### **Accountability Brief**



# Struggles for Accountability in the 2022 Cost-of-living Crisis: Lessons from the Global Protest Wave

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## **Key Insights**

Protests about prices and shortages of energy and food in 2022 signaled that the global economy was struggling to deliver people's basic needs. Drawing on a longer study of the 2022 protests (Hossain and Hallock 2022), this Accountability Brief argues that the historically unprecedented international wave of protests is not only an indicator of failures in the global economy: it also indicates failures of accountability at multiple levels. People protested because their governments would not or could not protect them from the crisis, and they believed this failure was due to corruption and collusion between political and economic elites. In several countries with major episodes of unrest, the government was either implementing or seeking an IMF package, typically entailing subsidy cuts or tax rises affecting ordinary citizens. This Accountability Brief focuses on the reasons energy and food protests are matters of concern for accountability in international development, and identifies appropriate responses. These are as follows:

- 1. **Protests are a risky strategy for defending citizens' basic rights.** Fear and desperation drew thousands to the streets, even though many risked encountering state violence to do so. For many protestors, public demonstrations were the only way they could make themselves heard. *In contexts of global economic volatility, human rights defenders should specifically monitor violence against cost-of-living protestors, efforts to curb the right to protest, and freedom of the media to report on popular protests.*
- 2. **Failure to address protestors' grievances can breed political mistrust and polarization.** Governments that failed to act were seen as corrupt and unaccountable, and episodes of protest fed into political polarization. Aid agencies pressing for economic reforms during crises should undertake political economy analysis and engage citizens in policy design, and be better prepared with support for social protection systems to insulate citizens against price spikes and shortages.
- 3. **People are resisting the effects of unaccountable energy policies.** Most 2022 protests were about energy, often featuring complaints that corruption and elite collusion were causing undue price rises. Energy policymaking takes place in exclusive and exclusionary spaces, from which ordinary citizens and representatives of civil society are excluded. Governments and multilateral agencies need to involve citizens in energy policy reforms if they want them to pass. Without civic participation in energy policymaking, transitions to renewable energy are unlikely to be either smooth or just.
- 4. **Multilateral institutions have a responsibility to consult and engage citizens in their lending programs.**Food and energy protests are frequently triggered by reforms proposed by multilateral agencies. Protests are a clear sign of failure to achieve meaningful engagement, and of a lack of transparency and accountability. Multilateral institutions bear some culpability for the violence and disruption that ensues. *Multilateral institutions ought to monitor the outcomes of their reforms. Data from protests should be included in monitoring progress towards Sustainable Development Goal 16 in support of peace, justice, and strong institutions.*

## **Overview: An Unprecedented Global Wave of Protests**

This Accountability Brief draws on research that aimed to estimate a) the magnitude, location, and distribution of protests in 2022 around the affordability of or access to basic goods; and b) provide insights into protesters, grievances, and responses to the protests. A dataset of relevant events was compiled using data from the Armed Conflict Location & Event Data Project (ACLED).

In 2022 there were more than 12,500 protests, in 4,630 locations across 148 countries, about prices and shortages of energy and food, and the cost of living in general (see Figure 1). These protests were found in all world regions; in democracies, authoritarian regimes, and fragile states; in rich countries and poor. Many events were small and localized, but in 30 countries there were at least 100 events across multiple locations; of these, 10 countries had or were seeking International Monetary Fund programs to get them through their macroeconomic crises. The primary trigger for protests was a combination of high prices and shortages of energy and food.

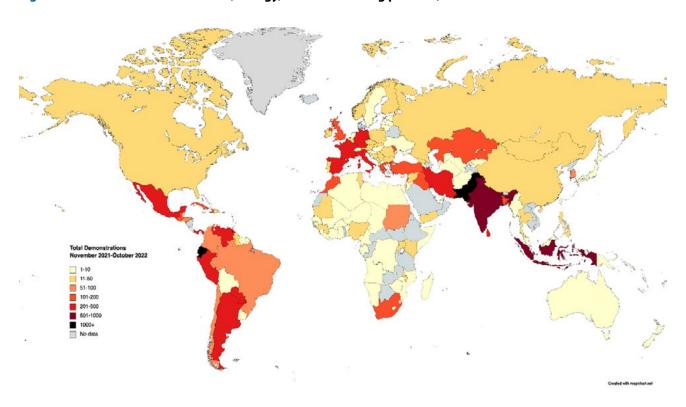


Figure 1. Global distribution of food, energy, and cost of living protests, November 2021–October 2022

Source: Authors' analysis of ACLED data

 $<sup>1\</sup>quad \text{The analysis covered the period November 2021-October 2022. We refer to '2022' for brevity.}$ 

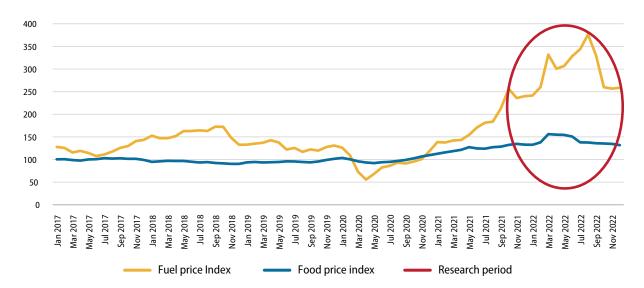


Figure 2. Global food and fuel price indices, 2017–2022

Source: Food: https://www.fao.org/worldfoodsituation/foodpricesindex/en/; Fuel: https://www.imf.org/en/Research/commodity-prices.

Note: FAO food price index averages indices of meat, dairy, cereals, oils, and sugar. 2014-16=100. Fuel (Energy) Index, 2016 = 100, includes crude oil (petroleum), natural gas, coal, and propane.

As Figure 2 shows, in 2022 prices of food, and in particular energy saw steep rises. These were a result of pent-up demand and supply chain issues that followed the COVID-19 pandemic, and inflationary pressures and fears of dearth after Russia invaded Ukraine in February. Yet most protests were triggered not by general price rises or

shortages, but by specific governmental failures to act to protect citizens against their effects. Major episodes of protests commonly followed cuts to energy subsidies, leading to steep price increases. In certain instances, an announcement of subsidy cuts was sufficient to mobilize citizens against the government.

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Protests involved a wide range of people and groups. Organized labor groups and opposition political parties were active, as were other groups and movements not aligned with trade unions or political parties. Fishers, farmers, truck and taxi drivers, and construction workers, as well as teachers and health workers, featured prominently. In several of the world's most patriarchal societies, women led demonstrations. Several major episodes lacked visible organization or leadership and took the form of apparently spontaneous mass uprisings.

Direct comparisons between the magnitude of protests during the crisis of 2022 and previous global waves are not possible because of differences in data sources and methodologies. However, the best estimates suggest that the number of events and their geographical spread in 2022 is likely to have exceeded those during the 2008 and 2010-11 food price crises (Ortiz et al. 2022; World Bank 2014). Analysis of previous waves of global protest tend to count major episodes rather than single events, and so may miss or undercount similar smaller events that were captured in the 2022 database. However, that at least 30 countries saw at least 100 protest events during 2022 indicates that it was indeed a highly contentious year for the world.

The 2022 wave was also more heavily focused on energy—fuel for transport, cooking, heating, and electricity—than in 2008 or 2010–11 (see Figure 3). This may reflect the fact that compared to food, energy prices had been climbing faster for much of the previous five years (see Figure 2).

1800 1600 1400 1200 1000 800 600 400 200 Dec 2021 Jan 2021 Feb 2022 Mar 2022 Apr 2022 May 2022 Jun 2022 Jul 2022 Aug 2022 Sept 2022 ■ Food ■ Energy ■ Cost of Living

Figure 3. Protests by grievance

Source: Authors' analysis of ACLED data

# Protests are a Risky Strategy for Defending Citizens' Basic Rights

In over 4,000 locations around the world, people protested against their lack of protection against rising food and energy prices, shortages, and the overall cost-of-living crisis. These were forcing people to cut back in already strained circumstances. Some groups felt driven by desperation, as women protestors in Taliban-ruled Afghanistan made clear:

"We are witnessing the gradual death of Afghanistan. Poverty forced us to gather here. The price of materials is spiking and the government is unable to control the prices," said Marjana Amiri, a protester... "Our children are dying from starvation. Our families are struggling to find bread for their children. International community: please hear our voice—don't abandon Afghanistan and its people," said Atifa, a protester (Feminist Newswire 2021).

While the majority of these protests (89%) passed off without violence, more than one thousand were classified by ACLED as 'riots', featuring violent disruption; over 600 were violently suppressed by the police or military; and in over 600 more, protestors, counter-protestors, or both, acted with violence (see Table 1).

**Table 1. Response to Protests** 

	Number of events	% of events
Type of interaction		
'Riots'	1,030	8
'Protests'	11,491	92
Responses to protest *		
Peaceful protests (without violent suppression by police or military)	11,146	89
Demonstration suppressed by police or military	630	5
Demonstration in which protesters or counter-protesters (or both) act with violence	602	5
Violent demonstration in which civilians are injured/killed	135	1
*AII		

 $<sup>{}^*\</sup>text{A small number of unclassifiable interactions were excluded from the 'responses to protest'}$ 

Source: Authors' analysis of ACLED data

While violent episodes were a small share of the total, they were significant in absolute numbers: civilians were injured or killed in 135 events. In some instances, brutal repression was brought to bear on people who were hungry and fearful about further price rises. In Sierra Leone, spontaneous cost-of-living protests were initially led by women market traders in a context where food prices had risen so sharply that a quarter of the population was estimated to be in 'food crisis'. In August 2022, around 27 people were killed when the police attacked protesters. Rather than responding to their legitimate concerns, the government described protestors as 'terrorists'.

Thousands of citizens around the world protesting the economic crisis under the specter of violent state repression raises questions about progress towards Sustainable Development Goal 16, whose targets include 'developing effective, accountable, and transparent institutions at all levels' and 'ensuring responsive, inclusive, participatory, and representative decision-making at all levels'. The threat of state violence underlines a broader trend towards restricted civic space and violations of the right to free association, and warrants specific attention from human rights monitors and the United Nations.

# Failure to Address Protestors' Grievances Breeds Political Mistrust and Polarization

Many protests which headlined complaints about energy and food revealed underlying political concerns that were linked to the cost-of-living crisis. These concerns included corruption, lack of accountability, and the indifference of economic and political elites to people's grievances. Protestors often accused elites of colluding to drive shortages and increase prices to earn undue profits. For 455 of the protest events, 'corruption' was mentioned as a headline grievance in the short event description provided in ACLED. In Albania, for example, protesters were against "high taxes [on energy], corruption, and the capture of the state by 'oligarchs'":

Sunday's crowd marched from Tirana's central square to the prime minister's office, chanting "criminal government", "down with the dictator", and accusing them of being in cahoots with an elite of wealthy business owners.

Others shouted, "if prices do not fall, the government will fall" and accused the government of being "millionaires with villas and cars" (Taylor 2022).

Governments that failed to act were accused of being unaccountable to ordinary people, or as Albanian protestors viewed it, as "in cahoots with a wealthy elite". In Indonesia, when the government raised fuel prices for the first time in eight years, protesters saw their protests as a means of making the government listen to them:

"In a week if there is no response, if the government still doesn't care and is still deaf and blind toward the people's suffering, the students all over Indonesia are ready to protest in much bigger numbers," Muhammad Yuza Augusti, a student at Bogor Agricultural Institute, yelled into a microphone on a rainy Thursday...

"The fuel price hike proves that the government doesn't care about the people, it only cares about the national strategic projects," said Supriadi, a protester from State Polytechnic of Jakarta (Muhtadi and Lau 2022).

In several countries, politicians held companies responsible for the crisis on the grounds that they had obtained excess profits, signaling that a lack of private sector accountability was also a concern. In June 2022, the US

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President demanded that oil companies explain why they were "padding profits" rather than processing more fuel to bring prices down.<sup>2</sup> In the UK, calls for action to protect citizens against high prices took the form of demands for windfall taxes on unusually high profits by energy companies. In Bangladesh, the government charged seven corporations with destabilizing the market and profiteering by raising prices of essential commodities. Accusations of corruption and collusion between political and economic elites, and the detachment and unaccountability of the ruling class, were heard across multiple contexts.

People also protested against energy subsidy cuts and related economic reforms that their governments were implementing or planning to implement. In the absence of efforts to protect citizens against the cuts and reforms,

<sup>2</sup> https://www.reuters.com/markets/commodities/biden-demands-oil-companies-explain-lack-gasoline-prices-rise-2022-06-15/. Accessed 8 March 2023.

people were likely to face further price rises at a time when they were already struggling with the high cost of living. Of the 30 countries that saw over 100 protest events, 10 had or were seeking International Monetary Fund (IMF) packages to help steer their economies through budget deficits or other macro-fiscal crises. However, the IMF and other international lenders were rarely named as specific or primary targets of protests, which tended instead to focus on government leadership. The exception to this was Argentina, which has a long history of economic crises and IMF programs.

There was some early evidence that parties on the far right and on the left or centre-left were reaping electoral gains from the cost-of-living crisis. In Spain, the far-right party Vox called for nationwide protests over the rising costs of living, with thousands of protesters gathering in Madrid. In Ecuador and India, protesters denounced their conservative heads of state for failing to protect against rising costs, with protesters in Ecuador specifically rejecting proposed fuel-subsidy cuts and the purported neo-liberal agenda of President Lasso. In Panama, former President Ricardo Martinelli claimed he would run for president in 2024 to represent all independent Panamanians, attempting to capitalize on the unrest sweeping the country in the summer of 2022. In October 2022, German left-wing union workers and far-right political parties protested simultaneously but separately, mostly expressing similar grievances over the high cost of living. The spectrum of claims from different ideological positions indicates political entrepreneurs regard denouncing rising costs as a politically useful position that allows for solidarity with the struggles of the common citizen.

Several countries that faced substantial energy-related unrest also saw significant political turmoil at the top of government, linking political instability to popular discontent around the cost of living. Among the countries with at least 100 protests, Lebanon, Pakistan, Sri Lanka, and the UK all experienced unexpected leadership turnovers as leaders failed to persuade the public or other political elites that they were capable of governing during the crisis. In other countries that had hundreds of protests such as Haiti and Iran, discontent escalated into far broader uprisings. In functioning democracies, incumbent governments in France, Italy, Sweden, and the US faced serious electoral competition from far-right political parties.

One implication is that aid agencies and international development actors need to recognize the political implications of cost-of-living crises, including the likely responses to subsidy cuts undertaken as part of economic reforms proposed by multilateral lenders. Aid agencies also need to prioritize investments in social protection systems to help people adjust to the subsidy cuts and price volatilities endemic to the global economy.

# **People are Resisting Unaccountable Energy Policies**

The majority of protests were about energy (see Figure 3), reflecting steep rises energy prices and accompanying shortages and rationing in many places. Energy protestors referenced rising costs, with over 5,400 of the 6,900 energy protests mentioning either price, costs, bills, tariffs, or fares. Shortages of various kinds were also common with respect to electricity, with outages, blackouts, 'loadshedding', and power cuts mentioned in hundreds of events. 'Fuel' and petrol/petroleum together comprised the single greatest category of energy about which people protested, counting for more than 4,200 events. Energy for domestic use featured in at least 2,000 events, while protestors resisted the installation or upgrading of electricity meters in Ghana, India, Nigeria, South Africa, and Turkey on grounds that these would lead to unaffordable bills.

In several countries, protests against rising prices of energy turned into broader complaints about economic governance, corruption, and collusion among elites, and led to larger uprisings. Ecuador saw over one thousand protests against fuel price rises in June 2022, as the government sought to cut subsidies in line with an IMF package (see Figure 4). An uprising led by the confederation of indigenous groups protested the subsidy cuts, demanded a moratorium on debt repayments, and coordinated a national shutdown. While protestors won some eventual concessions, their struggle for affordable fuel came at a high cost: eight protestors were killed and over 350 injured in the struggle. Panama had 69 protests between April and June, after officials defended the almost doubling of fuel prices with reference to the pandemic and the Russian invasion of Ukraine. Panamanians largely rejected these explanations, instead claiming the country's economic woes were tied to elite indifference and corruption, dramatized by a scandal involving officials drinking costly liquor while people were struggling. One protestor said, "Our government is very corrupt and shamelessly mocks the people" (Harkins 2022).

Ecuador Events

Protests
Riots

Figure 4. Protests in Ecuador, June 2022

Source: Authors' analysis of ACLED data

Energy protests of the kind seen in Ecuador, Pakistan, Panama or elsewhere garnered far less of the world's attention than the Just Stop Oil protestors who threw soup at Van Gogh's *Sunflowers* to demand an end to fossil fuels. Yet arguably the protests in which people were arguing *en masse* for affordable access to energy were more momentous. They indicate that modern forms of energy are essential to everyday life all around the world, and that people in many places are willing to protest to protect their rights to travel and power their homes and workplaces. Protestors do not feel that energy policy decisions have adequately take their concerns into account, and believe that decisions are made in collusion between powerful elites.

Under the conditions revealed by the energy protests of 2022, reducing fossil fuel use may prove to be a distinctly challenging policy agenda. It suggests that an active portion of the global public feels excluded from energy policy dialogue, and mistrusts the policies that are implemented upon them. Governments and multi-

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lateral agencies need to involve citizens in energy policy reforms if they want them to pass. These protests signal an imperative for citizens and civil society to be brought into energy policy dialogue in a meaningful way, as one part of a strategy for moving towards goals of just transition and energy justice (McCulloch 2023).

# Multilateral Institutions Have a Responsibility to Consult and Engage Citizens in their Lending Programs

Citizen and civil society perspectives on the governance of economic crises merit greater attention from development policy-makers. The 2022 wave of protests signals broad discontent with the state of the global economy. It also signals failures of accountability at multiple levels to protect people against the global economic crisis. Protest waves on such a scale warrant systematic tracking by those multilateral agencies whose job it is to design and support

policies promoting economic stability and progress. Regular mechanisms of governmental accountability have not brought citizens' perspectives to bear on the policy responses to the cost-of-living crisis, in part because the causes of the crisis have been global, and beyond the scope of most national governments to counter. Governments relying on IMF packages to see them through domestic macroeconomic crisis have been unable to refuse politically costly reforms, and several have been threatened or unseated as a result.

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The cost-of-living protests of 2022 raise questions about the accountability of institutions of global economic governance: to what extent do IMF prescriptions take into account civic perspectives on the economic reforms necessary to qualify for IMF packages? Should multilateral development banks pay more systematic attention to the risk that citizens may be driven to dangerous protests when faced with commodity price shocks? If food and energy protests are an expected risk of policies or projects, what risk mitigation and grievance redress mechanisms are being put in place to protect people?

The protests also highlighted the constraints on people's ability to hold their governments to account when those governments are themselves dependent on the volatilities of the global economy. One implication is for multilateral agencies to strengthen their engagement with citizens and civil society over projects and economic reform agendas likely to expose them to such shocks. Where the risk of food, energy, and cost of living protests is high, multilateral agencies should properly document and account for those risks, while also demonstrating appropriate and proactive measures of mitigation and grievance redress for people adversely affected by their actions.

Monitoring the magnitude and effects of food, energy, and cost-of-living protests would also provide an important source of data for monitoring progress towards Sustainable Development Goal 16, which is about promoting peaceful and inclusive societies, providing access to justice for all, and building effective, accountable, and inclusive institutions at all levels.

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Cover photo: A demonstrator holds up a sign with a map of Panama and the word "Corruption" during a protest to demand the government steps in to curb inflation, and reduce fuel and food prices. Panama City, July 12, 2022. Reuters/Erick Marciscano

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