

Globalization and Cultural Conflict: An Institutional Approach

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Introduction

What is the impact of globalization on social cohesion and political integration? Does globalization nourish social and political integration and tear down cultural barriers that divide people? Does it signal a ‘vital step toward both a more stable world and better lives for the people in it’ (Rothkop, 1997)? Or does it hasten social disintegration and exacerbate social conflict? Is there really a link between globalization and cultural conflict or harmony? If so, what is it?

Migratory flows, the tidal wave of global information, and the imperatives of economic liberalization and fiscal reform—the markers of globalization—have reshuffled social relations all over the world. As the flood of immigrants to the industrial West has given birth to a nascent multiculturalism in previously homogeneous societies, social pressures and plummeting income levels accompany it. In some European countries, a spike in hate crimes against foreigners seems to correspond to the influx of immigrants. And people have watched in horror, as a few Islamic radicals have committed brutal acts of violence, justified as revenge against cultural oppression.

Although globalization has been called an integrating force, cultural conflict has become the most rampant form of international violence as globalization has accelerated. Of the 36 violent conflicts raging around the world in 2003, the Iraq invasion was the sole international war. The remaining 35 were internal wars within the territory of 28 countries, and all but four of these were communal conflicts, inspired by ethnic, sectarian, or religious grievances (Marshall, 2005). Nonetheless, the number of those conflicts has begun to decline, and many have ended. Indeed, in vast areas of the world, conflicts are resolved peacefully, and different cultures live together or side by side without hostility or prolonged violent conflict.

But as some conflicts ended, new conflicts ignited. Despite the end of the wars in ex-Yugoslavia, continued violence plagues Kosovo and Bosnia. Even in the presence of foreign peacekeeping troops, violence in Kosovo took between 4,000 and 12,000 lives between 1998 and 2004. And between 1999 and 2004, Chechnya erupted in a war of secession, causing the deaths of close to 30,000 civilians. Attacks on dark-skinned people, often identified as Chechens or Dagestanis were reported in Moscow and other major Russian cities beginning in 1994, and escalated as the conflict continued (Human Rights Watch). Between 1989 and 2003, more than 65,000 people, mostly Muslim civilians were killed in Kashmir and the conflict there continues to take over 2,000 lives per year.

These examples suggest significant differences in the kinds and levels of cultural violence and the conditions under which it breaks out. In this essay, I present a conceptual framework for understanding these differences. It relies on the role of economic forces triggered by globalization that drive both ‘cultural conflict’ and cultural integration. It looks to the role and strength of political institutions as the key to conflict provocation, exacerbation, and mitigation. It focuses on those institutions that channel economic forces to create cultural winners and losers in the globalization process, and those that channel political participation and treat group ‘rights’ in ways that mitigate or intensify the violence that members of one culture perpetrate against those who belong to another.

Argument

Many analysts (Rothkop, 1997; Sadowski, 1998; Telo, 2001; Kuran, 2001; Dutceac, 2004) critique the idea that economic globalization fuels cultural conflict, arguing that cultural conflicts are found in almost every society, whether it experiences high levels of globalization or not. And in fact, these conflicts are likely to be much less lethal in societies that are receptive to globalization (Bhalla, 1994; Whitehead, 1995; Geddes, 1994).¹ There is evidence to support this view. For example, Malaysia had much in common with Sri Lanka in terms of economy, society, and culture, including ethnic composition and inequalities between ethnic groups (Bruton, 1992). Unlike Sri Lanka, however, whose economy stagnated with economic liberalization, Malaysian prosperity expanded the economic pie through its participation in the global economy, providing abundant resources to Chinese and Malay alike. Because the allocative institutions that distribute these resources in ways that are widely perceived as ‘fair,’ rising prosperity denies extremist groups—bent on pitting these two communities against each other—the grievances that could fuel cultural conflict (Athukorala, 2001).

Punjab between 1992 and 1998 provides a second example. There, after violence was repressed, the federal government abolished many restrictions, and market-stimulated growth benefited disgruntled Sikh farmers who were previously disadvantaged by discriminatory regulations. But this social harmony may be difficult to sustain, as the costs of participation in the global economy outweigh the benefits. By 2002, because of extreme fluctuations in global agricultural markets, Punjab experienced *both* chronic economic crisis, and the renewed escalation of social unrest.² The story of Punjab and Malaysia suggest that as long as states ‘win’ in market competition, and when both advantaged and previously disadvantaged cultural groups benefit, economic transformation resulting from globalization can mute intercultural conflicts.

While many analysts suspect that there is a link between economic globalization and the current round of cultural conflict³ (e.g. Lapidus, et. al. 1992; Woodward, 1995; Kapstein, 1996; Schulman, 2000; Bandarage, 2000; Alesina, et. al., 2003; Bizioras, forthcoming), few have investigated causal forces that might explain that relationship.⁴ I suggest here that the causes operate at two levels, the level of *the state* and the level of *the society*. Global economic forces can weaken those state institutions that ensure social peace, and can cause distinct cultural groups in multi-ethnic societies to suffer disproportionate economic hardships and gains. I suspect that although the forces of globalization have created a common commercial culture—particularly among elites—they have also deepened cultural divides in many societies where those elites live. Few would disagree that integration in the global economy—even if the result is net aggregate growth—creates winners and losers in the domestic economy. If economic hardship—whether in a growing or declining economy—falls disproportionately on distinct cultural groups, they have a concrete justification for political grievances that can be transformed into a resource for political mobilization. Groups with grievances are ripe for recruitment efforts by *cultural entrepreneurs—those who politicize culture or protest cultural discrimination for political or economic gain*. These entrepreneurs will be successful if they have resources to distribute in exchange for support. These resources will be available if a ‘cultural machine’ is in place—either in or out of government—to acquire and distribute those resources and if ‘cultural brethren’ abroad provide support targeted to extremist political entrepreneurs. States weakened by the forces of globalization have fewer means to cope with social disintegration. And violence may be the only alternative course for groups making non-negotiable resource demands.

This argument challenges the claim that the rapid and simultaneous construction of liberal economic and democratic political institutions—a process for which ‘globalization’ is sometimes a code word—can mitigate cultural conflict. Free markets create wealth for all, the argument runs, erasing the need for violent struggle over resources. And democracy permits political aggregation and representation of all social interests, allowing conflicts of interest to be adjudicated in the political arena and trump identity conflicts that are more difficult to negotiate.

Despite widespread acceptance of these claims, however, I would argue that *perceived economic inequities, particularly those that arise from current policies of economic liberalization and the longer term effects of globalization can undermine liberal political practices and, combined with illiberal politics, can be an explosive trigger for cultural conflict.*⁵ Where communal differences had become politically relevant in the past, the ethnic or religious card may be the easiest one to play in the effort to mobilize political support in the face of economic decline, in the shift from welfare to market economies, and in the move from centralized to decentralized polities. The policies of economic liberalization require the ‘dismantling’ of state institutions, and weakened states cannot provide equal protection for all who live within their territory.

Liberal democracies can mute cultural conflict with institutions of inclusiveness, universal representation, and electoral systems designed to encourage elite compromise. Indeed, a robust liberal democracy may be one of the strongest defenses against cultural conflict. But ‘democracies’ are not all liberal; many *illiberal* democracies have emerged in the last fifteen years that possess some democratic attributes, such as free elections, freedom of speech, freedom of movement, freedom of association, and freedom of religion. But they pay only lip service to the rule of law, minority and citizen rights, and independent judicial review (Zakaria, 1997, 2003; Pigliucci, 2004). Illiberal democracies exacerbate cultural conflict. In periods of economic uncertainty and political transition, when states that once provided entitlements are dismantled, when illiberal democracies are so constructed that they fail to protect rights, and when the introduction of markets leads to deep insecurities, the rich symbolic resources of culture offer hope in their promise of collective empowerment to populations who feel powerless.

Illiberal democracies can arise in the absence of economic liberalization and globalization. At the time of independence in Sri Lanka, for example, there were about 4.6 million Sinhalese and 1.5 million Tamils living in there,⁶ and Sri Lanka’s ‘democratically’ elected majority Sinhalese government discriminated against the Tamil minority. The Citizenship Act of 1948 deprived Tamils—whose ancestors had lived in the country for more than a century—of citizenship in the independent state of Sri Lanka. In fact, Tamils were only allowed to *apply for* citizenship in 2003. From the 1950s on, the Sinhalese-controlled parliament enacted discriminatory legislation against the Tamil minority, starting with the ‘Sinhala-only Act,’ replacing English with Sinhala as the only official language, effectively excluding Tamils from employment in the civil service if they could not speak Sinhala. The 1972 Constitution made Buddhism the state religion, threatening the Tamil practice of their Hindu faith, and Tamils were excluded from institutions of higher education by strict quotas.

I am therefore not suggesting that the forces of globalization and economic liberalization directly ‘cause’ cultural conflict. In Sri Lanka, as we shall see, violence broke out as the country entered the global economy, but, as a result of the creation of an illiberal democracy, tensions churned long before. In places like Malaysia (Lubeck, 1998; Bizouras, forthcoming), integration into the global economy has brought growth and a distribution of income that has helped to attenuate cultural conflict. Clearly, the link between economic liberalization, illiberal politics, and cultural conflict is not a linear

one. Here, I explore the role of globalization by conceptualizing both its differential impact on cultural groups in multicultural societies and its impact on the state's ability to support institutions that provide social order. I argue that the institutions of political participation and resource allocation are the crucial factors affecting social integration, and the nature and strength of these key institutions differ among societies.

Globalization: Factor flows and state “shrinking”

Two aspects of the globalization process may be significant triggers for cultural conflict: migration, and trade. While the expansion of trade and its requirement for state-shrinking impacts both the developed and underdeveloped world, immigration can ignite conflict in the industrialized West, turning homogeneous nations into heterogeneous societies with vast differences in wealth, values, and cultural practices. Combined with the state-shrinking imperatives of trade openness, conflict can increase, triggering the intervention of opposing Diaspora communities. This mixture can be lethal.

For roughly half a century, from the 1930s to the 1980s, immigration rates were historically low, compared to rates from 1850 to 1920. Now the tide has turned. Net immigration rates in most developed countries have more than doubled in the United States and Western Europe since the 1960s. Ironically, this upward surge occurred during a period in which immigration policy in most developed countries became increasingly restrictive.⁷ Indeed, some 500,000 undocumented migrants enter the European Union each year, and over 150 million people are on the move every year—one out of every 50 people worldwide. This migration surge has broken the back of cultural homogeneity, particularly in the industrialized West, where most migrants are headed. Table 1 shows the dramatic surge of migration to Europe between 1992 and 2001.

Immigrants rarely arrive in their host countries without bringing with them ties to family and community in their homeland. These bonds heighten the importance of Diaspora communities in the globalization process. With decreasing costs of transportation and communication worldwide, interactions within diaspora communities are increasing in depth. This intensity can be partially captured in the evidence of growth in cross-border remittances worldwide. For example, remittances to Latin America and the Caribbean from Latinos in the United States doubled in the last half of the 1990s (Suro et. al., 2003). Official remittances from immigrant labor to 24 countries worldwide have grown almost 4 per cent per year between 1980 and 2002, and grew three times faster than the GDP of most developing countries during the same period (Adams, 2003).

In addition to the increase in migration over the last 50 years, there has been a marked expansion in the flow of goods worldwide. The ratio of worldwide exports to worldwide GDP rose from about 8 percent in 1960 to 20 percent in 2001. The most important contributor to this growth was a dramatic lowering of trade barriers across the globe. Average tariffs in the United States, Germany, and Japan fell by more than half. The membership of the World Trade Organization rose from 18 countries in 1948 to 146 countries in 2003. And free-trade areas, led by the European Union and NAFTA, have increased from 1 in 1958 to 16 in 2003.

Political power lies behind the growth of world commerce. Trade expanded because trading states replaced policies that protected some producers from global competition with policies that removed that protection, such as tariffs and subsidies and other non-tariff trade barriers. States open their economies to trade by also assuring that their currencies are convertible, and lifting controls on the flow of capital. Governments have also enacted ‘reform’ policies that they believe will make their products more competitive in the global market place. We can call these economic liberalization

measures policies of ‘state shrinking,’ because their goal is to remove the state from interference with the market.

Globalization and economic hardship

Political and economic forces unleashed in the globalization process can drive each other in a vicious circle that often ends in conflict. In particular, these policies of ‘state-shrinking’ can cause social disruption and radical dislocation of communities. In multicultural societies, the resulting hardships can be disproportionately allocated among various cultural groups, especially where there is a cultural division of labor in which different cultural groups are segmented into distinct economic sectors. Existing political cleavages based on cultural difference are then exacerbated and new ones are created. In the industrialized world, this result is perhaps nowhere more obvious than in countries with large immigrant communities.

In Europe, for example, immigrants from non-European states (e.g. non-European migrants in Denmark and the Netherlands, Turks in Germany, North Africans in France, Bangladeshis and Pakistanis in the UK) suffer from much lower wage rates and much higher rates of unemployment than native populations, despite the fact that nearly 88 per cent come with a secondary education or higher (Adams, 2003). Figure I shows that in France and Germany, immigrant unemployment is twice the national rate, and in Denmark, Finland, the Netherlands, and Sweden, it is three to four times the national average. These rates suggest persistent exclusion, disadvantage and even discrimination (The European Monitoring Center on Racism and Xenophobia, 2003).

With the exception of the 2005 youth riots in French suburbia, immigrants have rarely engaged in violent protest against these conditions. It is most often the native population that threatens or engages in violence against foreigners. This is because unemployed immigrants are often legally eligible for welfare and unemployment compensation. When majority native populations also suffer high unemployment rates as the shrinking state removes its social safety net, they often blame those same immigrants. As European economies stagnate, and as governments engage in ‘state-shrinking’ policies to revive them, we have witnessed throughout Europe a heightened awareness of hate crimes against foreigners and a growing number of those crimes in some countries. Anti-immigrant violence is fueled by political rhetoric that portrays immigrants as an economic burden.

Examples of this rhetoric abound. The European Commission against Racism and Intolerance reported in 2004 that immigrants in Austria were typically portrayed as being responsible for unemployment and increased public expenditure, as well as posing a threat to the preservation of Austrian ‘identity’ (McClintock, 2005). In England, as industry declined in the early 1980s, and as Margaret Thatcher’s policies of ‘state-shrinking’ took hold, many industries preferred cheap immigrant labor to an expensive native workforce. And although immigrant workers bore the brunt of economic recession, as indicated by higher than average unemployment rates, native workers were not protected from rising unemployment by the immigrant buffer (Money, 1997). The immigrant communities invariably had higher levels of unemployment than the native workforce and were gradually pushed into the slums of the cities where they had worked. But slum removal projects required that slum occupants be housed in public housing. Thus unemployed immigrant slum dwellers leapfrogged over natives who had long waited for public housing. It was not long before immigrants were being blamed for taking the jobs and housing away from the white workforce.

In Germany a similar story can be told. Between 1987 and 1991 unemployment increased five-fold, while two million immigrants streamed into the country. One million were ethnic Germans from

the East, about 500,000 were East Germans fleeing west, and about 600,000 were asylum seekers. And as in England, foreign workers were more likely to become unemployed and eligible for social services than natives. Extremist neo-Nazi groups targeted asylum seekers as the foreigners who undermined German social stability and committed numerous acts of violence against them.

Developing countries are now experiencing similar pressures. In recent years, Hindu immigrant labor has flooded into Punjab seeking employment in low wage jobs. Census data for 2004 showed that the Sikh population in Punjab, which had hovered around 60 per cent for decades, had begun to drop, as Sikhs migrate abroad and as Hindus enter Punjab in search of jobs (Singh, 2004). Tensions began to rise as letters to the editor of local newspapers blamed migrants for causing social, economic, and housing problems (Chandrigarh Tribune, 22 January 2004.) Both churning up and capitalizing on this discontent, Dal Khalsa, a radical Sikh organization, began a drive against migrants from the poorer states of Bihar and Uttar Pradesh, who have settled in Punjab, saying they are a drain on the state's economy, and warning that 'if allowed to come into Punjab unchecked and unhindered, migrants would hold the key to the state's political power' (Indo-Asian news service, 2004). Publicly calling migrants a 'population bomb,' a Dal Khalsa march against immigration portrayed banners and placards intended to alarm migrants that they were not welcome in Punjab.

Immigrants are not the only targets of violence when economies stagnate and states reduce entitlements to native populations who have come to depend on them. In Bulgaria, the introduction of markets and the restitution of land created disproportionate unemployment among the Muslims, leading to accusations of 'genocide' of the Turkish population against the Bulgarian majority. In Yugoslavia, Croatia fared better in global economic competition than the less developed republics and yet was forced to transfer resources to them, fostering deeper and deeper resentments against federal Yugoslavia that took the form of ethnic discrimination and privilege.

In the developing world there are similar stories. In 1977 Sri Lanka initiated a structural adjustment program that included trade liberalization, reduction in public expenditures, de-control of prices and interest rates, promotion of private sector development and foreign investment, and financial sector reforms. But the reforms could not halt a decline in economic growth.⁸ Although the reforms transformed Sri Lanka from an agricultural to an industrial and service economy, growth rates were some of the lowest in the Asian developing world. And the Tamil population suffered disproportionately. Gunasinghe (1984) argues that trade liberalization swept away the main agricultural activities in the North, hurting the Tamil farmers. And Bizioras (forthcoming) shows that during the entire liberalization process, the state continued to give preferential treatment to the Sinhalese: the vast majority of export-oriented industrialization projects were targeted for Sinhalese-dominated regions; food subsidies were reduced across the board for Sinhalese and Tamils alike, but savings were then allocated to loss-making enterprises dominated by the Sinhalese. And, despite policies of 'state-shrinking,' the state remained the most important source of employment. As noted above, strong patronage networks allocated jobs to Sinhalese, while Tamil employment options—particularly for Tamil youth—were extremely limited (Kelegama, 1997; Tiruchelvam, 1984). Although Tamil groups began to commit sporadic acts of violence shortly before the state-shrinking began, after the 'reforms' they had entered a civil war with the aim of carving out a separate Tamil state in Sri Lanka.

As these examples suggest, economic hardships can lead cultural groups to distrust each other and to no longer trust the state to protect all of its citizens. Hardships can make these groups available for reassignment to new political identities. The losers in economic transformation will attempt to use their political resources and position to resist changes that disadvantage them. It is often under these

circumstances that we see the rise of cultural entrepreneurs as the catalysts of conflict.

The Role of ‘Cultural Entrepreneurs’: political interpreters of economic hardship as cultural discrimination

Cultural entrepreneurs often emerge in the face of economic hardship to articulate grievances of distinct cultural groups, thus mobilizing support that can place them in positions of political power. These organizations, political parties, or would-be political leaders are entrepreneurial, in that they have discovered that if they politicize cultural identity, they can transform it into a reliable and efficient basis for ethnic group cohesion, and that group can then become an effective political base. Cultural entrepreneurs resemble their economic counterparts in that while the economic entrepreneur seeks to maximize wealth, the cultural entrepreneur seeks to maximize political power by mobilizing support around cultural identity (Laitin, 1985; Brass, 1976).

Cultural entrepreneurs increase the odds of political conflict because they heighten the role of ‘identity politics’ in multicultural societies. Identity politics are said to be more prone to conflict than interest-based politics. While *interests* are malleable and multiple, making compromises and logrolling possible, *cultural* identity is fixed and non-negotiable. Identity groups—distinct cultural communities—often lay exclusive claims to resources, and the more power they gain, the more ability they have to deny those resources to other cultural groups. Disputes over resources among ‘identity groups’ are thus particularly difficult to negotiate, raising the odds of violence.⁹

Examples of individuals as cultural entrepreneurs abound. In Bulgaria, two stand out: Ahmed Dogan and Kamen Burov. Dogan led a newly organized Turkish party after Communism’s collapse, calling on past grievances to mobilize collective support. It was Dogan who pointed to disproportionate unemployment among Turks, calling it ‘genocide.’ Burov led the Democratic Labor Party, formed to represent the Bulgarian Muslims, who called themselves Pomaks. As the Pomak mayor of the village of Zhiltusha, he purveyed the notion that Pomaks were entitled to resources on the basis of their distinct cultural identity. In England, in the 1980s, cultural entrepreneur Enoch Powell took advantage of the explosive combination of widespread economic dislocation and the presence of immigrant communities described above and stigmatized ‘immigrants as strangers, as objects of justifiable fear and hatred, and as a source of future division in the nation.’ He received overwhelming support for his position from the native population. In Punjab, the radical Sikh, Jarnail Singh Bhindranwale gathered a following of unemployed Sikh youth, who were denied jobs in industry, the military, and even farming. Claiming that Hindu immigrants were snapping up Sikh jobs, and condoning guerilla tactics, he fomented violence and urged his followers to fight for a separate state for Sikhs only, where ‘the Sikhs could experience the glow of their freedom.’

A cultural entrepreneur does not need to be an individual. In Germany, although individuals participated in the formation of right wing parties that fomented violence against immigrants, the cultural entrepreneurs were the parties themselves. Although Joerg Haider, the leader of Austria’s extreme right wing freedom party, has been singled out as an important cultural entrepreneur—linking immigration and unemployment in almost every speech—the right wing parties themselves are currently playing that role. In Punjab, after the death of Bhindranwale, groups like Babbar Khalsa, International Sikh Youth Federation, Dal Khalsa, and the Bhinderanwala Tiger Force continued to link economic deprivation and cultural discrimination—and continued to engage in guerilla tactics. Even after the violence was quelled in 1992, new cultural entrepreneurs began to spring up. A previously unknown

group, for example, the Saheed Khalsa Force, claimed credit for marketplace bombings in New Delhi in 1997.

In Sri Lanka, in both the Sinhalese and Tamil populations, rival political parties as cultural entrepreneurs competed for political power, using different mobilization tactics and appealing to different sectors of the population. The Liberation Tigers of Tamil Eelam (LTTE) known as the ‘Tamil Tigers’ became (and continue to be) the most powerful cultural entrepreneurs among the Tamils, and have been willing to turn to violence in pursuit of their aims. They built an organization by actively seeking out socially and economically marginalized groups, lower castes, young rural peasants, coastal fishermen, and all those without land. In particular, the Tigers were able to recruit the young, who had been denied both education and employment and were ripe for political mobilization.

Legacies of ascriptive resource allocation

People will flock to cultural entrepreneurs and join their cause in those places where legacies of discriminatory resource allocation are still entrenched. In many regions where cultural conflict is most intense, resources have been traditionally allocated according to ethnic or religious criteria, and an ethnic division of labor persists. In Abkhazia, populated by Abkhazis and Georgians before the onset of civil war, Abkhaz farmers received more subsidies and experienced less central control than Georgian farmers; likewise, ethnic ‘machines’ provided a disproportionate share of jobs in the government bureaucracy for Abkhazis.

Yugoslavia, under Tito, was governed by the institutions of ‘ethnofederalism.’ Five culturally defined groups—Serbs, Slovenes, Croats, Macedonians, and Montenegrins were territorially organized in constituent republics in which, as the titular nationality, they held the status of ‘constitutive nation.’ The 1971 census recognized Muslims as a separate nation, and Bosnia-Herzegovina was recognized under the national principle as a republic, consisting of three constitutive peoples: Serbs, Croats, and Muslims.¹⁰ Investment funds from the central government were provided to distinct ethnic republics by the central state according to political and ascriptive criteria rather than economic ‘rationality.’ Ascriptive allocation fostered both bitterness among some groups, and perceptions of intrinsic ‘rights’ to further resources from the center among others. This system churned up mutual resentments and suspicions of other republics; this solidified the political relevance of ethnic identity, weakened loyalty to the central government, and reinforced the dominant logic of identity politics at the federal level.

The disintegration of federal control over resources created opportunities for regional officials—nascent cultural entrepreneurs—in ethnic republics to seize assets and gain political support. After 1973, the four-fold increase in oil prices fused with a decline in the economic growth rate to trigger expanded borrowing on international markets. Although there was a sense of well being on the surface because consumption was financed by debt, overall economic growth ground to a halt by 1982. As the economy worsened, regional fragmentation increased; conflicts among the republics over the distribution of rapidly declining economic resources contributed to economic decline. The regionally based allocation of resources increased local power and the political strength of local ethnically motivated political entrepreneurs at the expense of the central state. Cultural entrepreneurs such as Slobodan Milosevic, Franjo Tudjman, and a host of local Serb and Croat politicians found that they could use funds distributed from the center to the republics to build a political power base at the local (republic) level. They used these funds as patronage to mobilize and gain the political loyalty of their culturally defined populations and then exploited ethnic differences and whipped up ethnic hatred.

As noted above, Sri Lanka allocated resources based on cultural criteria, using the Sinhala-only act to remove Tamils, who were more proficient in English, from employment in the state bureaucracy and the army. The act also mandated that children be educated in their birth language, effectively preventing Tamils from learning the official language and further reducing employment opportunities. Tamils also lost educational opportunities due to discriminatory policies, when the parliament replaced the merit system in higher education with preferential treatment for Sinhalese students.¹¹ The Tamils became increasingly radicalized by these exclusionary policies and their effects, and in 1976 declared independence for 'Tamil Eelam,' the name they adopted for what they claimed as the traditional Tamil homeland in Sri Lanka. The Sinhalese majority, with their preponderance of economic resources and military might, moved to quell the Tamil Tigers, leading to the civil war of 1983.¹²

Under conditions of resource scarcity and institutional uncertainty and weakness, in societies where an entrenched tradition of cultural privilege and discrimination prevailed, politicians are tempted to privilege—or promise to privilege—the members of one ethnic or religious community over others. In Yugoslavia, for example, the weaker the central government became, the more allocative authority fell into the hands of regional party elites. The deepening economic crisis and the collapse of the social welfare system made their role and their patronage networks increasingly important because their aid became indispensable in keeping both enterprises and individuals afloat; they made significant allocative decisions in the economy, as well as political and administrative appointments based on ethnic and cultural bonds created in their local communities. In Sri Lanka, Bizouras (forthcoming) shows, 'economic decline from 1970-1977 increased the demands of the Sinhalese community on the state for employment and assistance at the expense of the Tamil minority.'

Contributions by the Diaspora cultural community and other external sources of support to cultural entrepreneurs.

The odds of violent ethnic conflict increase when diaspora communities funnel resources to cultural entrepreneurs in order to fight an opposing cultural group believed to be a cause of hardship and suffering. The Tamils fared surprisingly well in the civil war, despite a ban on the possession of weapons and the overwhelming power of the Sinhalese army, because of an infusion of resources from the Diaspora Tamil community. Because Diaspora groups abroad often see their 'brethren' under an oppressive yoke in their own land from which they must be liberated, they channel these resources to those extreme groups who argue for secession or a form of "ethnic cleansing." Ethnic Kosovars living abroad sent funds directly to the KLA; before the wars of Yugoslav succession, Croats abroad sent support to the HDZ, Tudjman's extremist party.

Support from the Diaspora community is particularly important when distinct cultural communities in their homeland are excluded from other resources. Local Abkhaz officials, for example, were cut off from their patronage networks in Moscow with the Soviet collapse. Bereft of internal resources, they looked outward to potential alliances, and received enough military support from Russia and Trans-Caucasus alliances to defeat the Georgians. In Sri Lanka, the Tamil Tigers, with financial help from Tamils overseas, evolved into a formidable military force, with technologically sophisticated arms, including weaponry such as rocket-propelled grenade launchers and night-vision glasses. By 2002, the Tamil Tigers had created a fighting force of 10,000 men who used guerilla tactics that included everything from suicide bombings to surface-to-air missiles acquired through Tamil networks abroad.¹³ Similarly, in Punjab, radical groups needed money from abroad to sustain their activities. Many Sikhs living in Britain, Canada, and the United States had been campaigning for an independent

nation of Khalistan for many years. When Bhinderanwala began to campaign in Punjab for a separate state, he was bolstered by foreign funds from the Diaspora Sikh community.¹⁴ He used funds from these groups to purchase arms for a military buildup in the area surrounding the Golden Temple in Amritsar, the traditional seat of spiritual and temporal authority of the Sikhs, and scene of some of the worst violence in the conflict.

The community offering support does not necessarily have to be of the same ethnic or religious group. Support can come from those who sympathize with the cultural ‘cause’ or simply from those groups who perceive a common enemy. Abkhazi separatists called on former KGB members, elements of the Soviet army, and the Confederation of the Mountain Peoples of Caucasia for material support in their war of succession. These groups came to the aid of the separatists because they each had a separate grievance against Georgia or had previous ties to the separatists. Other external support can be ‘grabbed’ by well-positioned extremist groups, even if that support is not necessarily targeted to bolster their position. Western human rights organizations and aid agencies unwittingly abetted the agendas of ethnic and religious entrepreneurs in post-communist regions and helped to swell the ranks of their supporters. They have done this by providing or promising to provide material or symbolic support to targeted cultural groups and excluding other groups.

The strength of cultural entrepreneurs—often armed with external support—will grow as central authority weakens. Established authority can be weakened by the globalized forces of “state-shrinking” because liberalization policies tend to reduce government resources that can be distributed in return for support. It is to the issue of state strength in the face of the imperatives of globalization that I now turn.

Globalization and State Strength

All stable countries are characterized by political and social arrangements that have some form of historical legitimacy. Sometimes these arrangements or “social contracts” are written in constitutions; sometimes they are found instead in a country’s political and social institutions. In either case, such social contracts structure the terms of citizenship and inclusion in a country’s political community, the rules of political participation, the political relationship between the central state and its various regions, and the distribution of material resources within a country. When political institutions make ascription—that is, cultural distinctions—a criterion for membership, participation, and resource allocation, ‘identity politics’ is played out in the political arena. When the institutions of central authority are strong, and perceived as legitimate, and when resource allocation is considered ‘fair,’ political conflicts are less likely to become violent. Indeed, perceptions of fair resource allocation are a key pillar of institutional legitimacy. Strong and legitimate institutions provide broadly accepted channels of political competition within which political actors operate in ‘normal’ times. They allow central authorities to make credible commitments to distribute benefits and structure bargaining among various groups in ways that will be perceived as mutually advantageous. Institutional legitimacy enhances institutional capacity, reducing the threat of cultural conflict by increasing the benefits of peaceful dispute resolution and reducing the benefits of violence. Although these institutions may privilege some groups over others, they can counter the threat of backlash with offers of side payments and compensation to those who see themselves as harmed by the preferential practices.

It would be wrong to assert that perfect social harmony is the result. These institutions often foster resentment because of these practices of privilege and compensation. But where they are considered essentially legitimate, their behavioral rules are echoed in other organizations and in the society at large. The opposite is true when state institutions are considered unfair, illegitimate and

oppressive. Often, privilege is granted to one group, and others are excluded from the privileged resource allocation. Resentment is likely to build but will be repressed as long as the state is strong enough to exert coercive power to maintain social order. For example, in the 1970s, both Punjabi Sikhs and Georgian peasants in Abkhazia were excluded from privileged resource allocation. Thus both sought to secede from the governing state that they perceived as oppressive. As long as that state remained strong enough to repress dissent and as long as these two groups continued to be deprived of resources for mobilization, their grievances festered, but they did not resort to violence until the institutions of the central state weakened.

There are many reasons why a central state would weaken; corruption, inefficiency, and overextension come readily to mind. In addition, however, upholding these social contracts becomes more difficult when globalization weakens the state through its imperatives for “state-shrinking.” This is exemplified in the case of Bulgaria after Communism’s collapse. There, the former Communist regime provided the Turkish minority with economic security; ethnic Turks were concentrated in the tobacco industry; the state purchased tobacco, ensuring full lifetime employment. With the fall of Communism, however, the inefficient and uncompetitive tobacco industry was privatized, and its failure in global markets left the majority of Turks unemployed and destitute. Turkish political entrepreneurs in Bulgaria began to label unemployment ethnic ‘genocide’ in their effort to mobilize the Turkish population against the liberalizing policies of the new regime. Similarly, as noted above, the worsening of the Sri Lankan national economy in the 1970-1977 era only increased the demands of the Sinhalese community on the state for employment and assistance, often at the expense of the Tamil minority.

In short, policies of state-shrinking that reduce the state's role in the economy and reduce its sovereignty over political membership and exacerbate social cleavages along cultural lines—are important causes of broken social contracts and failed coercive policies. National economic growth and decline and the level of external debt affect the level of resources that the state can allocate, and short-term policies of economic liberalization yield up the state's distributive powers to the market. Indeed, when states make the decision to allow the market to pick economic winners and losers, they often break the social contract that once permitted them to soften some of the disadvantages suffered by particular cultural groups.

Coping with cultural conflict: The role of institutions

A perception of unjust political and economic resource distribution among distinct cultural groups lies at the heart of many of today’s cultural conflicts. Therefore, political leaders in multicultural societies must take care to maintain strong, legitimate institutions in the face of globalization’s state-shrinking imperatives. Institutions should be fashioned so that economic hardships and benefits are allocated in ways that integrate rather than fragment the political community. Federal systems in multiethnic states must create a strong center if they are to survive. They must be strong enough to protect and maintain the rule of law and civil and political rights of groups as well as individuals. And governments must be committed to those rights. An independent judiciary, not captured by political forces is essential. Institutions of the presidency and parliament must be constructed so that stalemates do not repeatedly occur and in which negative majorities—able to veto decisions but unable to take positive action—do not dominate. A system of political competition that fosters compromise will buffer against perceptions of further unfair resource distribution as state budgets shrink.

Even globalization in the form of market rationality can actually be a coping mechanism that can mitigate cultural conflict: markets can reduce the influence of unjust patronage networks, including

ethnic and sectarian ones. Coping with globalization in multi-ethnic societies must mean more than reducing fiscal deficits, privatization, currency stabilization, and creating economic efficiencies; coping with globalization must also mean refashioning institutions that both depoliticize and respect cultural identity. Below I tell two stories that highlight the role of institutions in coping with those effects of globalization that heighten cultural conflict.

Coping with globalization and mitigating cultural conflict I: Bulgaria

Bulgaria is strikingly similar to Yugoslavia in terms of historical legacies, social composition, and economic structure: Yet Yugoslavia erupted in communal conflict with the fall of Communism, and Bulgaria did not. Below I sketch out a brief explanation for Bulgaria's relative social harmony, which suggests that political institutions played a significant role in channeling Bulgarian cultural conflict into non-violent political competition.

Pre-1989: Impact of institutions on social integration in the face of international pressures

The roots of Communism's collapse can, in part, be traced to the forces of globalization and the position of communist countries in the international economy. Communist countries found themselves on the sidelines in the race for economic prosperity as its technical expertise in commercial industry began to lag far behind the industrial capitalist nations. Throughout the Cold War, technology gaps between them and the West widened and multiplied (Crawford, 1993).

While both Bulgaria and Yugoslavia pursued autarky and central planning that brought economic hardship to all social groups, they were marked by differences in the structures of their political institutions. Despite the tight grip of the Communist party on both countries, Bulgaria was a centralized state while post-war Yugoslavia was constructed as a federal system. These different structures made a crucial difference in filtering the forces of globalization when they began to change economic and political calculations within each country.

In contrast to Yugoslavia, Bulgaria was a unitary state, with political power concentrated in the center (Curtis, 1992). The Bulgarian Communist Party (BCP) program specified an orthodox hierarchical party structure of democratic centralism, each level responsible to the level above. The lowest-level party organizations were based in workplaces: all other levels were determined by territorial divisions, which were weaker than the workplace organizations (Bell, 1986). Allocative institutions privileged party members and functionaries rather than particular ascriptive groups.

This centralization was reflected in the forced inclusion of Muslim minorities into the state. From the outset, the Communist regime sought to "overcome the 'backwardness' of the Turkish population" through policies of forced inclusion, e.g. the destruction of autonomous local organizations and decrees of mass public de-veilings of Turkish women—not unlike the recent French ban on the hijab—or head scarf—in public schools.

In 1984-85, the Bulgarian regime tightened the screws of "inclusion." It declared that Bulgarian Turks were not really Turkish, but rather they were Bulgarians who had been forcibly Islamicized and Turkified under Ottoman rule. It forced all Turks to change their names from Turkish names to Slavo-Christian ones, and prohibited most religious rites, closing down of mosques, and destroying public signs of an existing Turkish culture (Neuberger, 1997: 6; Curtis, 1993: 82).

The Bulgarian Muslims, or the "Pomaks," suffered much less repression. Because, historically, there had only been a weak and ultimately failed effort to construct a Pomak political identity, there was no need for the Communist regime to single them out, either for special repression or privilege.

(Todorova, 1998) If anything, the Pomaks were coincidentally privileged because they enjoyed ‘border benefits,’ that is, development funds that the state doled out to the border regions of the Rhodopes in which they lived. They thus attained a higher than average standard of living for the region. And, unlike the case in Yugoslavia, there were no intermediary political entrepreneurs who could control the distribution of those benefits in order to enhance their own power base.

Despite these policies, an “ethnic” division of labor characterized the Bulgarian economy. The majority of Turks and Pomaks worked in agriculture, particularly in the tobacco industry, and in light manufacturing, sectors privileged by the regime in its industrialization drive. The sectors in which Turks and Pomaks toiled were completely tied to domestic demand and to exports to other CMEA countries. As long as those exports remained strong, as long as the domestic market was sheltered from international competition, and as long as they were granted equal welfare benefits, these minorities did not experience disproportionate economic hardships. But as Bulgaria became increasingly integrated into the global economy during the 1980s, those hardships manifested themselves.

Unlike Yugoslavia, which was integrated into the international economy throughout the Communist period, Bulgaria staved off an opening to the West until the 1980s. But as it too began to open to the world, it was hard hit by the global recession and debt crisis of the 1980s. By 1990, Bulgaria had suspended both principal and interest payments on its foreign debt. Meanwhile, in 1989, as a result of both the forced assimilationist policies and the growing economic crisis, 300,000 ethnic Turks left Bulgaria for Turkey, in what some observers called the largest post-war civilian population movement in Balkan history (EIU Q3, 1989: 20). The exodus resulted in an acute loss of agricultural personnel during the harvest. And the two-thirds of the Turks who eventually returned found that the authorities had given their homes to Bulgarians. (Tzvetkov, 1992: 40).

In short, with Communism’s collapse, Bulgaria was ripe for “cultural conflict.” A highly centralized state engaged in extremely repressive policies against its ethnic minority. Economic hardship as a result of integration into the global economy had fallen disproportionately on Bulgaria’s Muslim population creating conditions for the creation of an opposition movement, able to call on shared memories of oppression, and ready to mobilize politically.

After Communism’s collapse: democratic competition in Bulgaria.

After Communism’s collapse, economic conditions worsened for Bulgaria’s Muslims. Throughout the 1990s, the country was brought to the brink of economic disaster several times; CMEA trade all but disappeared, leaving it with a huge debt and no export markets. The unemployment rate sky-rocketed.¹⁵ And, as a UNDP report states, “The changes [dwindling of the external markets due to the disintegration of the CMEA] . . . disproportionately affected the canning and the tobacco industry, where workers of Turkish and Gypsy origin predominated (UNDP, 1996: 6-11).¹⁶

While the market brought suffering to the Muslim populations, democracy brought the right to organize in the political arena. Ethnic Turks were permitted to take back their Turkish names. The BCP voted to condemn the policy of forced assimilation and restated the constitutional rights of ethnic Turks to choose their own names, practice Islam, observe their religious customs, and speak Turkish.

Bulgarian nationalists countered these moves toward political liberalization and the establishment of cultural rights. On December 31, 1989, there were demonstrations against political liberalization measures in Kurzali, and in early January 1990, there was a series of demonstrations in Razgrad and Kurdzali and a nationalist march on Sofia, protesting the “Turkification” of Bulgaria.

There is some evidence to suggest that BSP (Bulgarian Socialist Party) resources supported these nationalists¹⁷ (EIU Q1, 1990: 27; Troxel, 1992: 414; Neuberger, 1997: 8).

The regime's response to this explosive situation was to both affirm the constitutional rights of minority groups and ban ethnic political parties. Nonetheless, the Movement for Rights and Freedom (MRF), led by Ahmed Dogen—described above—was formed, which, while not officially a Turkish Party, did represent the Turkish minority in Bulgaria. After its formation, nationalist opposition rapidly increased both at the level of social protest and in a complaint to the Supreme Court. On November 22, 1990, the National Committee for the Defense of National Interests (a right-wing nationalist group whose members included many former communists who had participated in the implementation of the various Bulgarianization campaigns) proclaimed the “Bulgarian Republic of Razgrad” (a city with a large Turkish population) as a response to the “treacherous pro-Turkish policy” of the National Assembly (Curtis, 1993: 215). Indeed, in 1991, the BSP actively courted the nationalistic right wing, and its political rhetoric claimed that its UDF rival and its alliance with the MRF would reawaken Turkification that would increase the chances for secession and threaten the territorial integrity of the Bulgarian state (Perry, 1993; Nikolaev, 1993; Dainov, 1992: 10; Troxel, 1993: 422). Further nationalist protests followed.

The BSP also tried to outlaw the MRF. Once the 1991 Constitution was ratified by the National Assembly in the July of 1991 it presented the MRF with an obvious problem because Article 6 prohibited the creation of parties along ethnic lines. Despite the MRF leadership's comments to the contrary, it had become increasingly apparent to all observers that the MRF was the Turkish party in Bulgaria. The BSP sought to exploit this for strategic benefits and sued to prevent the registration of the MRF for the 1991 parliamentary elections

In this period of heightened ethnic tensions, the MRF began a campaign to politicize the Turkish minority, calling on past grievances to mobilize collective support. It announced the party's plan to introduce the Turkish language in the school curriculum in Turkish-dominated cities and villages. Kamen Burov (the other Bulgarian “cultural entrepreneur” described above) also pointed to discrimination in his bid to mobilize the Pomak minority and politicize its cultural identity.

But unlike “ethnic” political parties in the former Yugoslavia, Burov received little political support. And Dogan and the MRF did not possess an existing regional party machine that it could use to mobilize for an alternative political authority in opposition to the central government. Indeed, both minority cultural groups lacked the organizational and material resources of the regional party elites of Yugoslavia. Further, the Bulgarian Supreme Court decided to allow the MRF to register and thus compete in elections and represent the Turks in the Parliament (Ganev, 1997). This effectively legitimated the MRF in the political arena, allowing it to participate in democratic competition rather than be excluded or marginalized. By legitimizing the MRF the court left it without resources to organize opposition outside the political arena.

The absence of a federalized political structure along ethnic lines, like in the case of Yugoslavia, meant that the MRF lacked any substantial means of resource allocation that would enable it to resist participation in the mainstream of Bulgarian politics. Unlike Tudjman and Milosevic, Dogan did not have the “luxury” of inheriting an organized and well-funded political base. Thus he was forced to participate in the “normal” bargaining processes of post-communist Bulgaria, structurally induced to temper his demands. Similarly, the existence of a politically independent Supreme Court served as an effective veto point that preserved the democratic politics of post-communist Bulgaria.

Under these conditions, the MRF managed to become a power broker in the Bulgarian government. Despite the fact that the UDF won the parliamentary elections in 1991, it did not gain a clear majority and thus was able to govern without the MRF—which had become the third largest party in Bulgaria. In 1993, the MRF led strikes for higher tobacco prices in order to pressure the caretaker government to increase revenues that would cushion the transition to the market, and Dogan opportunistically supported a deal—together with the UDF and BSP—to construct a gas pipeline from Russia to Greece through Bulgaria under the assumption that Russia could be paid partly through sales of Bulgarian tobacco (EIU, 1993).

But disproportionate economic hardship persisted as the state withdrew from the economy and both agriculture and industry were privatized. By 2001, almost half of Bulgaria's Turks lived below the poverty line, and though they made up only 9 per cent of the population, they accounted for ¼ of the country's poor (Ivaschenko, 2004). At first there was very little pressure on the party elite from the Turkish constituency to reduce poverty rates and the declining economic prospects of the Turkish minority. But starting 1997, the party split over economic issues (EIU Q21, 1997; EIU Q3, 1997). The MRF continues to behave like a normal, interest-based party in democratic competition, and cultural conflict is channeled through the political process.

Clearly institutions matter in the Bulgarian case. Healthy political competition, an independent judiciary, and the absence of ethno-federalism all worked to channel potential cultural conflict into the trenches of peaceful political competition.

Coping with globalization and mitigating conflict II: Europe and its immigrants

Throughout this essay I have suggested that Europe is increasingly vulnerable to cultural conflict, as globalization has led to the growth of immigrant populations and the simultaneous shrinkage of the welfare state. Europe's uneven ability to integrate its immigrants, combined with the steep social ladder, the rise of the xenophobic right, and resistance to immigration have created a volatile mix of resentment, hatred, and rancor on the part of the native population that can translate into violence.

It is probably no exaggeration to claim that Muslim populations in Europe are growing exponentially. Conservative estimates project that, within a generation, Muslims will be the majority in major German, French, and Dutch cities. France is already home to 5 million Muslims, almost 10% of its total population. 23 million Muslims now live in the European Union, and they are overrepresented in unemployment, crime, and poverty. At the same time, the birth rates of ethnic Europeans are imploding, exacerbating fears that Muslims will one day become a dominant majority on the continent. In the pages above we have encountered European cultural entrepreneurs whose rhetoric warned of the day when immigrants—particularly Muslim immigrants—would become a dominant majority on the European continent, stirring up fears that feed prejudice and hatred.

And as Muslim populations grow throughout Europe, they are increasingly exposed to Islamic radicalism that incites cultural conflict. Shore (forthcoming) cites studies that show that young Muslims who were born in Europe are increasingly repelled by liberal European values and drawn to extreme views. He writes that

“in one large-scale study of Turkish-German Muslims in their twenties and teens, almost one-third agreed that Islam must become the state religion in every country. Even though they live in Europe, 56% declared that they should not adapt too much to Western ways but should live by Islam. Over 33% insisted that if it serves the Islamic community, then they are ready to use

violence against nonbelievers. Perhaps most disturbing, almost 40% stated that Zionism, the European Union, and the United States threaten Islam.”

Radical clerics have become cultural entrepreneurs, whose sermons plant and nourish these views. They can be found in both local mosques and in the pages of the internet. Indeed, radical Imams in Syria, Jordan, Afghanistan, and Saudi Arabia can transmit their messages instantly to the Muslims in Europe, exerting the pull of pan-Islamism in an effort to unite the Diaspora community to oppose Western culture.

And European states themselves often fan these fundamentalist flames by enacting anti-terror legislation which many view as anti-Muslim, or by banning symbols of Islamic faith, such as headscarves in schools and the workplace. Holland, once a safe haven for refugees, will deport 26,000 asylum seekers, many of them Muslim, in an effort to stem the tide of its burgeoning Muslim underclass. Furthermore, Muslims in Western Europe are underrepresented in parliaments, have lower incomes and less schooling than indigenous Europeans and other immigrant groups. In public policy, many European countries have withdrawn financial and legal support for integration of Muslims in their schools. After 9/11 there was a significant decline in state funding of Islamic schools in Britain; there was a decline in funding for Islamic instruction in public schools in Germany, and in France the hijab was banned in public schools (Fetzer and Soper, 2005: 143f).

Together these factors churn up the volatile mix of ingredients for violence that I have described throughout this essay: growing economic suffering as the welfare state disappears, the uneven distribution of economic hardship, the discriminatory allocation of political and economic resources, and the rise of radical cultural entrepreneurs, some of whom are fed by Diaspora cultural communities.

But immigrants themselves have rarely perpetrated violence against native populations, and conflict in the form of violent hate crimes perpetrated against immigrants have not risen significantly in Europe since the early 1990s. In Table II, I show the number of reported violent crimes against foreigners in five European countries. In Germany, where the data seems to be most complete and most accurate, the number of these crimes has actually decreased, even as the number of immigrants has grown. Switzerland, France, and Austria are also low and comparable to Germany. The only “outlier” is Sweden, where hate crimes have skyrocketed in proportion to the number of immigrants that have made their home there.

All of these countries have institutions that protect immigrant individual and group rights and provide some form of political integration, measured by voting rights for foreigners (Minkenberg, 2005). Sweden has the strongest institutions protecting both individual and groups rights—the most inclusive policies, permitting voting rights for foreigners. So why would violent hate crimes spike in Sweden and remain low in most other European countries?

Sweden may keep better track of these crimes, but probably the mechanisms used to track crimes there are not much better than those in Germany. My hunch is the following: strong integrative and allocative institutions matter, but they do not operate in a vacuum. Sweden is a country that has only recently accepted immigrants; social relations have thus shifted quickly, in comparison to other European countries, as economic growth has stagnated. The government quickly established a welcoming approach to immigration in general, and opponents of immigration had little voice. So, although integrative and allocative institutions are strong, there is a growing backlash against immigrants in the form a large Neo-Nazi network formed outside legitimate channels of political participation. Thus the potential for the rise of informal organizations and anti-immigrant cultural entrepreneurs as “loose cannons,” active in crime rather than politics.

If my hunches are correct, the European case shows that strong liberal institutions matter, particularly those that channel conflict through a legitimate and non-violent political process. But as globalization proceeds and the European welfare state is forced to shrink and shed its social safety net, we may see more anti-immigrant violence there in years to come.

Conclusions

Vulnerability to cultural conflict does not automatically bring on cultural violence. When resources are provided or withheld from groups on the basis of their cultural identity, cultural entrepreneurs attempt to mobilize their cultural brethren to protest an unjust resource allocation or shore up resources for their own group. If political institutions provide a legitimate arena for those entrepreneurs to compete and if resources are abundant and allocated in ways that are widely considered to be fair, cultural or identity politics, like other kinds of political competition, can be legitimate and stable. It is when demographic and economic changes—often brought on by the forces of globalization—undermine the ‘rules of the game,’ and lead to perceptions that the balance of political power is unfair, that identity politics, like other forms of political competition, can escalate to cultural conflict and violence. States whose institutions promote social integration are not immune to cultural strife. Historical, ideological, and sectarian legacies can provide incentives to politicize culture. And economic discrimination and advantages can push cultural leaders into the political arena to protest grievances or protect privilege. If governments wish to avoid cultural conflict, institutions must provide ample resources and rules to make social divisions like class, interest or ideology more relevant than culture in the political arena. And they must distribute resources in ways that promote social integration and redress past grievances.

Table I
{ EMBED Excel.Sheet.8 }

Table II: Violent Crimes per 1000 foreigners ¹⁸

	1993	1994	1995	1996	1997	1998	1999	2000	2001
Austria ¹⁹									0.44
France							~0.18		
Germany	0.19	0.11	0.08	0.08	0.1	0.09	0.1	0.13	0.09
Sweden					0.87	1.05	1.20	1.20	1.17
Switzerland ²⁰									0.08

Figure I

Unemployment rate of EU and non-EU nationals in 2001
(% of their active population 16 -64) Source: LFS, Eurostat

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Endnotes

¹ Cultural conflicts in industrial and industrializing societies tend either to be argued civilly or at least limited to the political violence of marginal groups

² Still the second richest state in India, the gap is narrowing as other states have begun to grow more rapidly. Punjab is now trapped in a crisis, which is reflected by: stagnation in the productivities of principal crops, namely, wheat and rice; declining returns from agriculture; a declining rate of growth; and the degradation of environmental resources. A number of factors are also hindering the industrialization of the land-locked state, including a lack of mineral resources, a location disadvantage in relation to major national markets, and its proximity to a sensitive international border.

³ The “boom” in this literature began with the appearance of Samuel Huntington’s 1993 “Clash of Civilizations” article in *Foreign Affairs* which suggested that the current round of ethnic and sectarian violence is a backlash against the apparent triumph of the “West” in the form of economic globalization and institutional transformation—the opening of new markets for goods, services, capital, and people, the construction of new democracies, and the implementation of ‘state-shrinking’ ideologies that have swept the globe.

⁴ Alesina et. al. (2003) argue that trade openness leads to the secession of wealthier regions in multi-ethnic societies, because they can compete successfully and no longer wish to transfer resources to their poorer compatriots whose ethnicity or religion is different. Biziouras (forthcoming) argues that medium levels of economic liberalization can permit the state to continue and increase selective patronage to various cultural groups in ways that trigger conflict between those targeted for patronage and those who are excluded.

5. Benjamin Barber makes similar connections, although his logic of explanation diverges from the logic presented here. He argues that economic globalization also globalizes politics by creating new sources of dominance, surveillance, and manipulation, thereby weakening the nation-state. The state is thus increasingly less important as a focus of political life. Global processes do not require democracy to expand. With the decline of the nation-state as the locus of political life and the increasingly undemocratic globalization of political and economic life, sub-national communities governed by fanatical hierarchies attempt to localize politics. These groups are also undemocratic, in that they demand loyalty to the group above loyalty to the individual, and rights are only real for the dominant group. The result is the decline of democracy and democratic, integrating nation-states. Barber does not explain why local politics would take a non-democratic form. See Barber, 1995.

⁶ It was widely believed that Sri Lanka had inherited a highly competitive pluralistic political system, which was considered an outstanding model of third world democracy (Jupp, 1978; Kearny, 1973; Wilson, 1979).

⁷ Eurostat, the European Union’s statistical unit, in 1994 began commissioning a series of research studies to improve understanding of the trends underlying immigration (Salt and Singleton, 1995). In 2000, the United Nation’s Population Division released *Replacement Migration: Is It a Solution to Declining and Ageing Populations?* Organisation for Economic Co-operation and Development (2004),

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"javascript:exitalert('http://www.oecd.org/departement/0,2688,en_2649_33931_1_1_1_1_1,00.html')" } (Paris: OECD) and OECD Migration database for latest available year, 2002.

⁸ In 1955, Sri Lanka’s per capita income was greater than that of other major Asian countries, except Malaysia. South Korea and Thailand continued to lag behind Sri Lanka in terms of per capita income

even by 1960 (Abeyratne, 2002). But between 1965 and 1980, Sri Lanka achieved a growth rate of only 2.8 per cent of GNP per capita, less than half that of Indonesia, and little more than half that of Thailand. And between 1990 and 1995, the per cent of GNP per capita growth rate in Sri Lanka was only 3.2 per cent, compared to Thailand's growth rate of 6.3 per cent and Indonesia's 4.8 per cent (World Health Organization, 2002).

9. This assumption has not been systematically tested. A good test would compare the intensity of conflict and level of violence of 'identity group' conflicts with 'interest group' conflicts, ideological conflicts, class conflicts, and interstate conflicts.

¹⁰ Susan Bridge (1977: 345-47) argues that the structure of formal political representation throughout the post-war period discouraged minority participation and representation through the single-member district in both party and government. But the single member district worked to the advantage of minorities in two defined regions where the 'nationality' was a majority of the population. After the constitutional changes of 1974, Kosovo, with a majority Albanian population, and Vojvodina, with a majority Hungarian population, gained increasing autonomy throughout the post-war period and enjoyed equal participation at the federal level with the same representative status as the constituent nations. Kosovo would become a trigger for the wider conflict that ensued.

¹¹ The percentage of Tamil students able to gain admission to university medical courses fell from 50% in 1970 to 20% in 1975. The percentage of Tamil students entering engineering courses fell from 40.8% in 1970 to 24.4% in 1973, and 13.2% in 1976. The percentage of Tamil students entering science courses fell from 35% in 1970 to 15% in 1978.

¹² In fact, Sri Lanka's political conflict, developed since the 1970s, has two major facets. One is the Tamil separatist movement, which is widely known to be between the majority Sinhala and the minority Tamil communities. The other is the militant movement of the Sinhala community, which erupted twice into armed struggles with the aim of changing the existing political regime. Due to the concurrent escalation of the two facets of the political cannot be separated analytically. I focus here on the Tamil-Sinhalese conflict.

¹³ Kopel (2004) argues that Sinhalese uncertainty and paranoia added to economic uncertainty in these acts. He writes, "Despite their clear majority, Sinhalese fear the large numbers of foreign Tamils who, including those in India's [state of] Tamil Nadu, are said to number around 50-60 million between Southeast Asia through Middle East to the Caribbean. On the other hand Ceylon Tamils, despite being only 11.2 percent of the population, consider themselves strong in terms of the global Tamil brotherhood."

¹⁴ Most prominent continue to be the World Sikh Organization and the International Sikh Youth Federation.

¹⁵ Unemployment increased from 1.7% in 1990 to over 11 per cent in 1991 and 16 per cent in 1993. Growth rates plummeted to -10.9 per cent in 1997, and industrial output all but ceased (NSI 1996: 10-11).

¹⁶ Some figures illustrate: in the predominantly Muslim districts of Blagoevgrad and Smolyan, unemployment rates hit 90 per cent; in Borino, unemployment was 96 per cent; in all other Muslim districts--Girmen, Bregovo, Strumyani, Khadzhidimovo, Razlog, Yakoruda, Sandanski, Gotse Delchev, Kirkovo, Devin, Kresna, and Nedelino, the unemployment rate was over 90 per cent (Todorova 1998: 493) while in Bulgaria as a whole, the registered unemployment rate fluctuated between 1.7% in 1990, 11.1% in 1991, 15.3% in 1992, 16.4% in 1993, 12.4% in 1994, 11.1% in 1995 and 12.5% in 1996 (ILO

1997:447).

¹⁷ The BSP is the former Communist Party, formerly named the Bulgarian Communist Party.

¹⁸ Data based on OECD population data and racial violence statistics from RAXEN (2003); European Monitoring Centre on Racism and Xenophobia (2005); The Stephen Roth Institute (2003).

¹⁹ Includes anti-Semitic acts.

²⁰ Foreign population data is available up to 2001. Crime data is available from 2002. Crime statistics for 2001 are estimated based on average of 2002 and 2003. Includes anti-Semitic acts.

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