Download date: 12. May. 2025



Danish Institute for International Studies

Checkpoints, transnational trade and conflict Schouten, Peer Publication date: 2025 Document Version Publisher's PDF, also known as Version of record

Link to publication

Citation for pulished version (APA): Schouten, P. (2025). Checkpoints, transnational trade and conflict. Danish Institute for International Studies (DIIS). DIIS Working Paper Vol. 2025 Roadblocks and revenues Vol. 2025 No. 10

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- · Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
 You may freely distribute the URL identifying the publication in the public portal?

Take down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.



CHECKPOINTS, TRANSNATIONAL TRADE, AND CONFLICT





Centre on Armed Groups Research. Dialogue. Advice.

Peer Schouten

Acknowledgements

Working Papers make DIIS researchers' and partners' work in progress available to readers prior to formal publication. They may include documentation which is not necessarily published elsewhere. DIIS Working Papers are published under the responsibility of the author alone.

This working paper is part of the series *Roadblocks and revenues*, which explores the role of checkpoints in dynamics of order-making and conflict. Edited by Peer Schouten, Florian Weigand, Vanessa van den Boogaard, Max Gallien and Shalaka Thakur, the series is a collaborative effort between DIIS, the ICTD and Centre on Armed Groups, and is generously funded by DIIS, the ICTD, and the Carlsberg Foundation through the TRADECRAFT grant.

The author would like to thank Gael Raballand, Tobias Hagmann, and the editors of this Working Paper series for their generous comments on previous iterations of this paper.

Research for this paper was made possible by the Cross-Border Conflict Evidence, Policy and Trends (XCEPT) research programme, funded by UK International Development from the UK government. XCEPT brings together leading experts to examine conflict-affected borderlands, how conflicts connect across borders, and the drivers of violent and peaceful behaviour, to inform policies and programmes that support peace. For more information, visit www.xcept-research.org or contact info@xcept-research.org. The views and opinions expressed in this publication are those of the author(s) and do not necessarily represent the UK government.

Peer Schouten

Senior Researcher, DIIS pesc@diis.dk

Cover illustration: Cecilie Castor

DIIS WP SERIES ROADBLOCKS AND REVENUES # 10: CHECKPOINTS, TRANSNATIONAL TRADE, AND CONFLICT

DIIS · Danish Institute for International Studies GI. Kalkbrænderi Vej 51A, DK-2100 Copenhagen, Denmark

Tel: +45 32 69 87 87 E-mail: diis@diis.dk www.diis.dk

ISBN 978-87-7236-184-0 (pdf)

DIIS publications can be downloaded free of charge from www.diis.dk

© Copenhagen 2025, the author and DIIS

CHECKPOINTS, TRANSNATIONAL TRADE, AND CONFLICT

Peer Schouten

TABLE OF CONTENTS

Abstract	2
Introduction	2
Transnational trade, checkpoints and conflict: overview of the evidence	checkpoints and conflict: overview of the evidence trade routes as sinews of cash and conflict trade routes as conflict geographies 9 nflict economies 10 mplications for public authority 11 f extraverted conflict economies s indirect taxes 16 s indirect taxes: livelihood effects 12
Transnational trade routes as sinews of cash and conflict	5
Transnational trade routes as conflict geographies	9
Extraverted conflict economies	10
Extraversion: implications for public authority	11
The diffuse burden of extraverted conflict economies	16
Checkpoints as indirect taxes	16
Checkpoints as indirect taxes: livelihood effects	19
Conclusions	22
References	23

ABSTRACT

Drawing on existing literature and case studies, this paper argues that checkpoints along transnational trade routes are central to conflict economies, facilitating the extraction of rents by armed groups without the need for extensive territorial control or bargaining with local populations. By focusing on the broader political economy of conflict that checkpoints interact with, the paper contributes to the emerging field of the 'politics of circulation', offering a more nuanced understanding of how transnational trade empowers certain groups while marginalizing others in situations of conflict. Specifically, it advances the study of trade-conflict dynamics by emphasizing the importance of rent distribution and external trade dependencies for the political economy of conflict. First, it proposes that many contemporary conflict economies are often 'extraverted', meaning they rely on extracting rents from external trade flows, shaping conflict dynamics and rebel governance in contested areas. Second, the paper explores the distributional impacts of checkpoint taxation. Because checkpoints are indirect taxes, transporters subjected to checkpoint exactions are able to pass the burden onwards. The available evidence suggests that the burden of checkpoint taxes in conflict disproportionately falls on already vulnerable populations. The findings highlight the developmental implications of checkpoints, revealing how they perpetuate economic marginalization and conflict in war-torn regions.

INTRODUCTION

In the early 21st century, it's hard to find a place in the world that isn't connected to farflung places through long-distance trade. From the mountains of Afghanistan to the forests of Central Africa, traders feed local natural resources into global supply chains, carrying manufactured products like soap, sodas and cigarettes to local consumers on the way back. Such forms of long-distance trade along 'globalisation's backroads' (Knowles, 2014) are often the lifeblood of vibrant cross-border economies in places where few other economic opportunities are available.

But because of the often disproportionate wealth concentrated in such transnational supply chains, the routes they chart have also become magnets for armed interference. In conflicts ranging from Afghanistan to Yemen and from Mali to Somalia, transnational trade routes appear to form the frontlines of civil war, with different parties to conflict vying for 'authority over navigation' (Lombard, 2013: 161) to levy 'payments on flows' (Tilly, 1985).

This interaction of transnational trade and conflict is encapsulated by the roadblock or checkpoint—an often nimble dot along a trade route where people use the threat of force to impose terms of passage, which more often than not involves payment.¹ This paper posits that checkpoints are key interfaces through which transnational trade and conflict interact. While increasing number of case studies suggest that checkpoints are central to the political economy of conflict in specific settings, we lack a more systematic understanding of the interactions of transnational trade, conflict and checkpoints because, as a recent review of the state of the art puts it, 'there is almost no systematic

¹ For a detailed definition of checkpoints, see Schouten et al (2024)

data on if and how rebels profit from criminal activities that do not include natural resources' (Walsh et al, 2018: 700).²

The main objective of this paper is to bring together the scattered evidence on the role of checkpoints along transnational trade routes in civil wars and situations of protracted conflict. Because of their specific empirical features, checkpoints are strategically situated to advance the research agenda on transnational trade and conflict. This research agenda has overwhelmingly been concerned with adjudicating whether trade leads to peace or drives conflict. Instead, this paper seeks to explore more nuanced questions around whom trade empowers and whom is weakened in conflict contexts. In doing so, it inscribes itself into an emerging literature on the 'politics of circulation' (Stepputat & Hagmann 2019, cf, e.g., Chua et al 2018; Hagmann & Stepputat 2023; Schouten et al 2019; Watts 2019), which tries to develop a more sociological and anthropological inflection to questions of how trade and conflict interact. It highlights the fundamental co-production of trade and order in dynamics of state formation and its contestation, without assuming a priori pathways between the two.

Building on this fundament, this paper aims to further our understanding of the role of transnational trade and trade rents in conflict-affected societies by asking questions about the distribution of the burden and rents of checkpoints. To do so, the paper zooms out from the immediate empirical details of checkpoints in conflict to focus on the broader political economy dynamics. The basic questions it seeks to explore is, to what extent are conflict economies 'extraverted', that is, oriented towards and contingent on external trade flows? How do struggles over transnational trade rents shape conflict dynamics, and what impacts does this have on governance/order in areas of conflict and contested statehood? How are the burdens and rents of checkpoints distributed in fractured and conflict-affected societies? Surveying the evidence, the paper makes two points.

First, the empirical record suggests that in many fragile and conflict-affected contexts around the world, transit taxes along transnational trade routes are a main source of revenues. In theoretical terms, the paper proposes that one can therefore speak of 'extraverted' conflict economies. The paper explores what this orientation towards transnational sources of wealth means for the exercise of public authority by checkpoint operators in conflict. Although studies on taxation in conflict have made great strides in uncovering the intricacies of armed group taxation, the field has by and large focused on taxation as an interface of bargaining for authority and rents between putative rebel rulers and local subjects. The field has overlooked that in times and places where capital concentrates in transnational trade, transit taxes allow rulers to mobilize resources without bargaining with their subjects—and without having to administer entire territories. By attending to situations in which rulers—whether affiliated to the state or not—rely on extracting rents from transnational trade, this paper theoretically develops how this alternative route to revenue generation drives conflict and produces wartime order. Given that extraversion was often a pre-existing characteristic of the political economy of countries affected by armed conflict, the paper posits that extraverted conflict economies reproduce rather than challenge the overarching political economy within which they are embedded.

² Other recent surveys of the field reiterate the basic point that the interactions between cross-border trade and conflict dynamics basically remain unrecorded (Cantens & Raballand 2017: 6; Hagmann & Stepputat 2023: 182).

Second, the paper explores how the *burden* of checkpoints along transnational trade is distributed in conflict-affected societies. In doing so, it argues that to understand the political economy of checkpoints, transnational trade, and conflict, it has to be appreciated that checkpoints levies are *indirect* taxes. Indirect taxes are distinct from direct taxes in that those who pay them to the levying entity can offset the costs by incorporating them in market prices. This means, first, that checkpoints may extract wealth from cross-border trade even when they're located far from the physical border. More importantly, it also means that while checkpoint operators extract wealth from transporters along cross-border trade routes, the price may be paid elsewhere, by clients, consumers or producers that may be located hundreds or even thousands of miles away.

This basic economic insight has significant repercussions for research on the links between transnational trade, checkpoints and conflict. Most of the research on checkpoint taxation has focused on the immediate impact of checkpoints on transport and trade, but we know next to nothing about the burden is subsequently redistributed an what this means for the political economy of conflict. This means that we should ask, as Raeymaekers (2009: 10) formulated it, 'who exactly captures the economic surpluses, and what kinds of surplus appropriations are being actively or passively legitimised'. This paper suggests that checkpoints may reflect fiscal bargains between transnational traders and roadblock operators that privilege them both because they jointly extract wealth from other groups, domestically or abroad. The available evidence from a select number of conflicts suggests that the burden of checkpoint exactions falls disproportionately on already vulnerable groups, such as the rural poor. As a concluding section details, this has immediate developmental implications, pointing to complex links between checkpoints, transnational trade, conflict and economic marginalization.

TRANSNATIONAL TRADE, CHECKPOINTS AND CONFLICT: OVERVIEW OF THE EVIDENCE

This section provides a cursory overview of the state of the art on the importance of checkpoints along transnational trade routes in contemporary conflicts, both as a source of revenues for armed actors and as flashpoints of conflict. Conceptually, the role of transnational trade routes has been forwarded as a vector in conflict dynamics in the literature on cross-border trade and conflict. As Cantens & Raballand (2017: 8) put it: 'The academic literature [on cross-border trade & tax, red] agrees on ... cross-border trade, as the main economic resource and the most easily taxable in the context of insecure areas.' Research in this field underscores that the borderlands of states act as magnets for conflict as different actors struggle to extract the often disproportionate wealth concentrating in cross-border trade.

While it is evident that national borders, however artificial, are 'resources' for actors seeking to translate de facto authority over border crossings into private revenues (e.g., Feyissa & Hoehne, 2010, Korf & Raeymaekers, 2013, Radil et al, 2022), a disproportionate focus on borderlands has detracted attention from meaningful contestation over transnational trade flows taking place elsewhere. If border posts are the most self-evident focal point of research on conflict and cross-border economies, the fact that cross-border trade stretches out far from and beyond the border means that

checkpoints at any distance from the border along a cross-border route—and even on feeder roads at the end- or starting-points of cross-border flows— intervene in and profit from cross-border circulation. This implies that in cross-border trade, as Ngo & Hung (2019: 188) put it, 'To be more precise, checkpoints, not borders, are the actual points of negotiation.'

For their part, studies on checkpoints within specific conflict settings have not been very good in attending to how localised checkpoints may intervene in or be contingent on cross-border trade flows, and thus how cross-border economic, fiscal, and political differences constitute resources to checkpoint actors in hinterlands. Armed actors without direct physical access to the physical location of a national border may still rely disproportionately on taxing commodity chains that eventually connect across borders the flows of aid, manufactured commodities, fuel and natural resources that make up the lifeblood of wartime economies. In other words, even though checkpoints in such situations levy transit taxes only 'locally', they nonetheless profit from, and intervene in the governance of, cross-border commodity flows. Thus, rather than phenomena of and beholden to the geographical borderlands of nation-states, as has become fashionable to underscore in certain literatures (e.g., Goodhand 2018, Radil et al 2022), armed actors may just as actively be engaged in 'bordering practices' (Parker & Adler-Nissen 2012, cf. Dean & Viirand 2018)—or the manufacturing of de facto borders—far away from territorial boundaries.3 This observation suggests that it is useful for borderland studies to analytically 'lengthen the border' to all the points where authority over crossborder commodity chains is exercised. This leads to an empirically variable geography of trade-conflict interactions which has little to do with container-like territorial space and more with nodes and transport connections.

Transnational trade routes as sinews of cash and conflict

So what is the empirical evidence thus far? This section provides a brief overview of the evidence around the importance of checkpoints along transnational trade routes as a source of conflict financing in different recent and ongoing conflicts.

As Isar (2024) shows, transnational trade routes and key border crossings formed a focal point in historical patterns of state formation and contestation in **Afghanistan**, eventually enabling the Taliban to take over control of the country. This is borne out by a steady series of reports on shifting cross-border trade patterns by David Mansfield and ALCIS, using a combination of satellite imagery and interview data to track changes in control over trade profits and rents in the country's recent history of Afghanistan. As Mansfield & Smith (2021: 8) point out for the Afghanistan conflict before the Taliban victory in 2021, 'Gaining the upper hand in this conflict is not always related to the sheer amount of landmass that falls under the 'control' of any side. More important are the funds collected by seizing key terrain along roads and highways.' Both smuggling and 'licit' cross-border supply chains constituted the frontline and backbone of the conflict.

Research on **Somalia** has shown the centrality of checkpoints for competing authorities in the country. Jay Badahur (2022) has used Al-Shabaab checkpoint receipts to calculate the group's earnings from taxation of cross-border trade, in view of efforts to disrupt the group's finances. Just to give an impression, one Al-Shabaab checkpoint

³ This may be very literally so. Whether for strategic or symbolic reasons or to increase rents from checkpoints, armed actors may frame checkpoints at the limits of zones of influence as 'customs' posts, and indeed many conflict zones are littered with what road users recognise as internal *de facto* border posts between zones of influence, which are more costly and cumbersome to pass than others.

alone, according to a 2018 UN expert report, raised approximately USD 10 million a year in taxes on passing vehicles and goods (UN 2018: 109). Mapping over 200 checkpoints, Schouten (2023) points out that while Al-Shabaab often only controls a single or a handful of checkpoints along cross-border corridors, government-affiliated militia often operate strings of checkpoints (cf. Ali 2023, Mohamed 2023). It is an open discussion whether Al-Shabaab nonetheless extracts more rents from transnational trade than government-affiliated checkpoints do.⁴

In the **Central African Republic**, Schouten & Kalessopo (2017) identified three main cross-border economies around which roadblocks clustered: 62 roadblocks (or 22% of the total) sat along cross-border cattle-trading routes, where ex-Seleka armed groups imposed taxes; trade routes used for imports and exports by Sudanese traders were also controlled exclusively by former Seleka factions and had 64 barriers (23%). Finally, the main supply lines connecting the capital Bangui to neighboring countries had 26 roadblocks (9%) controlled by government agencies and security services. The involvement of rebel groups in these trade sectors, however, went beyond taxation at roadblocks. Armed group leaders levied 'customs' or 'free passage' taxes on cross-border exchanges passing through areas under their control, and in some cases imposed obligatory escorts that had to be paid for.

In **South Sudan**, ever since the 'shock decarbonization' of the rentier economy in 2013 (Craze, 2024), government- and opposition-affiliated armed groups have reverted to aggressively extracting wealth from cross-border corridors, extracting millions of USD yearly from trucks and barges carrying aid and trade from neighbouring countries to inland destinations. Schouten et al (2021) note a 300% increase in checkpoints between 2011, when the country became independent, and 2021, while Chen et al (2023) describe how accumulated checkpoint costs mean that imported fuel eventually becomes too expensive for inland hospitals to purchase.

Since 2011, **Syria** has been embroiled in a civil war between the Ba'athist Syrian Arab Republic and its domestic and foreign allies, including a variety of equally diverse opposition forces. Since the beginning, checkpoints at internal and external border crossings have provided a key revenue stream for armed groups (Eaton et al 2018: 51; cf. COAR 2019). Checkpoints were widespread at the borders of areas under control of both the Syrian National Army and opposition militia such as Hayat Tahreer al-Sham, as well as along trade routes within the different zones of influence (Syrians for Truth and Justice 2019). It is particularly sectors that rely on cross-border trade, like export-oriented sectors such as olives and fuel, that were affected because they were forced to cross multiple boundaries between neighboring zones of control. In addition, aid convoys were regularly targeted for taxation. Aid agencies recognized that navigating the multiplicity of checkpoints, when it can be unclear which group is actually in charge, was a major issue, and reports suggest that paying 'inducements' to checkpoint operators was a frequent tactic (Abdelwahid 2013; Sinjab 2017).

In the **DR Congo**, roadblocks appear to tax every displacement, however minor. While local exchanges are vital for remote armed groups, trucking subcontractors working for international clients, including aid agencies, are also subjected to institutionalized checkpoint taxes along their main routes, which appear at intervals of eighteen kilometers on average. From calculations provided by logistics contractors for

⁴ See Hiraal Institute (2020), however see Schouten (2023).

multinational firms, just six such companies paid USD 1.7 million in roadblock taxes a year in North Kivu province alone (Schouten et al 2017). Whereas the Congolese armed forces operated the majority of roadblocks in North and South Kivu in 2017, the recent M23 crisis has led to a 'milicianisation' of the road network, with armed group roadblocks outnumbering army checkpoints in 2024 (Schouten et al 2024).

The available evidence suggests that in all but the DR Congo, most of the checkpoints mapped are situated along transboundary trade routes (see Figure 1 below). While this may be the result of a selection bias—transnational trade routes concerning the most important or easy to map corridors—it nonetheless appears as if transnational trade routes in conflict zones act as magnets for checkpoints. This is corroborated by research on checkpoints along transnational corridors in non-conflict settings, which finds more checkpoints as traffic increases (Foltz & Li 2023). The revenues derived from checkpoint taxation are of course especially important to groups which don't have access to funding from external backers or control over mineral resources like oil or gold. But even in contexts where other revenue sources are available, it appears that the high-volume and high-value properties of cross-border trade present low opportunity costs for revenue generation compared to its alternatives. However, long-range exchanges may also be disproportionately targeted because of the existence of local norms against taxing local communities, either resulting from societal norms or because armed groups wish to garner popular support, as McCarthy & Nyana (2024) suggest for Myanmar's popular defense forces.

Figure 1. Overview of basic checkpoint statistics from select case studies

	South Sudan	Somalia	DR Congo (North & South Kivu)	CAR	West Africa	Afghanist an	Yemen
Year observatio ns	2021	2023	2017	2017	2019	2012	2014-2021
Type of route	cross- border	Cross- border/lo cal	Cross- border/lo cal	Cross- border	Cross - bord er	Cross- border	Crossborder/I ocal
Total checkpoin ts	319	204	798	284	1000	337	1352
Av CP distance	16 km	17 km	18 km	24 km	17 km	17 km	
Av CP/100k m	6	5	5,5	4	4.8	5	
% governme nt	80%	77%	71%	41%	100 %	100%	
Average CP cost	USD 80	USD 152	USD 30	USD 38	USD 108	USD 5	
Average CP//AG	USD 350 (SPLA- IO)	USD 500	?	USD 152	_		
Average route cost (one way truck, variable length)	USD 2675	USD 2570	USD 301	USD 1422	USD 347		
Source	Schout en et al 2021	Schouten et al 2023	Schouten et al 2017	Schoute n & Kalesop po 2017	Boue t et al 2019	Integrity Watch Afghanist an 2013	Rights Radar 2023

Note the surprising convergences in the spacing of checkpoints yet the substantial differences in checkpoint payment levels.

Transnational trade routes as conflict geographies

Because of the lucrative nature and relative ease of the roadside taxation of transnational trade flows, control over strategic nodes along trade routes has turned into a key objective for belligerents in conflict-affected and fragile countries. As sinews of both military logistics and conflict financing, cross-border corridors may therefore also constitute a significant geography of violence, disproportionately contested and hence more violent and insecure.

We indeed have evidence from a number of conflict zones that 'competitive violence' seems to revolve around control over a profitable checkpoint along a transnational trade route. As Eaton et al (2019: 33) write, surveying the political economy of conflict in Syria, Libya, Yemen and Iraq, 'Competition for control of key transit areas, and the taxation opportunities associated with them, is a notable aspect of each of the conflict economies studied here.' Focusing on DR Congo, O'Mealia (2022) uses geographically coded conflict data and datasets on mines and checkpoints to demonstrate that against expectations given in by the conflict mineral literature, violence more often takes place along roads than in proximity to mining sites. In Somalia, equally, checkpoints form a flashpoint of violence, both as loci of violence against civilians and as targets of drone strikes or IEDs (Schon 2016, Schouten 2023). Similarly, 87% of all violent incidents in 2019 in Afghanistan concerned Taliban attacks on checkpoints along key corridors or roadside bases, reports Cordesman (2019). More broadly, ALCIS (2021) reported the overlap of the spatial spread of violent incident data and major checkpoints in Afghanistan between 2016-2020. What ALCIS noted about these incidents could well have applied to many other contemporary conflicts:

The concentration of violence around these checkpoints should be viewed not just as a traditional battle over the control of territory and the presence of opposing forces, but also seen through the prism of a contestation over revenues: the attempt to derive monies, or deprive the other side of a revenue stream.

Despite some evidence that checkpoints along cross-border trade routes are thus magnets of violence, there is just as much research which suggests that the rents that can be drawn from checkpoints actually have a pacifying effect in long-term conflicts, with the nodal nature of checkpoints allowing overt enemies in conflict to obtain revenues in relatively peaceful ways, without the need of competitive violence that has been associated to control over natural resource deposits (cf. Le Billon 2001). Suykens (2010) and Thakur (2021) for instance describe situations in which armed groups and governments engage in ceasefire or peace agreements, settling into a pattern of nonviolent checkpoint-based wealth extraction along cross-border trade routes. Most of the time, parties to a conflict have a keen interest in keeping trade flowing, and because rents can be extracted from trade routes at different points, trade-route based conflict economies can accommodate rent-seeking by multiple actors. Because of their stretched-out spatial characteristics, trade routes can be subject to non-discrete and plural regimes of authority. The implication seems to be that the rents from checkpoints are thus relatively 'open access' allowing for 'stationary banditry' by competing parties to conflict. The implication would be that eliminating checkpoints along roads may drive violence as actors revert to 'roving banditry' (cf. Foltz & Bromley 2012: 15).

Extraverted conflict economies

In many of the examples discussed above, to use the words of Ahram & King (2012: 170), armed actors 'prosper through the arbitrage of domestic and international boundaries'. By placing checkpoints astride a transnational trade route, armed actors become violent brokers for those with the ambition to profit from price differentials across fractured legal, political and economic terrains.

That this seems to be a widespread pattern across contemporary conflicts should not come as a surprise. This becomes evident once we explore the 'sociological location' of taxation in conflict, which Max Weber (1978: 197) defines as 'the type of structure of domination that has typically led to the development of certain kinds of contributions (as, e.g., fees, excises, or taxes).'. More often than not, conflict occurs in contexts where, as a legacy of colonialism, capital concentrates heavily in the trade sector and governments have focused their often modest administrative and extractive efforts on those spatial nodes where international economies interface with domestic markets, taxing imports and exports—a model often called that of 'gatekeeper states' (Cooper 2002).⁵ In Frederick Cooper's words, such governments sit 'astride an interface between a territory and the rest of the world, collecting and distributing resources that [derive] from the gate itself' (2002: 157).⁶ How apt that metaphor still is, is reflected in the observation by Hagmann & Stepputat that "payments on flows' ha(ve) provided the predominant material basis of state projects in the Somali territories post-1991' (2023: 172).

Like in Somalia, in many trade-dependent economies, only a handful of transnational trade routes and border posts make up the 'critical infrastructure' of the gatekeeper state—comprising the key bottlenecks through which transnational trade flows must pass and where easy to collect rents can thus be generated (Cantens & Raballand 2021). However, in particular in Africa, many gatekeeper states have as a result of structural adjustment, trade liberalisation and conflict 'fragmented', in the sense of a proliferation of checkpoints along key transport corridors. Specifically for West Africa, Néya and Lombard explain that structural adjustment led states to withdraw 'into their sovereign functions (such as the control of flows through their territories), resulting in the multiplication of checks along west African roads. Reduced public finances ... engendered the development of levying practices from these checks' (2019: 288).

If this is the overall canvas against which many recent conflicts erupted, it becomes less surprising for armed actors to focus their efforts on controlling points along transnational trade routes. In a way, doing so would simply be to mimic how public authority de facto manifested itself. As Clapham rightly noted for African rebellions in the

⁵ As Frankema & van Waijenburg (2014: 385-386) observe for taxation across British and French colonies in Africa: 'direct taxes were also relatively inefficient as it required considerable administrative effort to monitor and collect them ... Customs duties were collected at a central point of entry or exit, and were fairly easy to monitor and enforce. Smuggling and other forms of tax evasion were problematic, but the overall administrative burden was far lower, especially in the absence of solid physical infrastructures and well-oiled bureaucracies. ... in places where the state was able to raise sufficient revenue from taxing trade, governments were happy to drop or minimize direct forms of taxation'. Also see Albers et al (2023), Cantens & Raballand (2021: 23).

⁶ In fact, historical studies on taxation and state formation point out that transit taxes, tolls or tariffs have often been privileged instruments of revenue generation for historical rulers across the world, including in Europe. In many contexts, the opportunity cost for rulers has been lower to rely on taxing international trade compared to developing more cumbersome forms of taxation. As Matsuzaki (2019, cited in Mampilly 2021: 85) puts it, in general, 'it is easier to collect taxes on goods and activities that are geographically concentrated or must be transported through a limited number of access points, such as ports and highway toll stations'. Charles Tilly concurred that 'payments on flows'—comprising 'excise, customs, tolls, transaction charges, and other collections on transfers or movements'—were a choice source of revenue for historical rulers, because they required less effort to collect than more fine-grained taxes (Tilly 1992: 87, cf. Tilly 1985: 180).

1990s, instead of trying to take over the capital or make great territorial advances, in many cases, 'insurgents found it easier just to capture the trading networks on which states had depended, and use them for their own purposes' (Clapham 1998: 5). Clapham touches on a much wider dynamic here: from Afghanistan to the Central African Republic, we have ample evidence of instances in which armed groups quite literally have taken over the physical checkpoints once manned by state security forces they have chased away (Cantens 2019: 10, Schoute, 2022). In such situations, armed group checkpoints are thus not civil war driven institutional innovations (cf. Blattman & Miguel, 2010), but rather 'legacy institutions' (Thissen 2019) reflecting and reproducing the broader political economy that gave rise to the conflict in the first place.⁷

Yet similarities in the institutional shape of checkpoints may hide differences in function. If the gatekeeper state represents a 'limited access order' (North et al 2007) restricting redistribution of rents from flows to a select elite, then insurgent checkpoints may also feasibly encode as a 'distributive claim' (Ferguson & Li 2018: 12). Following Charles Tilly (1983), checkpoints are simply the most practical mechanism of claim-making in the limited repertoire of collective action available in times and places where capital and power concentrates in circulation (cf. Clover 2016; Schouten 2022). On the one hand, non-authorized in conflict checkpoints represent a symbolic claim to authority over passage by actors that typically purport to represent dissenting voices in a given society. On the other, materially, a proliferation of checkpoints in conflict means that the rents from transnational trade are suddenly distributed more widely. The proliferation of 'illicit' checkpoints and their exactions could then be typified as a 'democratization' of the gatekeeper state; a mechanism to partially decentralise and disperse the rents to be had from transnational trade flows. Yet in doing so, paradoxically, they are often mimicking the very powerholders they revolt against, by relying on the same repertoire of collective action.

Extraversion: implications for public authority

What, if anything, does the centrality of transnational trade for armed group financing mean for how we think about public authority in conflict? That the predilection by armed actors to extract wealth from transnational trade may derive from the pre-existing modes of taxation by government agents chimes well with the observation by Kasper Hoffmann et al (2016) that armed group taxation, rather than representing a radical rupture with how public authority is exercised, often borrows from long-standing repertoires of public authority, that sometimes find their origins in colonial times. However, like much of the 'rebel governance' literature (e.g. Arjona et al 2015, Bandula-Irwin et al 2022; Mampilly & Thakur 2024; Revkin 2020), Hoffmann et al have been overbearingly concerned with understanding the relations between armed groups and civilian populations in areas under their control, examining taxation as a powerful interface of bargaining (i.e., fiscal contracts) in which the public authority of armed groups is locally negotiated and manufactured (cf. Verweijen et al 2024).

Yet, I want to suggest that in focusing on fiscal bargaining as essentially an affair between armed groups and local civilians, we may risk missing an important aspect of the political economy of conflict in contexts where armed groups rely on taxing

⁷ As Klaus Schlichte (2009: 255) perceptively observes for armed groups, 'their economy does not differ from the political economy of the system in which they operate ... even when ad hoc groups succeed, they are doomed to replicate the structures they fought against'.

transnational trade. Appreciating this requires taking a short detour to debates about the implications for governance of the overbearing reliance of postcolonial states on taxing external trade. While dependency scholars and globalization critics emphasized how postcolonial governments were caught in situations where catering to transnational capital reduced domestic policy space (e.g. Garrett 1995; McGowan & Smith 1978), J.F. Bayart (2000) urged us to consider how postcolonial elites found creative ways to capitalise on their economic 'extraversion', as he called it. Bayart's bottom line was however to underscore how given economic (and political) extraversion, postcolonial regimes were forced to focus disproportionately on bargaining with external actors and interests rather than domestically with civilians.

Now the point of this detour is that there seems to be a strange disconnect between our understanding of the extraverted nature of the political economy of postcolonial states on the one hand and the way we approach authority in conflict on the other, as if this latter phenomenon is sung loose from the overarching political economy of their context. To be sure, others have observed that rebel governance, too, can be extraverted, but focus principally on how armed groups try to gain legitimacy in relation to the international community (i.e., McWeeney et al 2023, Péclard & Mechoulan 2015: 21; Vlassenroot & Raeymaekers 2009). But if conflict financing is by and large extraverted, it becomes interesting to ask to what extent that has repercussions for the exercise of authority by armed actors in conflict. If economic extraversion has been understood to mean that postcolonial regimes engineer their policies to capture rents from transnational economies, if then revenues in conflict mostly derive from taxing transnational trade flows, then perhaps the locus of bargaining is not principally between armed groups and local civilians. Indeed, one of the key reasons why many rulers, historical and contemporary, disproportionately resort to trade taxes is exactly to avoid cumbersome bargaining with subjects at home over rent extraction. This reliance on external rents is not incidentally also central to the definition of 'rentier states', although the empirical focus there has often been on oil-producing states (cf. Mahdavy 1970; Schwarz 2008).

The question then becomes to which extent the extraversion of armed actors' rent strategies shapes their behavior; what difference does it make that bargaining occurs at an interface between global supply chains? At the very least, if armed actors depend on the taxation of transnational trade flows for their revenues, they will have an interest in continued such trade flows. As Cantens & Raballand observe (2017: 7, emphasis mine):

In cases where state actors have been replaced by non-state actors, the latter still ensure that crossings of goods generate resources through an informal type of taxation. Trade resilience can be explained by the fact that, irrespective of whether the actors are rebels/militias or state institutions, armed groups always need supplies. However, and possibly even more significantly, *trade is resilient because all the armed groups want it to be resilient.*

This desire can be expected to come with some limitations on the kind of bandwidth armed groups have in their conduct along transnational trade routes. If in state extraversion 'the willingness of foreigners to recognise the sovereignty of these states is a defining feature of the ruler's ability to manage external dependence through rents' (Reno 2019: 453), then the fungibility of armed actor rents from transnational trade

relies on global supply chains to be able to accept their checkpoint practices. This leads to the hypothesis that actors operating checkpoints along transnational trade routes—whether associated to states or not—may be inclined to adapt their practices to be able to extract rents from them, without fundamentally disrupting the flow of goods.

Previous research showed that transporters often need to account for checkpoint payments to their clients. If these clients are international and their paperwork is under scrutiny, they may demand 'legitimate' receipts for all their checkpoint payments (Schouten 2022). This is typically the case for logistical contractors for international aid organisations and multinational corporations, and puts pressure on checkpoint operators to mimic 'legitimate' taxation as closely as possible to render their claims to extraction fungible.⁸ I here put 'legitimate' between brackets, because very often, the kinds of receipts that government-affiliated checkpoint operators issue to truck drivers, are little more than scraps of paper of dubious administrative value, that may or may not mention the actual amount paid for passing the checkpoint; the receipts often have little bearing on whether the taxes they refer to are legal or not.

This means it isn't very difficult for armed groups to replicate the government-like paperwork required by transporters to validate the claim to transit taxes. Oftentimes, armed groups that have overtaken a government checkpoint will maintain the habitual taxation range, vocabulary and repertoire of practices of the state. In South Sudan, rebels manufactured stamps and signatures that exactly resembled those of state checkpoint authorities, to sign waybills of transnational logistics contractors. The rebel group M23 in DR Congo occupied key cross-border trade routes and had stolen or otherwise obtained receipts used by local government administrations to issue to truckers (what Sweet, 2021 calls 'legal appropriation'). Below image, of a government receipt issued by M23 at a checkpoint in March 2023, is a good example.

REPUBLIQUE DEMOCRATIQUE DU CONGO
PONDS NATIONAL D'ENTRETIEN ROUTIER

SOUCHE
Doit peut le passage au poste de péage pour le vernoule
de marque: JMSDOX. No Plaque 4242 fet /221
Catégorie: 1 Voiture 2. Bus de 20 a 30 places et plus
5. Carrion Poids - Lourds de 4 essaeux et 37 0. Carreon Pried - Lourds de 3 essaeux 7. Carrion Poids - Lourds de 2essaeux

La somme de 12 VIII de 15 protection de 1 aventagier

Le somme de 12 VIII de 15 protection de 1 aventagier

Dout 12 PERC 5

Do

Figure 1. (Redacted) receipt issued by M23 checkpoint to a vehicle on the Bukavu-Kavumu road

Source: shared by informant.

⁸ As Mampilly puts it, 'For insurgent organizations, the lack of juridical recognition renders any interaction with transnational actors skirting the line between licit and illicit in the eyes of the international community' (2011: 45).

In the Central African Republic, ex-Seleka checkpoints were organized into 'offices' of the state agencies it had chased: truckers had to pay, and received receipts from, customs, the police, gendarmerie, and forestry service (Schouten & Kalessopo 2017). In Myanmar, many of the armed group checkpoints vie with those of the junta in terms of all the formal trappings of statehood (Neil & Day Chit 2024). The end result is a situation in which along the trade routes that cross conflict zones, the checkpoints of states and their 'illegitimate' detractors are, for all practical purposes, often indistinguishable (see Figure 3 below). The epitome of this confusion is no doubt the countless roadblocks in Eastern Congo that are currently operated jointly by the Congolese Armed Forces and the *wazalendo* militia, which reportedly constitute a heavy burden on an already heavily beleaguered transport sector.

Figure 2. Waybill of a logistical contractor for international aid organizations in the Central African Republic signed & stamped at checkpoints along the way—can you spot the difference between rebel and government?



Source: Schouten 2022.

The point of listing these examples would not be that these armed groups across contexts are motivated by some inherent drive to showcase 'stateness', as has sometimes been concluded by the rebel governance literature. Instead, I want to suggest that this drive towards what Klem & Maunaguru (2017) call 'sovereign mimicry' will likely concentrate along transnational trade routes, because it is given in by the pressures of extraversion and the concrete demands of participants in global supply chains with which checkpoint operators interface. This is exactly what Rachel Sweet was after when she observed (2021: 1116) that 'In lengthy supply chains in conflict markets, money trails ending with bureaucratic certification ... make for an easier sell to headquarters and upstream buyers'. Indeed, the many instances of rebel checkpoints issuing receipts obtained or copied to resemble those from government agencies in order to benefit from cross-border trade suggest that the way checkpoint actors exercise authority is 'extraverted', in the sense that is is a function of the demands from transnational supply chains. In the competition over trade rents in which both state and non-state actors are engaged, the semblance of bureaucratic fungibility is thus a kind of currency that determines who can or can't insert themselves in this competition. While the possibility to tax the wealth concentrated in international trade may pull armed actors towards cross-border trade routes, exposure to international supply chains may limit the scope of action for aspiring roadblock operators to impose their own conditions on passage. As Jung et al (2024) summarise it, 'Long-distance commerce thrives under the stable and reliable operation of a global logistic chain devoid of impediments'; this compels armed actors to 'construct a plausible imitation of the institutional requirements of the internationals' (De Waal 2020: 562). The fact that rebels may pretend, towards transporters working in global supply chains, to closely resemble government checkpoints suggests that economic extraversion has structuring effects on armed actor behavior, and that public authority should not be studied only as constituted by bargaining with civilians, but also in relation to transnational trade and its demands.9

THE DIFFUSE BURDEN OF EXTRAVERTED CONFLICT ECONOMIES

Checkpoints as indirect taxes

While it may appear that the extraversion of conflict economies means that checkpoints extract wealth from transnational trade rather than local economies, nothing could be less true. A fundamental aspect of checkpoint taxes is that they are what economists call 'indirect' taxes. In the most basic sense, 'indirect taxes are those which are collected from persons who shift the burden upon others' (Bullock 1898). This means that traders and transporters interfacing with checkpoint operators ultimately may not foot the bill of checkpoint exactions, because they incorporate them into the transport costs that make up market prices. The fact that traders and transporters can transmit checkpoint levies to producers, consumers or clients means that the burden of checkpoints in conflict are distributed elsewhere. Checkpoints are, then, a form of what one can call 'taxation at a distance' to underscore the spatial disconnect between those who extract checkpoint taxes and those who ultimately carry the burden. Given that most roads along which

⁹ That checkpoint operators may cater in different ways to different road users, as Blaszkiewicz (2021) suggests, is most evident in DR Congo, in the difference between the more or less formal receipts that armed groups issue for trucks often engaged in cross-border traffic, and the small 'jetons' or tokens given to local transporters and people on foot.

checkpoints in conflict-affected countries are found are transnational, this means that checkpoints may have 'spatial spillover' effects that may well reach across borders, indirectly affecting markets and consumer prices in neighbouring countries that may be at peace. For instance, as Haggblade et al (2019) report, corruption paid along inland checkpoints constitutes between 2-9% of the price of a commodity at the border of Mali, revealing struggles packed into the price valid at the border (see Figure 4).

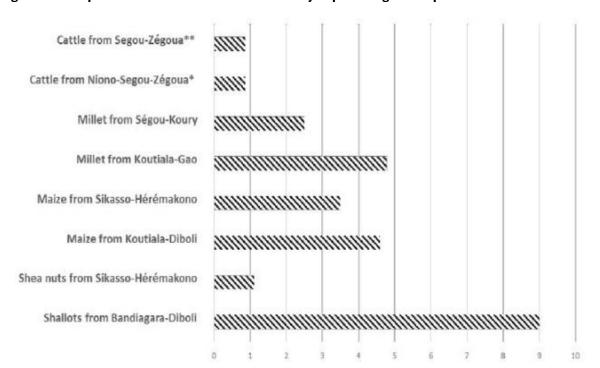


Figure 3. Checkpoint exactions levied on Malian territory as percentage of the price at the border

Source: Haggblade et al 2019: 2.

The fact that checkpoints levy indirect taxes means that they may be implicated in a systematic transfer of wealth from the generally vulnerable populations in checkpoint-affected countries to already well-off elites, a dynamic that has been pointed out for DR Congo (Fairhead, 1992), Somalia (Jaspars et al 2020; Schouten 2023), Madagascar (Raison 2002), and Mali (Haggblade et al 2019). This wealth transfer relies on a 'fiscal contract' between transporters and checkpoint operators that institutionalises their mutual preference for predicable and smooth passage (cf. Schouten et al 2024) while externalising the burden of checkpoint-based rent extraction onto broader society.

It appears as if this fiscal contract underpins the success of a variety of Islamist armed groups, which are able to curry the favour of trade elites by offering an alternative and more attractive checkpoint regime for cross-border trade flows than that offered by the 'secular' government they challenge (Cantens & Raballand 2021: 12, cf. Ahmad 2017). Both the Taliban and Al-Shabaab have focused their offensives disproportionately on gaining control over trade routes, and supplanting a baneful government checkpoint taxation regime with a more lean and attractive one (i.e., Isar 2024, Mansfield & Smith, 2021, Schouten, 2023). Likewise, during its heyday, the Islamic State of Iraq and Syria allegedly implemented an effective taxation system on cross-border trade, issuing

paperwork to ensure traders were not taxed twice (Blanni, 2017). As a final example, the mujahideen in northern Mali (Zanoletti 2022) upon taking power all consistently eliminated the flurry of unpopular government checkpoints that had hampered cross-border trade, replacing unending haggling with a predictable, single and receipted transit tax for passage along trade routes under their control.

But the indirect nature of checkpoint taxes has important ulterior political effects. The basic mechanism is that because transporters incorporate checkpoint taxes into their pricing, checkpoints instead extract rent from a diffuse and dispersed group of people indirectly. As these groups don't interface with checkpoint operators directly and only encounter their exactions as inflated market prices, they may have imperfect information and little bargaining power. Political economists have called this feature of indirect taxes the 'fiscal illusion' (Sausgruber & Tyran 2005; cf. de la Cuesta et al 2023): because tolls, customs excises, tariffs and transit taxes are directly applied to—often foreign or wealthy—traders, they are popular among local communities, who unbeknownst end up paying the taxes in the form of higher consumption prices or lower rates for their the products of their own labor entering the market.

Historically, governments have frequently resorted to taxes on commodity circulation not only because they are easy to levy at points of passage as discussed nefore, but also because they entail less resistance and fiscal bargaining with local communities than direct taxes. 11 While apparently targeting trading elites, indirect taxes meet little resistance from them, because they can pass the bill onward—they are then a way for rulers and traders to cheat communities out of rents. In many trade-dependent fragile countries, only a handful of large traders dominate the cross-border transport market (Cantens & Raballand, 2021). Di John (2006) noted that many governments in such contexts rely disproportionately on indirect taxes because it avoids bothering the trade elites that form part of their key constituencies (cf. Schwarz, 2008). We have evidence of this dynamic in Somalia. The profits that disproportionately derive from the logistics sector require membership of elite networks that are typically based on clan affiliation with the coercive elites operating roadblocks (Jaspars et al 2020). As Elder (2022: 399) notes for Somalia, '70 percent of interviewed parliamentarians had either been offered a logistics contract at some point during their political career or owned stakes in logistics companies'. Less connected communities pay disproportionately more at checkpoints and may even be barred from using certain trade routes, via discriminatory taxes targeting commodities or modes of transport used by that community (Schouten 2023).

The study on the political economy of fuel imports in South Sudan by Chen et al (2023) also provides an excellent example. Fuel importers by necessity have close connections to the regime in Juba to obtain a license to operate. The fuel they import gets costlier the further trucks travel inland, with consumers progressively footing the bill for the checkpoint operators encountered along the way. More broadly, the conflict has pushed many South Sudanese away from substance livelihoods and into a dependency on the market. In an economy dominated by cross-border traders, transnational trade acts as a vital vehicle for the accumulation of wealth for the South Sudanese 'gun class' (D'Agoot

¹⁰ To put it in terms of a fashionable distinction in fiscal political economy, while checkpoints may embody a form of stationary banditry towards traders, they constitute roving banditry towards those indirectly taxed, to the extent that checkpoints form a type of extraction without negotiation or representation.

¹¹ Direct taxes are still associated to government discontent in Africa today, see Dalyop (2022).

2022) through systematic wealth extraction from already vulnerable populations (cf. Craze 2024).

Crucially, this fiscal illusion also affects armed groups that mobilise around community-based agendas. Local community-based militia may disproportionately targeting nonlocal exchanges practiced mostly by 'outsiders' as a way to curry favour from their constituencies. Indeed, in the Central African Republic, it appears that local populations and their displacements are much less subjected to checkpoint taxation than relative 'outsiders' by checkpoint operators hailing from local communities (Schouten & Kalesoppo 2017). In DR Congo, similarly, certain ethnic local militia disproportionately harass traders from other communities at their checkpoints. At the entry road to mining sites, additionally, armed groups may levy taxes on long-distance traders seeking to buy minerals and supply commodities, while foregoing taxation on local artisanal miners (Schouten 2022). Yet, to the extent that locals rely on nonlocal traders for access to markets or for buying manufactured commodities, local miners or villagers indirectly pay for the checkpoint fees that their 'local' armed group apparently levies on 'outsiders'. In this way, armed groups benefit from the fiscal illusion to retain popular support from the local communities they indirectly extract wealth from.

Checkpoints as indirect taxes: livelihood effects

We have some evidence to suggest the interaction of checkpoints along transnational trade routes with farming—often a key livelihood source in fragile and conflict-affected areas. A handful of studies on the effects of checkpoints on transport costs and farming in West Africa note the huge impacts that checkpoints indirectly have on rural livelihoods. Many West African economies are heavily extraverted, relying because of western trade barriers on the export of raw unprocessed farm products. Yet strings of roadblocks sit along the routes connecting farm areas to ports. Transporters and traders interfacing with checkpoints are certainly not going to absorb checkpoint costs. Buyers of farming products for long-range transport will factor in transport costs into the buying price at the gate of the farm, to ensure their profit (Haggblade et al 2019; cf. Bromley & Foltz 2011). Because this depresses profits for farmers, checkpoint taxes discourage producers of key cash crops for regional and global consumption—such as onions and shea or cashew (see Figure 4).

Cashew Logistics \$5,200 \$5,100 \$5,000 \$4,900 Net cargo value \$4,800 \$4,700 \$4,600 \$4,500 \$4,400 \$4,300 Kilometres from Tema Western Europe costs ---- West Africa costs With corruption

Figure 4. Effect of checkpoint exactions on cashew value along West African trae routes

Source: Bromley & Foltz, 2011: 43.

Haggblade et al (2019) try to calculate exactly how much consumption prices for basic staple food would decrease if checkpoints in Mali would be removed, and how much more farmers would plant; they note how particularly urban poor, 45% of the national population, would benefit from the reduction of costs for basic staple food. The checkpoints-induced reduction of farming for markets, they argue, in rural areas reduce food security as well as the purchasing power of farmers that rely on the cash economy to purchase services or commodities—in an effect that one could call the 'slow violence' of checkpoints.

Because of their indirect nature, the impacts of checkpoints on farming are largely invisible. This is suggested by the existence of vast surpluses of sorghum perishing in northern parts of South Sudan while Juba, located in the south of the country, imports sorghum from neighbouring Uganda. Staple surpluses from the northern parts of South Sudan cannot compete against staple imports from Uganda because of the relative number of checkpoints along each route to Juba (Schouten et al 2021). Agricultural development programs have done little to upend this status quo, as the government in Juba controls customs checkpoints, may receive bribes from importers, and relies on checkpoints to buy loyalty from troops, thus having little incentive to promote domestic markets.

In eastern DR Congo, the largest urban centers are located close to national borders, and Congolese farmers seeking to supply these markets are outcompeted by traders of farming products from neighboring Uganda, Rwanda or Burundi who are not subject to

¹² Brown et al similarly 'find support for the theoretical prediction that prices increase most for goods with inelastic demand, such as staple food products, suggesting that the increase in extortion may disproportionately impact poorer households.' (2020: 3). Haggblade et al (2019a, b) conclude, acerbously, 'As for non-poor urban households, on the other hand, they will be disadvantaged because of the loss of illicit income constituted by road fraud, which reduces the real income of the groups which control these road barriers.' (2019: 2), because they seem to assume that non-poor urban people are all elites complicit with checkpoints.

checkpoints. Furthermore, the sheer amount of checkpoints has provided an incentive for cross-border traders and transporters to arrive at 'arrangements' with key commanders to lessen the payments due along the road (Schouten 2022). Such forms of accommodation favour trade-based elites because they are not within the purview of small-scale traders. In some areas in Congo, this system is so well-entrenched that armed actors overseeing checkpoints are best likened to private security forces facilitating cross-border exchanges, whether official or illicit (Raeymaekers 2009). Such patterns have become even more accentuated since the recent M23 rebellion, which entailed a proliferation of militia checkpoints along rural roads, further reducing the competitiveness of local farmers vis-à-vis imports. 13 Similar perversions appear to exist in Somalia, where anecdotal evidence suggests vulnerable farmers domestically are outcompeted by importers of the same product, which tend to be already wealthy and well-connected elites (Schouten 2023; cf. Ripamonti et al 2024). These examples, focused on farming, provide powerful illustrations of the observation by development economists that indirect taxes are regressive, with the burden falling disproportionately on the poor (cf. Olken & Singhal 2011).

Checkpoints in conflict may however have contradictory effects on rural livelihoods. There is anecdotal evidence which suggests that farmers may become more resilient by being forcefully weaned off cash crops. As Bromley & Foltz (2011) put it: 'bribery induces a movement away from tradable commodities and towards those that will be consumed close to where they are grown', thus potentially diminishing long-range trade in cash crops while increasing subsistence farming. In the Central African Republic, Chauvin (2012) for instance noted how in response to the proliferation of arms group checkpoints along export routes, farmers reverted from cash crop farming and reverted to improvised markets at locations in the middle between villages, only connected by footpaths, to exchange and barter local products. A similar conclusion is reached by McCarthy and Nyana (2024). They explore how checkpoints in the Myanmar conflict interact with shifting livelihoods, and note how many rural communities have purposefully weaned themselves off cash crops to reduce dependency on trade routes controlled by the military junta, which dominates transnational trade. While initially coming as a shock to already vulnerable livelihoods, rural communities gradually adapted by reverting to subsistence farming, increasing their resilience to manipulation by the junta.¹⁴ In this way, checkpoints operated by community militia in rural areas which render cash crops less competitive in global markets and end up targeting local farmers may nonetheless be appreciated by particularly vulnerable local farmers for constituting a 'frontier of resistance' against the disruptive effects of external trade on local livelihoods.

Yet, these findings are anecdotal at best and merit future research in the context of efforts to stimulate markets to promote stability and development in conflict-affected areas. More broadly, the example of farming shows how it is necessary to follow entire commodity chains far away from the checkpoint to be able to learn about the cumulative yet contradictory and contingent impacts of checkpoints as well as the multiple circulation struggles that occur along the chain.

¹³ As was noted earlier (Lecoutere et al, 2009: 53-54), petty traders and producers in eastern DR Congo are disproportionately disadvantaged by checkpoints, inhibiting market access to the most vulnerable.

¹⁴ Haggblade et al (2019) estimate that improvements in farming prices because of checkpoint reductions may lead to a reduction in calories for rural poor because of heightened prices of farm produce in rural markets, on which rural poor often rely for food security.

CONCLUSIONS

Scholars have long pointed out that seemingly remote, local conflict dynamics are often actually thoroughly entangled with the global economy (i.e., Nordstrom 2004). Yet, these global connections aren't always reflected in studies of the political economy of conflict. There is much at stake in how we understand armed group financing because explanations of how conflict is funded directly shape development policies and peacebuilding interventions in conflict-affected areas. Whereas research on armedgroup financing has been disproportionately focused on the role of 'lootable' natural resources, future studies of conflict financing should pay more consideration to the role of 'obstructable' resources, that is, to flows of goods along trade routes.¹⁵

This paper forwarded the idea that long-distance trade has specific affordances for the exercise of public authority that distinguish it from local exchanges. There are good historical and theoretical grounds to suppose that a reliance on long-distance trade taxes means that armed actors are less compelled to bargain and develop social contracts with local populations. In contexts in which armed actors rely disproportionately on transit taxes on transnational trade, their exactions may be shaped by the pressures to which transporters are subjected by trade elites and their transnational clients. This suggests that analysis should move away from approaching order in conflict first and foremost as 'the organization of civilians within rebel-held territory for a public purpose' (Kasfir 2015: 24), but it should also explore the more networked forms of governance practiced by armed actors who control access to and passage through contested territories. Rather than assuming that armed actors, often visibly backed up with the threat of force, can impose their own whims on conflict-affected societies, the vocabulary of extraversion introduces attention to the dependency on external rents and its possible constraining impact on armed actors.

If taxation has emerged as a key interface of public authority in the literature on armed groups, the literature has yet to come to terms with the sui genesis aspects of checkpoint taxation. Crucially, checkpoint taxes are indirect taxes. This means that even if checkpoints may directly extract rents from transnational trade flows, the burden is often distributed elsewhere in society in the form of costs hidden in market pricing. Armed groups relying on checkpoint taxes along transnational trade may therefore benefit from the 'fiscal illusion' among local communities, who may have difficulty recognising that they are in fact paying for the rents that armed actors extract from seemingly remote transport activities. It will be crucial for future research to explore variations in this dynamic—to which extent different cross-border commodities and their routes affect the distribution of the burden of checkpoints. While we stand to break new academic ground by further exploring this dynamic, these are not just academic questions. We are only beginning to scratch the surface, but the emerging evidence suggests that checkpoint taxes entail a systematic transfer of capital from already vulnerable populations towards the relatively privileged 'gun class' and trade-based elites. This ultimately implies that we may have to undo the familiar opposition between 'parasitic' armed actors and a trade sector which fuels development (Raeymaekers 2009: 14) that underpins much conceptual work on the linkages between trade and conflict, and instead pay attention to the contestation and distribution of rents and burdens along entire commodity chains.

¹⁵ Distinction from Ross (2003).

REFERENCES

Abdelwahid, D. (2013). 'You got the stuff?': humanitarian activist networks in Syria. *Humanitarian Exchange Magazine*(59), 15-16.

Ahmad, A. (2017). *Jihad & co. Black markets and Islamist power*. Oxford University Press.

Ahram, A. I., & King, C. (2012). The warlord as arbitrageur. *Theory and Society*, *41*(2), 169-186.

Albers, T. N. H., Jerven, M., & Suesse, M. (2023). The Fiscal State in Africa: Evidence from a Century of Growth. *International Organization*, 77(1), 65-101.

ALCIS. (2021). Value chain mapping and visualisation of the talc, fuel and transit trade in Afghanistan. USAID.

Arjona, A., Kasfir, N., & Mampilly, Z. (Eds.). (2015). *Rebel Governance in Civil War*. Cambridge University Press.

Badahur, J. (2022). *Terror and Taxes: Inside al-Shabaab's revenue-collection machine*. Global Inititiative Against Transnational Organized Crime (Geneva).

Bandula-Irwin, T., Gallien, M., Jackson, A., van den Boogaard, V., and Weigand, F. (2022). Beyond Greed: Why Armed Groups Tax. Studies in Conflict & Terrorism. OnlineFirst.

Bayart, J.-F. (2000). Africa in the world: a history of extraversion. *African Affairs*, 99(395), 217-267.

Blannin, P. (2017). Islamic State's Financing: Sources, Methods and Utilisation. *Counter Terrorist Trends and Analyses*, 9(5), 13-22.

Blaszkiewicz, H. (2021). Using the flow regimes framework to de-hierarchise the analysis of commercial movements: Case studies from the Central African Copperbelt. Transactions of the Institute of British Geographers.

Blattman, C., & Miguel, E. (2010). Civil War. *Journal of Economic Literature*, 48(1), 3–57.

Bouët, A., Cissé, B., Sy, A., and Traoré, F. (2021). Red tape and corruption along ECOWAS trade corridors. Washington: IPFRI.

Bromley, D., and Foltz, J. (2011). Sustainability under siege: Transport costs and corruption on West Africa's trade corridors. Natural Resources Forum 35(1): 32-48.

Brown, Z. Y., Montero, E., Schmidt-Padilla, C., & Sviatschi, M. M. (2020). *Market Structure and Extortion: Evidence from 50,000 Extortion Payments*. NBER Working Paper 28299.

Cantens, T. (2019). Fragile borders in subsaharian Africa: the nexus between economy and insecurity at borders. *antiAtlas*(3).

Cantens, T., and Raballand, G. (2017). Cross-Border Trade, Insecurity and the Role of Customs: Some Lessons from Six Field Studies in (Post-)Conflict Regions. ICTD Working Paper 67.

Cantens, T., & Raballand, G. I. (2021). Taxation and Customs Reforms in Fragile States: Between Bargaining and Enforcement. ICTD

Chauvin, E. (2012, September). Conflits armés, mobilités sous contraintes et recompositions des échanges vivriers dans le nord-ouest de la Centrafrique. Les échanges et la communication dans le bassin du lac Tchad, Napels, Italy.

Chen, E., McCrone, F., & Mozersky, D. (2023). Renewable Energy and the United Nations: a green spark for peace in South Sudan. The Stimson Center.

Chua, C., Danyluk, M., Cowen, D., and Khalili, L. (2018). Introduction: Turbulent Circulation: Building a Critical Engagement with Logistics. *Environment and Planning D:* Society and Space 36(4): 617-629.

Clapham, C. S. (Ed.). (1998). *African guerrillas*. James Currey; Fountain Publishers; Indiana University Press.

COAR. (2019). Beyond Checkpoints: Local Economic Gaps and the Political Economy of Syria's Business Community. Aleppo: COAR.

Clover, J. (2016). Roit, Strike, Riot. The New Era of Uprisings. Verso.

Cooper, F. (2002). *Africa Since 1940: The Past of the Present*. Cambridge University Press.

Cordesman, A. H. (2019). Afghanistan: A War in Crisis! Washington: CSIS.

Cormack, Z. (2016). Borders Are Galaxies: Interpreting Contestations over Local Administrative Boundaries in South Sudan. *Africa* 86(3): 504-527.

Craze, J. (2024). From petrodollars to licenses: South Sudan's post-oil political economy. *Environment and Security*, *2*(3), 392-411.

D'Agoôt, M. (2022). Understanding the Colossus. *Journal of Political & Military Sociology*, 47(2).

Dalyop, G. T. (2019). Tax structure and political instability in Africa. *International Journal of Economic Policy Studies*, 14(1), 77-121.

de la Cuesta, B., Martin, L., Milner, H. V., & Nielson, D. L. (2023). Do Indirect Taxes Bite? How Hiding Taxes Erases Accountability Demands from Citizens. *The Journal of Politics*, 85(4), 1305-1320.

de Waal, A. (2020). Somalia's disassembled state: clan unit formation and the political marketplace. *Conflict, Security & Development*, 20(5), 561-585.

Di John, J. (2006). The political economy of taxation and tax reform in developing countries. World Bank.

Eaton, T., Cheng, C., Mansour, R., Salisbury, P., Yazigi, J., and Khatib, L. (2019). *Conflict Economies in the Middle East and North Africa*. London: Chatham House.

Elder, C. (2022). Logistics Contracts and the Political Economy of State Failure: Evidence from Somalia. *African Affairs*, 121(484), 395-417.

Fairhead, J. (1992). Paths of Authority: Roads, the State and the Market in Eastern Zaire. *The European Journal of Development Research* 4(2): 17-35.

Ferguson, J., and Li, T. M. (2018). Beyond the 'Proper Job': Political-economic Analysis after the Century of Labouring Man. Cape Town: PLAAS Working Paper 51.

Feyissa, D., & Höhne, M. V. (2010). *Borders & borderlands as resources in the Horn of Africa* (Vol. 7). Boydell & Brewer.

Frankema, E., & van Waijenburg, M. (2014). Metropolitan Blueprints of Colonial Taxation? Lessons from Fiscal Capacity Building in British and French Africa, c. 1880-1940. *The Journal of African History*, 55(3), 371-400.

Foltz, J., & Li, K. (2023). Competition and corruption: Highway corruption in West Africa. *Journal of Development Economics*, 163.

Garrett, G. (1995). Capital mobility, trade, and the domestic politics of economic policy. *International Organization*, 49(4), 657-687.

Goodhand, J. (2018). The Centrality of the Margins: the political economy of conflict and development in borderlands. *Batticaloa*, *Sri Lanka*.

Haggblade, S., Koné, Y., Traoré, A. and Traoré, P. (2019). Impact des tracasseries routières sur les populations vulnérables au Mali.

Hagmann, T., and Stepputat, F. (Eds.). (2023). *Trade Makes States: Governing the Greater Somali Economy*. Hurst: London.

Hiraal Institute. (2020). A Losing Game: Countering Al-Shabab's Financial System.

Hoffmann, K., Vlassenroot, K., and Marchais, G. (2016). Taxation, Stateness and Armed Groups: Public Authority and Resource Extraction in Eastern Congo. *Development and Change* 47(6): 1434-1456.

Integrity Watch Afghanistan. (2013). *On Afghanistan's Roads: Extortion and Abuse against Drivers.* Integrity Watch Afghanistan (Kabul).

Isar, S. (2024). The border business: a political economy analysis of checkpoint taxation in Afghanistan. DIIS/ICTD/Centre on Armed Groups 'Roadblocks & Revenues' Working Paper Series #2.

Jaspars, S., Adan, G. M., and Majid, N. (2020). Food and Power in Somalia: Business as Usual? A scoping study on the political economy of food following shifts in food assistance and in governance. London: LSE.

Jung, P. H., Thill, J.-C., & Galvis-Aponte, L. A. (2024). State fragility, violence and trade: Dangerous trade routes in Colombia. *Papers in Regional Science*, 103(4).

Kasfir, N. (2015). Rebel Governance – Constructing a Field of Inquiry: Definitions, Scope, Patterns, Order, Causes. In A. Arjona, N. Kasfir, & Z. Mampilly (Eds.), *Rebel governance in civil war* (pp. 21-46). Cambridge University Press.

Klem, B., & Maunaguru, S. (2017). Insurgent Rule as Sovereign Mimicry and Mutation: Governance, Kingship, and Violence in Civil Wars. *Comparative Studies in Society and History*, 59(3), 629-656.

Knowles, C. (2014). Flip-flop: a journey through globalisation's backroads. Pluto Press

Korf, B., & Raeymaekers, T. (Eds.). (2013). *Violence on the Margins: States, Conflict, and Borderlands*. Palgrave.

Lecoutere, E., Vlassenroot, K., & Raeymaekers, T. (2009). Conflict, institutional changes and food insecurity in eastern D.R. Congo. *Afrika Focus*, 22(2), 41-63.

Lombard, L. (2013). Navigational Tools for Central African Roadblocks. *PoLAR: Political and Legal Anthropology Review* 36(1): 157-173.

Mahdavy, H. (1970). The Pattern and Problems of Economic Development in Rentier States: The Case of Iran. In M. A. Cook (Ed.), *Studies in the Economic History of the Middle East* (pp. 428-467). Oxford University Press.

Mampilly, Z. C. (2011). Rebel Rulers: Insurgent Governance and Civilian Life during War. Cornell University Press.

Mampilly, Z. (2021). Rebel Taxation: Between Moral and Market Economy in Nicola di Cosmo, Didier Fassin and Clémence Pinaud (Eds.), *Rebel Economies: Warlords, Insurgents, Humanitarians*, Lexington Books.

Mampilly, Z., and Thakur, S. (2024). Rebel Taxation as Extortion or a Technology of Governance? Telling the Difference in India's Northeast. *Comparative Political Studies* 0(0): 00104140241237472.

Mansfield, D., and Smith, G. (2021). War gains: How the economic benefits of the conflict are distributed in Afghanistan and the implications for peace. A case study on Nimroz province. London: ODI.

Matsuzaki, R. (2019). Statebuilding by Imposition: Resistance and Control in Colonial Taiwan and the Philippines. Ithaca: Cornell University Press.

McCarthy, G., & Nyana, K. (2024). *Dead-end dictatorship: roadblocks, rural livelihoods and resilient resistance in post-coup Myanmar*. DIIS/ICTD/Centre on Armed Groups 'Roadblocks & Revenues' Working Paper Series #5.

McGowan, P. J., & Smith, D. L. (1978). Economic dependency in Black Africa: An analysis of competing theories. *International Organization*, 32(1), 179-235.

McWeeney, M., Cunningham, K. G., & Bauer, L. (2023). Rebel actors and legitimacy building. *International Politics*.

Neil, Tony, and Saw Day Chit. *Beyond the rebel territorial trap.* (2024). DIIS: Roadblocks & Revenues Working Paper Series #8.

Néya, S., & Lombard, J. (2019). Libre circulation, contrôle ou racket des voyageurs en Afrique de l'Ouest : L'exemple des routes entre le Burkina Faso et la Côte d'Ivoire. In G. Emmanuel, K. J.F., & L. Marie-France (Eds.), *L'Etat réhabilité en Afrique : réinventer les politiques publiques à l'ère néolibérale* (pp. 287-302). Karthala.

Ngo, T.-W., & Hung, E. P. W. (2019). The Political Economy of Border Checkpoints in Shadow Exchanges. *Journal of Contemporary Asia*, 49(2), 178-192.

Nordstrom, C. (2004). Shadows of war: violence, power, and international profiteering in the twenty-first century. University of California Press.

North, D. C., Wallis, J. J., Webb, S. B., and Weingast, B. R. (2007). Limited access orders in the developing world: a new approach to the problems of development. No 4359, *Policy Research Working Paper Series from The World Bank*,

Olken, B. A., and Singhal, M. (2011). Informal taxation. *American Economic Journal: Applied Economics* 3(4): 1-28.

O'Mealia, T. (2022). Violence, Protection, and the Political Economy of Security Provision in Ongoing Conflicts. PhD thesis, University of Michigan.

Péclard, D., & Mechoulan, D. (2015). *Rebel governance and the politics of civil war.* Swisspeace.

Radil, S. M., Irmischer, I., & Walther, O. J. (2022). Contextualizing the Relationship Between Borderlands and Political Violence: A Dynamic Space-Time Analysis in North and West Africa. *Journal of Borderlands Studies*, 37(2), 253-271.

Raeymaekers, T. (2009). The Central Margins - Congo's Transborder Economy and State-Making in the Borderlands. *DIIS Working Papers*, 25.

Reno, W. (2019). The Importance of Context When Comparing Civil Wars. *Civil Wars*, 21(4), 448-467.

Revkin, M. R. (2020). What Explains Taxation by Resource-Rich Rebels? Evidence from the Islamic State in Syria?, *The Journal of Politics* 82(2).

Rights Radar. (2023). Death Checkpoints: Human Rights Report on Abuses Committed at Checkpoints During the Period of 2014 to 2020. Rights Radar (Amsterdam).

Ripamonti, D., Dowd, C., Patel, R., Gleason, K., & Polzin, S. S. (2024). Non-state armed groups as food system actors in Somalia and Haiti. *Conflict, Security & Development*, 1-29.

Ross, M. L. (2003). Oil, Drugs, and Diamonds: The Varying Roles of Natural Resources in Civil War. In Ballentine, K., and Sherman, J. (Eds.), *The political economy of armed conflict: beyond greed and grievance.* Boulder: Lynne Rienner.

Sausgruber, R., & Tyran, J.-R. (2005). Testing the Mill hypothesis of fiscal illusion. *Public Choice*(122), 39–68.

Schlichte, K. (2009). With the State against the State? The Formation of Armed Groups. *Contemporary Security Policy*, 30(2), 246-264.

Schon, J. (2016). The centrality of checkpoints for civilians during conflict. *Civil Wars*, 18(3), 281-310.

Schouten, P. (2022). Roadblock Politics: the Origins of Violence in Central Africa. Cambridge University Press.

Schouten, P. (2023). *Paying the price: the political economy of checkpoints in Somalia*. RVI/DIIS/IPIS (Nairobi/Copenhagen/Antwerp).

Schouten, P., Gallien, M., Thakur, S., van den Boogaard, V., & Weigand, F. (2024). *The politics of passage: roadblocks, taxation and control in conflict.* DIIS/ICTD/Centre on Armed Groups 'Roadblocks & Revenues' Working Paper Series #1

Schouten, P., and Kalessopo, S.-P. (2017). The Politics of Pillage: the political economy of roadblocks in the Central African Republic. DIIS/IPIS (Copenhagen/Antwerp).

Schouten, P., Matthysen, K. and Muller, T. (2021). *Checkpoint economy: the political economy of checkpoints in South Sudan, ten years after independence*. DIIS/IPIS (Copenhagen/Antwerp).

Schouten, P., Murairi, J., & Kubuya, S. (2017). "Everything that moves will be taxed": the political economy of roadblocks in North and South Kivu. DIIS/IPIS (Copenhagen/Antwerp).

Schouten, P., Stepputat, F. and Bachmann, J. (2019). States of circulation: Logistics off the beaten path. *Environment and Planning D: Society and Space 37*(5): 779-793.

Schwarz, R. (2008). The political economy of state-formation in the Arab Middle East: Rentier states, economic reform, and democratization. *Review of International Political Economy*, 15(4), 599-621.

Sinjab, L. (2017). How Syria's War Economy Propels the Conflict. Chatham House.

Stepputat, F., & Hagmann, T. (2019). Politics of circulation: The makings of the Berbera corridor in Somali East Africa. *Environment and Planning D:* Society and Space, 37(5), 794-813.

Sweet, R. (2021). Concealing Conflict Markets: How Rebels and Firms Use State Institutions to Launder Wartime Trade. *International Organization*, 75(4), 1109-1132.

Syrians for Truth & Justice. (2019). Fact Sheet: Crossings and Checkpoints in Hayat Tahrir al-Sham-held Areas.

Thissen, P. (2019). Legacy Institutions and Political Order in Weak States: Evidence from Chad [PhD thesis, University of California, Berkeley]. Berkeley.

Tilly, C. (1983). Speaking Your Mind Without Elections, Surveys, or Social Movements. *The Public Opinion Quarterly*, 47(4).

Tilly, C. (1985). War Making and State Making as Organized Crime. In Evans, P. B., Rueschemeyer, D. and Skocpol, T. (Eds.), *Bringing the state back in* (pp. 169-191). Cambridge: Cambridge University Press.

Tilly, C. (1992). Coercion, capital, and European states, AD 990-1992. Blackwell.

UN. (2018). Report from the Monitoring Group on Somalia and Eritrea (S/2018/1002).

Verweijen, J., Hoffmann, K., & Muzalia, G. (2024). Roadblocks at the rhythm of the country: A political sociology of roadblocks in DR Congo. DIIS/ICTD/Centre on Armed Groups 'Roadblocks & Revenues' Working Paper Series #7.

Vlassenroot, K., & Raeymaekers, T. (2009). Kivu's Intractable Security Conundrum. *African Affairs*, 108(432), 475-484.

Walsh, J. I., Conrad, J. M., Whitaker, B. E., & Hudak, K. M. (2018). Funding rebellion: The Rebel Contraband Dataset. *Journal of Peace Research*, 55(5), 699-707.

Watts, M. J. (2019). Reflections on circulation, logistics, and the frontiers of capitalist supply chains. *Environment and Planning D:* Society and Space, 37(5), 942-949.

Zanoletti, G. (2022). Fiscalité, ordre moral et prévisibilité: le gouvernement djihadiste du Nord-Mali au prisme des pratiques de prélèvement. *Politique africaine* 166(2): 173-191.

