavages compound individual hardship. The underlying determinants of criminal behavior in the environments where these interventions have been trialed may diverge markedly from those driving insurgents, rebel groups, and radicalized youth, potentially even diminishing their willingness to participate in such programs. Further research is needed to assess whether cost-effective, scalable interventions can be extended to larger at-risk populations, particularly in settings marked by entrenched cycles of violence.

Equally promising is the recognition that stressors—such as income losses and harvest failures—can act as catalysts for broader unrest. Policies that cushion individuals and communities against such shocks may carry significant de-escalation potential. Further research is needed to identify which types of shocks should be prioritized and which policy instruments are most effective in mitigating their destabilizing effects. Cash transfers, both conditional and unconditional, are proving to be powerful tools for conflict reduction. Understanding how these programs can be applied in contexts of high state fragility is a key policy concern.

New research in this field is highly valuable and urgently needed. While research gaps vary across thematic areas, several cross-cutting priorities emerge. First, a deeper

understanding of the underlying drivers of violence across different contexts is critical for designing more effective interventions. Consequently, both randomized controlled trials (RCTs) and observational studies should be structured to rigorously test—and, where appropriate, falsify—competing theoretical mechanisms. Embedding theory into program design and evaluation enhances the ability to distinguish among alternative explanations, clarify causal pathways, and generate insights that are both policy-relevant and scientifically robust. This approach strengthens not only the internal validity of findings but also their external applicability.

Second, there is a pressing need for more comprehensive and high-resolution data to study conflict dynamics. In particular, the integration of administrative records and individual-level data—alongside innovative sources such as satellite imagery—would offer valuable insights, especially in understanding conflict participation and violent extremism. Improved data infrastructure would significantly enhance our ability to address many of the open questions highlighted in this review.

2. LABOR MARKET POLICIES FOR PEACE

The idea that employment fosters peace serves as the explicit foundation for numerous labor, training, and entrepreneurship programs, especially in conflict-affected states and among at-risk groups.[1] At the same time, practitioners have become increasingly aware that evidence on the actual impact of labor-creation policies and programs on peacebuilding is, at best, mixed (see, among others, Brück et al., 2016). While the overall findings warrant caution, emerging research is beginning to identify promising avenues for the design of more effective labor and employment policies aimed at fostering peace.

2.1. Conceptual framework

2.1.1. The opportunity cost of violence. The primary rationale behind labor market policies and programs is to enhance the returns to non-violent careers. As proposed by Becker (1968) in his theoretical framework, those elements should ensure that the benefit of legal and peaceful employment outweigh those of illegal or predatory activities. From this perspective, labor market policies can serve as a deterrent to violence by improving the opportunity cost of engaging in non-violent careers while simultaneously increasing the perceived costs of potential punishment.

1 Few ideas have gained as much support among development practitioners as the belief that reducing youth unemployment is crucial for mitigating conflict, violence, and crime. Among the many potential examples, the UN resolution 2250 on Youth, Peace and Security (2015) stresses "the importance of creating policies for youth that would positively contribute to peacebuilding efforts, including social and economic development, supporting projects designed to grow local economies, and provide youth employment opportunities and vocational training, fostering their education, and promoting youth entrepreneurship and constructive political engagement" (UN Security Council Resolution 2250 on Youth, Peace and Security (2015) https://undocs.org/S/RES/2250(2015)).

In principle, several labor market policies can operationalize this mechanism. ALMPs can support unemployed or underemployed individuals by facilitating job placement, fostering job creation, or increasing expected wages and job quality. Fiscal policies targeting real wage increases for at-risk populations can further enhance the attractiveness of legal employment.

An impressive number of observational studies have attempted to provide causal evidence that individuals weigh the economic returns to violence against its opportunity costs, documenting that negative income shocks increase the risk of violent conflict. This body of literature originates from cross-country analyses that emphasize the strong correlation between conflict and economic factors, with seminal contributions from Collier and Hoeffler (2004).[2] A key step forward in identifying the causal relationship between income and conflict comes from Miguel, Satyanath and Sergenti (2004), who pioneered the use of rainfall as an instrumental variable for GDP in a panel of African countries.

More recent contributions have raised several methodological concerns that cast doubt on the robustness of earlier findings. These include questions regarding robustness across different samples (Miguel, Satyanath and Sergenti 2004; Ciccone 2011), the validity of the exclusion restrictions underlying climate-based instruments—since weather shocks may influence conflict directly rather than solely through income (Hsiang, Burke, and Miguel 2013; Dell, Jones, and Olken 2014; Burke, Hsiang, and Miguel 2015; Sarsons 2015)—and the inconsistency of results from studies that exploit variation in global commodity prices to estimate the effects of economic shocks on conflict (Besley and Persson 2008; Brückner and Ciccone 2010; Cotet and Tsui 2013; Bazzi and Blattman 2014). Even more substantially, while the effect of a negative income shock may be consistent with a reduction in the opportunity cost of violence, it may also reflect other mechanisms. These include consumption shocks that liquidity-constrained households cannot absorb, and fiscal shocks that limit the state's ability to provide security and enforce order.

The economic opportunity cost explanation for conflict has been revived by improvements in subnational data availability, enabling more granular studies at the level of regions, provinces, municipalities, and even grid cells. Analyzing violence in Colombia, Dube and Vargas (2013) find that rising oil prices increase the likelihood of conflict in oil-producing areas, whereas higher coffee prices have the opposite effect in coffee-producing regions.[3] Also consistent with this mechanism: Berman and Couttenier (2015) demonstrate that declining export revenues from crop agriculture lead to an increase in conflict battles; and Harari and La Ferrara (2018) find that droughts during

2 Within a similar empirical framework, Fearon and Laitin (2003) argue that the income–conflict relationship is more likely driven by a state capacity mechanism, whereby declines in income reduce a government's ability to suppress or deter violent activities.

3 This pattern aligns with the theoretical predictions of Dal Bó and Dal Bó (2011), who argue that positive price shocks in capital-intensive sectors fuel conflict through the predation channel, while shocks in labor-intensive sectors reduce conflict by raising the opportunity cost of violence.

the growing season heighten the risk of violent conflict.[4] McGuirk and Burke (2020) make an important contribution to isolating the opportunity cost mechanism of violence by distinguishing between agricultural production and consumption areas across Africa. Their analysis shows that increases in producer prices reduce the probability of conflict by approximately 15 per cent in food-producing regions, while no comparable effect is observed in food-consuming areas. This suggests that improved economic returns to legal activities can deter violence through an increase in conflict's opportunity cost. Importantly, this mechanism is not limited to agriculture. Dell, Feigenberg and Teshima (2019) demonstrate that manufacturing job losses—driven by increased competition from Chinese imports—led to a rise in cocaine trafficking and associated violence, highlighting how negative labor market shocks can reduce the opportunity cost of criminal employment and fuel illicit activity.

2.1.2. Grievance-based explanations for violence. Negative agricultural shocks, job losses, and other forms of income loss may not only reduce the opportunity cost of violence but also generate grievances. For decades, the primary alternative to opportunity cost-based explanations of violence has been the grievance theory, or "grievance-based model" of conflict. This framework posits that perceived injustices, marginalization, and relative deprivation are key drivers of violent behavior, particularly in collective or political contexts. The seminal contribution to this line of thinking is Ted Robert Gurr's Why Men Rebel (1970), which introduced the concept of "relative deprivation"—the perceived gap between what individuals believe they deserve and what they are actually able to achieve—as a central mechanism behind political violence and rebellion.[5]

While empirical research has timidly suggested that grievance-based explanations can complement economic motivations—such as in the work of Humphreys and Weinstein (2008), who explore combatant motivations in Sierra Leone—they are often difficult to operationalize and measure in a rigorous empirical framework. Paraphrasing Collier and Hoeffler (2004), one major critique is that grievances are potentially everywhere, yet violence only occurs in specific contexts.

4 Further supporting the link between economic conditions and conflict, but through the different mechanism of granting resources for attacks to violent groups, Berman et al. (2017) show that rising mineral prices escalate violence in mining regions. However, rather than an opportunity cost effect, this finding suggests that mineral wealth enables armed groups to recruit, equip, and launch attacks, reinforcing the broader argument that economic factors play a critical role in driving violence. For further discussion on grievances in economics, see Rohner and Thoenig (2021).

5 Horowitz (1985), in Ethnic Groups in Conflict, stresses the importance of ethnic grievances arising from historical injustices, discrimination, and perceived group inequalities, which fuel intergroup tensions and conflict. He emphasizes that ethnic identity is deeply rooted and often politicized, making grievances a powerful driver of violence and political instability. For Cederman, Gleditsch, and Buhaug (2013) horizontal inequalities between ethnic groups are key drivers of civil war. When groups are excluded from political power or marginalized economically, grievances build up, increasing the likelihood of violent conflict.

2.1.3. Non-material explanations for violence. More recent and promising strand of research is now pointing to non-material explanations of violence, drawing on contributions from three distinct fields: political science, experimental economics and cognitive psychology.

In political sciences, the influential work of Wood (2003) analyzes the motivations behind participation in the Farabundo Martí National Liberation Front (FMLN) during the Salvadoran Civil War (1980–1992) and challenges conventional explanations rooted in material incentives or coercion. Wood emphasized that combatants often participate in rebellion for reasons beyond material gain or grievance alone, including emotional and moral factors. She identified that participants in the Salvadoran insurgency derived what she called "pleasure in agency"—a sense of pride, efficacy, and moral satisfaction from participating in collective action against perceived injustice. At the same time, Wood highlights how "insurgency spread through social networks," with family and community ties playing a crucial role in recruitment, where a deep sense of solidarity and shared struggle helped mobilize individuals despite the risks. Emotions are also key elements in understanding ethnic violence. In fact, Petersen (2002) argues that emotions—especially fear, resentment, and hatred—play a central role in motivating individuals to engage in ethnic violence. He emphasizes that grasping the emotional logic behind violence is essential to explaining why ordinary people take part in ethnic atrocities. Ideology is central to the work of Leader Maynard (2019), who argues that ideological beliefs intersect with strategic interests and group identities to shape and drive organized violence.

This family of explanations resonates with evidence from economics labs around the world, where we have been learning that individuals often take highly costly actions to counter injustice (Fehr and Gächter 2000). In other words, fighting injustice—or perceived injustice—has intrinsic rewards. This helps explain why individuals engage in various activities where the costs clearly exceed the direct material benefits, such as voting or protesting, and violence.

An alternative direction comes from reading violence as a flaw in decision-making and emotional regulation. Some theories and empirical evidence indicate that heightened arousal may impair decision quality, leading to more impulsive and punitive responses. Notably, specific emotional states are linked to distinct biases—for example, fear tends to increase risk aversion, while anger enhances confidence, fosters a sense of power, and reduces risk aversion (Lerner and Tiedens 2006). Research on the Arab Uprisings (Pearlman 2013) highlights the role of emotions in shaping political decision-making during moments of heightened unrest.

Labor market policies and programs aimed at creating employment should acknowledge existing alternative explanations for violent behaviors. In principle, employment programs could reduce violence through mechanisms beyond income generation by fostering social inclusion, changing perceptions of unfairness, promote emotional regulation and decision-making, and disrupting violent networks.

2.2. State of the art knowledge on labor market programs

We now turn attention to "direct" causal evidence on the impacts of labor market programs. For direct evidence, we refer to studies directly examining the impacts on violence of programs aimed at creating jobs for unemployed individuals. Until recently, experimental evidence of reductions in conflict participation, violent behavior, or crime was extremely limited. However, a new wave of studies is beginning to reshape the research landscape and inform emerging policy directions.

2.2.1. The classical programs. Implementing ALMPs in conflict-affected settings presents significant operational challenges, particularly given the disruption of labor markets caused by violence and instability. As a result, much of the available evidence derives from programs aimed at reducing crime in high-income countries. While the broader literature on job creation programs is extensive, relatively few experimental studies have examined their effects specifically on criminal behavior.[6]

Only two programs have demonstrated successful impacts, showing reductions in arrests among youth: Job Corps and JOBSTART, both funded and implemented in the US. Job Corps is a federally funded residential program for disadvantaged youth aged 16 to 24, offering education, vocational training, and job placement. JOBSTART, by contrast, was a non-residential demonstration program from the 1980s targeting high-risk, out-of-school youth aged 17 to 21. It provided basic education, job training, and counseling in community-based settings.

While both programs showed positive effects on reducing arrests—at least temporarily or during participation—they were highly resource-intensive (Cave et al., 1993; Schochet, Burghardt, and McConnell 2008).[7] Leaner, lower-cost versions of such programs have generally failed, leaving practitioners doubtful about their broader feasibility and cost-effectiveness.

Turning to low-income settings, to our knowledge, the only ALMP that has attempted to assess its impact on violence is the study by Blattman, Fiala, and Martinez (2014). The authors evaluate a Ugandan government initiative designed to transition unemployed youth into self-employed artisans. Targeting individuals aged 16 to 35, the program offered group-based cash grants intended to cover vocational training and business start-up costs. Four years after implementation, participants demonstrated significant improvements in economic outcomes, including increased business assets, work hours, and earnings. However, the program had no substantial effects on measures of social cohesion, pro-social behavior, or participation in protests.

6 See Cook, Ludwig, and McCrary (2011) for an extensive review of such initiatives in the USA.

7 Job Corps costs over $25,000 per youth in 2014 dollars; JOBSTART costs approximately $9,800 per youth in 2014 dollars.

2.2.2. Soft skills for peace. Recent studies have produced more promising evidence, with a common focus on the soft-skill dimension of labor market interventions. Blattman and Annan (2016) examines whether employment opportunities can deter crime and violence among high-risk men in Liberia. Researches partnered with the Action on Armed Violence (AoAV) program, a program offering residential agricultural training, counseling service, "life skills" classes and farm inputs worth $125. In a sample of 1,000 high-risk men involved in illicit or violent work, participants to the randomized control trial were assigned either to the AoAV or to the control group. Fourteen months after the program concluded, participants who took part in the program showed increased engagement in farming, higher profits, and a shift in work hours away from illicit activities. They also showed decreased interest in joining mercenary efforts in a nearby conflict. Notably, the strongest reductions in crime and conflict-related behaviors were observed among men who, due to supply issues, expected a future cash transfer in place of farming inputs—suggesting that ongoing or future economic incentives can be especially effective deterrents. However, training alone without capital inputs or monetary incentives had no effect.

More promising evidence has also begun to emerge from high-income countries—most notably from Chicago, a city with persistently high rates of violent crime. Bhatt et al. (2024) evaluates the READI Chicago program, which aimed to reduce gun violence among men at the highest risk of involvement in shootings or homicides. The program combined 18 months of subsidized employment, CBT, and supportive services. Using a RCT with 2,456 participants identified via a predictive algorithm, referred by community outreach workers or coming through reentry services, the study found very promising while not always robust or statistically significant estimated effects. In particular, there were large, though imprecise, reductions in gun-related arrests—especially a 65 per cent decline in shooting and homicide arrests—and smaller decreases in victimizations. Most importantly, the program yielded high estimated social savings, with benefit-cost ratios ranging from 4:1 to 18:1, highlighting the potential of targeted, intensive interventions for reducing urban gun violence.

Also in Chicago, Heller (2014) evaluates the effects of a summer employment program, One Summer Plus (OSP), through a RCT involving 1,634 high school students from high-violence neighborhoods. The program offered participants an eight-week part-time job, mentorship, with some receiving additional social-emotional learning (SEL) based on CBT. The results showed a 43 per cent reduction in violent-crime arrests over a 16-month period for those offered the program—equivalent to nearly 4 fewer arrests per 100 youth. Notably, most of the reduction occurred after the program ended, suggesting lasting behavioral change rather than a temporary "incapacitation" effect. The addition of SEL made no significant difference in outcomes, implying that the job experience and mentorship alone were effective.

2.3. Policy lessons

- *Targeting: high-risk groups*. The effectiveness of violence prevention and crime reduction programs appears to depend critically on the ability to target the right populations. Violence, conflict participation, and crime are highly concentrated among small, high-risk groups (see, among others, Braga 2003). For this reason, careful and strategic selection of participants is essential during program design.[8]
- *Targeting: preventive intervention rather than remediation*. In contexts where the unconditional probability of violence is exceptionally high and geographically or demographically concentrated, preventive interventions may prove more cost-effective than remedial ones.[9]
- *Cognitive behavioral therapy for lasting behavioral change*. Histories of violence and crime can shape personality, reinforcing traits, automatic responses, and habits that are difficult to reconcile with a stable, legal and peaceful working life. For lasting change, a promising direction is the integration of CBT into interventions to enhance their effectiveness (Bloom 2013; Redcross et al., 2016; Cummings and Bloom 2020).[10]
- *Conditional cash incentives seem to matter*. Lifestyle change—especially for individuals with histories of trauma—can be extremely challenging and even intimidating. Research suggests that conditional cash incentives can serve as powerful motivators for participation.[11]
- *More soft skills than academic skill development, or vocational or technical training*. Recent successful active labor market policies designed to reduce violence place limited emphasis on formal curricula or hard skills training, while targeting heavily on soft skills development.[12]

8 The READI Chicago program illustrates a valuable approach by combining algorithmic predictions—identifying individuals most at risk of being involved in gun violence—with outreach worker referrals that draw on deep local knowledge. The One Summer Plus (OSP) program selected youth through randomization from 13 high-violence schools in Chicago, focusing on in-school adolescents from disadvantaged neighborhoods. In Liberia, the AoAV program targeted high-risk individuals—including ex-combatants, opportunistic youth, and squatters—recruited from over 130 conflict-affected communities, particularly those with a history of rebel activity, illicit mining, or mercenary recruitment.

9 Evidence from the One Summer Plus (OSP) program suggests that summer job programs are more effective when implemented as a preventive intervention targeting in-school youth, rather than as a remedial measure for those who have already dropped out.

10 READI, among other programs, demonstrates that CBT can be standardized through manuals and delivered effectively by trained staff in group settings, making it a cost-effective and scalable tool for large-scale programs.

11 In the AoAV program, the expectation of future cash transfers produced the largest behavioral effects. Similarly, in the READI program, participants received $25 for each CBT session they attended, helping to encourage consistent engagement.

12 The READI program, for example, prioritized subsidized employment over structured vocational training. Similarly, the OSP program offered part-time summer jobs—mainly in the nonprofit and

2.4. Venues for future research

- *New data on violence and conflict participation.* One plausible explanation for the limited observed effects of "classical" labor market programs on reducing violence is that participation in conflict, violent extremism, and criminal activity is relatively rare and highly concentrated within a small segment of the population. Given that experimental programs necessarily have limited sample sizes, evaluations may lack the statistical power required to detect effects on these low-incidence outcomes—even when such effects are present. To address this challenge, researchers should prioritize the development and use of new data sources, ideally at the individual level, including administrative records and other comprehensive datasets capable of tracking large populations over time. Access to such data would facilitate more rigorous evaluation of labor market interventions at scale and allow for a more accurate assessment of their impacts on violence-related outcomes, particularly in low-income and conflict-affected settings.
- *New tools for targeting high-risk groups*. Due to the limited sample sizes of experimental programs, detecting effects on rare outcomes such as violent behavior or conflict participation can be statistically challenging—even when meaningful effects exist. This makes the effective targeting of high-risk individuals especially critical. Further research is needed to identify and evaluate the most effective methods for targeting such populations.
- *Identifying relevant hard skills for employment.* While successful programs often emphasize the development of broadly defined soft skills, a key open question is which hard skills should be prioritized. Should programs focus on minimal interventions that subsidize employment opportunities, or instead provide comprehensive vocational training? If the latter, which sectors and professions should be emphasized? The answers are likely to be context-dependent, and further research is needed to guide program design and implementation.
- *Psychotherapy: which approach and under what standards?* CBT has emerged as a key mechanism for promoting behavioral change, particularly among highly marginalized populations (see also Section 3 for additional interventions involving CBT). As the popularity of CBT grows, it becomes increasingly important to assess its external validity across cultural contexts, its robustness to variation in implementation, and even its safety when delivered by individuals without formal clinical training.[13] The effectiveness of alternative therapeutic approaches may vary depending on the

public sectors—paired with mentorship to support the development of soft skills such as communication, conflict resolution, and workplace behavior.

13 Evidence from the STYL program evaluated by Blattman, Jamison, and Sheridan (2015), discussed in Section 3, is promising. In this intervention, group sessions were led by facilitators who had themselves been former combatants or participants in earlier program cohorts.

specific context and the characteristics of the target population.[14] Moreover, the application of Western psychotherapeutic models may benefit from being adapted or integrated with local healing practices and cultural philosophies—an area that requires further empirical testing. In short, while labor market interventions are increasingly recognizing psychotherapy as a powerful tool for behavioral change, much remains to be studied regarding the most effective modalities, delivery mechanisms, and cultural adaptations.

- *Cash programs an alternative in conflict-ridden scenarios*. ALMPs that showed effectiveness turned out extremely expensive, both in terms of monetary resources and human resource implemented. Similar options might not be available in the context of post-conflict reconstructions. In this sense, it would be important to assess how simple cash transfer could help people building their own initiative.
- *Grounding programs in theory*. A deeper understanding of the underlying drivers of violence across different contexts is essential for designing more effective interventions. RCTs should be structured to test—and potentially falsify—competing theoretical mechanisms. Embedding theory into program design and evaluation enables researchers to distinguish among alternative explanations, clarify causal pathways, and produce insights that are both policy-relevant and scientifically rigorous. This approach strengthens not only the internal validity of findings but also their external applicability.
- *The role of fiscal policies*. Active labor market policies are not the only potential tools for reducing violence and conflict. Research shows that individuals involved in criminal activities respond to changes in legal income opportunities. In principle, lower taxes could enhance the attractiveness of legal and peaceful livelihoods. However, to our knowledge, there is currently no empirical evidence on the effects of lower taxation—or subsidized wages—on conflict, violence, or crime.

3. LEVERAGING EDUCATION FOR CRIME REDUCTION AND SOCIAL STABILITY

3.1. Conceptual framework

Education can reduce violence through a host of mechanisms. The first is incapacitation: youth who are in school are not on the streets. The second and most salient in the long run, discussed at length in Section 2.1, is human capital accumulation: more schooling can increase wage prospects and raise the value of legal, peaceful activities relative to illegal and predatory ones. Recent developments on the psychological and

14 For example, Multisystemic Therapy (MST) or Functional Family Therapy (FFT) may be more appropriate in contexts where individuals are embedded in family dynamics that reinforce maladaptive behaviors.

emotional drivers of violence add a third lever: educational programs may help individuals process trauma and improve decision-making and slow deliberation, as long as they are able to foster the right soft skills within their curricula. On the other hand, as a potential implication of the "grievance" hypothesis, education might also foster violence if it raises expectations about one's future in a context where these expectations cannot be fulfilled. As suggested by the work of Wood (2003), moreover, more educated individuals may be more sensitive to and informed about injustice, and more likely to develop mature political antagonisms.

3.2. Empirical evidence

To our knowledge, causal evidence on the impact of educational policies or programs on conflict and violent extremism remains very limited; most existing research is correlational. Notably, correlational findings do not reveal a clear or consistent relationship between education and involvement in extremism. At the country level, there is no strong correlation between terrorism and education. At the individual level, some studies have found a positive association between higher education and participation in terrorist activities (Krueger and Malecková 2003). For example, participants in groups such as Hezbollah's militant wing, Palestinian suicide bombers, and the Israeli Jewish Underground terrorists of the 1970s and early 1980s were often well-educated and came from economically advantaged backgrounds (Krueger and Malecková 2003).[15] Qualitative evidence further highlights this complexity: Hansen (2013: 45) notes that the majority of Al-Shabaab's rank-and-file members were unemployed Somali youth. The World Bank's 2016 Middle East and North Africa Economic Monitor analyzed data on Daesh foreign fighters and found that, on average, individuals from the MENA region who joined the group had higher levels of education than the general population in their home countries. The report speculates that frustration stemming from the inability to secure employment matching their educational qualifications may have contributed to their radicalization (Do et al 2016). While these explanations are plausible, causal evidence within a well-identified framework is still lacking.

Given the limited available evidence on education and its effects on conflict and violent extremism, it is helpful to draw insights from the literature on violent crime in rich countries, where the findings are notably consistent and promising. In that context, increased access to and improvements in schooling have been shown to reduce criminal behavior. Additionally, behavioral interventions integrated into school curricula have yielded promising results in preventing violence.

15 Similarly, research on extremist groups such as Japan's Red Army, Germany's Baader-Meinhof Gang, the IRA, Italy's Red Brigades, and Turkey's People's Liberation Army found that approximately two-thirds of members had university-level education and most originated from middle- or upper-class backgrounds.

3.2.1. More schooling, better schooling. Here, we focus on observational studies that utilize well-identified research designs. Lochner and Moretti (2004) use staggered changes in the school-leaving age across US states to create plausibly exogenous variation in education, while Machin, Marie, and Vujić (2011) examine the 1973 reform in England that raised the compulsory school-leaving age from 15 to 16, applying a regression discontinuity design. Both studies find that increased education due to these policy changes leads to significant reductions in crime. Lochner and Moretti (2004) estimate that the social return to education includes substantial externalities from crime reduction, amounting to 14–26 per cent of the private return to schooling. Similar results, for Sweden, are found by Hjalmarsson, Holmlund, and Lindquist (2015).

Deming (2011) uses school choice lottery data from Charlotte-Mecklenburg to show that attending a higher-quality middle or high school reduces long-term criminal behavior especially among high-risk, low-income, African American males. These students committed about 50 per cent fewer crimes, with effects emerging after leaving school. The impact is attributed to improved school quality and peer environments, suggesting that better educational settings can serve as effective crime prevention strategies.

All these effects may be driven by higher labor market earnings prospects, but also by changes in preferences, patience, and risk aversion that education can foster.[16]

3.2.2. Early schooling. Experimental evidence supports the findings of observational studies and offers important insights into the mechanisms linking education to legal and peaceful behavior, where traits and skills appear to play a central role. Two are the most promising areas of intervention: early childhood programs and initiatives grounded in CBT. Here, we selectively focus on two emblematic cases: The Perry Preschool Program—a high-quality early childhood intervention for disadvantaged African American children—and the Becoming a Man (BaM) program (discussed in the next section).

Nores et al. (2005), Heckman et al. (2010), and Heckman and Karapakula (2019) Regarding the first program, Nores et al. (2005), Heckman et al. (2010), and Heckman and Karapakula (2019) analyze its long-term effects on crime on crime of the Perry Preschool Program, a high-quality early childhood intervention for disadvantaged African American children. Their findings show significant reductions in adult criminal behavior, especially for males. These crime reductions are primarily driven by improvements in personality traits, particularly reductions in externalizing behaviors like

16 Other evidence show that the incapacitation effects are complex. On the one hand, being in school reduce juvenile crime by keeping youth engaged in structured activities. On the other hand, being in social context increase the likelihood of "social" crimes, operating in the opposite direction. Jacob and Lefgren (2003) examine the short-term impact of school attendance on juvenile crime, leveraging the plausibly exogenous variation created by teacher in-service days. Their findings suggest that while property crime by juveniles decreases by 14 per cent on school days, violent crime increases by 28 per cent likely due to heightened social interactions that lead to greater interpersonal conflict and violence.

aggression and rule-breaking.[17] These findings suggest that early interventions targeting socio-emotional development not just cognitive skills can have powerful, lasting effects on reducing crime.

3.2.3. CBT-informed educational curricula. Psychotherapy—particularly CBT—is increasingly recognized as a promising strategy for addressing antisocial behaviors such as crime and violence, and as a viable alternative to traditional, and often costly, enforcement-based approaches like policing and incarceration. Drawing on the success of such interventions, cities and development agencies across Latin America have begun to adopt and implement similar programs.

Cognitive behavioral therapy (CBT) is a structured form of psychotherapy aimed at helping individuals recognize and reframe negative or distorted patterns of thinking in order to respond to challenges more constructively. Theoretically, violent and antisocial behaviors may be responsive to CBT insofar as they stem from automatic cognitive processes and maladaptive thought patterns (Beck 2011). Such behaviors may arise from impulsive reactions, emotional dysregulation, a failure to consider long-term consequences, limited awareness of nonviolent alternatives, or entrenched and exaggerated negative beliefs about adversaries.

Heller et al. (2017) reports results from three large-scale RCTs of CBT-based programs aimed at disadvantaged youth. The Becoming a Man (BAM) program, tested in Chicago public schools, led to a 28–35 per cent reduction in total arrests, 45–50 per cent fewer violent-crime arrests, increased high school graduation rates by 12–19 per cent.[18] A related intervention in a juvenile detention center reduced readmissions by 21 per cent. The programs work not by teaching specific skills like grit or emotional intelligence, but by helping youth slow down automatic, impulsive reactions and better interpret social situations. These interventions delivered large behavior changes at relatively low cost, with benefit-cost ratios estimated as high as 30-to-1.

Outside of the USA, the most promising evidence comes from Blattman, Jamison and Sheridan (2017), who evaluate an intervention known as the Sustainable Transformation of Youth in Liberia (STYL). The program targeted 999 young men involved in crime and drug use, randomly assigning them to receive CBT, a $200 unconditional cash grant, both, or neither.[19]

17 The study estimates that a one standard deviation improvement in these behaviors leads to 1.7 fewer lifetime arrests and 0.6 fewer felony arrests for males by age 40. For females, felony arrests decrease by 0.31, and violent crimes by 0.65.

18 While these impacts on arrests did not persist beyond the program period, the authors explicitly rule out incapacitation (i.e. youth committing fewer crimes just because they are busy during BAM sessions). Using date-specific arrest data, they show that crime reduction effects were not concentrated on days when after-school programming occurred, which you would expect if incapacitation were the main mechanism.

19 Groups of approximately twenty men met three times per week for four-hour sessions, facilitated by two staff members. On non-session days, facilitators conducted home or workplace visits to offer guidance and ongoing support. The facilitators were trained in-house and did not hold formal

CBT alone led to short-term improvements in antisocial behavior, including reductions in stealing and drug selling. However, these effects faded after a year. When CBT was combined with a cash grant, the improvements were substantial and sustained reducing antisocial behavior by about 0.25 standard deviations a year later.[20] The study suggests that CBT can reshape key noncognitive traits such as patience, self-control, and social identity, which are associated with criminal behavior. In a remarkable 10-year follow-up of 999 high-risk men initially randomized into therapy, cash, both, or control, those who received therapy or therapy plus cash were found to be about half as likely to engage in antisocial behaviors such as robbery, drug selling, and street fighting far exceeding expert predictions (Blattman et al., 2023). These long-run impacts were most pronounced among the highest-risk participants and strongest in the group receiving both therapy and cash. The findings underscore the lasting potential of combining psychological and economic interventions to reduce violence and offer a powerful alternative to conventional, punitive crime-reduction strategies.

Several aspects of these findings are particularly noteworthy. First, CBT-inspired therapy proved effective in a context far removed from the USA. Second, the intervention targeted a highly vulnerable and high-risk population, with participants being relatively older (average age 25). Third, the program operated independently, without being embedded in any formal vocational training or educational system.

3.2.4. Skills for peace: mediation and perspective taking. Growing research points to socio-emotional skills as a crucial area for intervention in reducing aggressive behaviors. CBT is not the only pathway for addressing aggression and improve SEL skills. Programs designed to foster these skills have shown a significant impact on long-term behavioral outcomes, including a reduction in criminal activity. Evidence from the Montreal Longitudinal Experimental Study reinforces this connection: Boisjoli et al. (2007) and Algan et al. (2022) find that children who participated in socio-emotional learning (SEL) interventions exhibited an 11 per cent decrease in criminal involvement compared to those in the control group.

The final set of skills we examine are those that facilitate the peaceful resolution of conflictual situations. Blattman, Hartman, and Blair (2014) evaluate the impact of a mass education campaign promoting alternative dispute resolution (ADR) methods. Out of 246 rural communities nominated by the government, 86 were randomly selected to receive the intervention, which trained approximately 15 per cent of adults in

psychological credentials. Many had personal histories of involvement in armed groups or criminal activity and were themselves graduates of earlier NEPI rehabilitation initiatives.

20 The authors suggest that while CBT reshaped self-control, patience, and noncriminal identity, the cash grant allowed participants to reinforce and practice these new behaviors. Importantly, the cash did not raise long-term opportunity costs of crime, as economic gains from the grant quickly dissipated. Instead, the authors propose a psychological mechanism: the grant helped solidify behavioral changes by giving men time and stability to internalize the effects of therapy.

negotiation, mediation, and conflict resolution practices over eight days. The training aimed to improve informal dispute resolution by reducing reliance on formal courts and encouraging peaceful and cooperative bargaining over land and interpersonal disputes. The study finds that, one year after the intervention, treated communities experienced significant reductions in unresolved land disputes (29 per cent lower) and property destruction (32 per cent lower), with higher satisfaction among disputants. These effects also spilled over to untrained community members, suggesting informal institutional change. However, there were also unintended consequences: an increase in extrajudicial punishments like witch hunts and modest rises in nonviolent disputes, particularly youth-elder disagreements, likely triggered by greater community engagement in previously unresolved tensions.

3.3. Policy lessons

- *More schooling, better schooling, earlier schooling.* Evidence on the impact of increasing both the quantity and quality of schooling on crime highlights this as a high-return area for policy investment, with substantial social externalities. In particular, programs targeting young, at-risk youth appear capable of fostering meaningful changes in traits closely linked to violent behavior. Moreover, early childhood interventions appear particularly promising in fostering lasting behavioral change.
- *Integrating SEL programs or CBT into school curricula.* While further evidence is needed to assess effectiveness across diverse cultural and institutional contexts, CBT-based interventions show strong potential for reducing violence. Embedding CBT-informed approaches into school curricula offers a promising and sustainable strategy. More broadly, programs that foster SEL skills have demonstrated high cost-effectiveness and long-term benefits for behavioral and social outcomes.
- *Promoting peaceful skills among adults.* Promising evidence has emerged from CBT-inspired training programs and mediation skill interventions targeting adult populations, demonstrating potential for reducing violence and improving conflict resolution capacities.

3.4. Venues for future research

- *Conflict, extremism and educational policies: an understudied theme.* The literature reveals a significant gap in quantitative research on educational expansion in low-income countries, and in relation to conflict and violent extremism. Most existing evidence on the effects of improved educational access and quality comes from high-income countries and focuses primarily on crime reduction. While this evidence offers useful insights, drawing policy lessons from it may be misleading, as decisions such as

joining a terrorist group may be driven by entirely different incentives. Given the high stakes, this area urgently requires deeper and more rigorous empirical investigation.

- *Early childhood interventions in low- and middle-income countries.* Long-term effect of early childhood interventions remains similarly understudied in low- and middle-income contexts. There is a particular need for evidence on long-term impacts, which requires sustained longitudinal data collection and extended follow-up from RCTs.
- *Cognitive behavioral therapies for violence and extremism.* Future research should investigate whether the automatic and impulsive responses observed among high-risk youth in rich countries contribute to violent extremism or social violence in other settings. A key consideration for the scalability and applicability of CBT is its reliance on active engagement and a genuine willingness to change on the part of participants. This raises important questions about the effectiveness of CBT-based interventions among individuals who are already radicalized and potentially resistant to alternative viewpoints. Moreover, a deeper understanding is needed of the essential components that drive the success of CBT programs: To what extent can such interventions be standardized, manualized, and implemented by trained non-specialists? Is participant compensation a critical element in fostering engagement and behavioral change? Is the work/education component essential for reinforcing the behavioral change initiated by CBT? Or does it reduce attrition and increase compliance?
- *Perspective-taking in conflict-ridden areas.* In areas affected by protracted violence where long-standing animosities persist among communities living side by side there is significant potential in integrating school curricula with behavioral interventions that promote perspective-taking. This line of research builds on promising findings by Alan et al. (2023) and offers a compelling avenue for future work.

4. WELFARE POLICIES AS A TOOL FOR PEACE

This section reviews the literature on the potential conflict-mitigating effects of welfare policies and programs. We focus on evidence from interventions aimed at cushioning income losses due to unemployment and alleviating stress associated with food insecurity. We then turn to health-related programs—first, examining the social disruption caused by large-scale epidemics and strategies to mitigate their impact, and second, assessing interventions that address the long-term psychological and mental health consequences of conflict.

4.1. Unemployment benefits

The first set of welfare policies we examine are social insurance schemes designed to provide support in the event of job loss. Job displacement triggers negative income

shocks which, in liquidity-constrained households, can lead to sharp declines in consumption. As discussed throughout this review, the economics of conflict suggest that reduced income lowers the opportunity cost of engaging in violence or illegal activities, thereby increasing their incidence. Consumption drops may also generate feelings of grievance, which can manifest in violent behavior. In the absence of adequate safety nets or access to credit, financial hardship can drive individuals toward predatory violence and property crime. Moreover, the strain of financial insecurity can heighten psychological and emotional stress (the latter being documented, among others, by Black, Devereux, and Salvanes 2015; Schaller and Stevens 2015), potentially increasing individuals' predisposition to aggression and violence. In theory, unemployment benefits might cushion against consumption loss and the resulting financial strain, thereby easing liquidity constraints as well as some of the emotional and psychological stress associated with job loss.

A recent wave of observational studies has put these hypotheses to the test. Through the construction of an exceptionally rich and comprehensive dataset, Britto, Pinotti, and Sampaio (2022), Bhalotra et al. (2021), and Britto, Melo, and Sampaio (2022) study the causal effect of job loss on the likelihood of committing a crime, and the mitigating role of unemployment benefits as well. This dataset links administrative records on employment, crime, and welfare receipt for the universe of formal-sector male workers in Brazil between 2009 and 2017.[21]

The authors find that the probability of committing a crime increases by 23 per cent in the year following dismissal, compared to a matched control group of workers who were not laid off, and remains elevated for up to four years after job loss. The effect spans both economically motivated crimes (+43 per cent) and violent crimes (+17 per cent), and extends to cohabiting sons of displaced workers, whose probability of committing a crime rises by 18 per cent. Notably, the average effect of unemployment benefits entirely offsets the increase in crime associated with job loss—but only while the benefits are being received.[22]

Most importantly, these studies shed light on the underlying mechanisms. Liquidity constraints appear to be a key driver: unemployment benefits fully neutralize the increase in crime, but the protective effect is short-lived and vanishes immediately after benefits expire. The increase in all types of crimes—including violent acts and non-economically motivated offenses—suggests that psychological stress following job loss

21 Because Brazil lacks a common identifier across datasets, the authors use name-based matching, carefully restricting the sample to individuals with unique names, validated using the national social registry (Cadastro Único), which covers 96 per cent of the adult population. This approach allows them to accurately connect employment histories from RAIS (the administrative labor dataset) with criminal prosecution records and unemployment insurance receipt data, enabling precise tracking of individuals before and after job loss.

22 The authors identify the causal effect of unemployment benefits through a regression discontinuity design. Eligibility for benefits varies discontinuously with the timing of previous layoffs, as workers must wait a minimum of 16 months between job separations to qualify for subsequent UI claims.

also contributes significantly to criminal behavior. The observed spillover effect on cohabiting sons further reinforces the role of household-level financial strain. In contrast, opportunity cost explanations are not supported, as they cannot account for these spillover effects.

Evidence necessarily comes from countries with a sufficiently large formal sector and where unemployment benefits are available and paid to laid-off workers.[23] As a result, the poorest countries and conflict-affected regions—where the state is too weak to implement or monitor such programs—remain largely excluded from this literature.

A notable exception is Fetzer (2020), who investigates whether India's National Rural Employment Guarantee Act (NREGA)—the world's largest public workfare program—reduces conflict by insuring rural households against income shocks caused by poor monsoon rainfall. NREGA is a demand-driven rural workfare program in India that guarantees 100 days of paid unskilled employment per household annually, offering income support during times of distress. Using detailed rainfall, conflict, and household data, Fetzer finds that before NREGA, adverse rainfall led to lower agricultural wages and increased conflict, particularly in Maoist insurgency-affected areas. After NREGA, this link disappeared: the program weakened the pass-through from income shocks to conflict, especially where participation responded to local rainfall variation. The findings support an opportunity cost mechanism, whereby improved economic stability reduces recruitment into insurgent groups. However, the program may also have mitigated consumption declines among liquidity-constrained households and alleviated stressful financial and psychological pressures.

4.2. Food programs

Since many countries affected by recurrent violence are characterized by large informal labor markets and a high share of agricultural workers living at subsistence levels, traditional unemployment benefit schemes are often unfeasible. In such contexts, other programs—particularly food assistance—are more likely to play a shock-absorbing role. Food programs can also serve as valuable tools for enhancing the resilience of vulnerable populations by protecting them from price volatility and agricultural output failures.

There is surprisingly little well-identified evidence on violent responses to sudden lack of access to food—whether caused by price volatility, negative income shocks, or

23 Khanna et al. (2021) study the causal effects of job loss on criminal behavior using administrative data for Colombia, and find similar effects of job losses. In particular, they find that: (1) mass layoffs lead to large and persistent earnings losses; (2) displaced workers experience a 47 per cent increase in arrests in the year of job loss, with elevated arrest rates persisting for at least five years; (3) the effects are strongest for young men; (4) family members of displaced workers, particularly youth, also experience higher arrest rates, indicating significant spillover effects; and (5) access to consumption credit mitigates the increase in crime, suggesting that economic hardship is a key driver of the criminal response. These findings highlight the role of safety nets and financial inclusion in reducing the social costs of labor market shocks.

agricultural failure. In their influential meta-analysis, Hsiang, Burke, and Miguel (2013) review 60 rigorous quantitative studies across disciplines—including archaeology, history, political science, economics, and environmental science—and find that climatic shifts significantly increase the risk of both interpersonal and intergroup conflict across diverse contexts and time periods. One possible mechanism is that climate shocks reduce harvests and incomes, thereby limiting access to food. More broadly, as discussed in the large literature reviewed in Section 2.1, part of the observed link between income shocks and violence may reflect reduced food resilience.

The most direct empirical evidence comes from McGuirk and Burke (2020). Among the various exercises in the article, they combine cross-sectional data on food consumption from the UN Food and Agriculture Organization (FAO) with temporal variation in world food prices to construct a consumer price index. They find that increases in food prices prolong the duration of conflict in food-consuming areas (cells with little or no food production). Moreover, they show that rising food prices intensify "output conflict"—conflict aimed at appropriating surplus—in food-producing areas. Finally, drawing on Afrobarometer survey data covering over 65,000 respondents across 19 countries and 13 biannual waves, they find that higher food prices significantly increase the likelihood that commercial farmers report experiencing theft and violence in the previous year.

Whether food aid programs can serve as an effective cushion against conflict remains an under-researched topic. To date, the only well-identified evidence comes from Nunn and Qian (2014), whose findings are not encouraging. Analyzing the impact of US food aid on conflict in recipient countries, the authors exploit time variation in food aid shipments—driven by fluctuations in US wheat production—interacted with countries' historical tendencies to receive aid. They find that increases in US food aid are associated with a higher incidence and longer duration of civil conflict, particularly in countries with a prior history of violence (see also Section 5 for a broader discussion on aid and conflict). More evidence is needed from diverse contexts and with a broader range of outcomes to better understand the conditions under which food aid may mitigate or exacerbate conflict.

4.3. Health and mental health

Following shocks related to employment loss and food insecurity, the third category of shocks we examine pertains to health, in two dimensions. First, we explore the socially disruptive effects of epidemics and the interventions that may mitigate them. Second, we assess how the psychological consequences of conflict can be addressed through mental health programs.

4.3.1. Epidemics and social disruption. Epidemics—such as the Ebola outbreak in West Africa or the HIV/AIDS epidemic in many African countries—have the potential to cause profound social and economic disruption, with far-reaching consequences for

economic stability, population well-being, and, potentially, the incidence of violence. Empirical evidence on the social disruption caused by epidemics is provided by studies such as Cervellati, Esposito, and Sunde (2022) and Gonzalez-Torres and Esposito (2016), which document increases in protests and riots in response to the malaria epidemics and the West African Ebola epidemic, respectively.

Berlanda et al. (2024) examine whether large-scale public health interventions can reduce social unrest in fragile contexts. Focusing on the expansion of antiretroviral therapy (ART) for HIV/AIDS across African countries, the authors find that increased ART coverage significantly reduced social conflict events—such as protests and riots—particularly in areas with high HIV prevalence. This reduction is attributed not only to improved health and labor productivity, but also to increased trust in government institutions and higher approval of public policies related to health and governance. Importantly, the effect is specific to social conflict and does not extend to civil violence. Their findings suggest that beyond improving health outcomes, investments in healthcare can generate substantial societal benefits by fostering stability and social cohesion.

4.3.2. Mental health and reconciliation. Conflict can constitute a significant shock to psychological well-being, with enduring consequences for individuals and communities. As emerging evidence from CBT interventions demonstrates, mental health is a critical dimension in post-conflict pacification efforts. Violent and traumatic events—particularly in the context of civil conflict—can have long-lasting effects on psychological well-being and undermine prospects for peaceful coexistence.

Cilliers, Dube, and Siddiqi (2016) evaluate the impact of a community-based reconciliation program in post-civil war Sierra Leone through a RCT involving 200 villages. The intervention, implemented by the local NGO Fambul Tok, facilitated public forums where victims and perpetrators shared testimonies and sought forgiveness. The study reveals a trade-off: while reconciliation fostered social capital—reflected in increased forgiveness, strengthened social networks, and higher public goods contributions—it simultaneously reduced psychological well-being, as evidenced by elevated levels of depression, anxiety, and PTSD. These adverse mental health effects persisted, suggesting that although reconciliation may enhance community cohesion, it can also retraumatize individuals by revisiting painful experiences.

4.4. Policy lessons

- *Unemployment benefits and other shock-absorbing policies*. Emerging evidence highlights the potential role of shock-absorbing welfare policies—particularly unemployment benefits—in mitigating violence and crime. These interventions appear to buffer individuals against income shocks that could otherwise contribute to instability. However, further research is needed to assess their effectiveness in contexts

characterized by high levels of labor market informality and in predominantly agricultural regions.

- *Reconciliation for lasting peace.* Reconciliation processes that bring together victims and perpetrators can yield important outcomes. While such interventions may enhance social cohesion and promote collective healing, they can also impose psychological costs on individuals. These potential harms should be carefully accounted for in the design and implementation of reconciliation programs.

4.5. Venues for future research

- *Food security and conflict: more research needed.* The relationship between food security and conflict remains insufficiently explored, particularly through large-scale, cross-country studies employing well-identified empirical strategies. There is a growing need for fine-grained data to monitor food insecurity and price fluctuations, with increased emphasis on innovative tools—such as satellite imagery and other novel data sources—to more accurately capture distributional access to food.
- *Adaptation to climate change–related shocks.* Adaptation to climate change and epidemics remains an understudied area, particularly with regard to identifying the most effective policy tools for mitigating shocks across diverse contexts. This is especially relevant in the face of growing populations and increasingly overcrowded cities in low-income countries.
- *The role of health services in reconciliation processes.* Further research is needed to identify which reconciliation programs and policies are most effective in fostering lasting peace while safeguarding the mental health and well-being of the most affected communities.

5. FOREIGN AID AND CASH TRANSFERS

The relationship between foreign aid and conflict has been extensively examined in both economics and political science. Scholars have debated whether aid mitigates or exacerbates violence, often reaching contrasting conclusions based on aid type, recipient context, and governance conditions.

5.1. Conceptual framework

Foreign aid and cash transfers affect conflict onset and intensity through a variety of mechanisms, primarily hinging on the corresponding economic incentives to sustain or cease violence. Foreign aid may reinforce government capacity, bolster civilian livelihoods, and alter the perceived legitimacy of and preferences between the actors engaged in conflict. Cash transfers act in a similar fashion, enhancing outside options and

altering the opportunity costs of participating in conflict. Grossman (1992) pioneered early theoretical models, examining how foreign aid could alter incentives for conflict by increasing the value of controlling the state. Relatedly, cash transfers may create opportunities for rent-seeking, extortion, and other forms of predation, enhancing, rather than diminishing, grievances.

5.2. Empirical evidence

5.2.1. Foreign aid. Empirical studies in the political economy literature reveal a mixed record. Collier and Hoeffler (2002) argue that aid, when coupled with good institutions, reduces conflict risk, while in weak governance settings, it may fuel corruption and rent-seeking behavior that could incite violence. Similarly, Savun and Tirone (2011) find that aid targeted at development can reduce civil war onset, especially in democratic or semi-democratic regimes. Other studies focus on the conditional effects of aid, showing that its impact on conflict is heavily dependent on institutional quality. For example, Dreher and Walter (2011) find that World Bank and IMF programs have heterogeneous effects depending on the strength of domestic institutions, with fragile states experiencing more adverse effects. In contrast, some scholars emphasize the conflict-promoting aspects of aid. Nunn and Qian (2014) provide evidence that US food aid increases the incidence of conflict in recipient countries, particularly where aid can be easily diverted by armed groups. Causality is suggested through an instrumental variable approach, where the exogenous component of aid is isolated by an instrument exploiting variation in US wheat production. Beath, Christia, and Enikolopov (2012) study a development aid program in Afghanistan and find that while aid improved attitudes toward the government, it also increased insurgent attacks in the short term due to increased competition over resources.

Donor fragmentation may curtail the effectiveness of aid, and limit the quality of institutions. First, greater competition by aid providers restricts spending opportunities, leading donors to select superfluous projects potentially subject to graft.[24] Second, a crowded development field implies fewer high-quality and trustworthy partners for project implementation. Scrutiny by donors is relaxed out of necessity (Djankov, Montalvo, and Reynal-Querol 2009), potentially facilitating rebel and elite capture of development resources (Gibson et al., 2005; Acharya, Fuzzo de Lima, and Moore 2006). Third, fragmentation erodes the sense of accountability and responsibility for development outcomes. This further contributes to a (now voluntary) relaxation of scrutiny and quality standards and potentially undermines local preferences in the pursuit of self-interest (Knack and Rahman 2007; Knack and Smets 2013). Finally, all of the above contribute

24 This channel was substantiated in a field interview conducted by one of the authors in November 2013. An aid worker in Kabul disclosed their agency spent over $100k on equipment prone to resale by corrupt government officials, because no viable projects were available.

to normalizing poor standards of conduct, which then inspire or incentivize poor governance within the burgeoning state apparatus (see e.g. Isaksson and Kotsadam 2018). However, the presence of foreign donors may instead foster *exemplary* norms of professional conduct when the volumes of aid are not intractable. When aid provisions are maintained at relatively moderate rates, competition is not pronounced and coordination is facilitated, thereby attenuating the above mechanisms. Under these conditions, good conduct by donors is more likely to prevail and donor proliferation may actually strengthen institutions. In this case donors may serve to monitor the development sector and public officials (Kimura, Mori, and Sawada 2012; Gibson, Hoffman, and Jablonski 2015). Donors may also bring experience, ideas, and innovation which strengthen development processes and outcomes (Gehring et al., 2017). New licit opportunities for growth (e.g. trade, FDI) may then act as substitutes to displace rent-seeking by opportunistic government agents (Dreher and Michaelowa 2010). So, even though existing theory suggests that the *moderating* role of donor fragmentation is largely detrimental, it is nevertheless reasonable to also expect *direct* benefits from fragmentation when aid volumes are relatively contained. Child, Wright, and Xiao (2024) find that aid delivered by a single donor can significantly reduce corruption. Projects delivered under conditions of aid fragmentation, by contrast, can facilitate corruption. These results are consistent with a mechanism that links infrastructure and physical goods with waste and leakage.

5.2.2. Cash transfers. Cash transfer programs, both conditional (CCTs) and unconditional (UCTs), have emerged as significant tools of social protection and have also been studied in conflict-affected contexts. Economic research shows that these transfers can reduce participation in violence by alleviating poverty and reducing grievances. Bastagli et al. (2016) provide a meta-analysis suggesting consistent positive effects on reducing economic insecurity. More recent work by Daly, Rohner, and Thoenig (2021) investigates whether cash transfers can serve as tools of peacebuilding. Their study on a program in Niger shows that UCTs reduced support for armed groups and decreased violent events, especially when combined with community engagement initiatives. These findings highlight the potential for social protection to act as a peace dividend. Blattman and Annan (2013) examine the psychological and behavioral impacts of cash transfers in post-conflict Uganda. They find that economic empowerment reduced criminal and violent behavior among youth, although the effects were heterogeneous across regions and time.

5.3. Policy lessons

- *Institutional quality matters for foreign assistance.* Foreign aid can significantly improve civilian livelihoods in contexts where local institutions are strong enough to minimize potential corrupt, extractive, or predatory behaviors and neutralize efforts by non-state actors to capture the provided resources. The presence of multiple donors can

lead to aid fragmentation, which can undermine institutional quality by reinforcing incentives to capture the flow of assistance.

- *Cash transfers reduce economic insecurity, creating a path to peacebuilding.* Conditional and unconditional assistance can significantly reduce dependence on illicit income, empowering at-risk individuals to participate in productive aspects of the economy.

5.4. Venues for future research

- *Large-scale shocks to foreign assistance remain poorly understood.* Foreign aid shocks are typically studied as incremental shifts in assistance, which frequently occur in settings that do not lend themselves to credible inference. The recent shutdown of the United States Agency for International Development (USAID) is poised to have profound implications for global conflict dynamics. As a primary instrument of US foreign aid, USAID has been instrumental in promoting stability, supporting development, and mitigating conflicts worldwide. Its abrupt cessation is expected to exacerbate existing tensions and foster new challenges to peacebuilding.
- *Cash transfers in fragile settings remain an area of concern with respect to ethics and logistics.* Callen et al. (2025) experimentally evaluated digital payments to extremely poor households of female leaders in Afghanistan, as part of a partnership between community, nonprofit and private organizations. They find payments led to substantial improvements in food security and mental well-being. Further research is needed to assess how to deliver such assistance at-scale, where operational vulnerability and the potential for leakage or predation increase significantly.

6. ILLICIT ECONOMIES AND CONFLICT

The relationship between natural resources and conflict has been a central theme in political economy and conflict studies. The "resource curse" hypothesis suggests that countries rich in natural resources are more prone to violence and underdevelopment. Ross (2004) surveys the evidence and finds a robust correlation between resource wealth, particularly oil and gemstones, and civil war incidence.

6.1. Conceptual framework

Economic models emphasize the role of resource rents in creating opportunities and incentives for rebellion. Collier and Hoeffler (2004) argue that lootable resources such as diamonds and timber fund rebel movements, shifting motivations from grievances to greed. This theory is supported by cross-country regressions showing that primary commodity exports are positively correlated with conflict onset.

6.2. Empirical Evidence

Resources affect state capacity and legitimacy. Fearon (2005) contend that the structure of resource revenues—easily captured and requiring minimal state presence—undermines institutions and encourages insurgency. In contrast, resources like oil, which are capital-intensive and require central management, may strengthen the state but increase the stakes of capturing it. In Sierra Leone, diamonds were central to the Revolutionary United Front's war financing (Keen 2005), while in Colombia, both legal and illegal resource extraction played roles in sustaining paramilitary and guerrilla groups (Sánchez 2009). Dube and Vargas (2013) and Wright (2020) find that increases in coca prices drive violence in Colombia, while drops in legal commodity prices can similarly fuel instability by reducing state and household incomes.

Illicit markets also impact governance. Arjona (2016) argues that rebel groups involved in illicit economies often build parallel governance systems to control populations and regulate commerce, blurring the lines between insurgents and organized crime. Research on criminal insurgency highlights the evolution of criminal groups into hybrid actors. Staniland (2012) outlines how organizational structures enable armed groups to adapt to state repression and maintain control over illicit economic activities. In urban contexts, illicit economies sustain criminal governance. Magaloni, Franco, and Melo (2020) show how criminal groups in Mexico establish social order through violent enforcement mechanisms. These criminal "governments" are often tolerated or co-opted by the state.

Illicit economies sustain violence. Narcotics, arms trafficking, and smuggling offer alternative revenue streams for non-state actors. Gutiérrez-Romero and Oviedo (2013) show that in Mexico, drug trafficking organizations (DTOs) use violence strategically to control territory and secure supply chains. The fragmentation of criminal groups often leads to escalated violence. Lessing (2015) develops a typology of violence used by drug cartels, distinguishing between confrontational and coercive logics, both of which escalate under state pressure or during inter-cartel competition. Recent work also links exogenous economic shocks to terrorism financing and recruitment activity on the dark net (Limodio 2022).

Resource control shapes conflict duration and intensity. bazzi2021resource demonstrate that oil windfalls can increase conflict by altering the balance of power between state and rebels. Similar dynamics are observed with artisanal mining and logging (berman2017mineral). Efforts to address resource-related conflict also grapple with trade-offs between economic development and security. Gilmore et al. (2005) argue that transparency initiatives and stronger institutions are key to breaking the link between resources and violence, but these reforms require long-term political commitment and capacity-building. Environmental factors and geographic access also mediate the resource-conflict link. Buhaug, Gates, and Lujala (2010) find that isolated resource-rich regions are more prone to rebellion due to limited state presence and better concealment opportunities for rebels. These risks also cross national borders, suggesting the

risks associated with illicit externalities are substantial. Andreas (2011) documents how illicit trade routes in the Balkans, Africa, and Latin America become zones of chronic instability, driven by the convergence of political and economic interests in violence.

6.3. Policy lessons

- *Economic booms can diminish or enhance the prospects for peace.* Importantly, significant policy emphasis has been placed on improving economic opportunity and enhancing the livelihoods of individuals vulnerable to recruitment. Less attention has been paid to the fact that economic growth can reduce these vulnerabilities and enhance stability while also attracting predation, violence, and armed opposition by actors interested in exploiting such growth.
- *Transparent foreign investment in fragile settings is a key benchmark for minimizing harm.* Berman et al. (2017) examine the role of corporate practices in local conflicts near mining sites. Their results suggest that mining-induced violence is primarily associated with foreign-owned companies. However, among these foreign firms, those operating from countries with lower corruption levels and those adhering to corporate social responsibility standards are linked to reduced instances of violence.

6.4. Venues for future research

- *The role of territorial control remains poorly understood.* By consolidating authority, the nonstate actors can leverage territorial control as a proto-state, surveying taxable assets and extracting revenue, reinforcing their local capacity to disrupt the state. The regulation of trade routes and infrastructure is facilitated by territorial control, influencing economic activities and the movement of resources. Even microlevel shifts in authority affect access to humanitarian aid and impacts foreign investment, with the risks associated with conflict often deterring investors. At once, shifts in territorial control undermine the legitimacy and authority of the state and enable the rebellion to gain a foothold among the local population, further constraining the state's ability to extract and leverage information from civilians. Yet these dynamics remain poorly understood because little progress has been made on the economic origins and consequences of territorial control.
- *More research is needed on at-scale agricultural interventions.* At-scale agricultural policies can significantly impact conflict and political violence through mechanisms such as displacement-induced grievances, economic marginalization, resource competition, environmental degradation, and state legitimacy dynamics. Policies that favor corporate or elite interests often displace local communities and marginalize small farmers, triggering unrest and rebellion. Intensified resource scarcity and

environmental degradation resulting from large-scale agriculture exacerbate tensions and conflicts, especially in vulnerable regions. Conversely, equitable and inclusive agricultural policies can enhance state legitimacy and reduce violence by strengthening community resilience and socioeconomic stability. More research is needed to evaluate how these policies might be designed to minimize potential harm and enhance the durability of economic growth.

7. DETERRING CONFLICT AND ENFORCING PEACE

In this section, we highlight four policy tools for deterring violence and supporting peacebuilding: information and media; counterinsurgency via coalition; refugee repatriation; border fortification. The objective of this section is to assess recent progress in these topics' literatures and to provide policy-relevant insights.

7.1. Information campaigns and conflict

The use of the mass media as a tool for reducing political violence has gained increasing attention in both economics and political science. Scholars have examined how information campaigns through radio, television, and digital media shape attitudes, reduce misinformation, and influence the behavior of both civilians and combatants. Early contributions focused on the media as a driver of violence, but recent studies explore its capacity to reduce conflict. Economic models of communication and conflict suggest that information can alter the strategic calculus of both rebels and civilians. Egorov, Guriev, and Sonin (2009) develop a theory showing how dictators use media to shape beliefs, but their model also suggests that access to independent information can reduce violent repression and civilian support for authoritarian regimes. Theoretical work also explores how information affects the beliefs and coordination of armed actors. Acemoglu and Robinson (2017) argue that transparency changes the dynamics of repression and protest, shifting equilibria away from violence. This suggests that even state-controlled media, when decentralized, can reduce violence under certain conditions.

Although information operations play a central role in modern warfare (Munoz 2012; Sonin and Wright 2022), several frontiers remain with respect to better understanding how governments (and non-state rivals) leverage the content and flow of information to shape civilian preferences and behaviors. Stapleton, Uribe, and Wright (2022), for example, highlight the importance of televised court proceedings in Afghanistan in shaping civilian engagement with and trust in government institutions. Sonin and Wright (2022) find that radio messages in the same context can be used to induce costly behaviors, including civilian informing, with consequences for warfighting, mainly through bomb and weapons cache clearance operations. Extending these insights, Blair and Wright (2025) leverage an array of radio stations deployed across Zabul province, combined with the time-varying content of messages, to explore how

alternative information structure (pro-government, anti-insurgent) influences civilian collaboration. They find that pro-government messaging is ineffective, whereas anti-insurgent content undermines support for the Taliban among civilians, while boosting collaboration with security forces. Child et al. (2024), analogously, find that message framing matters for insurgents as well, with violent content undermining civilian support while messages highlighting rebel capacity to govern enhanced support. Radio messaging has also been used to effectively persuade rebel fighters to demobilize (Armand, Atwell, and Gomes 2020). Yet, these types of operations may backfire—due to overt bias in messaging, poor handling of sensitive subjects, etc.—triggering support for rivals, which undermines the policy goals of the state overall (Galula 2006).

One of the most cited studies in this area is by Yanagizawa-Drott (2009), which shows that hate radio played a causal role in inciting violence during the Rwandan genocide. This finding spurred interest in understanding how alternative radio messages could do the opposite, promote tolerance, and discourage violence. Experimental evidence supports the idea that the mass media can reduce violence. Paluck (2009) conducted a field experiment in Rwanda using radio dramas and found that prosocial messaging significantly improved intergroup norms and cooperation. Similarly, Blair, Blattman, and Hartman (2013) find that community radio in Liberia reduced support for political violence and increased trust in government institutions. The role of radio in counterinsurgency has also received attention. Sonin and Wright (2022) analyze how US radio broadcasts in Afghanistan affected civilian perceptions of security and engagement with security forces in treated areas. By increasing transparency, information can deter violence and media can thereby increase accountability in conflict zones.

Access to independent media also reduces susceptibility to manipulation. Enikolopov, Petrova, and Zhuravskaya (2011) find that access to independent television in Russia reduced support for the ruling party and was associated with lower electoral violence. Relatedly, Rane and Salem (2012) document how exposure to social networks mobilized protest during the Arab Spring, though with variation between contexts via diffusion. The interplay between the media and institutions is critical. The interplay between the media and institutions is critical: Ferraz and Finan (2008) show that radio exposure in Brazil led to greater political accountability and less corruption, indirectly reducing the grievances that often fuel violence. Moreover, the peacebuilding effects of media depend positively on the quality of institutions.

The type and frequency of media matters. Guardado and Penaranda (2018) find that community radio stations that broadcast truth and reconciliation content in Peru helped reduce residual conflict attitudes years after the civil war ended. This suggests that the medium and content jointly determine the efficacy of campaigns. There is also a growing body of research on mobile and digital interventions. Digital platforms can thus offer cost-effective and scalable interventions tools. Media campaigns can also backfire. Coglianese (2022) find that counter-extremism messages reduced support for terrorist groups only when perceived as credible. When seen as government propaganda, such messages increased distrust and even radicalization among some audiences. Field

experiments in fragile settings show mixed results depending on intensity and frequency. Blair and Weintraub (2019) test a media campaign in Nigeria and find short-term improvements in intergroup attitudes, but no significant effect on actual violence. This underscores the challenge of translating attitudinal shifts into behavioral change.

Information may also shape conflict-avoiding behaviors. Although civilians respond to a variety of types and sources of information, from weather events, to localized economics, political crises, and violent events (Fullilove 1996; Camarena et al., 2020; Camarena and Hägerdal 2020; Rozo and Vargas 2021; Tai, Mehra, and Blumenstock 2022), less attention has been paid to information systems that warn populations about these types of risk (Cochran and Husker 2019; Tan et al., 2022). This is particularly salient regarding recent innovations in communication technologies, especially smartphone applications (Bean et al., 2015; Gutteling, Terpstra, and Kerstholt 2018; Weyrich et al., 2020). A recent study, Van Dijcke, Wright, and Polyak (2023), investigates the introduction of a smartphone application that notifies civilians of impending military operations developed in coordination with the Ukrainian government after the Russian invasion. They find that civilians respond alerts, rapidly fleeing from their pre-notification location, likely seeking shelter from the anticipated threat. However, these rapid mobility changes decline significantly over time, in a manner that cannot be explained by adaptive sheltering behavior or calibration to the signal quality of alerts. Instead, Van Dijcke, Wright, and Polyak (2023) find civilians that have been living in an extended state of emergency demonstrate the weakest response. This raises important, yet to be explored questions about how to optimize messaging in a context of protracted conflict, where civilians' risk tolerances and beliefs may shift over time.

7.2. Coalition peacebuilding

Managing military operations across and between teams of partner nations was a defining feature of the twentieth century, during which two global wars were fought through alliances coordinating troops and supplies. The difficulties of managing alliance commitments during conflict led, in part, to the formation of the North Atlantic Treaty Organization (NATO). NATO remains tasked with coordinating a constellation of partner nations with the aim of enhancing security in Europe and more broadly. The assignment of areas to different countries could lead to inefficiencies. Individual nations may not internalize the benefits of security in neighboring regions, as in classical models of production in teams (Holmstrom 1982). In addition, cooperation could suffer from language barriers, cultural differences, and inconsistent rules of engagement.

While understanding the effectiveness of organizational practices in cross-national settings is an important area of research (Lachman, Need, and Hinings 1994; Tsui, Nifadkar, and Ou 2007), there is little empirical evidence on the frictions that arise in the context of international military cooperation. Fetzer et al. (2024) study security provision in Afghanistan, where the assignment of responsibilities to different national armed forces could lead to coordination problems. They find that these operational

frictions reduce military support activities, including aid projects. Frictions are also associated with higher levels of insurgent violence, clarifying that misalignment between units within military organizations can undermine the effectiveness of security and development interventions during war.

7.3. Refugee repatriation

Achieving progress in conflict resolution, development, and empowerment of displaced minorities requires programmatic solutions to refugee crises. Despite the magnitude of this challenge, we have little credible evidence on the most effective policy interventions. At the same time, utilization of the primary "durable solutions remains strikingly low" (Harrell-Bond 1989). Fewer than 2 per cent of all forcibly displaced persons, for example, have formally sought repatriation to their country of origin, naturalization in their refugee host country, or resettlement in the Global North.

Although these three refugee policies can enable long-term stability for affected households, utilization remains low due to persistent challenges associated with each option. Repatriation to refugees' origin countries is considered the most durable solution, enabling displaced persons to return to productive assets and property, kinship networks, and familiar institutions and infrastructure. However, prolonged conflicts in origin countries often render large-scale return infeasible (Long 2013). This insecurity deters repatriation, and if households do return, they face economic hardships, disputes over property, recruitment by armed groups and criminal networks (Petrin 2002; Camarena 2016; Fransen, Ruiz, and Vargas-Silva 2017; Schwartz 2019). These dynamics may perpetuate hardship even after the initial episode of displacement is resolved. The opportunities for naturalization of the host country are also limited, in large part due to the weak institutional capacity of most host nations (United Nations High Commissioner for Refugees 2019; Blair, Grossman, and Weinstein 2022a) and the challenging political economic issues associated with citizenship (Blair, Grossman, and Weinstein 2022b). Beyond the substantial logistical challenges associated with resettlement in more stable countries, typically at fairly extreme distances from the country of origin, the use of this final policy option is also limited, as Dancygier (2010) points out, due to discriminatory backlash against refugees.

Blair and Wright (2022) make progress in addressing a major gap in this policy literature. They study a large-scale cash assistance program for refugee returnees in Afghanistan. Although these programs are intended to enable refugees to exit at times difficult host country conditions and return to assets and kin, they may have unintended welfare consequences for returning individuals, exposing them to expropriation and mobilization risks. Taking advantage of the unexpected timing and scale of a UNHCR assistance program, Blair and Wright (2022) document that cash-for-return induced a wave of repatriation, but exposed returnees and their destination communities to social conflict. More work, in line with Bansak et al. (2018), is also needed to more credibly

capture the challenges and potential programmatic interventions that could be leveraged to refugee repatriation, resettlement, and integration.

7.4. Border fortification

Border fortification, which involves physical barriers such as fences and walls, surveillance technologies, and deployments of security personnel, significantly affects economic and security outcomes (Blair 2024b). Economically, border fortifications alter the dynamics of trade by increasing transaction costs, potentially reducing illicit trade, and protecting legitimate commerce (Carter and Poast 2017; Getmansky, Grossman, and Wright 2019). Although the initial costs of building and maintaining barriers are substantial, long-term economic stability can emerge by suppressing illegal economic activities such as smuggling and trafficking (Andreas 2003; Avdan 2018). For example, Hassner and Wittenberg (2015) provide empirical evidence that illustrates reduced cross-border smuggling and associated economic stability after fortification. As Blair (2024a) points out, border fortification can have countervailing effects, enhancing security and increasing the legibility of the population while undercutting the borderlands economy, enhancing criminalization and undermining legitimacy of the state.

From a conflict reduction perspective, fortified borders frequently reduce violence by reducing militant incursions and terrorist attacks, thus enhancing state security (Staniland 2005; Gavrilis 2008; Jones 2012). Fortifications increase operational costs for insurgent groups, constraining their mobility, disrupting supply lines, and reducing cross-border sanctuaries (Bapat 2007; Linebarger and Braithwaite 2020). Carter and Poast (2017) specifically show through quantitative analyses how border walls significantly reduce terrorist attacks by constraining movements of militant groups and increasing the risks to perpetrators.

However, border fortifications can have mixed economic effects depending on the implementation and local context. Allen, Dobbin, and Morten (2019) find fortifications that negatively impact cross-border economic cooperation in certain regions, demonstrating reduced trade flows in border-adjacent communities. In contrast, fortifications sometimes strengthen internal markets and promote local economic growth by redirecting trade toward formal regulated channels (Goldstein and Gulati 2018; Simmons and Kenwick 2022). The economic effects thus critically depend on the adaptability of the local market and the institutional capacity of the state to effectively manage formalized cross-border commerce.

Empirical analyzes consistently suggest that fortifications contribute to enhanced national security by significantly reducing the intensity and frequency of conflicts, particularly in areas with persistent violence and threats from insurgency (Brown 2010; Vallet 2016; Avdan and Gelpi 2017). Linebarger and Braithwaite (2020) demonstrate quantitatively that states utilizing extensive fortifications experience notable declines in transnational violence compared to states without fortified borders. Similarly, qualitative

case studies such as that of the Israeli security barrier highlight substantial reductions in post-construction terrorist incidents (Morag 2013; Hassner and Wittenberg 2015).

8. CONCLUSION

Public policies have a substantial capacity to influence the drivers and dynamics of armed violence, terrorism, and organized crime. The reviewed evidence underscores that well-designed interventions targeting labor markets, education, welfare systems, and the allocation of foreign aid can effectively mitigate incentives for conflict and crime. Specifically, ALMPs that incorporate CBT have shown promising results, significantly reducing violent behaviors even among high-risk groups. Similarly, educational initiatives emphasizing soft skills, conflict resolution, and socio-emotional development have demonstrated the potential to foster lasting behavioral changes that contribute to societal stability.

However, the relationship between public policy and violence is complex and context-dependent. Policies that reduce economic vulnerability, such as unemployment benefits, cash transfers, and food security programs, can serve as vital buffers against income shocks and associated conflicts. Nevertheless, the effectiveness of these policies often hinges on institutional quality and governance capacity. For example, foreign aid can either reinforce state legitimacy and economic stability or exacerbate corruption and violent competition, depending heavily on the strength and transparency of recipient institutions. Likewise, policies governing resource extraction and agricultural development can either promote equitable growth and peace or provoke displacement, grievances, and intensified conflicts.

Finally, despite substantial progress, considerable research gaps remain. Future studies must address critical unresolved issues such as the effects of large-scale disruptions to aid programs, mechanisms underlying territorial control by armed actors, and the role of at-scale agricultural interventions in fragile contexts. Rigorous empirical work employing innovative data sources and methodologies will be crucial for developing more targeted, efficient, and context-sensitive policies. Strengthening the evidence base through rigorous testing of theoretical mechanisms can help policymakers better understand conflict dynamics, design interventions tailored to local conditions, and ultimately foster sustainable peace and resilience globally.

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