

Recovering from War: Gaps in International Action

A Report by the NYU Center on International Cooperation

Summary

1. The post-Cold War era has seen continuous efforts to deepen international conflict management capacity. That has produced real change, and real consequences – international efforts have contributed to a significant decline in the level of war since 1990. With this success has come greater demand, and the international system is now supporting the path to peace in over 20 countries – and struggling to cope.
2. An issue that has dogged efforts at reform is that of mounting *early* action to foster recovery from conflict. This was one of several gaps in multilateral architecture addressed by UK Prime Minister Gordon Brown in his 21 January speech in New Delhi, and has been the subject of renewed concern for many states. They are asking: is the international system well-organized to rapidly mobilize to help states and people recover from war?
3. The answer is: partially. Fifteen years of sustained investment in humanitarian response has created a tool that can respond rapidly, flexibly and, at times, coherently. Fifteen years of sustained investment in peacekeeping has created a tool that can respond flexibly, with increasing muscle and, at times, rapidly.
4. Peacekeeping and humanitarian tools are designed for crisis contexts and used uniquely in them. Organizing the international response around early support to economic recovery, livelihoods and services and the core task of state-building has proven a greater challenge. In this early period, these tasks are assigned to *ad hoc* and fractious groupings of bilateral and multilateral development actors for whom conflict response is one of several objectives and who *do not* operate primarily in conflict zones. Conflict units in development agencies are under-resourced, and have limited authority vis-à-vis their in-country counterparts. No state has reserves of civilians and public administrators to deploy into conflict, the way they do soldiers. Operating funds are raised voluntarily, sporadically, and slowly.
5. Also, there are weaknesses in strategic coordination across and within bilateral and multilateral systems. Strategies owned by recipient governments and donors that provide the basis for coordination are lacking, and assistance can be driven by donor or agency interests rather than the needs of the country. Coordinators still lack essential, yet basic, budget authority that could give coordination real teeth; and are under-resourced. The Peacebuilding Commission has begun to address some of these problems – but so far only in *late* recovery contexts, and has not yet exercised its mandate to improve coordination.
6. The consequences are that early initiatives to build a functioning government, to build its capacity to function and jump-start economic activity are frequently not launched. Lapses include investment in public administration, vital to the functioning of the state and service delivery; investment in agricultural recovery, vital to livelihoods; and security-sector reform, vital to sustained peace. Confidence in the political process is not maintained. All this contributes to poor outcomes: either international actors are compelled to stay longer (Bosnia); or recovery efforts falter (Afghanistan); or both (Timor Leste).

Definitions

7. The usage of the term ‘early recovery’ is diverse and confused. It can refer both to response to disaster and conflict; to phases that are prior to the cessation of hostilities, and often (loosely) for much later action. The most frequently referenced definition is UNDP’s, which incorporates pre-peace agreement action and highlights the socio-economic elements of recovery, less so political and security elements.
8. There are numerous other terms. ‘Transition’ is one which remains ill-defined. ‘Stabilization’ captures something of the appropriate goals, but is associated primarily with military operations and tends to be interpreted as referring only to political/security action. ‘Statebuilding’ has no agreed definition in international usage. The

term ‘peacebuilding’ is used in two ways – either to refer to the entire post-conflict exercise, or to refer to the post-peacekeeping phase, what we might better term ‘late recovery’.

9. This report adopts a common-sense approach to the terminology, focusing simply on:
 - i) early efforts to **secure stability**,
 - ii) early efforts to **establish the peace**,
 - iii) early efforts to **resuscitate markets, livelihoods, and services**, and the state capacities necessary to foster them; and
 - iv) early efforts to **build core state capacity** to manage political, security and development processes.
10. This approach recognizes that the period of time is fluid – a peace agreement can occur before or after the cessation of hostilities; and certain activities may be possible in geographic areas that are less conflict-affected irrespective of the status of the peace. Political ‘recovery’ is uneven, and partial reversals can create need for activities very similar to those needed in the immediate aftermath of hostilities. Some of the activities we describe could be used prior to the cessation of hostilities – in what might be called ‘pre-recovery.’
11. Indeed, the question of ‘pre-recovery’ – or quasi-developmental activities occurring prior to a cessation of hostilities – is a source of continued debate. By Terms of Reference, we examine only the period immediately prior to and following peace agreements. But it is rarely obvious precisely when an agreement will be signed. Limited efforts to protect or restore livelihoods, protect or restore limited state capacity in service sectors (education, health), or to simply deliver services, can build confidence in a peace process and ease the path to recovery. Pre-recovery activities are often warranted, subject to obvious political constraints.

Evidence from cases

12. Recent cases demonstrate the need for continued reform. In Timor-Leste, a comprehensive failure to invest in the security sector, in agriculture, and in youth employment during the first phase of UN administration contributed to the political/institutional crisis of 2006, leading to the need for a follow-on mission and new investment. Why? Reluctance by the Security Council to see the mission budget incorporate core statebuilding functions, a donor allocation of capacity building to UNTAET and reconstruction to the World Bank and ADB, and sometimes divergences between the mission and development actors on political strategy undermined the ability of the international community to deliver on the Joint Assessment Mission’s unifying plan that prioritized state recovery. A lack of standing capacity meant that few individuals existed to plan strategy; in the priority health sector, this capacity gap was addressed through dedicated and unified leadership across Timorese and internationals, but a lack of capacity more broadly meant that capacity remained thin. Efforts on the police and rule-of-law sectors were especially weak; donors and the UN, seeking to avoid confrontation with emerging Timorese leadership in the justice sector, missed opportunities to convene dialogue and deliver assistance in that critical area.
13. In south Sudan, there was a slow start to disbursement of development funds. Sudan illustrates a Catch-22 of early recovery: development funds have gone unspent because nascent government authorities have not yet established priorities for development or systems to disburse – but the purpose of these funds should *precisely* be to build the capacity of the nascent government to do so.
14. In Afghanistan, funding has been slow to disburse. However, few would contest that in Afghanistan the problem is not primarily one of funding but one of strategic coherence. While the government put forward a clear strategy as early as 2002, many donors followed their own strategies, most aid flowed outside government systems without transparency, and different parts of donor governments pursued different and contradictory strategies. Only late in the day have the most powerful actors in Afghanistan come around to the realization that competing strategies equals no strategy, and have set up joint coordination arrangements chaired by government and the UN and accepted the merit of giving the UN SRSG the necessary support to lead international efforts on the political front.

15. There have been some bright spots. In Lebanon, the system was flexible enough to work through municipalities in the face of central government paralysis; in Nepal, the Danish government adopted an innovative and flexible strategy and funding instrument; in Afghanistan, the UNDP start-up fund provided basic office equipment and paid salaries after the Bonn Accords for six months until the Afghanistan Reconstruction Trust Fund began to fund recurrent costs of government within an accountability framework. In Haiti, after decades of missteps, the new UN mission has used the blended tools of diplomacy and force to good effect, and has worked with the international financial institutions to forge a clear strategy for longer-term recovery, focused on rule of law and economic reform – though implementation of that strategy will be a serious challenge.

Key findings: “No strategy without capacity”

16. Our analysis identified three primary weaknesses in international performance in early recovery:

- A **strategic gap** – there was little evidence of strategy that encompassed political, security, development and humanitarian tools across bilateral and multi-lateral actors; and no framework for prioritization.
- A **financing gap** – instruments are neither flexible nor dynamic enough. Specifically:
 - there is a gap in funding for *standing capacity for strategic planning at country level* –
 - there is a gap in funding for *political implementation* –
 - there is a gap in funding that is *realistic, flexible, and responsive* –
 - there is a gap in the ability to *spend development money early*.
- A series of **capacity gaps** – in leadership capacity; in implementation capacity; in sheer availability of civilian resources, and in a lack of training for purpose. **While there have been joint assessments of reconstruction needs by multilateral donors, these have rarely integrated recovery and development with security and the political agenda, and bilateral efforts to are poorly coordinated and prioritized.**

17. These gaps neither exist in nor can be solved in isolation. The strategy gap both drives and is driven by the funding and capacity gaps; providing funding in the absence of capacity to execute or strategy to guide will not address these challenges. **A serious response must work across these three gaps.**

18. Linked to the ‘strategy gap’ is a **‘peace process gap’** – i.e., the lack of strategy for implementation of peace agreements. Some of this is endemic to the nature of negotiations: if all obstacles to implementation were raised during mediation, no agreement would ever be signed. Nevertheless, effective support to peace processes on fiscal and socio-economic issues could ameliorate this problem.

19. All of these are set in a **national political context**. Sometimes this is described as a **‘national gap’**, and sometimes it is – most acutely when ministries have extraordinarily limited human resources (e.g. C.A.R), but also when governments are constrained by unresolved political issues (Lebanon), or have neither experience with nor systems for planning. But national capacity is often overlooked or underestimated; or absorbed into NGOs and UN agencies rather than supported within national structures. And national capacity may exist in diaspora or refugee communities. **A critical flaw of early recovery efforts is that they do not start with an assessment of national capacity, or of the ‘the state of the state’.**

20. While our analysis focuses on early recovery, these activities are undertaken by actors within established institutions, many of which have **business practices** unsuitable for early recovery – especially in the areas of human resources, procurement, and IT systems. A risk management approach is needed that balances fiduciary risks with the risk of return to conflict.

Natural Disasters

21. The terms of reference for this study explicitly focused on early recovery after *conflict*, and specifically excluded work on natural disaster recovery. This was a decision dictated by expertise, focus, and extreme time constraints, and not of a view that recovery from disaster is not an important topic for investment. Some of the challenges of recovery are constant across post-conflict and post-natural disaster contexts. There can also be important

differences, often in government capacity, usually in government consent (though recent experience in Myanmar highlights that there are exceptions to that rule). Many of the gaps identified herein have analogs in natural disasters, and could be met with variants on our proposals.

Programming for Early Recovery: A different approach

22. The evidence also shows that the necessary action in the early recovery phase fits poorly with the main existing tools/actors. It is political, but requires a focus on socio-economics and programs. It is developmental, but requires risk taking, political/conflict sensitivity, and speed of maneuver. It operates alongside humanitarian space, but requires a focus on the state. The ability to integrate political nous with economic strategy, to balance short term and medium term results, and do so with a degree of flexibility normally characteristic of humanitarian action exists in the very best SRSGs/Deputy SRSGs, agency heads and in-country donor representatives, but is in short supply in the system as a whole. Far from encouraging this kind of action, donor, partner country and international systems militate against it. They are **un-integrated, respond to disparate incentives, operate on different timelines and budgets, and are rarely forged into a common strategy with clear priorities.**
23. The initial evidence also suggests the need to tackle early recovery through a different approach. **The deeply political nature of post-conflict recovery** cannot be overstated. Decisions that in normal development contexts have low costs can in early post-conflict contexts have serious repercussions, putting a premium on training and conflict sensitivity. Moreover:
- *Capacity building programs need to be willing/ able to take risks to build national capacity absent clear national direction.* In early recovery, where government is not organized to articulate priorities except at the broadest level, it is possible to identify key steps that must be taken to facilitate government leadership and support local capacity and ownership. Priorities for institution building are needed that help governments develop core decision making capacity in the most critical areas for success. Paralysis in waiting for government to have the capacity to lead delays the point where the government can do so. This must be undertaken with great care, however, to ensure (a) that international action does not displace national ownership over time and (b) to avoid building national resentment of external action.
 - *“Good enough development” is necessary..* The objectives of early recovery programming are to help implement peace, secure stability, and begin to restore state capacity. Given these objectives, and the frequent lack of counterpart capacity and ownership, programming that meets lower standards of sustainability is sometimes necessary. This means a willingness to spend money to secure the peace dividend – in ways that may not be ideal in the long term, but that serve the important short term goal of stability and sustainability of recovery. However, there is a risk that neither peace nor development objectives are achieved if quick impact projects fall apart, leading to disillusionment by citizens, usually around the time when euphoria from the peace agreement is running low. The art is to choose early interventions that are consistent with longer term objectives and which generate early, visible results, e.g. road maintenance, while putting in place the institutions to make them sustainable.
 - *Programming needs to be more fluid and flexible.* Reality must drive programming, supported by assessment, strategy, and planning. This requires adaptability to shifting political climates, shifting institutional capacities and underlying political, social and economic realities. Innovative methodologies to deliver will be required in post-conflict contexts, including continuous assessment of results and institutional capacity, and the willingness to exit programs that are no longer relevant.
 - *Early recovery programming needs to manage risks and strike the right balance among them.* There has long been acceptance of higher levels of risk in the humanitarian sphere. Any lowering of fiscal standards needs to be balanced against the costs of a delayed or slowly implementing program. In the months after a peace agreement, more of the burden of accountability may fall on international actors. The risks of misuse of funds or abuse of position are higher in an environment of weak institutions and this requires a policy of zero tolerance and firm action when something inevitably goes wrong. It also means that donors must be willing to sacrifice the donor flag to common strategy and to take greater risks than are the norm in traditional programming. The cost of not taking risks is high.

24. Reflecting these tensions, much criticism from practitioners was attached to the dominance of the Millennium Development Goals and the poverty reduction paradigm in the early recovery sphere. The goal of post-conflict efforts is the development of a state that is able to manage its political process and build a social contract; sustain its own security; respond to its people's demand for development; and uphold international principles such as human rights. Yet if this is not done well the legitimacy and capacity of the nascent state can be undermined and the partnership between country and international community broken. Fortunately, capacity in-country, especially when reinforced by diasporas, is usually greater than it first appears. Many short term investments designed to produce early results are consistent with longer term development and poverty reduction goals. **The goal of early recovery is to create a solid platform for this: enough national capacity to carry that process forward; and enough momentum on the political process and enough activity on the economic front to sustain confidence at both elite and popular levels in the viability of the political alternative to conflict.**

Donors

25. The development community as a whole has been slow to recognize the specific imperatives of recovery after conflict, or to prioritize them. Country programs may operate in silos that do not recognize that the costs of conflict spread beyond the country at war. At the level of bilateral donor governments, there has been until late **a failure of vision** to place the necessary resources or political priority on conflict-related (preventative or curative) development, or to change business practices to accommodate it. This has had a significant knock-on effect on the multilateral system. Five specific problems characterize donors' efforts:

- *Bad donorship.* Despite OECD progress, donor funding remains insufficiently flexible, predictable, or timely; rather, it is frequently earmarked, and subject to swings in scale, delayed disbursement, and a plethora of unsynchronized and unrealistic reporting requirements and conditions. Results depend on how aid is delivered is almost as much as the volume. The Accra Agenda for Action from the 3rd High Level Forum on Aid Effectiveness may set out new international agreements on aid generally and for countries in fragile situations in particular.
- *Specialized should not equal marginalized.* Yes, there are specialized aspects to early recovery, but there needs to be a coherent response. Those leading in-country early recovery efforts need to be able to lean on counterparts in infrastructure sections, or capacity-building teams, who are trained in conflict-sensitive development and willing to acknowledge the political framework in which they act, and to work together. They also need to be able to access and influence longer-term development programming.
- *Who Guards the Guardians?* Donors have understandably placed increasing emphasis on accountability, especially on anti-corruption. But accountability of recipients to donors tends to displace the accountability of recipient states to their citizens vital for securing a legitimate and sustainable state. And donors remain largely unaccountable beyond their national systems. It is near impossible to track early recovery spending, and there is reluctance/inability to explain what is being spent where, when, and why.
- *Aid orphans.* Outside Iraq and Afghanistan, only the D.R. Congo makes it onto the 'top 15' list of recipient countries ranked by number of donors spending, but on a per capita basis receives much less than most other countries. A major challenge ahead is creating a credible process – within the OECD – that recognizes the regional and global costs of conflict, whereby traditional and emerging donors can collectively identify 'aid orphans' and share responsibility for long-term funding relationships.
- *Critical funding gaps.* Donors need to give attention to those areas where relevant international expertise is lacking, most notably in establishing an effective police force that is sensitive to local culture and legal conditions and a system of justice. Establishing the rule of law and ending impunity is a critical aspect of early recovery.

26. Some of this has begun to change. The World Bank has recently set conflict recovery as one of six main institutional priorities and has initiated some financing process, organizational and human resources reforms to this end. UNDP has Conflict Prevention and Recovery as one of its four focus areas, though funding allocations have not yet followed. Some donors (e.g. Sweden) have re-organized to raise the priority of post-conflict cases and ease access to development funding. Many have adopted 'whole of government' approaches, though implementation remains a challenge. The Accra process on development effectiveness has begun to articulate the specific needs of recovery. Non-traditional donors such as South Africa, India, and Brazil have begun to

invest in post-conflict action. **Political leadership** remains necessary: effective multilateral systems rest on effective national ones.

Conclusion

27. As governments (traditional and non-traditional donors) begin to make serious changes to the way they approach development in conflict, they can also drive reform at the multilateral level. This will require engagement in the Peacebuilding Commission and country level fora, and with the system leaderships – especially the UN Secretary-General, the UNDP Administrator, and the President of the World Bank – and different approaches in governing boards, ECOSOC and the General Assembly. **Some steps can be taken quickly, to generate improved performance within existing arrangements.** There is no ‘easy path’ or ‘recipe’ for effective statebuilding. There are, however, steps that can be taken to support these processes, faster.
28. A more sustained answer will require **raising the profile of development in conflict** (or of conflict in development); increasing the prioritization of spending in fragile and conflict-affected states; and increasing the authority of post-conflict or fragile states units over in-country programs.
29. This would be a vital step in moving towards a system with **clear division of labor** around priority tasks. The forthcoming Memorandum between the World Bank and the United Nations lays out a platform, appropriately, where such coordination would be driven at the country level, based on presence and capacities. The signature of this Memorandum (and the accompanying Annexes) will provide a crucial first step towards clarity at the operational level for this division of labour. Further work, however, will be necessary to ensure that future investment in the overall capacity of the system is coordinated – building, for example, on the World Bank’s expertise in Public Administrative Reform, on BCPR’s work in the justice sector, on DPKO’s experience in SSR and on DPA’s work with constitutions and elections – rather than duplicating capacities. For the UN system in particular, the Secretary-General could use the report requested by the Security Council on 20 May to clarify **core functions and accountability.**
30. The Secretary-General – using the **Peacebuilding Support Office** and/or the **Policy Committee** – also has critical responsibilities: for triggering action, and for ensuring that the international system comes together around effective strategy in support of the in-country lead: ideally, a well-qualified **SRSG with effective authority**, supported by a **properly resourced Deputy SRSG/RC¹** – linked to effective **donor coordination mechanisms** and a well-resourced and coherent **Country Team.**
31. Success will depend also on continuing efforts to achieve the goals of the **‘integrated mission’** process, but flexibly so; on applying the **‘One UN’** concept to conflict settings; and to realize the ambitions behind the creation of the **Peacebuilding Commission.**

Summary of Recommendations

32. International action in early post-conflict recovery should be aligned against two core objectives: implementing the peace agreement; and building national capacity to sustain the political process, maintain security, and lead national development efforts. The report and the evidence stress that the creation of national capacity is both primary, and is currently poorly done. The following set of recommendations focus on mechanisms that exist for international intervention, and on how they can best be improved:

Closing the Strategic Gap. Strategic integration of early development with security, political reforms, development and humanitarian assistance, while maximizing country ownership and minimizing the risks to state-building, will involve different sets of actors depending on the country. The ability of UN in-country leadership to rapidly coordinate effective strategy for early recovery would be enhanced if they could draw on:

¹ In countries where there is no SRSG, the RC would need to have the authority and be properly resourced.

- (1) **Integrated Standing Early Recovery Strategy Teams** (INSERT). Such teams could be led by experienced RCs/Deputy SRSGs/World Bank Representatives and comprised of 10-15 experts with experience in post-conflict recovery in a range of sectors (e.g. public administration, public finance, agriculture, security sector reform.) These teams could stay in-country for 3-4 months, working with the mission and the Country Team as well as bilateral actors to help develop shared strategy. They could also be deployed where no peacekeeping/political mission is planned, to support the UNCT. They should be housed at PBSO or BCPR and deployment should be triggered by the SG.
- (2) A standardized but light and flexible version of the **Integrated Peacebuilding Strategy** piloted by the PBC, and a 'light' Post-Conflict Needs Assessment process (as being explored by UNDP/G and the World Bank.) This should include rapid implementation of a **'state of the state' assessment** – along the lines modeled by the Institute for State Effectiveness. The INSERT teams could work on the development of such tools (and links to others such as mission planning) when not deployed. Also, the 'peace process gap' could be ameliorated if there was a flexible link between the INSERT teams and the Mediation Support Unit.

Closing the financing gap. A more effective system for financing early recovery can be accelerated by:

- (1) Expansion of the use of the PBF to support operational spending around political activities by SRSGs, and to provide INSERT teams with limited seed funding.
- (2) Following the Accra meeting on aid effectiveness, establishment of an Early Recovery Financing Task Force. A Task Force of bilateral actors should work on reform of their own development systems – goals should include **reprioritization of funds towards conflict-affected states; and new mechanisms to ensure early, easy access to those funds**, with higher acceptance of risk. They should work together, to align bilateral approaches, and they should consult frequently with the World Bank, the UN leadership, and experienced SRSGs/RCs. They could work through the OECD to (a) identify 'aid orphans', (b) share responsibilities for taking up new countries with long-term commitment, while properly supporting other existing mechanisms..
- (3) An in-country pilot of an Early Recovery Fund (similar to the Common Humanitarian Funds, or an MDTF light) could be developed *if* action on the in-country pilot does not detract from the goals of the Task Force *and* the funds are additional not simply redirected. SRSG authority over spending from such funds would strengthen strategy processes. Existing models, such as the Afghan Interim Authority Fund, may be useful to prevent an unnecessary proliferation of instruments. The financing accords being finalized between the World Bank and the UN open the possibility to financing early recovery through single multi-donor trust funds at the country level.
- (4) Continued expansion of the peacekeeping assessed budget for core activities supported by DPKO, especially in the areas of police, corrections, and security sector reform.

Closing the capacity gap. To fill the gap in civilian capacity, several steps will be needed.

- (1) Shared assessment of need, and establishment of a 'clearing house' to coordinate national efforts.
- (2) Development of strategies for building (or mobilizing) civilian capacity in the global South for deployment into multinational operations.
- (3) Investment in multilateral planning capacity, training, and stand-by teams for core sectors such as security sector reform, establishment of effective police and the rule of law (modeled on the standing police capacity at DPKO).