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REVIEW ARTICLE

Bottom Billion: Countries or People?

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The Bottom Billion: Why the poorest countries are failing and what can be done about it
Paul Collier
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This is a brilliant book, well written and concise: a force for good, but with flaws. Many of its merits and flaws stem from the basic research. There is no bibliography, but a list of 'research on which this book is based' (pp. 192–195).[1]

The 'bottom billion' (hereafter BB) comprise the total populations, in 2006 'around 980m people' of 58 countries: most of Africa (but not South Africa or Botswana, and no longer Mauritius or Madagascar) plus 'much of landlocked Central Asia [and] places like Haiti, Bolivia.... Laos, Cambodia, Yemen, Burma and North Korea'. The 58 countries are not listed in the book, nor in the research papers cited, 'because this is not a company that countries are keen to be in, and because stigmatising a country tends to be a self-fulfilling prophecy' (p. 7). Unfortunately, though many country examples in the BB *are* named and discussed (stigmatised?), it is unclear who, exactly, the 58 are. This is not nit-picking: the text leaves me genuinely unsure whether some huge countries – Ethiopia,[2] Kenya, Tanzania, Sudan – are in or out. So one cannot assess, or check, some of Collier's claims about the BB.

Many BB nationals are not poor. Within countries cited as BB examples in this book, the richest quintile of persons enjoyed about half total income or expenditure (UN, 2007: 283–284). Most of the poor are not BB nationals. 63% of the 970 m people with below $1PPP per day in 2004 lived in South and East Asia (Ravallion and Chen, 2007) and the new PPP revision will raise the proportion, probably above 70%, since it cuts India's and China's estimated PPP-GDP by almost 40% (Milanovic 2007). Some key aspects of non-income poverty, such as child malnutrition and gender inequality in children's access to education and health, are less common in sub-Saharan Africa, even in most of Collier's examples of BB countries, than in South Asia (Svedberg, 1990; UNHDR 2007: Tables 28–33). Yet – while in other developing countries 'the middle 4 billion ... experienced rapid and accelerating growth in per capita income', from 2.5% per year in the 1970s to 4.5% per year since 2000, 'the BB in 2000 had lower average GDP than ... in 1970'

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(pp. 8–9). Even if Collier somewhat over-simplifies in seeing growth as the main engine of poverty reduction, he is right that such huge growth gaps have made *escape* from poverty far easier and more common in non-BB countries. So, arguably, socio-economic analysis and policy have failed not 'the poor' but the BB, and should now focus on them.

Questions remain about 'country stagnation or worse' as a criterion for BB status. First, though overall the countries cited as BB did stagnate, several had respectable annual GDP-per-head growth in 1975–2005, accelerating in 1995–2005: Equatorial Guinea (11.7% and 16.6% respectively), Laos (3.4%, 3.8%), Myanmar (2.6%, 6.6%), Uganda (2.4%, 3.2%), Mozambique (2.3%, 4.3%) (UNDP, 2007: 279–80) Such rates may be unreliable and/or driven by temporary resource booms, but do suggest possible escape. Second, Collier points out that many BB countries' lot is worsened by massive flight of both financial and human capital, so many BB *residents* do escape. Third, is escape from poverty really harder in the BB than in stubbornly stagnant regions *within* the middle 4 billion: NW China, or the populous east-central 'BIMARU' states of India? Their governance and landlocking problems seem similar to those of Collier's BB. So do their lags in productivity, age-structure (Lipton, 2005) and human capital, and thus their difficulty both in attracting investment and in preparing the poor for successful migration. More poor people may be regionally trapped within non-BB countries than resident in BB countries. Fourth, conceptual questions arise from focusing research, and samples, on countries instead of on people. For instance, although 'in countries that are richer than the BB the risk of a coup is small' (p. 133), many *people* live in such countries, notably Pakistan and Indonesia.

The Four 'Traps' and Their Characteristics

Collier argues that BB countries are in one or more of four 'traps' (p. 79). The natural resource 'curse' in 'the context of poverty' affects countries with 29% of BB population (p. 39). Conflict affects 73%, who have 'recently been through a civil war or are still in one' (p. 17). 38% are 'trapped' in countries 'landlocked with bad neighbours' – 'bad' in the sense of being '*in the way of*' the market', rather than *being* the market (as Germany and Italy were for Switzerland: 54–55). Finally, 76% of BB populations are 'trapped' by 'bad governance in a small country' that had very 'low governance ratings' for four consecutive years; after that, the probability of turnaround to adequate governance in a random year was only 1.6%, so expected entrapment in bad governance lasts 59 years (p. 69, p. 71).

Despite the *apparent* precision of the percentages (and the regressions – see below), we never learn exactly which countries are in each 'trap', nor the precise criteria for assignment. However, the traps are genuine obstacles to development, clearly described. Subtle interactions are revealed, e.g. 'landlockedness' turns natural resources from a curse to an advantage (p. 56). But why should these four obstacles in the BB countries be traps, somehow worse than other things that stop, or hamper, development? At least from 1788 through the 1960s, the development literature focused on other traps: the Malthusian trap of persistently high fertility and mortality, trapping families and nations into high dependency ratios, and the Smithian trap of chronically low-productivity agriculture, trapping people in poor livelihoods just to feed themselves, and leaving nations unable to industrialise for want of surplus food. In the 1960s, 'vicious circles' of poverty and low saving dominated development thinking, and concern with 'low-level equilibrium traps' persists today. In the 1970s attention turned to lack of human capital, which may trap households without it, leaving them unable to improve or leave. If people escape such traps, might that allow areas to by-pass Collier's national-level traps? People in *areas* of fertile land, low dependency ratios, good savings institutions, and widespread education may diversify and grow incomes, even if their *countries* are landlocked, resource-cursed or ill governed. On this reading perhaps the only real traps are 'spatial poverty traps', such that the poor live where area characteristics reinforce household characteristics to impede both development in place and movement away (Ravallion and Jalan, 1997). As such, neither concomitants of slow growth, nor *current* constraints on growth, need be traps.

The Resource Trap

For Collier the problem is less that resources drive up exchange rates and penalise other products, than that (like aid) they increase the incentive to seek corrupt rents. Why were the Dutch not diseased? Why did oil bless, not curse, Norway and Britain, and diamonds Botswana? 'With sufficiently powerful restraints [on power] a resource-rich democracy can be a success' (p. 47), and though 'resource riches are bad for constraints . . . Norway . . . got [constraints] before . . . oil' (p. 51). Otherwise, democracy makes the curse worse: 'resource rents make democracy malfunction' as party competition for rents leads to 'survival of the fattest' (p. 42). Without 'natural resource surpluses a fully democratic polity outperforms a despotic autocracy by around 2%/year', but with 'resource rents around 8% of national income, the growth advantage of democracy [is] eliminated. . . [With] resource rents worth 20% of national income, the switch from autocracy to intense electoral competition would lower growth by nearly 3%' (p. 43).

Other work (Collier and Goderis, 2007) does not refute this, but modifies it. 'Commodity booms significantly raise growth, [consistently with the post-2000] African growth acceleration . . . [Despite] strong evidence in support of the resource curse hypothesis . . . commodity booms have positive short-term effects on output, but adverse long-term effects . . . confined to "high-rent", non-agricultural commodities [and] avoided by countries with sufficiently good institutions . . . None of the transmission channels proposed in the literature individually accounts for the curse. However, a combination of public and private consumption, total investment, and exchange rate overvaluation explains [much] of it. . .. Once we control for these long-run adverse effects, resource abundance [increases] average cross-country growth rates.'

The Conflict-Coup Trap

The conflict-coup trap receives an excellent discussion. It is convincingly attributed to 'greed' rather than 'grievance'. The flavour is well illustrated by an underlying paper (Collier and Hoeffler, 2006). The predicted risk of a coup 'at the sample mean values of the characteristics [is] 1.57%. If the level of per capita income is doubled the risk falls by about 26% and if it is halved the risk increases by 34% .... [W]hen growth is raised by 1% the risk falls by 3.9%. Political regime has a strong impact on risk. The coup risk in anocracies [partial democracies] is about double that in other regimes'. As in resource-cursed regimes, so in coup-prone countries: anocracy, perhaps appropriately, gets a bum rap.

The logic, and probably the signs, are persuasive; but are these precise coefficients useful guides to the size of effects? Most of the numbers are derived from cross-country regressions, which John Wilmshurst once said 'sound like, and should be, a sport for boys'. Yet it is easier to attack them than to suggest better methodologies. Collier sometimes uses panels to generate country fixed effects, and handles issues of causality and missing variables honestly and ingeniously, with some robustness checks. Yet neither the book, nor the supporting papers I consulted, reports robustness with respect to omitting pairs of Barro variables (Leamer, 1983; Levine and Renelt, 1992), even when GDP or economic growth is a variable; nor how much the strength of reported relationships depends on one or two, perhaps outlier, observations. Apart from depending on the sample of countries, the functional forms, and the choice of variables, the estimated coefficients are measured at the mean, with a confidence interval, and within an equation claiming to explain only a known proportion of variation in the explanatory variable. Unlike the supporting papers, this non-technical book is aimed at a wide audience, and understandably omits levels of statistical significance, explanatory power and diagnostic tests. (Analogous comments apply to the probits/logits). However, this means that the implied precision of the numerous statistics is misleading. At least, readers should be warned, and the scale of possible errors informally discussed. At present, the parade of statistics, claiming to estimate precise effects, may frighten off non-technical readers from questioning the 'grand narrative' of this book. And, while stimulating and often convincing, that narrative needs to be questioned, not guarded with econometric barbed wire that is, in fact, rather soft.

Landlocking with 'Bad' Neighbours

Again the argument for handicap is subtle and persuasive, the language of traps and the numerology less so. Yes, stagnant neighbours handicap growth; the handicap is more for the landlocked; and the effect on a landlocked country's growth of dynamic neighbours is less in Africa. However, the force of these findings is lessened by claiming that on a global average 'if a country's neighbours grew by an additional 1%, [it] grew by an additional 0.4%...for the landlocked the spillover is...0.7%...[but] for the African landlocked only 0.2% – virtually nothing' (pp. 57–8). Some of this book's many virtues – brevity, clarity, accessibility to a non-technical audience – mean that it cannot properly discuss such issues as significance levels or robustness.

It is the 30 (of 38) landlocked countries that are resource-*scarce* which suffer most growth retardation, according to Collier's results. He suggests that landlocking turns resource curses into blessings, by defanging Dutch disease. Even if a resource boom makes foreign exchange cheaper, landlocking (by neighbours with bad, costly transport access) protects the non-mineral sectors without creating economic rents, yet does not stop export of a high-value mineral (p. 56). Ingenious as this is, the precise numbers, cross-country test methods and modelling, and Botswana example do not quite remove the flavour of a just-so story (again, Levine–Renelt and outlier testing might help).

Bad Governance in a Small Country

Bad governance in a small country harms growth, and the harm is reviewed in an original, readable way. Turnarounds ('reforms') – while, as Collier shows, unlikely in any given year – are likelier to start, and to be sustained, in countries recently emerging from civil war, having larger populations, or with more secondary education (pp. 70–72). The last two are seen as 'pointing to the same thing: countries need a critical mass of educated people in order to work out and implement a reform strategy' (p. 71). This seems to imply agglomeration economies among the educated and/or falling average costs of education, but both surely go into reverse above some level, and it is not clear that the effect is that of absolute numbers and quality of the educated, rather than of their share of population. As with curing the resource curse and the conflict trap, Collier's cross-country regressions suggest that anocracy (or indeed democracy) does not improve a country's chances of ending bad governance. One is left asking: which countries are small enough to make the BB in this group? What is DR Congo, a populous country, doing in the discussion? Collier seems to elide smallness of GDP, population, and area. Yet they pose different challenges to governance and development, and must have different effects on the impact of 'bad' governance.

Remedies and Motives

Collier's emphasis, and the best part of this fine book, is on remedies. He rejects simplistic attempts to blame the woes of the BB largely on imperialism or globalisation: if it were that simple, how has India gone so far towards escape? He points out that '*we* cannot rescue *them*': the main onus for escape is on the trapped countries (p. 96). Yet the book is strongly focused on the rich world, arguing that 'we' are motivated, able, and essential to help 'them' escape the traps. 'We' must 'help the heroes' who fight to extract their countries from the *trap of bad governance*, where *sustaining* turnaround by domestic effort alone has proved very difficult. As for the *conflict trap*, 'DR Congo . . . is likely to be stuck in [it] . . . unless we do something about it' (p. 34). 'If wars and coups could be avoided by good domestic political design .. the responsibility for peace would be predominantly internal . . . But the evidence is against . . . without growth peace is considerably more difficult [and lack of peace stops growth]. So breaking the conflict [and] coup trap[s] are not tasks that these societies can readily accomplish by themselves' (p. 37). As for the *resource trap*, 'because .. [the G8 is] . . . its paymaster, we have instruments at hand ready to break it [but] each rich, resource-hungry country is locked into a prisoner's dilemma of inaction' (p. 52). Collier proposes nine intelligent country strategies to remedy the *landlocking trap* (pp. 58–62), but still 'can find no example of a landlocked, resource-scarce country with bad neighbours that has made it to middle-income status [, so t]hey will be stuck in poverty unless we help them far more' (p. 63).

Collier suggests that the G8 have strong motives to help those living in BB states. However, of those he names, only a few have threat potential against the G8 – whether as essential (as opposed to optional or temporary) sources of minerals, or as necessary partners in 'security'. Even for these few, the G8 will usually find quarantine or bribery cheaper, if less moral, than help for development. Collier's argument for a strong G8 motive to help is stronger if we define the BB, not (as he does) as those living in 'bad' States, but as those living in a bad state (poor, short-lived, ill, hungry). For these, the G8 *does* deliver some effective developmental resources over the long haul, even if intermittently and inefficiently. 'We' have some idea what to do, and have acquired some humility in listening to 'their' people and governments. But the G8's moral motive – which Collier would not cynically dismiss as ineffectual – is to help people who live anywhere in a bad state (e.g. with HIV-AIDS), not people of any sort who live in bad States. As for the G8's economic motive, it is, in part, to assist States with potential to develop comparative advantages in products that can then be traded, to mutual gain, with the G8, as much of East and South Asia has begun to do, while most of Africa has not. However, it is not 'bad' States, but countries with poor people, that systematically have different comparative advantages from the G8, based on cheaper labour. A poverty-MDG focus for G8 policy, rather than a focus on BB countries, best helps to build reliable trading partners, whose rising exports raise real GDP at home *and* in the G8, while both disimpoverishing 'their' workers and restraining 'our' inflation.

So what motive have the G8 to prioritise help for the *countries* containing the BB, rather than for the poor wherever they are most cost-effectively helped? Collier stresses the security motive for the rich to assist turnarounds in 'failing states'. He does not support the Iraq war, but argues that, because 'before [it] began, costs of at least $100 billion could readily be forecast . . . [t]he decision to intervene . . . implies [larger] expected benefits' (p. 75). This overestimates G8, specifically US, leaders: either their foresight, or their unconcern for special interests. If a failing state turns around, that is worth a lot to the people, especially the poor, in that state or its neighbours; but the gains to rich countries may not be either big or clear.

Collier convincingly reviews the methods for the rich to help the BB. As for *globalisation*, freer capital inflows are impeded by the fact that adverse risk assessments of the BB, are durable, even if they start to improve; indeed, 'free' *outflows* of human and physical capital are part of the BB countries' problem (pp. 87–96). Collier makes a well-reasoned plea for BB countries to capture economies of scope and agglomeration through manufactures trade, but recognises that this is not easy: having 'missed the boat' while Asian countries caught it, BB countries 'will have to wait a long time until development in Asia creates a wage gap with the BB similar to the massive gap that prevailed between Asia and the rich world around 1980' (p. 86).

More fundamentally, the key lesson of Asia's astonishing non-farm expansion is that prior small-farm takeoff was an essential precondition. All Collier says about agriculture is that trade in it, as in minerals, is more 'likely to generate income inequality' (implausible) and more prone to the price treadmill (true) than trade in manufactures (p. 81), and that early manufacturing jobs, while 'far from wonderful . . . are an improvement on the drudgery and boredom of a small farm' (p. 83). Yet smallholding and farm labour comprise the main income source for some 70 per cent of BB people (and 80% of their poor): ending its technical stasis is one of the twin preconditions for their progress (fertility decline, to cut the dependency ratio yet raise the price of labour, is the other). Even production for self-consumption, written off as mere 'subsistence', is not only a favoured escape for poor *people* when misgovernment entraps the BB *countries* (e.g. Hyden 1982; Scott 1985), but susceptible to rapid productivity growth in Asian-style green revolutions, as hungry farmers and labourers come to eat better. Asian experience since 1960, and much European experience in the eighteenth and early nineteenth centuries, strongly suggests that Africa's fundamental constraint on growth has been neglect of agriculture.

Aid may help the BB. Collier rejects the sneering denigration that has characterised some recent popular treatments. 'Over the last thirty years [aid] has added 1% to annual growth of the BB': without it growth would have been negative. However, many of the BB are over-aided. Collier argues that 'when aid [exceeds] 16% of GDP it ceases to be effective' (p. 100). Once again the numerical precision is misleading. Various studies place the level of aid at which effectiveness starts to diminish at anything from 5 to 40 per cent of GDP, and none permits the inference that effectiveness becomes zero at any specific level (Morrissey, pers. comm.). However, if aid substantially exceeds public investment, then donors are paying current salaries of government employees; to that extent, governments almost inevitably become accountable to donors rather than voters.

Collier supports the swing-back from programme to project aid, showing that project-specific conditions help, despite fungibility: only 11% of aid funds leak into military spending, though thereby financing 40% of Africa's (p. 103). However, 'just giving them the money is likely to be the right [answer] only in the better-governed countries' (p. 102). In resource-cursed countries aid is 'impotent' (p. 107). Aid 'in landlocked countries [can] improve their transport links to the coasts' but 'infrastructure went out of fashion' (pp. 108–109). Post-conflict aid has been 'too little and too *soon*', but aid that accelerates growth cuts the risk of conflict (pp. 106–107). Dutch-disease effects of aid can be remedied by steering it to exportables (p. 121), but Collier's example, aid to ports (which 'subsidise' import-substitutes as well as exportables), might be replaced by aid for agricultural research, with its successful precedents and high proven rate of return.

Collier confirms that programme 'conditionality as a way of inducing policy improvement in failing states just doesn't work', but sees great promise in aid to reward, ex post, 'internal processes by which citizens force governments to accept scrutiny' (p. 110). Aid 'early in reform is . . . counter-productive [. . . just as] 'a terms-of-trade windfall [or . . .] an oil boom . . . chills the prospect of sustaining the reform' (pp. 115–116). Though the evidence is contested and interpretation nuanced, Collier's regression results are suggestive.

Technical assistance is similarly seen as useless *before*, but very helpful *after*, the start of turnaround in failed states. He is right to reject the case against TA that 'countries do not see any money – all they get is people' (p. 112), but there is a more serious case. Even today, few of the TA people are Paul Colliers. His big proposed expansion of post-reform TA would drive quality down, (and salaries further up). Therefore, estimating returns to substantially expanded TA from his pre-expansion cross-national regressions would be far too optimistic, even if his estimated elasticities are spot-on.

The most contentious part of this provocative book is its view that '*external military intervention* has an important place in helping the societies of the bottom billion, [whose] own military forces are more often part of the problem than a substitute for external forces' (p. 124). This is politically incorrect but courageous. It is right to remind us of Sierra Leone (and Rwanda) as well as Iraq. However, in arguing that willingness to bear the costs of the Iraq war (which he does not approve) shows the value to the interveners of avoiding of a failed state, Collier fails to allow for 'the fog of war', the subsequent follies of peacemaking, and hence the fact that war for peacemaking entails huge and unpredictable cost escalation. 'On the eve of war . . . Rumsfeld estimated the costs [at] \$50–\$60 billion, [part of which he] believed would be financed by other countries. (Adjusting for inflation, in 2007 dollars, [this is] \$57–\$69 billion.) . . . . The figure we arrive at [as US cost to 2010] is more than \$3 trillion . . . on conservative assumptions' (Stiglitz and Bilmes, 2008).

After the October 1993 pullout from Somalia 'it still has no functioning government. By 1995 around 300,000 people had died' (p. 125). Somalis might have fared better if the US had remained. However, Collier's view that the G8 had a self-interested case for continued military involvement is unconvincing. 'As a result of the continuing chaos, there has been an exodus of young Somali men to Britain. In July 2005 one of them . . . tried to blow up commuters on the London underground. In November 2005 a Somali gang murdered a policewoman in a bank robbery in Bradford . . . On balance . . . my child, and everyone else's, will be safer if we respond to the problem of failing states by restoring order' (p. 126). Were such murderous acts due to the 1993 pullout? Are exiters from Somalia likelier to do terror or rob banks in Britain than 'free' migrants from, say, Algeria? Why did exiters from Rwanda in 1994 *not* rob British banks? Is 'continuing chaos' in Somalia best avoided by intervention for as long as it takes? How can one stop intervention out of misperceived self-interest, stop interveners from fouling up, select future 'suitable cases' ex ante? Above all, who is 'one'? The decision, in a tolerable world, cannot be taken just by the G8 (even if they could agree), or by a hegemon. Collier's hint that UN peacekeepers are wrong to find 'risky environments such as the DRC unattractive' (p. 127), and his claim that 'it would be relatively easy to make coups history; we just need a credible military guarantee of external intervention' (p. 131), are chilling. But they are also challenging. It is not enough to retort that 'people have a right to make their own mistakes and work out their own destinies . . . "if they are free to rebel, then they are also free not to rebel"' (Waldron, 2008, citing Walzer, 2007): Iraqi Kurds and Rwandese Tutsis faced extreme oppression not as free agents, but with rebellion (absent outside help) implying probable death and almost certain failure. Collier is right to reopen this controversy, and implicitly to insist that 'Western' action in places like Somalia cannot be isolated from what development economists do. He is probably wrong that military action, or even its 'credible guarantee', is at all frequently the best answer.

Collier's discussion of helping the BB through international, probably G8-initiated, *laws and charters* is original, excellent, imaginative and persuasive. He is as bravely incorrect with the Right as with the Left. Indeed, the 'pimping bankers'– whether British or Swiss – who 'live off immoral earnings' by laundering the capital flight of such as Abacha are a remediable scandal (pp. 135–136). So is the fact that 'it is very easy to dress up a bribe as a "facilitation payment"' (p. 137). It is distressingly unlikely that HM Revenue and Customs is scrutinising, or leaking, the role of the leading British company linked to infelicitous facilitation.

Collier argues that, while corruption in mining has been addressed by the Transparency Initiative, corruption in construction is pervasive, bloating the cost to the BB of essential infrastructure (and, I would add, of more essential irrigation). He makes excellent proposals for using international standards and codes to expose and attack corrupt economic rents in construction and natural resources. 'The main point of pressure . . . would come from within the BB societies themselves . . . [With an] international charter . . . either the government adopts it or it must explain why it won't' (p. 143). Model charters are also outlined for declaring political contributions and expenses; transparency in budgets ('so where is our school?' – pioneered from below in Rajasthan, by the way); post-conflict behaviour by successor regimes (including Truth and Reconciliation Commissions and donors); and investment, to impede both confiscation and sudden capital flight. This last charter would be more credible if it also constrained investors' behaviour. Should major corruption, proved in an international court, remove legal protection against confiscation?

Collier is right that *trade policy reform* is impeded by some NGOs' hostility to all things global (though he might have credited Oxfam's courage in attacking this easy gimmick). However, he is mistaken in attributing this to Marxist infiltration. Rather, the problem is that some leading NGOs are run and supported by believers in self-sufficient, morally motivated, near-closed communities, untainted by modernity. Such NGOs are at least as skeptical about irrigation, fertilisers, and transgenic seeds as they are about trade. Collier seeks freer trade, but questions whether the BB can be helped by 'big-bang trade liberalisation', or by regional integration. Less credibly – and of a piece with his neglect of agriculture – he attacks Fairtrade for awarding farmers 'charity [for] producing the crops that have locked them into poverty'. Horticulture, fibres and beverage crops have enabled millions to escape poverty. Their numbers can be multiplied by the ongoing collapse of world farm price repression, a collapse in which Fairtrade has played a modest but honourable part. Collier is right, however, to support trade diversification, but to reject its hypocritical abuse by some OECD countries to protect against poor Asian producers on the pretext of helping the BB.

This brilliant book raises deep questions about the *methods of development economics*. Is there no middle way between two sorts of just-so story: cleverly modelled and subtly tested cross-national regressions, and anecdote? Anecdotal evidence is what we really know. Yet . . . 'Once over dinner the former head of the civil service in one of the big BB societies . . . asked me to imagine being a schoolboy in his country on the eve of independence. The bright boys . . . aspired to join the civil service . . . [T]he dumb class bull[ies] . . . set [their] sights on the army. Fast-forward two decades and a coup d'état. Between the class bullies, now the generals, and their objective of looting the country stood the class stars now running the civil service. The generals . . . gradually replaced the [stars] with people more like themselves. And as they promoted the dumb and corrupt . . . the good chose to leave' (p. 111). That tellingly encapsulates one set of motives and consequences, but are there others? Cross-country econometrics can support this anecdote, but with a different set of variables, observations or functional forms might equally persuasively support others. There has to be something intermediate between cross-country econometrics and anecdotes about meetings with the great and (perhaps) good. That something is micro-economics, micro-anthropology and micro-politics. What motivates farmers, workers, incipient small entrepreneurs, potential parents deciding about family size? This middle ground, the core of development studies, is absent from this otherwise wonderful book. Yet this is what determines whether *people* can escape the traps made by, or despite, States, how they can escape, and how 'we' can or cannot help.

Acknowledgements

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Notes

1. This and other papers by Collier and colleagues are at http://users.ox.ac.uk/%7Eeconpco/research/africa.htm; http://users.ox.ac.uk/~econpco/research/conflict.htm
2. 'This book is about the Malawis and the Ethiopias' (p. x) but Ethiopia, a huge country, then disappears from the text.

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