

**Department of Development Studies**

**Policy Brief No. 2**

---

**July 2016**

**Pakistan Institute of Development  
Economics**

## ***Thematic Focus: Conflict and Security***

### **Assessing the Post Conflict Socio-economic Impact on Local Community: A Case Study of Swat Valley, KP, Pakistan- Yousaf Shah (2011-2013)**

*A study based on survey research design showed that households experienced reduction in saving and investment from conflict in Swat valley. Conflict has resulted in declining demand for schooling. On policy level, this study recommends a need for rehabilitation efforts (on the part of government and international community) for those who have been severely affected by conflict. Investment in human capital, along the axis of gender, is mandatory which can also be an effective mechanism for youth not to get inclined to terrorist tendencies.*

#### **Key Findings**

1. Differences in incomes and savings of the households, before and after conflict, are explained positively by the differences in working per day.
2. Households who experienced more losses from conflict experienced a reduction in their income and savings. That is, cost of conflict may have suffered the household so much severely that while the income and the savings of the rest of the population is increasing their income and saving is decreasing.
3. Demand for conventional schooling has increased and for Madrassa decreased, when one considers male children, as a result of the conflict. But the situation is entirely different for female children. That is demand for Madrassa education has improved and conventional schooling decreased as a result of conflict for female children. This implies that the conflict episode has different effects on the demand for schooling for the two sexes.
4. Access to all types of media, except social gatherings, has increased after conflict. It implies a greater role of media for making opinions against conflict in the future.

#### **Policy Implications**

1. This study has highlighted that conflict in Swat Valley has resulted in price hikes and as a consequence the monthly expenditure on food items has increased alongwith declining incomes and savings. In this scenario there is a need for price controls in the terror torn areas. Moreover, notwithstanding the efforts of the government and international community, there is still a huge need for rehabilitation efforts for those who have been severely affected by conflict.
2. Majority of those repondents who expect terror episode returning to the Swat valley reported that poor governance is the major cause of such episodes and government had done nothing to prevent such events in the future. According to them, the government should ensure speedy justice to the masses, invest in education and provide opportunities to the young so that terrorist tendencies don't emerge in the future.
3. One of the findings asserts that there has been a decline in the number of girls attending school. The international community and the government, here, also have a role to play by encouraging female conventional schooling because this would have a long lasting effect on the war against terror.
4. Government should introduce some needful reforms in the judicial system so that timely and speedy justice is ensured to the masses. Justice denied or justice delayed is one of the major sources of terrorist tendencies in Swat valley.