



Article

Conflict and Social and Political Preferences: Evidence from World War II and Civil Conflict in 35 European Countries

PAULINE GROSJEAN

School of Economics, Australian School of Business, University of New South Wales,
2052 Sydney, NSW, Australia.
E-mail: p.grosjean@unsw.edu.au

This paper uses new micro-level evidence from a nationally representative survey of 39,500 individuals in 35 countries to shed light on how individual experiences of conflict shape political and social preferences. The investigation covers World War II and recent civil conflict. Overwhelmingly, the results point to the negative and enduring legacy of war-related violence on political trust and perceived effectiveness of national institutions, although the effects are heterogeneous across different types (external *versus* internal) and outcomes (victory *versus* defeat) of conflict. Conflict spurs collective action, but of a dark nature, one associated with further erosion of social and political trust.

Comparative Economic Studies (2014) **56**, 424–451. doi:10.1057/ces.2014.2;
published online 13 March 2014; corrected online 28 March 2014

Keywords: conflict, social capital, state capacity, Europe, Caucasus, Central Asia

JEL Classification: N24, O57, Z13

INTRODUCTION

There are diverging views in the literature on the political legacy of conflict. A long tradition in economic and political history has characterized war and inter-group competition as preconditions for state formation and nation building, particularly in Western Europe (Tilly and Ardant, 1975; Tilly, 1985).



Standing in sharp contrast with this ‘state-building’ view, others have emphasized the political and social disintegration that often follows conflict, particularly in the developing world. The proponents of this second, ‘conflict trap’ view argue that conflict leads to development in reverse, weak states and further risks of political violence down the line (Collier *et al.*, 2003; Collier and Hoeffler, 2004). The contrast between external conflict, supposed to foster state capacity, and internal conflict, which may lead to opposite effects, has been illustrated more recently in the theoretical literature (Besley and Persson, 2009, 2010). However, the lack of systematic data across different countries and different types of conflict as well as the difficulty of drawing causal inference from cross-country macro-level variation have limited empirical contributions to this debate. The social and institutional legacies of conflict, despite being ‘arguably the most important’, remain the ‘least understood of all war impacts’ (Blattman and Miguel, 2010, p. 42).

This paper uses new micro-level evidence from a nationally representative survey in 35 countries, the Life in Transition Survey (hereafter LITS), to shed light on how the experience of conflict has shaped political and social preferences. Thirty-nine thousand and five hundred individuals were surveyed in 35 countries of Europe, the Caucasus and Central Asia in the summer of 2010 and were asked similar questions on personal and family (parents and grandparents) war exposure, political attitudes and socio-economic background. The investigation covers World War II (WWII) and civil wars in the former Yugoslavia, Central Asia and in the North Caucasus. LITS is the first large-scale multi-country nationally representative survey that documents conflict victimization in a homogeneous manner. This uniquely rich data makes it possible to shed light on the short- and long-term effects of different types of conflict on individual political and social preferences.

Of particular interest is the legacy of conflict on political and social norms that matter most for economic and political post-war recovery. Chief among these are the perceived legitimacy and effectiveness of institutions, as well as social capital. Institutions legitimacy is measured in this paper by respondents’ declared trust in central institutions. Perceived effectiveness is measured by respondents’ assessment of the quality of institutions. The perceived legitimacy and effectiveness of institutions are important determinants of growth (Acemoglu, 2003, 2005; Acemoglu *et al.* 2011; Besley and Persson, 2009, 2010), market development (Greif, 2012), economic liberalization (Grosjean and Senik, 2011) and post-conflict political recovery (Bigombe *et al.*, 2000). In addition to the role played by formal institutions, an ever-growing literature stresses the importance of culture and the positive role that social capital plays in growth (Knack and Keefer, 1997), the functioning of markets (Fafchamps, 2006) and institutional quality (Tabellini, 2008, 2010). Generalized norms of



morality have received particular attention (Guiso *et al.*, 2010) and will provide the first measure of social capital. An additional measure of social capital, in the tradition of Putnam (1995), consists of group membership and civic participation. A large literature on the social legacy of conflict has relied on such a measure of social capital (see namely Bellows and Miguel, 2009).

Drawing inference from cross-country results is jeopardized by the presence of endogeneity and simultaneity bias between conflict and social and political preferences at the national level. Therefore, this paper focuses on within-country analysis and only compares individuals who live in the same country, and even in the same village. This keeps constant the quality of formal institutions and enables the identification of the legacy of conflict on social norms.

There are three main findings in this paper, and each constitutes a contribution to a separate strand of the literature. First, the within-country evidence on the legacy of victimization argues overwhelmingly toward the conflict trap model. Any type of victimization is associated with lower perceived legitimacy and effectiveness of national institutions. Conflict spurs collective action, but of a kind that is further associated with the erosion of social and political trust.

This last result is a second contribution of the paper, which is to the emerging micro empirical literature on conflict and collective action. While the paper confirms prior results that conflict stimulates collective action (Bellows and Miguel, 2009; Voors *et al.*, 2012), it sheds light on its complex – and dark – nature. Victimization in a civil war leads to collective action that is associated with further erosion of political trust. This result is consistent with Cassar *et al.*'s (2013a, b) evidence on the effect of conflict experience on fostering bonding rather than bridging social capital. It also resonates with recent findings by Satyanath *et al.* (2013), which illustrate that a dense network of civic associations was instrumental in the downfall of democracy in interwar Germany.

Last but not least, the findings on the enduring legacy of WWII on individuals' political and social preferences echo an emerging literature that highlights the resilience of social norms over time and the long-term influence of violent events. Nunn and Wantchekon (2011) show that the slave trade in Africa has had a lasting influence on political and interpersonal trust in Africa. Grosjean (Forthcoming) investigates the persistence of norms of interpersonal violence. The findings in this paper also contribute to understanding why levels of institutional trust and social trust in Central and Eastern Europe are so persistently low (Rose, 2004). An early hypothesis was that this was due to the legacy of repressive Communist regimes. Although supported by some empirical evidence (Alesina and Fuchs-Schündeln, 2007), recent findings have undermined the importance of this factor (Roland 2004; Grosjean, Forthcoming).



This paper suggests the legacy of violent conflict as a noteworthy explanatory factor.

The approach and results of this paper are subjects to two main caveats. The first deals with the reliability of survey responses related to war exposure. To address this, survey statistics are compared to existing secondary data sources on war victims. The correlation is more than 0.9. The second deals with the econometric identification of the causal effect of war. To address concerns about selection into victimization, I employ several strategies. First, the results are robust to controlling for a large number of characteristics, including determinants of victimization, such as communist party membership, religion or income. Second, the results are robust to village fixed effects, which isolate the variation in violence experienced across neighbors within the same village. Third, I restrict the attention to the subsample of people who have never moved, in order to rule out that our results are due to selective migration. Moreover, the results related to WWII can hardly be due directly to reverse causality, since it is not the respondents themselves who were targeted, but their parents or grandparents.

LITERATURE

Theoretical underpinnings of the relationship between conflict and preferences

The view that ‘war makes states’ is chiefly based on the interpretation that wars and inter-group competition were preconditions for state formation and nation building in Western Europe (Tilly, 1985). Such a positive view of the legacy of war has recently been challenged, famously so in a 2003 World Bank report that highlighted the political, economic and social disintegration that often follows conflict, particularly in the developing world (Collier *et al.*, 2003; Collier and Hoeffler, 2004). Although the authors stress that ‘civil war differs radically from [...] international war’ (Collier *et al.*, 2003, p. 11), the theoretical underpinnings of this distinction are left unclear in the report.¹

A clearer underpinning of the relationship between conflict and the evolution of social preferences and of the fundamental difference between international and internal conflict is found in the evolutionary anthropology literature (see namely Bowles, 2006). In the context of frequent and deadly inter-group conflict, survival of the fittest group favors groups abounding in

¹Such a distinction is not straightforward. Tilly (1985) for example argues that external wars are just complements of internal wars in that: ‘the very logic by which a local lord extended or defended the perimeter within which he monopolized the means of violence and thereby increased his return from tribute, continued on a larger scale into the logic of war’ (pp. 184–185).



altruists and prosocial individuals, who are ready to cooperate with one another. Such selective pressures open a gap between insiders and outsiders: a differential treatment that dictates generosity toward the in-group but selfishness toward the out-group. This behavioral gap is referred to as parochialism (Bowles, 2006, 2008, 2009; Choi and Bowles, 2007; Boyd and Richerson, 2005). Parochialism implies that different types of conflict will have different legacy, depending on the respective boundaries of in-groups (friends) and out-groups (foes).

A related distinction between external and internal conflict and the implication for state-building has recently been formalized in a series of papers by Besley and Persson (2009, 2010). In their interpretation, the difference lies in that external warfare generates common interests that bridge the gap across groups, while internal warfare has an opposite effect. A higher risk of external conflict is modeled as an increase in the taste for common public goods, which forces the state to invest in state capacity in order to raise revenue. Internal warfare generates opposite effects: political antagonism and the refusal to build a strong state, since power might fall in the hands of one's enemy. The theoretical predictions of model are clear: external warfare leads to higher state capacity, internal warfare to weak states and possibly a conflict trap.²

Empirical evidence on conflict and social and political preferences

In their review of the consequences of civil war, Blattman and Miguel (2010) stress the importance of understanding how institutions evolve during and after a civil war, yet the paucity of the empirical evidence on this subject. The presence of omitted variables correlated both with the occurrence of conflict and the quality of institutions as well as reverse causality issues³ make the interpretation of cross-country patterns difficult. Acknowledging these issues, the empirical literature has instead turned to within-country studies of the effect of civil war on individual attitudes, preferences and behavior in specific country case studies. An emerging and seemingly robust finding in this literature is that experiences of violence reinforce local collective action. In the case of, respectively, Sierra Leone and Uganda, Bellows and Miguel (2009)

² A similarly negative legacy of civil conflict is also predicted by Acemoglu *et al.* (2010), who argue that the threat of military coups may entice weak states to remain engrained in a civil conflict since putting down the conflict often requires reinforcing the military. Rohner *et al.* (2013a) also model the negative legacy of conflict on inter-group trust: conflict signals the negative qualities of the opponent group, such as a negative propensity to trade or, more generally, other negative qualities, such as dishonesty or untrustworthiness.

³ Djankov and Reynal-Queyrol (2010) argue that institutional quality is one of the driving factors of civil war.



and Blattman (2009) find that violent civil conflict strengthens local collective action, political engagement and voting.⁴

These findings seem to contradict the grim theoretical predictions on the legacy of civil conflict reviewed in the last subsection. However, they only rely on specific country case studies and it is hard to know whether they generalize to other conflicts and other dimensions of trust. In particular, when it comes to inter-group trust, the evidence points to negative effects of conflict.⁵ Another open question is what exactly collective action and participation in groups really captures. This remains hotly debated in the sociological literature (Portes, 1998, 2010). Pierre Bourdieu's (1985) concept of social capital as participation in groups was not Putnam's view of social harmony but rather of individuals and groups struggling for power in order to push their own interests. The downside of within-group favoritism is the exclusion of outsiders and inter-group antagonism (Portes, 1998). The domination by certain groups and inter-group antagonism can in turn lead to violence, either physical, as in the case of a civil war, or symbolic (Bourdieu, 1985). In fact, the density of civic associations has recently been associated with the rise of the Nazi Party in interwar Germany, which highlights this 'dark side' of social capital (Satyanath *et al.*, 2013). Similarly, Cassar *et al.* (2013a, b) find that victims of the Tajik civil war do participate more in group, but those who do so are precisely those who trust other people and the state even less.

Summary and hypothesis

To sum up, the literature suggests a positive legacy of international conflict, which is supposed to foster common interest and state capacity. While this may be a reasonable assumption when considering the *ex ante* risk for external conflict, common interest may fall apart after the end of the conflict, especially in the case of a defeat. In particular, we expect that:

- The legacy of international conflict on political and social preferences is contingent on its outcome (H1).

⁴ These patterns are consistent with field experimental evidence on war and social preferences. Bauer *et al.* (2014) find that war experiences reinforce parochial altruism (in-group favoritism) in children affected by an international conflict in Georgia. In Burundi, Voors *et al.* (2012) show that individuals with more violent experience display more altruism toward their neighbors. Whitt (2014) find strong resilient impartiality norms among Bosnian victims of the Yugoslav civil war, even toward non co-ethnics.

⁵ Rohner *et al.* (2013b) find very detrimental effects of the civil conflict in Uganda. Cassar *et al.* (2013a, b) also find negative effects of violence on trust, both among both victims and combatants of the Tajik civil war.



- Only international conflict that ends in victory is associated with higher trust toward formal institutions (H2), and higher perceived efficiency of formal institutions (H3), higher generalized trust (H4), and bridging social capital (H5).

While the theoretical literature predicts a negative legacy of civil conflict on pro-social preferences and on state capacity, empirical evidence so far has been mixed. Some studies have found positive legacy on intra-group trust, but opposite effects have been found for inter-group trust, so that the effect on generalized trust is ambiguous. Also, while the relationship between civil conflict and group membership is a robust finding of the literature, it is unclear how this relationship should be interpreted. Several hypotheses are derived:

- Experience of civil conflict has negative effect on trust toward formal institutions (H6) and on perceived efficiency of formal institutions (H7).
- Experience of civil conflict has an ambiguous effect on generalized trust (H8).
- Experience of civil conflict is associated with more active participation in groups and civic associations (H9).
- More active participation in groups and civic associations following a civil conflict reflects bonding rather than bridging social capital (H10).

HISTORICAL BACKGROUND: WARS IN EUROPE, THE CAUCASUS, AND CENTRAL ASIA

World War II

A full description of WWII and the destruction it caused in the countries in Europe and Central Asia that are included in LITS is well beyond the scope of this paper. The nature of WWII was very different in the different countries and the review of the literature makes clear that contrasting legacy should be expected. In some countries, which side they were on was very clear from the onset. This is the case for the Axis powers: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Germany, Hungary, Italy, Kosovo, Montenegro, Romania, Slovak Republic; and the Allies: Britain, the Czech Republic, Poland and most of the USSR. However, other countries were divided and switched sides over the course of the war. This was the case of Belarus, France, Estonia, Latvia, Lithuania, Moldova Serbia, Slovenia and Ukraine. I retain these three groupings of countries in the analysis. Hypothesis related to the effect of losing an international conflict are tested on the sample of the defeated Axis powers, those related to winning an international conflict on the sample of the victorious Allies. In the third group of divided countries, the experience of



WWII is likened to a civil rather than international conflict. A fourth group of countries included in LITS: Sweden, Mongolia and Turkey remained neutral for all or the vast majority of the conflict and are excluded from the analysis.

Civil wars

Much civil conflict has occurred in the region since the end of WWII. They are described succinctly below.

The Yugoslav Wars

The Yugoslav Wars were fought in the former Socialist Federal Republic of Yugoslavia between 1991 and 1995. Three separate but related wars torn the region: the War in Slovenia (1991), the Croatian War of independence (1991–1995) and the Bosnian War (1992–1995). They have all been characterized by bitter ethnic conflict among, on one side, Serbs (and Montenegrins) and, on the other, Croats and Bosnians (and to a lesser degree, Slovenes); but also between Bosnians and Croats in Bosnia. The death toll is estimated at 140,000 people (International Center for Transitional Justice, 2009).

Kosovo

The Kosovo War consists of two separate armed conflicts. From early 1998 to 1999, the Kosovo Liberation Army fought the Serbian army and the police of the Former Yugoslavia. From March 24, 1999 to June 10, 1999, NATO intervened and attacked Serb military targets in Serbia, Montenegro and Kosovo while pro-Kosovo independence ethnic Albanian militants continued battles with Yugoslav forces, amidst a massive displacement of population in Kosovo.⁶ In June 1999, Milosevic capitulated and accepted peace conditions. Although the actual casualties of the war remain in debate, it is estimated that around 13,000 civilians lost their lives.

The Tajik civil war

The Tajik civil war (1992–1997) has received far less attention than most other conflict of the 1990s. There appears to be no clear consensus on what caused the conflict and the literature offers a variety of different interpretations based on regionalism, ideology, elite instrumentalism and resource-driven theories. From a regional perspective, the war is often described as a struggle between a pro-government alliance of northern and southern factions against eastern opposition groups, out of which the southern faction emerged as dominant. Ideologically, the conflict is often characterized as former communists against a highly fractionalized group of challengers comprising Islamic revivalists,

⁶ Estimated to be close to 1 million people.



ethnic nationalists and pro-democratic reformers. Most of the conflict took place in central and southern low-lying areas where these population groups were inter-mixed. From 1992 onward, the southern-dominated government forces battled eastern opposition groups until a peace agreement was reached in 1997. With military intervention from Russia and Uzbekistan, government forces ultimately regained control by pushing eastern opposition out of the south, the central regions and the capital back to their homelands in the east or abroad. In 1997, the United Nations brokered a peace agreement between government and opposition forces. In the period between 1992 and 1997 estimates of war casualties vary between 50,000 and 100,000 dead and over 1 million people displaced internally and abroad.

The North Caucasus

The first Chechen War started 3 years after Chechnya declared independence from Russia in 1991 and ended in the defeat of Russian forces in 1996. In 1999, the Second Chechen War was the Russian Federation's reaction to the invasion of Dagestan by the Islamic International Peacekeeping Brigade. Russia established direct rule of Chechnya in May 2000 but Chechen militant resistance throughout the North Caucasus continued to challenge Russian political control over Chechnya. Chechen separatists also carried out terrorist attacks against civilians in Russia.⁷ On April 16, 2009, the conflict officially ended. Unofficial estimates of its death toll range from 25,000 to 50,000 dead or missing civilians in Chechnya. Russian casualties are over 5,200 (official Russian casualty figures). Battle deaths are estimated around 30,000 (Correlates of War Database, 2011).

Clashes in Kyrgyzstan

Kyrgyzstan experiences a series of riots and demonstrations in April 2010 that led to the ousting of President Kurmanbek Bakiyev. Protesters took control of a government office in Talas on April 6, and on April 7, clashes between protesters and police in the capital Bishkek turned violent. After the riots, President Bakiyev fled the capital and then the country and resigned as president, while opposition leaders formed a new government led by former foreign minister Roza Otunbayeva. Some clashes occurred in the South, the base of the former President.

⁷ The most notorious were the deadly 2004 siege at a school in Beslan, North Ossetia; the mid-air destruction of two Russian airliners; the bombings at two Moscow metro stations; and the mass hostage-taking at a Moscow theater in October 2002.



DATA AND EMPIRICAL STRATEGY

Data

LITS is a nationally representative survey. It was conducted in the summer of 2010 in 35 countries. All countries from the former Socialist bloc are included in the survey, as well as Turkey and five European countries for comparison: France, Germany, Great Britain, Italy and Sweden.

Respondents to the survey were drawn randomly, using a two-stage sampling method, with census enumeration areas as Primary Sampling Units (PSUs),⁸ and households as secondary sampling units. This nationally representative survey includes 1,000 observations per country, except in Ukraine and Russia, where 1,500 individuals were surveyed. The total number of observation is more than 39,500.

Dependent variables: Perceptions of institutions and social capital

The legitimacy of institutions is captured by respondents' declared trust in different state institutions. LITS asks: *'On a scale of 1 (complete distrust) to 5 (complete trust), to what extent do you trust the following institutions'*. Of particular interest is trust in central institutions, which sums responses to the question for: the presidency, the government and the parliament. This 'trust in central institutions' variable takes values from 3 (complete distrust in the three institutions) to 15 (complete trust in the three institutions). The average across the sample (unweighted average) is 8.27. It is lowest in Romania (5.05) and Bosnia and Herzegovina (6.66) and highest in Sweden and Central Asian countries (more than 10).

Legitimacy will also be sustained in a justice system that is perceived to treat all citizens equally and to protect citizens against abuse by the state. This is directly captured by LITS' question to what extent respondents agree that: (i) *'a courts system that treat all citizens equally, rather than favoring some over others'* and (ii) *'a courts system that defends individual rights against abuses by the state'* exist in their country. Answers are on a scale from 1 ('strongly disagree') to 5 ('strongly agree'). I use the average of responses to these two questions as the main measure of institutions effectiveness (variable: 'institutions effectiveness'). The average across the sample (unweighted average) is 2.78. It is lowest in Ukraine (2.03) and highest in Germany and Britain (3.62 and 3.39, respectively).

The first measure of social capital consists in answers to the widely used generalized trust question: *Generally speaking, would you say that most people can be trusted or that you can't be too careful dealing with people'*, with

⁸ PSUs were selected randomly, with probability proportional to size.



responses on a 5-point scale, from 'complete distrust' to 'complete trust'. Generalized trust is lowest in Armenia (2.16) and highest in Sweden, Albania and Kazakhstan.

Social capital is also measured by group membership and participation in collective action, namely demonstrating, signing a petition or participating in a strike. LITS asks about membership in diverse groups: religious groups, recreational organizations, educational organizations, labor unions, environmental organizations, professional associates, charitable organizations or youth associations and whether the respondent is an active or inactive member. The variable 'active participation in groups' is a dummy variable that takes value 1 if the respondent is an active member of any such group. About 18%⁹ of the sample is an active member of a group. Active group participation is lowest in Armenia and Azerbaijan and highest in Slovenia. The variable 'political party membership' takes value 1 if the respondent declares being a current member of a political party. Only 7% of the (unweighted sample) belongs to a political party, ranging from a low of less than 1% in Poland to a high of 24% in Mongolia.¹⁰

The variable 'collective action' sums responses to questions related to whether the respondent participated in a demonstration or a strike or signed of a petition. Answers take values from 0 if the respondent 'would never do' such an action, 1 if she 'might do' and 2 if she 'has done' in the past. 'Collective action' thus takes values from 0 if the respondent would never do any of these actions to 3 if she has done all three. It is lowest in Azerbaijan (0.25) and Belarus (0.60) and highest in Croatia, Slovenia and Kosovo (2.77). Such measures of group participation and collective action are useful as additional measures of social capital. They also make it possible to test whether recent findings in the micro empirical literature on conflict, which finds that exposure to violence reinforces collective action, hold in our sample.

Independent variables: Conflict exposure

LITS questions and descriptive statistics

Not many of 2010 respondents would report direct personal exposure to WWII, a conflict that ended more than 60 years ago. The survey therefore asks about personal and family exposure to violence during WWII with the following question: '*Were you, your parents or your grandparents physically injured or killed during the Second World War?*'. The variable 'killed or injured in WWII' takes value 1 if the respondent answers yes to this question. Incidence of WWII exposure is high. Descriptive statistics are displayed in Table 1. On average,

⁹ Unweighted average.

¹⁰ Political party membership is not compulsory in any of these countries.



Table 1: Descriptive statistics victimization

	Killed or injured in recent civil war		Killed or injured WWII	
	mean	sd	mean	sd
Albania (ii)			0.072	0.259
Armenia (i)	0.071	0.257	0.376	0.485
Azerbaijan (i)			0.360	0.480
Belarus (iii)			0.640	0.480
Bosnia and Herzegovina (ii)	0.275	0.447	0.208	0.406
Britain (i)			0.158	0.365
Bulgaria (ii)			0.146	0.353
Croatia (ii)	0.147	0.354	0.333	0.472
Czech Republic (ii)			0.112	0.315
Estonia (iii)			0.370	0.483
France (iii)			0.246	0.431
Georgia (i)			0.380	0.486
Germany (ii)			0.291	0.454
Hungary (ii)			0.212	0.409
Italy (ii)			0.142	0.349
Kazakhstan (i)			0.515	0.500
Kosovo (ii)	0.187	0.390	0.097	0.296
Kyrgyzstan (i)	0.027	0.161	0.300	0.458
Latvia (iii)			0.403	0.491
Lithuania (iii)			0.198	0.399
Macedonia (ii)	0.025	0.157	0.143	0.351
Moldova (iii)			0.432	0.496
Montenegro (ii)	0.058	0.235	0.277	0.448
Poland (i)			0.332	0.471
Romania (ii)			0.270	0.444
Russian Federation (i)	0.042	0.202	0.610	0.488
Serbia (iii)	0.072	0.258	0.339	0.474
Slovak Republic (ii)			0.130	0.336
Slovenia (iii)	0.029	0.167	0.188	0.391
Tajikistan (i)	0.078	0.269	0.191	0.393
Ukraine (iii)			0.606	0.489
Uzbekistan (i)			0.227	0.419
Mean whole sample		0.035		0.297
(Mean sample countries with recent civil war)		0.085		
(Mean World War II (WWII) won)				0.345
(Mean WWII lost)				0.187
(Mean WWII divided)				0.380
Observations		14,682		32,256

Notes: (i): WWII won; (ii): WWII lost; (iii): WWII divided.

Definition of variables:

'Killed or injured in recent civil war': dummy = 1 if self or family member injured or family member killed in civil conflicts for which non-missing values appear in the table.

'Killed or injured WWII': dummy = 1 if parents or grandparents killed or injured in WWII.



nearly 30% of respondents declare personal or family injury or loss during WWII (unweighted average across the sample). Such sample averages however hide considerable disparities across countries. The highest incidence of WWII victimization is in Belarus (64%), the Russian Federation and Ukraine (61%). The lowest is in Albania (7.2%) and Kosovo (9.7%). In the rest of the analysis, the variable 'WWI won' (respectively, 'WWI lost') takes value 1 if the respondent answers yes to the above question in one of the countries listed in the section 'World War II' as part of the Allies (respectively, Axis). The variable 'WWI divided' takes value 1 if respondents answer yes to the above question in one of the countries listed as divided in the section 'World War II'.

Questions on exposure to post-WWII civil conflict are only asked in a subset of relevant countries: Bosnia and Herzegovina, Croatia, Kosovo, Kyrgyzstan, Macedonia, Montenegro, the Russian Federation, Serbia, Slovenia and Tajikistan for recent civil wars and clashes. On average, 9.1% of the subsample answer yes to either the question: '*Were you or any of your household members physically injured as a result of conflict in [country] from [date] to [date]?*' or to a similar question inquiring about loss of life instead of physical injuries. Again, this average hides considerable heterogeneity, with highest headcounts of victims in Bosnia and Herzegovina (27.5%) and Kosovo (18.7%) and lower headcounts in Macedonia (2.5%) and Kyrgyzstan (2.7%). In what follows, the variable 'civil war' takes value 1 if the respondent answers yes to this question (Table 2).

Reliability of survey responses on victimization

One may raise doubts on the validity of self-reported exposure to victimization. In order to gauge the reliability of LITS answers, I compare LITS data to secondary sources on victim counts. The first useful source of data is the correlates of war (COW) database, which counts battle-related combatant fatalities in intra- and inter-state conflict. Such data are not the ideal comparison for LITS, since LITS also include civilian victims. For WWII, data on civilian deaths from the League of Nations Yearbook 1942–1944 are used in addition to COW data. I use Maddison data on population in 1945 and population growth rates between 1945 and 2010 in order to compute battle deaths and civilian deaths equivalent in proportion of contemporary populations. I use the average household size from LITS to compute what proportion of households such figures would correspond to. The correlation between the equivalent of contemporary deaths as a proportion of households and data on victimization from WWII from LITS is more than 0.90.

I proceed in the same way for more recent conflict. A lot of data are missing in the COW database for recent conflict, namely for the Tajik conflict and the



Table 2: Descriptive statistics: outcome variables

	Trust in central institutions (min: 3, max: 15)		Institutions' perceived effectiveness (min: 1; max: 5)					
	mean	sd	mean		sd			
<i>Panel A: Legitimacy of institutions</i>								
Albania	8.10	2.80	2.69		1.05			
Armenia	7.63	3.84	2.43		1.10			
Azerbaijan	11.22	3.04	3.10		1.09			
Belarus	10.17	3.36	3.11		1.03			
Bosnia and Herzegovina	6.66	3.10	2.64		0.98			
Britain	8.24	2.68	3.39		0.95			
Bulgaria	7.25	2.80	2.24		0.96			
Croatia	6.98	2.41	2.47		1.11			
Czech Republic	8.09	2.54	2.78		1.02			
Estonia	9.35	2.93	3.17		1.04			
France	7.39	2.91	3.12		1.16			
Georgia	9.73	2.66	2.86		0.93			
Germany	8.93	2.82	3.62		0.97			
Hungary	8.91	3.28	2.76		1.16			
Italy	7.59	2.76	2.97		1.22			
Kazakhstan	11.06	2.99	2.75		1.09			
Kosovo	7.54	3.51	2.64		1.17			
Kyrgyzstan	7.38	2.96	2.20		0.95			
Latvia	6.79	2.60	2.43		0.95			
Lithuania	7.79	2.24	2.36		0.98			
Macedonia	7.28	3.53	2.27		1.03			
Moldova	6.97	3.46	2.66		1.13			
Montenegro	9.44	3.10	3.09		0.95			
Poland	8.62	2.77	3.09		0.97			
Romania	5.01	2.74	2.39		1.07			
Russian Federation	9.09	3.45	2.41		1.05			
Serbia	6.85	2.94	2.49		1.02			
Slovak Republic	7.98	2.43	2.72		1.02			
Slovenia	7.39	2.84	2.69		1.05			
Tajikistan	12.91	2.34	3.43		0.99			
Ukraine	7.06	3.41	2.03		0.95			
Uzbekistan			3.99		0.97			
Whole sample	8.160	3.330	2.790		1.130			
Observations	31,657		32,592					
	Generalized trust (min:1, max: 5)		Active participation in a group (min: 0, max: 1)		Membership political party (min: 0, max: 1)		Collective action (min: 0, max: 6)	
	mean	sd	mean	sd	mean	sd	mean	sd
<i>Panel B: Social Capital</i>								
Albania	3.29	0.91	0.07	0.26	0.11	0.31	1.30	1.47
Armenia	2.17	0.96	0.02	0.15	0.12	0.33	0.68	1.26
Azerbaijan	2.40	1.27	0.02	0.16	0.11	0.31	0.25	0.73
Belarus	3.12	1.00	0.18	0.38	0.01	0.11	0.60	1.08
Bosnia and Herzegovina	3.03	0.96	0.16	0.37	0.12	0.32	1.82	1.66



Table 2: (Continued)

	Generalized trust (min:1, max: 5)		Active participation in a group (min: 0, max: 1)		Membership political party (min: 0, max: 1)		Collective action (min: 0, max: 6)	
	mean	sd	mean	sd	mean	sd	mean	sd
Britain	3.14	1.01	0.40	0.49	0.03	0.16	2.41	1.53
Bulgaria	2.88	0.96	0.05	0.23	0.03	0.17	1.49	1.69
Croatia	2.87	0.99	0.22	0.41	0.08	0.27	2.25	1.76
Czech Republic	2.83	0.91	0.17	0.38	0.03	0.18	2.35	1.55
Estonia	3.14	1.03	0.18	0.38	0.03	0.17	1.20	1.43
France	2.78	1.04	0.40	0.49	0.02	0.15	3.62	1.95
Georgia	2.83	0.96	0.11	0.32	0.02	0.12	0.54	1.17
Germany	2.93	0.90	0.32	0.47	0.04	0.20	2.39	1.72
Hungary	2.86	1.01	0.12	0.32	0.01	0.09	0.93	1.49
Italy	2.79	0.95	0.21	0.41	0.02	0.15	2.55	1.87
Kazakhstan	3.34	1.03	0.06	0.24	0.05	0.21	0.51	0.96
Kosovo	3.17	0.95	0.09	0.29	0.12	0.32	2.77	1.46
Kyrgyzstan	2.65	1.07	0.07	0.26	0.10	0.30	0.66	1.15
Latvia	2.69	1.01	0.11	0.31	0.02	0.13	1.68	1.51
Lithuania	2.81	0.90	0.14	0.35	0.03	0.17	1.77	1.60
Macedonia	2.57	1.08	0.12	0.32	0.16	0.37	2.14	1.89
Moldova	2.97	1.09	0.18	0.39	0.04	0.19	0.86	1.37
Montenegro	3.18	0.86	0.13	0.33	0.10	0.29	1.62	1.64
Poland	3.09	0.91	0.25	0.43	0.00	0.07	1.49	1.52
Romania	2.67	1.07	0.23	0.42	0.03	0.17	1.29	1.57
Russian Federation	3.23	1.15	0.05	0.21	0.02	0.14	0.87	1.25
Serbia	3.05	0.98	0.14	0.35	0.10	0.30	1.86	1.81
Slovak Republic	2.75	0.91	0.12	0.33	0.02	0.15	2.53	1.62
Slovenia	3.02	0.90	0.33	0.47	0.04	0.20	2.32	1.65
Tajikistan	3.24	1.15	0.11	0.31	0.04	0.20	0.47	0.98
Ukraine	3.21	1.04	0.11	0.31	0.05	0.22	1.17	1.38
Uzbekistan	3.17	1.18	0.05	0.21	0.02	0.13		
Whole sample	2.950	1.045	0.155	0.362	0.052	0.223	1.562	1.701
Observations	34,159		35,960		35,557		34,425	

Notes: Definition of variables:

'Trust in central institutions' sums self-declared trust (on a scale of 1 for complete distrust to 5 for complete trust) for the presidency, the government and the parliament.

'Institutions' perceived effectiveness': average of responses to the following questions: (i) 'do you agree that a courts system that treat all citizens equally, rather than favoring some over others exists in this country today?' and (ii) 'do you agree that a courts system that defends individual rights against abuses by the state, exists in this country today?'

'General trust': dummy variable that takes value 1 if respondent answers 'most people can be trusted' to the following question: 'Generally speaking, would you say that most people can be trusted or that you can't be too careful dealing with people?'

'Active participation in group': dummy = 1 if the respondent is an active member of: religious groups, recreational organizations, educational organizations, labor unions, environmental organizations, professional associates, charitable organizations or youth associations.

'Membership political party': dummy = 1 if the respondent is member of a political party.

'Collective action' sums responses to questions related to whether the respondent participated in a demonstration or a strike or signed of a petition.



recent war between Georgia and Russia. In these cases, I use alternative Web sources.¹¹ I find, again, that the correlation between LITS data and combined secondary sources of data on civilian and battle deaths is also very high, at 0.80.

Overall, with correlation with secondary sources between 0.80 and 0.90, LITS' data on experiences of civil conflict and on WWII exposure are highly reliable.

EMPIRICAL STRATEGY

Model specification and identification

I investigate how war experience affects individual trust in institutions, generalized trust and propensity to participate in collective action. War experience may affect individual beliefs, values and preferences and give rise to new social norms. However, in order to be able to identify the legacy on social norms, it is essential to maintain constant the quality of formal institutions, which could itself be an outcome as well as a predictor of conflict, as noted by Djankov and Reynal-Queyrol (2010). For this reason, the analysis only focuses on within-country variation. I also argue that different types of conflict may have different effects. The analysis considers the effects of different conflict separately: won international wars, lost international wars and civil conflict.

The general form of the within-country estimation equation is as follows:

$$Y_{ij} = \gamma_0 + \gamma_1 W_{ij}^k + \gamma_2 X_{ij} + \gamma_3 C_j + \zeta_{ij} \quad (1)$$

where W_{ij}^k is a dummy variable that captures the exposure to violence in a conflict of type k of individual i in country j . k denotes either an international conflict won, lost, or a civil conflict. X_{ij} is a set of individual and household controls. The dependent variables are the measures of state capacity and social capital described in the section 'Dependent variables: Perceptions of institutions and social capital'. C_j is a set of country dummies, or of PSU (village, suburb) dummies. ε_{ij} is the error term. In order to account for the likely correlation between individual error terms within the same country, standard errors are clustered at the country level throughout.

In order to study the implications of collective action for state-building, the analysis also considers the following regression, which political trust on

¹¹ <http://www.hrw.org/legacy/backgrounder/eca/tajikbkg1005.htm> for Tajikistan and <http://www.ohchr.org/en/countries/enacaregion/pages/geindex.aspx> for Georgia.



collective action interacted with war victimization:

$$Trust_{ij} + \theta_0 + \theta_1 W_{ij}^k + \theta_2 CollAction_{ij} + \theta_3 W_{ij}^k * CollAction_{ij} + \theta_4 X_{ij} + \theta_5 C_j + \xi_{ij} \quad (2)$$

Identification of the causal effect of conflict requires that victimization is random. Such an assumption might be too strong. Victims of violence may be different from non-victims in observable and unobservable ways and thus any comparisons of victims and non-victims will conflate the impacts of war with pre-existing differences that led some people to be victimized. This is especially problematic if the characteristics associated with victimization are also those associated with the outcomes that we want to observe, such as social and political preferences. In the case of WWII, for example, communists may have been systematically targeted, and such characteristics might be correlated with social and political attitudes even today. This would result in a bias in the estimation of victimization on social and political attitudes.

Attenuating our concerns about selection, in particular for WWII, is that, since it ended 65 years before LITS was conducted, selection would have operated at the parents' or grandparents' level and might thus be less of a concern (depending on the strength of transmission of political values across generations). Still, some concerns remain for the identification of causal effects of victimization and several strategies are pursued in order to deal with the potential selection bias.

First, I employ a selection on observables strategy and check that the results are robust to the inclusion of a large number of individual and household controls. Of particular concern are variables that may be related both to preferences and to victimization. I first include invariant characteristics, which cannot be affected by victimization but may be correlated with it, such as age, gender or ethnicity. Ethnicity is very well measured in LITS, which asks not about self-declared ethnicity, which could be an endogenous measure, but rather about the respondent's mother tongue, as well as father's and mother's mother tongue. I empirically investigate what characteristics are associated with victimization and include them as controls in the rest of the analysis (see next subsection). In particular, all regressions control for Communist Party membership of the respondent or of any family member.

Second, I check that all results are robust to the inclusion of village fixed effects. The use of village fixed effects implies that identification now only requires that violence is – close to – random within villages, conditional on household and individual characteristics.

War induced migration could confound the results, since victimization is often associated with displacement. I undertake two strategies to address this issue in robustness tests. First, I control for the individual and family history of



migration. Second, I follow Bellows and Miguel (2009) and Cassar *et al.* (2013a) and I restrict the analysis to people who have never moved or been displaced, and whose family (parents, grandparents) has never been displaced. Fortunately, LITS data ask whether respondents or their parents or grandparents were displaced as a result of conflict. Fifteen percent of respondents answer that their family has been displaced as a result of WWII. Seven percent of respondents were displaced as a result of a civil conflict. LITS also asks for how long respondents have lived in the locality in which they are surveyed in 2010. Keeping only respondents who have never moved and whose family was not displaced leaves about 45% of the original sample. Distinguishing between movers and non-movers alleviates concerns related to self-selective migration if, for example, displacement itself eroded social capital or if war victims systematically sorted themselves in low social capital areas. It also makes it possible to investigate the potential differential effect of victimization as a function of displacement. On the one hand, the combined traumas of victimization and displacement may lead to stronger results for displaced people. On the other hand, if people did not have the possibility to move and still live among the perpetrators of civil war-related violence, the effects may be stronger for non-movers.

Determinants of victimization

Table 3 displays the results of specifications that regress victimization indicators on a number of individual and household-level characteristics as well as country dummies. Columns 1 and 2 study the determinants of victimization in the Second World War, Columns 3 and 4 in recent civil conflict. Ethnicity is proxied by the respondent's mother tongue. There are more than 37 possible languages, and thus the results specific to each possible category are omitted. No ethnicity, apart from Laz, is robustly associated with WWII victimization. For recent civil conflict, Bosnian, Croat, Georgian and Tajik ethnicity are positively associated with victimization. Age is the most robust predictor of conflict, which is hardly surprising since the conflicts that are considered are rather distant in the past. Education is negatively and significantly associated with victimization in recent civil conflict. Income is not significantly associated with victimization during recent conflict, but is positively associated with victimization in WWII. Religion is not robustly associated with victimization, apart from Orthodox, which is a marginally statistically significant and negative for civil conflict. Communist party membership is positively and significantly associated with victimization, both in WWII and in recent conflict. All regressions to follow control for communist party membership of any household member as well as for age, education, income, working status, religion and household size.



Table 3: Determinants of victimization

	1 Victimization WWII (mean: 0.297)	2	3 Victimization recent civil conflict (mean: 0.035)	4
Age	0.005*** [0.001]	0.005*** [0.001]	0.001** [0.000]	0.001** [0.000]
Age squared	-0.000 [0.000]	-0.000 [0.000]	-0.000** [0.000]	-0.000** [0.000]
Jewish	0.056 [0.085]	0.062 [0.085]	-0.000 [0.020]	0.000 [0.020]
Orthodox	0.018 [0.020]	0.018 [0.020]	-0.010* [0.005]	-0.010* [0.005]
Catholic	-0.023 [0.022]	-0.019 [0.021]	0.002 [0.003]	0.003 [0.003]
Other Christian	-0.007 [0.026]	-0.005 [0.025]	0.004 [0.003]	0.004 [0.003]
Muslim	-0.058** [0.026]	-0.055** [0.026]	-0.017* [0.010]	-0.016 [0.010]
Other	-0.008 [0.029]	-0.007 [0.029]	-0.001 [0.003]	-0.000 [0.003]
Work (= 1 if employed)	0.003 [0.008]	0.003 [0.008]	-0.003 [0.002]	-0.003 [0.002]
Primary education	-0.026 [0.020]	-0.026 [0.021]	-0.024* [0.013]	-0.024* [0.013]
Lower sec education	-0.029 [0.023]	-0.029 [0.023]	-0.025* [0.014]	-0.025* [0.014]
Higher sec education	-0.037 [0.022]	-0.037 [0.023]	-0.027** [0.012]	-0.027** [0.012]
Post-sec education	-0.035 [0.022]	-0.036 [0.022]	-0.025** [0.012]	-0.025** [0.012]
BA	-0.032 [0.024]	-0.032 [0.024]	-0.026* [0.015]	-0.026* [0.014]
MA or PhD	-0.011 [0.030]	-0.015 [0.030]	-0.026* [0.014]	-0.027* [0.014]
Household size	0.001 [0.002]	0.001 [0.002]	0.003** [0.001]	0.003** [0.001]
Mid income	0.005 [0.008]	0.004 [0.008]	0.005 [0.003]	0.005 [0.003]
Rich	0.023** [0.009]	0.022** [0.010]	0.003 [0.003]	0.003 [0.003]
Respondent Communist Party	0.095*** [0.013]		0.017** [0.007]	
Father Communist Party	0.099*** [0.011]		0.017*** [0.006]	
Mother Communist Party	0.023 [0.015]		-0.003 [0.009]	
Any Household Communist Party		0.116*** [0.009]		0.018*** [0.005]
Ethnicity	yes	yes	yes	yes
Country dummies	yes	yes	yes	yes
Observations	29,542	29,543	32,092	32,093
R-squared	0.145	0.146	0.121	0.121

Notes: For definition of dependent variables, see Table 1. No religion is the excluded religion category. Buddhist also included. The excluded education category is no primary education completed. The excluded income category is poor. 'Communist Party' indicates former Communist Party membership. Robust standard errors clustered at the country level ***p < 0.01, **p < 0.05, *p < 0.10.



RESULTS

War and the perceived legitimacy and effectiveness of institutions

Table 4 presents the coefficients of separate regressions in which the outcome variables are individual attitudes toward institutions: political trust and perceived effectiveness of the justice system. For each measure, the first column presents the results of within-country regressions (controlling for country dummies) and the second also includes village or suburb dummies. The main independent variable of interest is victimization and, while the full set of individual controls is included, only the results for this variable are reported. Distinctions are made between victimization in a civil war, victimization in WWII in countries that were victorious and victimization in WWII in countries that were defeated. The results for victimization during WWII in divided countries are presented first as well as grouped together with victimization in a civil war.

Political trust is strongly and negatively associated with victimization in conflict, regardless of type or outcome of conflict. The relationship is particularly strong in the case of civil conflict, as well as WWII experience in divided countries. The relationship is statistically significant around the 1% level and is robust to the inclusion of country and village fixed effects. The effect is quantitatively meaningful. Trust in central institutions is 4%–5% lower for those who

Table 4: Conflict and state capacity

	1	2	3	4
	Trust in central institutions (president, government and parliament)		Institutions' perceived effectiveness	
<i>Victimization in:</i>				
(i) Recent civil war	-0.449*** [0.115]	-0.298** [0.114]	-0.195*** [0.047]	-0.092** [0.040]
(ii) WWII divided	-0.306*** [0.095]	-0.307*** [0.053]	-0.153*** [0.040]	-0.115*** [0.020]
Civil war or WWII divided ((i) or (ii))	-0.357*** [0.082]	-0.299*** [0.053]	-0.168*** [0.032]	-0.109*** [0.019]
(iii) WWII won	-0.068 [0.099]	-0.229** [0.094]	-0.037 [0.042]	-0.065*** [0.016]
(iv) WWII lost	-0.210*** [0.061]	-0.171** [0.079]	-0.166*** [0.042]	-0.115*** [0.023]
Individual controls	yes	yes	yes	yes
Country dummies	yes	yes	yes	yes
Village dummies	no	yes	no	yes

Notes: For definition of variables, see Tables 1 and 2. Each cell reports either the coefficient or standard error (in brackets) of individual regressions controlling for the full set of individual controls: age, income, education, communist party membership of any household member, size of household, working status, religion. Robust standard errors clustered at the country level.

Number of observations: 29,000.

***p<0.01, **p<0.05, *p<0.10.



experienced victimization during civil conflict, or those whose family experienced victimization during WWII in divided countries, compared to non-victims in the same country or in the same village, that is to say for a given quality of formal institutions. In other words, experiences of civil conflict lead to a persistent negative legacy on political trust. As a matter of fact, in France, one of the countries that were divided during WWII, the experience of the war is often pointed out as the root of the ‘distrustful society’,¹² which is characterized by a systemic lack of trust, namely toward formal institutions, and by relentless resentment of each group against the other, and that has been prevalent in France since the end of the World War (Algan and Cahuc, 2007).

Even in countries that were victorious in an international conflict, victims still trust central institutions less, although the effect falls short of statistical significance when village dummies are not included. However, the relationship between political trust and international conflict is not as robust as in the case of civil conflict, and only half the magnitude.

The results for the perceived effectiveness of the court system in defending individual rights against abuse by the state and in treating all citizens equally are identical to those pertaining to political trust and of a similar order of magnitude. Civil conflict and lost international conflict are associated with 4%–7% lower perceived effectiveness among former victims. The effect is also negative for international conflict, regardless of the outcome of the war, but again only about half as large in magnitude.

All results obtained for civil conflict, including WWII in divided countries, are robust and similar in magnitude when controlling for migration and when restricting the sample to those who have never moved. Results pertaining to victimization in WWII in countries that lost are robust to controlling for migration and are robust in the subsample of non-movers for institutions’ perceived effectiveness. Results pertaining to victimization in WWII in countries that were victorious fall short of statistical significance. Results on the sample of non-migrants are in Table A1 of the Supplementary Information.

The results are also robust to alternative logit specifications, in which the categorical responses are grouped in a dummy variable taking value 1 if the respondent has ‘some’ or ‘complete’ trust in political institutions.

Overall, personal experiences of conflict are overwhelmingly associated with negative and persistent effects on the perceived legitimacy and effectiveness of institutions. Within country, we are able to reject H1, H2 and H3: even among countries that were victorious in WWII, personal experiences of victimization have a non-positive legacy in trust and legitimacy of institutions.

¹² Translated by this author from ‘société de défiance’. ‘défiance’ is the antonym of ‘confiance’, which means trust.



We are unable to reject H6 and H7: civil conflict leaves a negative and, 65 years later in the countries that were divided in WWII, a persistent legacy on the perceived legitimacy and effectiveness of institutions.

War and social capital

Table 5 presents the coefficients of separate regressions in which the outcome variables consist of measures of generalized trust and of social capital. As in what precedes, for each measure, the first column presents the results of within-country regressions and the second adds village dummies.

There is no robust and consistent relationship between any type of conflict victimization and generalized trust. We are unable to reject H8 but able to reject H4.

By contrast, the relationship between civil conflict victimization and participation in groups and association is robust, statistically significant and large in magnitude. We are unable to reject H9: victims of a civil conflict are 20%–30% more likely to be active members of an association and 13%–20% more likely to have participated in acts of civic collective action, compared to non-victims in the same country or the same village.¹³ The same result is found in the case of an international conflict, irrespective of its outcome. The effect is about twice as large in magnitude in the case of an international conflict that ended in defeat rather than victory, in which case it is almost as large in magnitude as in the case of a civil conflict. Victims of conflict are also more likely to join political parties, even though average membership in parties is very low on average in this sample. Results are robust to logit specifications and to controlling for migration as well as to restricting the sample to those who have never moved. Results on the sample of non-migrants are in Table A2 of the Supplementary Information. Results for membership to political parties are also robust but not displayed for economy of space.

In sum, participation in groups and collective action is systematically and substantially higher among victims of any type of war-related violence. This echoes an emerging and seemingly robust finding in the literature. Bellows and Miguel (2009), Blattman (2009) and Cassar *et al.* (2013a), for example, find in the case of, respectively, Sierra Leone, Uganda and Tajikistan that civil conflict victimization reinforces local collective action, political engagement and membership to groups and associations. These findings have led some to be optimistic about the consequences of conflict for building social capital and reinforcing state capacity (Blattman, 2009). However, such optimism is hardly consistent with the results of the preceding subsection, which point to negative and persistent effects of conflict on perceived legitimacy and effectiveness of institutions. In fact, in France, as discussed in the section ‘War and the

¹³ The two figures correspond to country and village fixed effects.

**Table 5:** Wars and collective action

	1 Generalized trust	2	3 Active participation in groups	4	5 Collective action	6	7 Membership political party	8
<i>Victimization in:</i>								
Recent civil war	-0.021 [0.046]	-0.088** [0.040]	0.048** [0.022]	0.033** [0.014]	0.043*** [0.012]	0.044*** [0.014]	0.324*** [0.083]	0.210*** [0.060]
WWII divided	-0.061** [0.027]	-0.024 [0.032]	0.013 [0.010]	0.012* [0.007]	0.005 [0.006]	0.006 [0.006]	0.207*** [0.026]	0.148*** [0.034]
Civil war or WWII divided	-0.047* [0.026]	-0.037 [0.027]	0.023** [0.011]	0.019*** [0.006]	0.016** [0.007]	0.017** [0.007]	0.237*** [0.033]	0.166*** [0.031]
WWII win	0.019 [0.024]	-0.008 [0.022]	0.018** [0.007]	0.013** [0.005]	0.013*** [0.004]	0.013*** [0.004]	0.155*** [0.055]	0.113*** [0.026]
WWII lost	-0.030 [0.047]	-0.033 [0.033]	0.051*** [0.013]	0.024* [0.013]	0.026*** [0.007]	0.020*** [0.007]	0.289*** [0.062]	0.186*** [0.039]
Individual controls	yes	yes	yes	yes	yes	yes	yes	yes
Country dummies	yes	yes	yes	yes	yes	yes	yes	yes
Village dummies	no	yes	no	yes	no	yes	no	yes

Notes: For definition of variables, see Tables 1 and 2. Each cell reports either the coefficient or standard error (in brackets) of individual regressions controlling for the full set of individual controls: age, income, education, communist party membership of any household member, size of household, working status, religion. Robust standard errors clustered at the country level.

Number of observations: 29,000.

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.



perceived legitimacy and effectiveness of institutions’, relentless resentment of each group against the other is one of the defining elements of the ‘distrustful society’ since the Second World War. In order to shed more light on this issue, the next subsection investigates in more details the relationship between victimization, collective action and political trust.

From local collective action to social capital and political trust?

Table 6 reports the coefficients of separate regressions in which political trust is regressed on an interaction between victimization and active participation in groups. As in what precedes, the first column presents the results of within-country regressions and the second adds village or suburb dummies.

Table 6: From local collective action to state capacity and social capital?

	1	2
	Trust in central institutions (president, government and parliament)	
Participation in groups	0.334*** [0.091]	0.326*** [0.069]
Recent civil war	-0.431*** [0.118]	-0.284** [0.110]
<i>Recent civil war × part. in groups</i>	-0.602** [0.275]	-0.751*** [0.234]
Participation in groups	0.328*** [0.094]	0.325*** [0.074]
WWII divided	-0.298*** [0.091]	-0.305*** [0.047]
<i>WWII divided × part. in groups</i>	-0.108 [0.163]	-0.178 [0.145]
Participation in groups	0.323*** [0.093]	0.321*** [0.073]
WWII won	-0.055 [0.099]	-0.215** [0.088]
<i>WWII won × participation in groups</i>	-0.28 [0.229]	-0.11 [0.265]
Participation in groups	0.331*** [0.094]	0.322*** [0.074]
WWII lost	-0.207*** [0.065]	-0.170** [0.079]
<i>WWII lost × participation in groups</i>	-0.116 [0.182]	-0.04 [0.175]
Individual controls	yes	yes
Country dummies	yes	no
Village dummies	yes	yes

Notes: For definition of variables, see Tables 1 and 2. Each cell reports either the coefficient or standard error (in brackets) of individual regressions controlling for the full set of individual controls: age, income, education, communist party membership of any household member, size of household, working status, religion. Robust standard errors clustered at the country level.

Number of observations: 29,000.

***p<0.01, **p<0.05, *p<0.1.



The first variable of interest is the dummy that reflects whether people actively participate in groups or association. The positive and statistically significant coefficient on this variable reflects the usual result of the literature that group participation is correlated with higher levels of trust. The second variable of interest is the dummy that indicates group participation and the victimization proxy. The coefficient of this interaction term is negative and statistically significant in the case of civil war victimization. This indicates that the victims of civil violence who participate in groups are less trusting of central institutions – about 7%–9%. The coefficient associated with this interaction term is negative for all types of other conflicts, indicating similar damaging association between victimization and group membership for national political trust, although it falls short of statistical significance.

Of course, these results should be interpreted with caution, because of the possible endogeneity between group membership and social and political preferences. It is possible that the presence of unobserved individual heterogeneity drives some of the results. Based on the comparison of coefficients with and without the set of individual controls, Altonji *et al.* (2005) develop a methodology to assess how much larger the influence of unobservable factors compared to observables would need to be to explain away the full effect. It would need to be more than 10 times as large in order to explain the negative relationship between victimization in a civil conflict, group membership and political trust.

Results relative to civil conflict are robust to controlling for migration but fall short of statistical significance when the sample is restricted to non-migrants, maybe due to the smaller sample size. These results are in Table A3 of the Supplementary Information.

To sum up, civil war and losing an international conflict stimulate collective action, but of a nature that is associated with a further erosion of political trust. The interpretation of these results is that the type of collective action that is associated with victimization civil may not be conducive to inclusive social capital and to a ‘trustful society’. Another interpretation is that conflict experience may foster bonding social capital, but erode bridging social capital. This echoes recent findings by Satyanath *et al.* (2013) on the ‘dark side of social capital’ in Germany. The authors find that a dense network of civic associations was associated with a faster rise of the Nazi Party in inter-war Germany.

CONCLUSION

This paper uses new evidence from a large-scale nationally representative survey conducted in 35 countries in Europe, the Caucasus and Central Asia and sheds light on how the experience of conflict shapes political and social



preferences. The investigation covers WWII and recent international conflict in the Caucasus. Also studied are the civil wars in the former Yugoslavia, in Tajikistan and in the North Caucasus. The focus is on the legacy of conflict on political trust and the perceived effectiveness of institutions, which are important determinants of state capacity, and on social capital, which has been associated with the development of successful market economies and political democracies.

Overall, the results give support to the conflict trap model. Victimization, in any type of conflict, is associated with lower political trust and lower effectiveness of national institutions. However, another result, which might at first seem inconsistent with such a negative legacy of conflict, is that conflict spurs collective action. Nevertheless, the results suggest that this may be indicative of a 'dark' side of political capital, and in particular, further erosion of political trust.

Supplementary information accompanies this paper at www.palgrave-journals.com/doi/10.1057/ces.2014.2

REFERENCES

- Acemoglu, D. 2003: Why not a political Coase theorem: Social conflict, commitment and politics. *Journal of Comparative Economics* 31(4): 620–652.
- Acemoglu, D. 2005: Politics and economics in weak and strong states. *Journal of Monetary Economics* 52(7): 1199–1226.
- Acemoglu, D, Ticchi, D and Vindigni, A. 2010: Persistence of civil wars. *Journal of the European Economic Association* 8(2–3): 664–676.
- Acemoglu, D, Ticchi, D and Vindigni, A. 2011: Emergence and persistence of inefficient states. *Journal of the European Economic Association* 9(2): 177–208.
- Alesina, A and Fuchs-Schündeln, N. 2007: Goodbye Lenin (or not?): The effect of communism on people. *American Economic Review* 97(4): 1507–1528.
- Algan, Y and Cahuc, P. 2007: La société de défiance: comment le modèle social français s'auto-détruit. CEPREMAP, éditions de la rue d'Ulm.
- Altonji, JG, Elder, TE and Taber, CR. 2005: Selection on observed and unobserved variables: Assessing the effectiveness of Catholic schools. *Journal of Political Economy* 113(1): 151–184.
- Bauer, M, Cassar, A, Chytilova, J and Heinrich, J. 2014: War's enduring effects on the development of egalitarian motivations and in-group biases. *Psychological Science* 25(1): 47–57.
- Bellows, J and Miguel, E. 2009: War and local collective action in Sierra Leone. *Journal of Public Economics* 93(11–12): 1144–1157.
- Besley, T and Persson, T. 2009: The origins of state capacity: Property rights, taxation and politics. *American Economic Review* 99(4): 1218–1244.
- Besley, T and Persson, T. 2010: State capacity, conflict and development. *Econometrica* 78(1): 1–34, 01.
- Bigombe, B, Collier, P and Sambanis, N. 2000: Policies for building post-conflict peace. *Journal of African Economies* 9(3): 323–348, (26).
- Blattman, C. 2009: From violence to voting: War and political participation in Uganda. *American Political Science Review* 103(2): 231–247.



- Blattman, C and Miguel, E. 2010: Civil war. *Journal of Economic Literature* 48(1): 3–57.
- Bourdieu, P. 1985: The social space and the genesis of groups. *Social Science Information* 24(2): 195–220.
- Bowles, S. 2006: Group competition, reproductive leveling, and the evolution of human altruism. *Science* 314(5805): 1569.
- Bowles, S. 2008: Being Human: Conflict: Altruism's midwife. *Nature* 456: 326–327.
- Bowles, S. 2009: Did warfare among ancestral hunter-gatherers affect the evolution of human social behaviors? *Science* 324(5932): 1293.
- Boyd, R and Richerson, PJ. 2005: Solving the puzzle of human cooperation. In: Levinson, S. (ed). *Evolution and Culture*. MIT Press: Cambridge, MA, pp. 105–132.
- Cassar, A, Grosjean, P and Whitt, S. 2013a: Legacies of violence: Trust and market development. *Journal of Economic Growth* 18(3): 285–318.
- Cassar, A, Grosjean, P and Whitt, S. 2013b: Social preferences of ex-combatants: Survey and experimental evidence from post-war Tajikistan. In: Wärneryd, K. (ed). *The Economics of Conflict*. MIT Press: Cambridge, MA.
- Choi, J-K and Bowles, S. 2007: The coevolution of parochial altruism and war. *Science* 318(5850): 636–640.
- Collier, P and Hoeffler, A. 2004: Conflict. In: Lomborg, B. (ed). *Global Crises, Global Solutions*. Cambridge University Press: Cambridge.
- Collier, P, Elliot, L, Hegre, H, Hoeffler, A, Reynal-Querol, M and Sambanis, N. 2003: *Breaking the conflict trap: Civil war and development policy*. Oxford University Press and World Bank: Oxford and Washington DC.
- Correlates of War Database. 2011: <http://www.correlatesofwar.org/>.
- Djankov, S and Reynal-Queyrol, M. 2010: Poverty and civil wars: Revisiting the evidence. *Review of Economics and Statistics* 92(4): 1035–1041.
- Fafchamps, M. 2006: Development and social capital. *Journal of Development Studies* 42(7): 1180–1198.
- Greif, A. 2012: Coercion and exchange. How did markets evolve? In: Greif, A, Kiesling, L and Nye, J (eds). *Essays in Economic History and Development*, Stanford University, <http://ssm.com/abstract=1304204>.
- Grosjean, P and Senik, C. 2011: Democracy, market liberalization and political and economic preferences. *The Review of Economics and Statistics* 93(1): 365–381.
- Grosjean, P. Forthcoming: A history of violence: The culture of honor as a determinant of homicide in the US South. *Journal of the European Economic Association*, forthcoming.
- Guiso, L, Sapienza, P and Zingales, L. 2010: Civic capital as the missing link. In: Benhabib, J, Bisin, A and Jackson, MO (eds). *Social Economics Handbook*, National Bureau of Economic Research, <http://www.nber.org/paper/w15845>.
- International Center for Transitional Justice. 2009: Transitional justice in the former Yugoslavia. 1 January 2009, <http://icjt.org/publication/transitional-justice-former-yugoslavia>, accessed 8 September 2009.
- Knack, S and Keefer, P. 1997: Does social capital have an economic payoff? A cross-country investigation. *Quarterly Journal of Economics* 112(4): 1251–1288.
- Nunn, N and Wantchekon, L. 2011: The slave trade and the origins of mistrust in Africa. *American Economic Review* 101(7): 3221–3252.
- Portes, A. 1998: Social capital: Its origins and applications in modern sociology. *Annual Review of Sociology* 24: 1–24.
- Portes, A. 2010: *Economic sociology: A systematic inquiry*. Princeton University Press: Princeton.
- Putnam, RD. 1995: Bowling alone: America's declining social capital. *Journal of Democracy* 6(1): 65–78.
- Rohner, D, Thoenig, M and Zilibotti, F. 2013a: War signals: A theory of trade, trust and conflict. forthcoming. *The Review of Economic Studies* 80(3): 1114–1147.
- Rohner, D, Thoenig, M and Zilibotti, F. 2013b: Seeds of distrust: Conflict in Uganda. *Journal of Economic Growth* 18(3): 217–252.



- Roland, G. 2004: Understanding institutional change: Fast-moving and slow-moving institutions. *Studies in Comparative International Development*, 2004.
- Rose, R. 2004: *Political trust, turnout, and governance capital, studies in public policy number 386*. Centre for the Study of Public Policy, University of Strathclyde: Glasgow, UK.
- Satyanath, S, Voigtlaender, N and Voth, H-J. 2013: *Bowling for fascism: Social capital and the rise of the Nazi party in Weimar Germany, 1919–33*. NBER Working paper no. 19201, NBER: Cambridge.
- Tabellini, G. 2008: The scope of cooperation: Norms and incentives. *Quarterly Journal of Economics* 122(3): 905–950.
- Tabellini, G. 2010: Culture and institutions: Economic development in the regions of Europe. *Journal of the European Economic Association* 6(2–3): 255–294.
- Tilly, C. 1985: War making and state making as organized crime. In: Evans, P, Rueschemeyer, D and Skocpol, T (eds). *Bringing the State Back In*. Cambridge University Press.
- Tilly, C and Ardant, G. 1975: *The formation of national states in Western Europe*. Princeton University Press: Princeton.
- Voors, MJ, Nillesen, EEM, Verwimp, P, Bulte, EH, Lensink, R and Van Soest, DP. 2012: Violent conflict and behavior: A field experiment in Burundi. *American Economic Review* 102(2): 941–64.
- Whitt, S. 2014: Social norms in the aftermath of ethnic violence: Ethnicity and fairness in non-costly decision making. *Journal of Conflict Resolution* 58(1): 93–119.