May 2015

Vicious Cycle or Business Cycle?: Explaining Political Violence in Northern Ireland After the Troubles

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Vicious Cycle or Business Cycle?: Explaining Political Violence in Northern Ireland After the Troubles

Abstract
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This article was also selected to be published in CrissCross, a publication featuring interdisciplinary student research.
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Lauren Burke

Abstract: There are currently two schools of thought that seek to explain the persistence of political violence in Northern Ireland, one with a sociopolitical focus and the other with an economic focus. Expanding on past economic theory, this paper utilizes several multiple regression models to test the applicability of the economic school’s relative deprivation theory in the fifteen years since the Troubles were formally ended with the signing of the Good Friday Agreement. The basis of this theory is that as economic conditions worsen in a given area, the number of acts of political violence should also increase. This study specifically looked at the effects of a rising unemployment rate and its relationship to political violence. While no such relationship could be observed, there was a statistically significant relationship between Gross Domestic Household Income and the number of acts of political violence, which supports relative deprivation theory. These findings imply that policymakers in Northern Ireland should focus their efforts not on reducing the unemployment rate but rather on increasing the average level of income.

INTRODUCTION

From 1969 to 1998, the ethnonationalist conflict in Northern Ireland called the Troubles was “easily the most intense violent conflict in Europe.”39 More than three thousand people lost their lives and approximately three percent of the population sustained some form of physical injury.40 Although the level of politically motivated violence has subsided considerably since the signing of the Good Friday Agreement in 1998, it continues on a smaller scale to this day.

Building on past research on the connection between economic conditions and political violence, the goal of this study was to determine whether or not the unemployment rate had an effect on political violence in Northern Ireland in the fifteen-year period following the Good Friday Agreement. Conventional wisdom seems to be that a reduction in the unemployment rate will lead to a decrease in the level of political violence, and several prominent scholars and policymakers hold this belief. In the wake of the Unionist protests that began last December in Belfast, determining whether or not this perceived connection is supported by statistical evidence would allow the government to pursue policies that hinder the growth of hostile movements.

This study utilized several multiple regression models controlling for various economic and political factors in order to isolate the effects of the unemployment rate on political violence and thereby test the hypothesis that as the unemployment rate increases, the number of politically motivated acts of violence will also increase. None of the various regression models found a significant correlation between the unemployment rate and the number of politically motivated acts of violence in Northern Ireland. However, political violence did show a significant correlation with one control variable: annual Gross Disposable Household Income (GDHI). This finding suggests that although unemployment is not a significant predictor of political violence, other factors

39 Hayes and McAllister 2005, 599
40 Hayes and McAllister 2005
impacting the economic health of the country do make a difference. The correlation between GDHI and violence also lends support to the relative deprivation theory and suggests that further study of the impact of other economic variables on political violence would be a worthwhile investment, both for policymakers in the U.K. and for economic and political theorists in other post-industrialized conflict areas.

ROOTS OF VIOLENCE: LANDLORDS, FENIANISM, AND THE BORDER QUESTION

Today, Northern Ireland is fairly evenly divided between the primarily Catholic Nationalists and the primarily Protestant Loyalists. The term Nationalist has been used interchangeably with the term Republican due to this group’s desire to incorporate the six Northern Irish counties into the current Republic of Ireland, thereby uniting the entire island of Ireland to form a thirty-two-county Republic. On the other side of the conflict are the Loyalists, often called Unionists because they wish to remain a part of the United Kingdom and are vehemently against the proposed change. These mutually exclusive goals are deeply rooted in the groups’ cultural, religious, and political histories.

The Catholic minority in Northern Ireland, typically of native Irish descent, was for centuries at a relative disadvantage compared to the Protestant majority, who often trace their ancestry back to the British settlers who colonized the island. As the Tudors, and subsequently Oliver Cromwell, attempted to impose the new Anglican Church upon their unwilling Irish subjects, they confiscated land from Irish Catholics and reallocated it to loyal British Protestants. These new landlords established large plantations and enforced discriminatory policies that barred Catholics from participating in Parliament. The Great Potato Famine from 1845 to 1849 exacerbated tensions between Catholic peasants and the mostly Protestant landlords, who developed a reputation for evicting or otherwise mistreating their starving tenants. The famine’s legacy along with continued denial of political power to Catholics made many view Great Britain as an unwelcome, imperialist power. It was this perception that gave rise to Fenianism: the revolutionary, nationalist movement aimed at achieving Irish independence.

More moderate, nonviolent political actors attempted to achieve autonomy by pushing for Home Rule, a policy that would have allowed Ireland to have its own Parliament separate from Westminster. The movement met its fiercest opposition in the heavily Protestant Ulster province, which includes the six counties that today constitute Northern Ireland. It was out of this opposition

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41 Toomey 2013
42 Holwell 1997
43 Feeney, “Parnellism and Home Rule”
44 Donnelly 2011
45 Feeney, “Parnellism and Home Rule”
that the Unionist movement was born. At the conclusion of the Anglo-Irish War, the six counties of Northern Ireland were the only ones that established a Home Rule government; the rest of the island was granted Free State status and, ultimately, independence.

By intentionally partitioning Ireland in a manner that guaranteed a Protestant majority, the British created conditions that generated conflict. While the new Irish Free State was overwhelmingly Catholic and therefore protected the Catholics’ rights, the Protestant majority in the North ensured that the interests of the Catholic population were never sufficiently addressed and that systematic discrimination against them continued. Unionists not only dominated the police force, the civil service, and local government, but they also enjoyed job and housing options that were denied to Catholics. This imbalance persisted until the 1960s, when Catholics inspired by the American Civil Rights Movement attempted to draw attention to their struggles through participation in peaceful protests. These protests evoked strong Unionist backlash and, to prevent violence, the government banned all political demonstrations in an effort to prevent rioting. On October 5, 1968, Irish Catholics defied one such ban in the city of Derry and were met with a violent response from the Unionist-dominated Royal Ulster Constabulary. This highly publicized incident is considered by many to be the starting date of what have been euphemistically termed the Troubles. For the next thirty years, Loyalist and Republican paramilitaries engaged in a “Dirty War” that claimed the lives of more than three thousand people, most of them civilians. Fighting between the major paramilitary organizations was officially ended by the Good Friday Agreement of 1998, although radical splinter groups continue to commit acts of political violence to this day. The focus of this study will be determining which factors are driving the violent actions of these new organizations.

EXPLANATIONS FOR THE USE OF POLITICAL VIOLENCE

The Sociopolitical Explanation

Social science explanations for political violence in Northern Ireland fall into two main schools of thought: the sociopolitical explanation and the economic explanation. The sociopolitical explanation contends that political violence in Northern Ireland occurs because the two major ethnonationalist groups in the region continue to view their interests as mutually exclusive. Although they constitute a majority in Northern Ireland, the Unionists are in fact a minority on the island of Ireland as a whole. According to incorporation theory, also known as the “see-saw” theory, each group’s minority status makes it feel insecure. As a result, each group tends to view the political

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46 Feeney, “A Deepening Crisis”
48 Feeney, “Northern Ireland, 1920-98”
49 Melaugh 2013
50 Melaugh 2013
51 Thompson 1989
52 Maney 2005
advancement of the other as a threat to its own security and tries to assert its own power by responding violently to the enemy's political victories. Exposure to political violence leads to an acceptance of violence within these communities, perpetuating a cycle of attacks and retributive action that some expect to continue indefinitely.\textsuperscript{53} In essence, proponents of this view believe that the only way to forge a lasting peace is by maintaining that peace for long enough that it becomes the new norm.

\textit{The Economic Explanation}

The economic explanation seeks to refine this belief in a never-ending cycle of violence and argues that spikes in the level of paramilitary activity are correlated with economic conditions. One of the most studied factors by proponents of this theory has been the unemployment rate. Northern Ireland has suffered from relatively high unemployment compared to the rest of the United Kingdom,\textsuperscript{54} and it is widely believed by both scholars and policymakers that unemployment is an underlying cause of political violence.\textsuperscript{55} Proponents of this theory argue that the unemployed have a tendency to blame society for their hardships and—more disturbingly—to express greater support for “violent change” to the political system.\textsuperscript{56} However, others have found negative correlations between unemployment rate and violence,\textsuperscript{57} attributed to the increased political apathy of the unemployed\textsuperscript{58} or the increasing scarcity of resources available to terrorist organizations.\textsuperscript{59}

The most relevant economic theories to the Northern Irish case are the relative deprivation theory and the power-conflict variant of deprivation theory. Relative deprivation theory states that if there is a “gap between expected and achieved welfare” for a population, they are likely to express their frustration violently.\textsuperscript{60} In the context of the Troubles, this theory would imply that the high unemployment rate for all citizens led to an “equality of misery”\textsuperscript{61} that exacerbated the underlying sociopolitical conflict and led to the Troubles.

Although results of studies working under this assumption failed to find any positive correlation between the unemployment rate and violence,\textsuperscript{62} some scholars have argued that this occurred because economic hardships were not equally distributed.\textsuperscript{63} In the 1970s, census data

\textsuperscript{53} McAloney et al. 2009; Hayes and McAllister 2001
\textsuperscript{54} Thompson 1989
\textsuperscript{55} Hewitt 1984; Thompson 1989
\textsuperscript{56} Breakwell 1986
\textsuperscript{57} Berman et al. 2011
\textsuperscript{58} Breakwell 1986
\textsuperscript{59} Berman et al. 2011
\textsuperscript{60} Thompson 1989, 677
\textsuperscript{61} Thompson 1989, 681
\textsuperscript{62} Thompson 1989; White 1993
\textsuperscript{63} Honaker 2004; Maney 2005
showed that the unemployment rate for Catholics was more than twice the rate for Protestants.\textsuperscript{64} Because the Catholics were economically worse off than the Protestant majority during the Troubles, their comparative disadvantage may have driven them to participate in violent Republican movements. This hypothesis reflects the “power-conflict” variant of deprivation theory,\textsuperscript{65} which states that a group’s absolute economic status is a less significant predictor of its likelihood to respond violently than its economic status relative to other segments of the population. Empirical studies of fluctuations in the unemployment rate during the Troubles found that higher unemployment was positively correlated with acts of Republican paramilitary violence but not with Loyalist violence,\textsuperscript{66} and although separate unemployment data for Catholics and Protestants is unavailable, when these values are estimated, high Catholic unemployment was correlated with increased Republican violence.\textsuperscript{67}

Since the 1998 Good Friday Agreement, the socioeconomic gap between Catholics and Protestants has narrowed considerably.\textsuperscript{68} Data from the 2011 Census show a 3 percent gap in the unemployment rate of Protestants and Catholics,\textsuperscript{69} suggesting that the anti-discrimination measures of the Good Friday Agreement have in fact improved the employment prospects of members of the Catholic community. The fact that political violence persists in Northern Ireland despite the decreasing gap in the unemployment rates of these groups suggests that while the power-conflict variant of deprivation theory might have explained political violence during the Troubles, it does not explain the persistence of violence in the post-Good Friday Agreement period. If a correlation between unemployment and violence persists as expected, this would suggest that the relative deprivation theory, with its focus on the overall unemployment rate rather than on the unequal treatment of Catholics and Protestants, would be applicable to this case. More broadly, this would suggest that cohorts with an “equality of misery” are likely to engage in political violence.

EXPLAINING VIOLENCE AFTER THE GOOD FRIDAY AGREEMENT

While there is undoubtedly merit to the claim that acts of sectarian violence generate more violence in response, the sociopolitical theory fails to address the immediate conditions that will be most likely to ignite violent action and, consequently, leaves policymakers with few opportunities to respond to the problem. In contrast, relative deprivation theory suggests that sectarian violence occurs not because the groups are too different to peacefully coexist but rather because they are experiencing a common problem. If high unemployment is truly the underlying cause of civil unrest,
then policymakers have a greater capacity to handle the problem or at the very least to pursue policies that may help them do so.

The United Kingdom has been investing in projects to improve the economy of Northern Ireland for years, believing that a reduction in unemployment would lead to a reduction in political violence throughout the country. The focus of this research will be determining the extent to which the unemployment rate has affected political violence in the fifteen years following the Troubles. If a strong relationship between the variables can be determined, then the continuing support for economic initiatives as political violence deterrents can be more readily justified. Based on the narrowing unemployment gap between the ethnonationalist groups and the assumptions of the relative deprivation theory, the following hypothesis was proposed: As the unemployment rate increases, the number of politically motivated acts of violence will also increase.

RESEARCH DESIGN

In order to test this hypothesis, the present study utilized multiple regression models to analyze statistics collected by the Northern Irish government. Quarterly unemployment data from the Department of Enterprise, Trade and Investment of Northern Ireland was used to measure the main independent variable, the unemployment rate. Because it is widely acknowledged that participants in political violence tend to be young and male, separate regression equations were run controlling for age and gender in order to determine whether or not unemployment for those particular groups had an effect on the level of political violence. In order to rule out potential intervening variables, the model also controlled for both Regional GDHI and political attitudes over time. The measurement of political attitudes utilized three categories: Unionist, Nationalist, and Other, Neither, or Don’t Know.

The dependent variable, political violence, was measured using data collected by the Police Service of Northern Ireland (PSNI). Specifically, this study utilized statistics taken from the PSNI Security Situation report. I combined the total number of violent incidents per quarter in four different categories of violent action into an aggregate total to get a clearer picture of how the level of political violence varied over the fifteen-year period covered by the study. The categories included in the aggregate measure are as follows: paramilitary style shootings, paramilitary style assaults, bombing incidents related to the Security Situation, and shooting incidents related to the Security Situation. In the time period included in this study, there were a total of 6,328 incidents. The use of this relatively narrow definition of Security Situation-related violence rather than a broader study of sectarian crime

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70 Hewitt 1984
71 Hayes and McAllister 2005
72 After initially controlling for religious affiliation, I ultimately decided to omit that variable from my model due to a lack of variation over time.
allowed me to ensure that the incidents studied had an underlying political motivation and were not purely acts of ethnic hatred.

**DATA AND ANALYSIS**

My results have led me to reject my hypothesis that the unemployment rate has an effect on political violence in Northern Ireland. For every category that I analyzed—regardless of time lag, age group, or gender controls—the unemployment rate did not have a significant relationship with the level of political violence in Northern Ireland in the post-Good Friday Agreement period. The consistency of these findings strongly refutes the possibility of a causal relationship between my independent and dependent variables.

It is worth noting that the unemployment rate might not completely capture the employment situation in Northern Ireland. The unemployment rate is a percentage equal to the number of unemployed individuals divided by the number of workers participating in the labor force. The labor force is the sum of employed and unemployed workers, not the total working-age population. Therefore, the unemployment rate excludes so-called “discouraged workers”—individuals who have been unemployed for so long that they are no longer searching for work and have dropped out of the labor force. It may well be that the long-term unemployed and discouraged workers are more likely to have politically-motivated grievances and to act more violently than those individuals who are included in the total unemployment rate. This is a possibility that should be taken into account in future research on this matter.

Despite the absence of a relationship between political violence and the unemployment rate, the relative deprivation theory still appears to hold true for the period under study. Another economic indicator—Gross Domestic Household Income—showed a significant negative correlation with political violence in each of the six models considered. The U.K. Office for National Statistics defined the GDHI as “the amount of money left available within the household sector for spending or saving, after expenditure associated with income, for example, taxes and social contributions, property ownership and provision for future pension income. It is calculated gross of any deductions for capital consumption.” The regression models used in this study showed that as the total GDHI increases by £1 billion, the total number of Security Situation-related incidents decreased by between twenty-four and twenty-nine incidents, depending on the other variables used in the model. Each of these correlations was statistically significant at the 0.001 level, indicating that there is an extremely small likelihood that the relationship occurred by

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73 Significant results are indicated on the tables by underlining. For all results, * indicates that the result is significant at the 0.10 level, ** indicates that the result is significant at the 0.05 level, and *** indicates that the result is significant at the 0.001 level.
chance. While unemployment itself does not appear to influence the level of violence, income and other economic factors almost certainly make a contribution.

Shifts in political beliefs also appear to be influencing the level of political violence in Northern Ireland. In Model 3, which utilized a one-quarter unemployment rate lag, the results indicated that a one percentage point increase in the number of people reporting a Unionist political affiliation led to roughly nine fewer Security Situation incidents. Model 4 indicates an eight incident increase for every one percentage point increase in the proportion of respondents identifying as Nationalists and a fourteen incident increase for every one percentage point increase in the proportion of those not affiliating with either party. The other models showed similar patterns. These results are inconsistent with the idea that the political divide between Unionists and Republicans is the cause of violence and the data show that an increase in nonaffiliated individuals is a contributing factor.

While the increase in violence corresponding with an increase in the percentage of respondents identifying as Republican—the group that has historically been involved in rebellious activities—seems to make logical sense, the fact that an increase in Unionist affiliation leads to a decrease in paramilitary violence is somewhat puzzling. It might be posited that Unionists are less likely in the post-Good Friday Agreement period to participate in paramilitary acts of violence than are Republicans, but the raw data refute this claim. Since 1998, Loyalists have been responsible for 685 of the 1,181 paramilitary style shootings reported in Northern Ireland through the final quarter of 2012, compared to the 496 such shootings carried out by Republicans. With respect to Paramilitary Style assaults, Loyalists were behind 948 of the 1,412 incidents, whereas Republicans were responsible for 464. The cause of these discrepancies is a subject that deserves further study in the future.
## Regression Model 1: Percent Unionist

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
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### Coefficients

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<td>Unemployment Rate All Persons</td>
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<td>Total GDHI (£, Billions)</td>
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<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
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<td>.337</td>
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<td>-8.79**</td>
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## Regression Model 2: Percent Nationalist

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<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
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<td>Percent Nationalist</td>
<td>7.99*</td>
<td>4.42</td>
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### Regression Model 3: Percent Unionist, Lagged One Quarter Unemployment Rate

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<th>Model</th>
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<td>254.24</td>
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<td>Lagged 1Q Unemployment Rate All Persons</td>
<td>-12.27</td>
<td>9.47</td>
<td>-1.30</td>
<td>.202</td>
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<tr>
<td>Total GDHI (£ Billions)</td>
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<td>7.13</td>
<td>-3.90</td>
<td>.000</td>
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<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
<td>5.74</td>
<td>5.19</td>
<td>1.10</td>
<td>.275</td>
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<td>Percent Unionist</td>
<td>-8.86**</td>
<td>4.05</td>
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### Regression Model 4: Percent Nationalist, Lagged One Quarter Unemployment Rate

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<td>Lagged 1Q Unemployment Rate All Persons</td>
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<td>Total GDHI (£ Billions)</td>
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<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
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<td>6.69</td>
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<td>.048</td>
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<tr>
<td>Percent Nationalist</td>
<td>8.02*</td>
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<td>1.81</td>
<td>.076</td>
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**Regression Model 5: Percent Unionist, Lagged One Year Unemployment Rate**

### Model Summary

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<th>Model</th>
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<td>Total GDHI (£ Billions)</td>
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<td>7.09</td>
<td>-4.02</td>
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<tr>
<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
<td>6.04*</td>
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<td>.236</td>
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<tr>
<td>Percent Unionist</td>
<td>-6.98*</td>
<td>3.72</td>
<td>-1.88</td>
<td>.067</td>
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**Regression Model 6: Percent Nationalist, Lagged One Year Unemployment Rate**

### Model Summary

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<tr>
<th>Model</th>
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<td>.526</td>
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<tr>
<td>(Constant)</td>
<td>111.40</td>
<td>229.98</td>
<td>.48</td>
<td>.631</td>
</tr>
<tr>
<td>Lagged 1 Year Unemployment Rate All Persons</td>
<td>-6.77</td>
<td>10.40</td>
<td>-65</td>
<td>.519</td>
</tr>
<tr>
<td>Total GDHI (£ Billions)</td>
<td>-27.53***</td>
<td>7.19</td>
<td>-3.83</td>
<td>.000</td>
</tr>
<tr>
<td>Political Beliefs Percent Other/Neither/Don’t Know</td>
<td>11.69*</td>
<td>5.82</td>
<td>2.01</td>
<td>.051</td>
</tr>
<tr>
<td>Percent Nationalist</td>
<td>5.43</td>
<td>4.06</td>
<td>1.34</td>
<td>.187</td>
</tr>
</tbody>
</table>
DISCUSSION AND CONCLUSIONS

The results of this study have important implications for policymakers not only on the island of Ireland but also in other areas of intense ethnic conflict. The statistical insignificance of the unemployment rate on political violence may suggest that if the U.K. and Irish governments’ priority is the reduction of violent activity, policies aimed at increasing household income would be more effective than efforts that specifically target lowering the unemployment rate. However, if further research indicates that persistent structural unemployment is related to political violence, this finding would strengthen the argument for government initiatives aimed at educating and training prospective workers. According to T.D. Joe McHugh, Chairman of the Joint Committee on the Implementation of the Good Friday Agreement, current economic approaches to decreasing violence focus on funding grassroots programs combating youth unemployment. He stated in a press release this past September, “We are acutely aware that education and employment opportunities often elude many young people in Northern Ireland and the border region. As such, a focus on funding to assist in informal and formal education is to be welcomed.” While the data fail to show any causal relationship between the unemployment rate and political violence, policymakers continue to act under the assumption that the two are related. Although a reduction in unemployment benefits society as a whole and is a worthwhile policy initiative, if both governments intend to reduce political violence, it would appear that an alternative approach would be more effective.

One alternative would be shifting the focus to policies promoting the growth of individuals’ household incomes. The strong negative correlation between GDHI and political violence provides empirical evidence for the link between economic wellbeing and the level of political violence. This in turn suggests that policies stressing economic development, particularly for communities, have the potential to lower the rates of violence. Policymakers could use this evidence as justification for their economic growth initiatives, which currently receive immense amounts of funding both from the U.K. and the EU.

Notable among these initiatives is the EU Programme for Peace and Reconciliation in Northern Ireland and the Border Region of Ireland (the PEACE Programme). In the proposed 2020 EU budget, €150 million was set aside to continue the PEACE Programme in addition to the €50 million already earmarked by the U.K. According to EU Commissioner for Regional Policy Johannes Hahn, the success of the PEACE Programme has already drawn the attention of Russia, Palestine, the Balkans, Colombia, and South Korea, countries that are seeking effective

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reconciliation models. The evidence presented in this study suggests that such emulation has the potential to be highly effective in reducing politically motivated violence. This is a possibility that international economic organizations should consider when determining how to allocate development funds.

As Northern Ireland continues to come to terms with its troubled past, preventing the resurgence of ethnic violence will continue to be of the utmost importance. In light of the empirical evidence of this study, there can be little doubt that the establishment of a solid economic foundation is critical to the maintenance of peace not only in this region but in other conflict areas as well. The need for the government to continue monitoring and promoting this stability should not be underestimated. Though Northern Ireland has undoubtedly made incredible progress in the past fifteen years, the continued presence of paramilitary actors cautions against the possibility of complacency on this matter.

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