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Escaping the Resource Curse in Sub-Saharan Africa

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Escaping the Resource Curse in Sub-Saharan Africa

Executive Summary

The resource curse refers to the paradox that countries with an abundance of natural resources often fail to grow as rapidly as those without such resources. Sub-Saharan Africa typifies this situation, in that its economic development lags behind the rest of the world in spite of its wealth of oil, gas, and minerals. In addition, negative impacts on human rights and the environment associated with the exploitation of natural resources are evident. Meanwhile, other resource-rich countries, such as Norway and Chile, have achieved high levels of development, turning their resources into a blessing. This policy brief outlines both the endogenous and exogenous factors that contribute significantly to the situation in sub-Saharan Africa. It concludes with recommendations—aimed at national governments, national and international civil society, international bodies, and the extractive industry—on how best to escape the resource curse.

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Introduction

The abundance of natural resources in sub-Saharan Africa has been at the heart of many debates, especially in relation to the level of development in the region compared with other parts of the world. Sub-Saharan Africa is endowed with both a great volume and variety of natural resources. Indeed, the variety of natural resources to be found in Africa is perhaps far greater than on any other continent.[1] Despite the abundance, however, economic development has been marginal relative to other resource-rich countries across the globe.[2] This policy brief sheds light on the resource curse in sub-Saharan Africa and suggests measures to reverse and avoid it.

The Resource Curse

The existence of a resource curse is highly debated in the literature. The term as used here refers to the phenomenon whereby countries with an abundance of natural resources grow more slowly than those without such an abundance. This theory is attributed to Jeffrey Sachs and Andrew Warner, who in 2001 published the results of their empirical research on the growth rate of resource-rich economies: states with a high ratio of natural resource exports to GDP in 1971 had abnormally slow growth rates between 1971 and 1989.[3] Although academics differ strongly in opinion about the existence of the resource curse in general, most agree that certain factors specific to sub-Saharan Africa correlate the abundance of natural resources to underdevelopment in the region.

The exploitation of natural resources for commercial purposes has grave socioeconomic implications for the communities directly affected by the exploitation and for nations as a whole. Negative impacts include

- loss or erosion of indigenous and cultural identity of local communities;
- violation of land-rights of communities with little or no compensation;
- conflicts relating to ethnic rivalry and land ownership;
- forced labor, child labor, unfair wages, and lack of freedom of association, among other labor rights violations;
- environmental degradation, pollution of drinking water and land, and depletion of resources;
- corruption among investors and governments, camouflaged by a lack of transparency with closed-door agreements on extraction concessions; and
- violent clashes between communities, regions, and countries due to unfair distribution of gains and impacts of resource extraction and use, and other indirect factors such as an influx of undocumented migrants.

These impacts are but a few of many.

> The exploitation of resources could have significant benefits for local communities in the form of employment opportunities, infra-structure development, citizen participation in decision-making, and better institution-building.

Despite the downsides, the benefits from the extraction and use of natural resources are considerable. Apart from advancing economic and technological development across the globe, the exploitation of resources could have significant benefits for local communities because it generates employment opportunities. Furthermore, the rents received from properly managed exploitation can be used to develop physical infrastructure in the resource-rich country for the benefit of all. The involvement of local communities in the exploitation process could improve citizen participation in decision-making and contribute to better institution-building. In countries such as Chile, Australia, and Norway, resource exploitation has helped ensure economic development and a high standard of living for citizens.

The following sections offer an analysis of the main factors that contribute to underdevelopment in sub-Saharan Africa despite its abundance of natural resources.

Underlying Causes

An abundance of natural resources can indeed be a blessing. For example, Norway is the world's seventh largest oil exporter and fourteenth largest oil producer. Over nearly half a century, petroleum production has added some US$1,600 billion to the country's GDP, and the petroleum sector now represents 21 percent of the country's total value creation.[4] In the Global South, Chile has also undergone astonishing economic development in real terms and in comparison with the rest of Latin America by drawing effectively on its vast copper reserve. While profiting from its copper wealth, Chile has managed to diversify its economy and develop innovative industries.[5]

What is so different about sub-Saharan Africa that has prevented the region from benefitting from its abundant natural resources? The following sections provide an overview of the likely contributing factors. These factors are not necessarily only applicable to sub-Saharan Africa, but they tend to play a much bigger role in sub-Saharan Africa than in other areas.

Endogenous factors

The first set of factors are related to institutions. Philip Lane and Aaron Tornell postulate the existence of powerful coalitions formed to maximize their share of natural resource exploitation rents to the detriment of the rest of society. These **rent-seeking groups** become greedier and demand an even larger influence over national economic policies to consolidate their advantage.[6] In the resource-rich countries of sub-Saharan Africa, this is often the case because many do not have operational institutions to exercise restraints on such groups. Countries with institutions that are too weak to handle conflicts and significant income inequality are less able to withstand economic shocks, with growth tending to slow down or fail as a result. They are also more vulnerable to civil strife and war because weakened institutions are even less able to contain the resulting social pressure and conflict over the distribution of resources.[7]

The **lack of political freedom and democracy** in much of the region is another problem. In recent years, sub-Saharan Africa has ranked as the world's most politically volatile region, experiencing major democratic breakthroughs in some countries, but coups, civil strife, and authoritarian crackdowns in others.[8] The checks and balances to be enforced by an informed civil society with political oversight are lacking, which increases the potential for abuse in the exploitation of natural resources and the distribution of its revenues. Michael Ross has found tentative support for three causal mechanisms between oil wealth and the lack of political freedom and democracy. First, governments use their oil revenues to relieve social pressures that might otherwise lead to demands for accountability (for example, through lower taxation, greater spending on patronage, and the prevention of investment in human capital that may promote democratic governance). Second, oil wealth allows governments to spend more on internal security, which may block the population's democratic aspirations (either due to self-interest or as a response to ethnic or regional conflicts). Third, oil wealth may not be translated into economic development that results in cultural and social changes (such as occupational specialization, urbanization, and higher levels of education). This presents a challenge to democratization. These mechanisms, as Ross has demonstrated, are applicable not only to oil but also to other nonfuel mineral resources..[9] It can therefore be concluded that resource wealth and a lack of political freedom and democracy are interlocked in a cyclical process.

When checks and balances to be enforced by an informed civil society with political oversight are lacking, the potential for abuse in the exploitation of natural resources and the distribution of revenues increases.

On Transparency International's 2012 **Corruption** Perceptions Index, 90 percent of sub-Saharan African countries scored lower than 50 (on a scale from 0 to 100, 0 being the most corrupt), far exceeding the global average.[10] This makes sub-Saharan Africa the second most corrupt region of all regions surveyed after eastern Europe and central Asia.[11] The relationship between corruption and the resource curse is twofold. First, natural resource endowment may, as mentioned, lead to rent-seeking behavior. Second, management of resources may itself be corrupt, which may lead to a sub-optimal use of the resources and subsequently poor development outcomes in terms of economic growth or poverty reduction.[12]

Another factor is **bad fiscal policies** that tend to be kept in place by governments. One example is the tendency to borrow excessively, especially during periods when the prices of resources on the international market are high. Once the resources run out or the prices fall, financial crisis and hampered economic development are inevitable.[13] Another example is the strict trade policies often put in place to avoid Dutch disease (to put it simply, the decline in the manufacturing sector that often accompanies exploitation of natural resources), which in turn may harm growth prospects.[14] In addition, subsidies that are often attached to extractives, such as oil for fuel, are also macro-economically damaging. Energy subsidies absorb a large share of scarce public resources in sub-Saharan Africa, costing an average about 4 percent of GDP.[15] Significant spending on energy subsidies crowds out more productive government spending, such as expenditure on health and education, as well as preventing the reconstruction of fiscal policy buffers in the wake of the global economic crisis.[17]

The resource curse in sub-Saharan Africa may be further exacerbated by the **geographic, demographic, and public health features** that have also played a role in impeding economic growth in the continent. Many kinds of technologies, for example, do not transfer well across ecological zones. The temperate zones have also long had much higher rates of endogenous technical change than the tropics given the cumulative advantage of larger markets for innovation over time. Additionally, the tropics pose inherent difficulties in agriculture, such as low productivity, and public health, such as prevalence of malaria and HIV/AIDS. Last, the tropics are far from large mid-latitude markets and transport costs within Africa are high.[17]

Furthermore, **power relations** also play important roles, both in how social forces have been involved in coordinating, negotiating and governing the resource extraction process and in how certain ideas about development are implemented and become dominant.[18] Regarding the first, perhaps the best illustration is the imbalance in bargaining

power between resource-rich governments and multinational corporations, which is elaborated in the following section. The second role is most suitably illustrated by the mainstream indicators of development (i.e. those with the greatest influence on decision-making in both the public and the private sector) that predominantly focus on economic criteria, such as growth or income per capita. These metrics too often disregard or belittle the distributional effect of economic development or the process of growth generation and are too seldom well-integrated with other indicators in the areas of social and sustainable development. The prevailing concept of economic development may not resonate among some of sub-Saharan Africa's citizens, who may take a different "sufficiency-based" approach to improving their standard of living, rather than viewing development as analogous with increased consumption.[19] Given their mindset, local communities may have lower aspirations for the threshold of structural measures needed to combat the curse.

Exogenous factors

Apart from those specific to sub-Saharan Africa, factors on an international level contribute to the resource curse. These are highlighted as a basis for policy recommendations.

Although referred to differently within different disciplines, the **postcolonial legacy**—which still lingers over many areas of Africa today—is considered an important factor in the resource curse. The term refers to the political and economic relationship between postcolonial Africa and the West that has the same underpinnings and meets the same objectives as that of the colonial period, and has a similar exploitative and asymmetric character.[20] The political structure, culture, and general policy handed over to the rulers or left behind by the colonial powers were not based on the choice, consent, will, and purpose of the African people. The arbitrary boundaries and cultural differences created and imposed by the colonial powers are illustrative. Such forceful fusion of incompatible national groups into one state increases the potential for conflict and subsequently also increases the difficulty of efficiently utilizing (transboundary) resources.[21]

The **volatility of natural resource revenues** also contributes to the resource curse. Resource-rich economies often specialize in production of natural resources and are thus more susceptible to fluctuations in commodity markets.[22] An economic argument for why volatility hampers economic growth is that firms are more likely to hit liquidity constraints and thus cannot afford to innovate, which depresses growth, especially in economies with poorly developed financial institutions.[23] A political argument is that during commodity booms countries often engage in a public spending bonanza that is unsustainable and needs to be reversed when global commodity prices collapse and revenues decrease.[24]

Resource-rich countries have also experienced a long-term **decline in the terms of trade** as postulated by the Prebisch-Singer thesis.[25] Over time, natural resource export revenue buys fewer and fewer imported capital goods, thereby inhibiting development-creating investment in an economy. The declining terms of trade means that growth in countries relying on the export of primary commodities is relatively weak over time and that prospects for development are constrained.

Another contributing factor is the often **unfair processes used to negotiate clauses contained in bilateral and multilateral agreements** between investors and host-country governments. The power imbalance between weak national governments and powerful multinational companies frequently results in contracts with revenue distribution agreements that do not take into account compensation for many of the negative social, economic, and environmental impacts generated by the resource exploitation.[26] For example, research by Human Rights Watch indicates that the multinational mining companies, Vale and Rio Tinto, displaced over 1400 households in Mozambique between 2009 and 2011. Many of these households lost regular access to food, water, and income opportunities instead of enjoying the benefits of economic growth that should have been brought to the region.[27] A report commissioned by the European Parliament's Development Committee found that, notwithstanding greater efforts towards corporate social responsibility, practices of multinational oil companies (such as oil spills and gas flaring) contribute to impoverished livelihoods, a degraded environment, displacement of local communities that rely heavily on natural resources for their survival, and long-term declines in (local) economic growth prospects due to—among others—negative cumulative effects on the health of the local people.[28] Resource-rich countries are sometimes even forced to compete with each other in a "race to the bottom" on issues such as royalties and social and environmental safeguards.[29] In addition, the process of awarding the contract is not always open for public bidding or review. Confidentiality clauses in contracts also mean that the much-needed transparency for parties to be held accountable cannot be ensured.

The power imbalance between weak national governments and powerful multinational companies frequently results in contracts with revenue distribution agreements that do not take into account compensation for negative impacts generated by the resource exploitation.

The final factor is **illicit financial flows**, which corruption in resource-rich countries enables. Potential revenues from natural resources are diverted out of the resource-rich countries rather than being utilized by those countries' governments for investment in infrastructure and the development of other sectors. Corruption can be the source of illicit funds to be laundered, a way of facilitating the creation of illicit funds, or a way of enabling an illicit flow.[30] The financial secrecy provided by the prevailing global financial architecture—which includes tax havens, secret trusts, shell companies, and anonymous accounts—is an external enabling factor.[31]

Interacting with the endogenous factors, these broader exogenous factors can aggravate the situation. A concerted international effort is necessary to help overcome the resource curse.

Turning the Curse Around

As discussed, many countries with an abundance of natural resources do not suffer from the resource curse. They have been able to harness their resources in such a way that almost the entire population benefits from the rents obtained from exploitation. Certain recommendations, when adopted, could help sub-Saharan countries now facing the resource curse reverse the predicament. These recommendations could serve as guidelines for sub-Saharan nations that have discovered new reserves of natural resources to avoid the curse.

Countries that have recently discovered such reserves first need to devote **reasonable time to the phase before consignments for resource exploitation are finalized**. This preparatory phase should be used to consult all stakeholders in the country as to the best way to regulate the exploitation. Consulting all stakeholders, especially the communities that will feel the impact of the exploitation directly, will provide the government with considerable insight into the major problems that communities foresee as accompanying resource extraction.

Regulation aimed at improving public participation should also contain provisions on how fair and equitable compensation will be determined, also in consultation with stakeholders.

It is recommended that all resource-rich countries **regulate consultative dialogues** with stakeholders in a flexible but binding legal framework. Communities could then rely on the adopted framework in the event of any possible exploitation of a natural resource within the community. The need for such a document lies in the fact that it is not always easy to foresee who the stakeholders are in certain situations. Room should therefore be given to the possibility of broadening the scope of application of the legal framework when necessary. Regulation aimed at improving public participation should also contain provisions on how fair and equitable compensation will be determined, also in consultation with stakeholders. Promoting public participation in decisions is also a way of ensuring acceptance of the decision and preventing possible conflicts that may arise because of the decision to allow exploitation.

Because some countries may not have the technical and managerial knowledge needed in contract negotiations, it is critical for resource-rich governments to equip themselves by referring to and **studying successful examples** and by including qualified experts from these countries in their negotiating teams to increase their bargaining power.

Regulatory frameworks to minimize negative impacts of resource exploitation should include environmental regulation, labor regulation, regulation relating to the procurement of materials needed for the exploitation, and provisions that require the company involved in the exploitation to make a contribution to the development of the community where the exploitation takes place.

Apart from involving the public—at the lowest possible level of society—in government decision-making related to the exploitation, it is important that other institutional arrangements are organized not only to attract foreign investors but also to ensure transparency and accountability of government decisions and policies concerning deals relating to the exploitation. These arrangements should promote and ensure appropriate execution and implementation of the regulations. In the context of sub-Saharan Africa, it is important to **combat corruption among government officials and policymakers**. Corruption is one of the root causes of violence, instability, and underdevelopment. Corruption and nepotism have two primary negative effects on development. First, concerned policymakers take measures not in the interest of the society but with personal economic gains in mind. Similarly, family members and other affiliates are often given positions within a government even when they are less qualified than other candidates. It is essential that all possible measures are undertaken to prevent corruption and to tackle the effects of corrupt government practices.

Measures that could be undertaken to combat corruption include

- adopting a transparent and concise legal framework that includes guidelines for government officials involved in consignment negotiations, accountability mechanisms, and strong sanctions on those found guilty of corruption;

- establishing an autonomous and impartial supervisory mechanism to ensure proper implementation and execution of the legal framework and to enforce sanctions when necessary;
- empowering citizens to stigmatize corrupt practices through anticorruption awareness campaigns;
- ratifying and adopting international[32] and regional[33] legal frameworks aimed at combating corruption and collaborating with concerned supervisory bodies that monitor the performance of state-parties; and
- participating in existing anticorruption initiatives such as those undertaken by Transparency International and the Extractive Industry Transparency Initiative.

Furthermore, because land disputes are often the source of conflict in the region, it is recommended that necessary measures are taken to prevent such disputes and to peacefully resolve existing related conflicts.[34] Land ownership is a key factor in any economy because it confers property rights and defines access to and control of land assets, including natural resources that exist in or on land.[35] Hence, it is in the interest of both conflict prevention and foreign investment to properly **regulate land and property rights** and to ensure proper enforcement of these regulations.

Governments should also take measures to promote **inclusive social dialogues** to foster cohesiveness among ethnic groups and societies within the countries. This promotes trust among stakeholders, provides citizens with a sense of ownership of adopted policies, and contributes to conflict prevention.

All of these measures are tightly linked to the **rule of law** and the **administration of justice**. Little or no regard for the rule of law tends to affect a country's economic development and the well-being of its people. Rule of law based on respect for fundamental rights and equality is essential for every nation's development. A **well-equipped judicial infrastructure** is also important for all nations regardless of their level of development. An **effective judicial system** with qualified and independent officers is crucial for the enforcement of regulations and the advancement of the rule of law.

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Reliance on the exploitation of natural resources alone for the advancement of the economy is risky and a limited economic strategy. Good health—which includes a higher quality of life and life expectancy—is a form of human capital that has a beneficial effect on productivity and increases per capita income of a country.[36] Similarly, education is correlated with several social development outcomes; among these are health, fertility choices, and the education of children. Education also helps societies to develop, or adapt new technologies to local environments and build institutions integral to forming a sense of nationhood. Empirical research concludes that educated people are, on average, better able to train in the use of new technologies and that they tend to be a country's principal innovators.[37] Therefore in addition to having a well-established institutional framework, it is recommended that governments invest in

and promote **quality education** at all levels and establish a **robust health infrastructure accessible to all citizens.**

It is also important that national and international civil societies in their own ways promote the **good governance, transparency, and accountability** of governments of resource-rich countries in sub-Saharan Africa. Empowering the public in taking interest in decisions made by policymakers regarding natural resources is essential.

Preliminary research shows a need for the **international community to more actively cooperate with governments** in resource-rich sub-Saharan countries in decision-making processes regarding the exploitation of resources. As much as such decisions fall within the sovereignty of the concerned country, it is worth looking into the need for an institute whose responsibility would be to advise—on request by governments—on which policies regarding the natural resources may be best for the developmental needs of the concerned country and its citizens.

Perhaps the international community could do more to help combat corrupt practices among policymakers in resource-rich societies. Some countries are known to explicitly condone such corruption and other illicit practices when signing consignments for natural resource exploitation. A **strong signal from the international community** as to the harm such practices have on the livelihood of ordinary citizens, the potential to cause conflicts, and how these practices impede development is strongly recommended.

The extractive industry is advised to **comply with international standards of conduct** with regard to labor standards, to avoid corrupt practices, and to return a fair share of the rents of natural resource exploitation to populations affected by the exploitation. Companies are recommended to, for example, commit to the Extractive Industry Transparency Initiative and to participate in initiatives undertaken by the UN Global Compact.

The inclusion of provisions concerning the responsibility of multinationals in ensuring corporate social responsibility—embedded in the Ruggie principles—in company codes of conduct is a welcome first step.

Final Remarks

Over the past few decades, many researchers—notably economists, social scientists, political scientists, and anthropologists—have attempted to identify reasons for the persistent level of underdevelopment in sub-Saharan Africa despite the abundance of natural resources the region boasts, such as vast oil, gas and mineral reserves, and millions of hectares of rich agricultural lands. Many researchers qualify the phenomenon of underdevelopment in sub-Saharan Africa, in spite of its abundance of natural resource, with the term resource curse. No consensus on the phenomenon of the resource curse has been established given the many countries across the globe that experienced exponential economic growth despite their abundant natural resources. However, what many researchers agree on is that certain factors specific to sub-Saharan Africa contribute to the region's underdevelopment. The authors have categorized many of these into endogenous and exogenous factors. Within the sub-Saharan African countries, factors such as rent-seeking groups, bad fiscal policies, the growing level of corruption, and the lack of political freedom all interact to perpetuate the curse, resulting in unequal socioeconomic and environmental distribution of both the costs and benefits of resource endowments. The manifestation of these factors is further facilitated by the general macro-economic conditions of volatility of natural resources revenues and declining terms of trade. In addition, a power imbalance between the sub-Saharan African states and the extractive industry exacerbates the curse even further.

After examining the underlying causes of the resource curse in sub-Saharan Africa, this paper laid out several recommendations for reversing and avoiding the curse. These include regulating compulsory consultative dialogues with all stakeholders in the preparatory phase of extraction consignments, taking practical and structural measures to combat corruption, properly regulating land and property rights, and establishing an effective judicial system in the countries concerned. In the authors' opinion, sub-Saharan African countries should undertake measures to learn from countries which have been able to turn their natural resource reserves into a blessing. These lessons learned should not be copied blindly, but should be adapted to the needs of local communities and of the nation in general. It is only by doing so that economic development and political stability can be ensured.

> Sub-Saharan African countries should learn from countries which have been able to turn their natural resource reserves into a blessing. These lessons learned should be adapted to the needs of local communities and of the nation in general.

Endnotes

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Annex
The Global Governance Program and Conflict Prevention Program of The Hague Institute

Global Governance Program

Program Objectives

Making global governance work is one of the defining challenges of our time, as too often the world has failed to agree on, let alone engage in, concerted action to effectively address pressing cross-border problems. The Hague Institute's Global Governance Program engages relevant stakeholders near and far to create partnerships for extensive dialogue, research, and knowledge exchange. It aims to provide innovative and demand-driven solutions for collective action; its projects are designed to generate the robust empirical knowledge necessary to promote effective, efficient, and humane global governance in the twenty-first century.

Thematic Focus

The risks and challenges facing the world today—such as pandemics, climate change, economic crises, terrorism, and cybercrime—are increasingly multilateral and cannot be resolved unilaterally. As globalization brings the world and its problems closer together and as geopolitical power shifts from the West to the rest, the Global Governance Program seeks to detect the deficiencies in the international system and investigate the conditions for political activity and committing all relevant actors to global action. Particular attention will be paid to how current international institutions and political processes can more effectively resolve urgent global problems.

Key Projects

The Forum for Global Governance, already under way, engages renowned experts with state and nonstate affiliations from the West, the BRICS, and other emerging-market and developing countries in the search to improve global governance. It produces empirical research on the constraining and enabling factors for effective, efficient, and legitimate global governance across (three policy domains) and generates actionable policy recommendations on how institutions and political processes can be designed or reformed to guarantee enforcement by each stakeholder, thus fulfilling the shared responsibility for concerted action.

The Intellectual Property Management for Global Justice project undertakes research and capacity-building activities to promote intellectual property infrastructure in least developed countries in order to stimulate innovation for the benefit of the poorest. The project also looks into current pro-poor technology-transfer initiatives and examines how they could be executed to reduce least developed countries' dependence on innovations from abroad.

Conflict Prevention Program

Program Objectives

The Hague Institute's Conflict Prevention Program aims to produce knowledge that shapes academic and policy discussion within the Netherlands

and abroad on how to avert and restrain violent conflicts. In recent decades we have learned that the effects of civil wars, ethnic conflicts, state failures, and systematic violations of human rights are not constrained to disputing parties, but threaten stability and peace regionally and internationally. The program undertakes multidisciplinary, practice-oriented research, develops approaches and tools that deal with the root causes of conflicts and norms of protection, and disseminates such knowledge and expertise to those involved in foreign affairs, security and international development policymakers in governments and multinational organizations, practitioners with protective roles, academics and researchers, and civil society.
Under the Conflict Prevention Program, the Institute regularly invites experts and national, regional, and international practitioners—including policy-makers—to discuss relevant and timely questions. It also holds special-subject training courses for officials, managers, and activists to strengthen their conflict prevention and peacebuilding capabilities.

Thematic Focus

The program's first theme involves the role of natural resources in conflicts. Conflicts can occur over resource extraction as well as over the control of resources and resource trade. International frameworks and agreements in these areas are few and far between. A key element of conflict prevention is to ensure that resource extraction, trade, and use is carried out in a transparent, equitable, sustainable, and non-corrupt manner, so that long-term benefits accrue to key stakeholders, such as local communities and the state. The second theme concerns the responsibility to protect (R2P), an emerging principle in the international legal arena. In future projects, the Institute will improve the implementation of R2P by closing the gap between early warning and response, showing the potential compatibility between civilian protection and national sovereignty, and balancing comprehensiveness with parsimony of the concept. Related to the second theme, the Institute will further develop the doctrine and practical tools to enable peacekeepers to ensure the protection of civilians during interventions.

Key Projects

The Institute is a member of a Water Diplomacy Consortium that aspires to become a global hub for water diplomacy, governance, and law, and to contribute to conflict prevention and resolution related to intrastate and transboundary water management. A key project is Water Conflict Prevention in and for Yemen, which maps the water governance issues that may cause conflicts within Yemen and offers advice for mitigation measures.

Together with well-known universities and regional NGOs, the Institute is also developing a research project on climate-induced foreign agroinvestment in Ethiopia and Uganda. The project examines how the current regulatory framework and institutional landscape can accommodate the growing phenomenon of investments in a way that benefits countries and corporations alike, while effectively protecting the rights of local and indigenous people.

The Hague Institute
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