

Do conflicts create poverty traps? Asset losses and recovery for displaced households in Colombia. Comment by Martin Gonzalez Rozada (UTDT).

The paper analyzes the determinants of asset losses due to the internal conflict in Colombia. In particular it focuses in understanding the magnitude of household's asset losses caused by forced displacement by armed groups and the dynamics that eventually helped displaced households to recover their productive ability and asset base. Since, there is evidence that after this kind of conflicts end, criminal and illegal activities emerge, establishing how the asset losses occur during internal conflicts and understanding the process of asset accumulation post-conflicts will help to design public action aimed to prevent an increase in the criminal violence. The study uses both qualitative and quantitative methodologies to achieve these goals.

The paper does a very good job in describing the losses stemming from forced displacement and the qualitative methodology used is very well suited to do this. This methodology it is also used to identify the determinants of asset losses and asset accumulation. On the other hand, the quantitative methodology used to quantify the determinants of asset losses and asset accumulation in the new places deserves a few comments.

The quantitative analysis is based on a constructed sample of displaced households' beneficiaries of income generating programs (treatment group) and displaced households non-beneficiaries of such programs (control group). Even when authors say in the paper that the control group is representative of the displaced population at large there are reasons to think it could be a strong assumption. The control group sample is selected using as a sampling frame another sample (the RUT system). The RUT system covers only 150,000 people of the more than 2.5 million people (reported in the paper) affected by forced displacement. The RUT system is not representative of the displaced population; however the design of the control sample is based on it. The RUT system is taken as a sampling frame. From this system, through a stratified sampling procedure

authors select a group of RUT households and add another group of similar size (non-RUT displaced households) obtained from neighborhood households -to the RUT households selected in the stratification process. It seems that the whole representativeness of the control group sample depends on the RUT system having all the characteristics of displaced population in Colombia. This feature is not trivial since to be listed in the RUT system the displaced households had to request assistance in a parish of the Catholic Church or they are included by censuses conducted by the Catholic Church in not all municipalities. The fact that at most about 6% of the displaced people requested assistance from a parish of the Catholic Church seems to indicate that probably displaced people not listed in the RUT system has dissimilar characteristics. Given the size difference between those displaced people listed and not listed in the RUT system and the potential differences in the characteristics of both groups one should expect the non-RUT households to be of a larger size than the RUT households. All these features make it difficult to believe that the control group sample is representative of the displaced population. Nevertheless, the paper points out that there exists “a recent survey representative of the displaced population” that shows similar observable socio-economic characteristics to those founded in the paper. I think it should be useful, as a way to improve the robustness of the important results already founded in the paper if the authors can address in more detail the concerns raised above.