Long-Term Effects of Civil Conflict

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Introduction

Research analyzes the effects of civil conflict on adulthood education and labor, for individuals exposed to violence from the Peruvian civil conflict during their childhood.

Paper exploits detailed information on events of violence associated with Peruvian civil conflict during 1980-2000. Data allows to map the progression of the conflict in time (month-year) and space (district).

Exposure to civil conflict’s violence is based on individual level information on time (month-year) and location (district) of birth. The individual level information comes from the Peruvian National Surveys (ENAHO) from 2007-2013 period.

Results contribute to the “fetal origins hypothesis” or critical period programming literature, as well as to the literature on the microeconomics effects of conflict.

Method

- **Identification strategy** relies on the progression in time and space of the violence, and a large set of geographical and time fixed effects.
- **The identification assumption** is that incidence of violence is not correlated with determinants of education or labor market outcomes.
- **Estimation strategy** based on standard cross sectional difference-in-difference approach to estimate impacts of conflict exposure on education and labor market outcomes.

Methodology based in comparing differences in adulthood outcomes of individuals affected and unaffected by violence.

Unaffected individuals were either born between 1976-1979 in any district (too old to be affected during critical period), or after 1980 in districts unaffected by violence.

Affected individuals were born after 1980 in districts affected by violence, interaction between location-time of birth and progression of violence generates different levels of exposure among affected individuals.

Results based on comparing differences in adulthood outcomes of individuals born at unaffected districts in different periods, with differences in adulthood outcomes of individuals born in affected districts before and after the beginning of civil conflict.

Results

Estimated effects of civil conflict exposure on educational attainment (years of education) and labor market outcomes (working last week, having a formal job and labor income).

Main hypothesis is that exposure to conflict during fetal (12 months pre-birth) and early (first 36 months of life) periods have long-term consequences.

Exposure to violence during the fetal period and the early period reduces adulthood educational attainment (years of education).

Negative impacts are stronger on females, while are negligible on males.

Results are robust to different specifications of the model.

Models include fixed effects for birth-district, cohort (year) of birth, year of interview, and province level trends. Standard errors (in parenthesis) clustered at district level. Demographic controls include gender, migration, residence in urban areas and ethnicity. For the labor market regressions education and experience were included.

Conclusions

Persistent negative effects from conflict exposure on education attainment and labor market outcomes.

Negative impacts on education of exposure during fetal and early period are stronger for women.

Civil conflict only affects the wages of men when the exposure occurs during the fetal period.

The negative impact of violence on working and holding a formal job do not differ much by gender.

Results consistent with critical period programming hypoth.