



**CENTER ON  
INTERNATIONAL  
COOPERATION**

## **The Check Is in the Mail: Improving the Delivery and Coordination of Post-Conflict Assistance**

**STEWART PATRICK**

Research Associate  
Center on International Cooperation  
New York University  
December 1998

THE CHALLENGE OF POST-CONFLICT RECOVERY

SLOW DISBURSEMENT OF PLEDGED FUNDS

PROBLEMS WITH THE PLEDGING PROCESS

INADEQUATE SYSTEMS FOR TRACKING AID FLOWS

DONOR INCONSISTENCY OVER CONDITIONALITY

DIFFICULTIES LINKING RELIEF AND DEVELOPMENT

GROPING TOWARDS COORDINATION: NEW ACTORS, NEW INSTRUMENTS

CONCLUSION

During the 1990s the international donor community has pledged more than sixty billion dollars in aid to assist the recovery of three dozen war-torn countries [2](#). From Cambodia to Bosnia, Rwanda to Guatemala, and Tajikistan to Liberia, multilateral and bilateral donors have supported post-conflict peace-building with generous packages of grants, concessional loans, debt forgiveness and technical assistance. Providing a bridge between emergency humanitarian relief and long-term development, these financial, material and human resources are designed to ease the transitions from war to peace and from endemic poverty to sustainable economic growth. The outcome of these efforts will shape the fates of long-suffering peoples and the future of international peace and security.

It is thus disturbing to discover that in many situations a significant proportion of the promised reconstruction aid either never materializes or does so only very slowly. Despite ostensible good intentions, too often aid pledged is not committed, aid committed is not delivered, and aid delivered arrives too late [3](#). Moreover, the planning and implementation of mobilized resources frequently suffers from inadequate preparation, poor coordination and lack of perseverance. In some instances the precise amounts, sources and contents of pledged aid remain vague, as do

the specific conditions attached. At a minimum, these deficits encourage skepticism on the part of donors, recipients, and their publics about the ultimate value of the vast amounts purportedly committed to reconstruct war-torn societies.

Both donors and recipients share responsibility for shortcomings in the design, delivery and implementation of aid. While recognizing this shared culpability, this paper focuses on procedural and institutional failures within the donor community, which tend to be consistent, rather than on the (often idiosyncratic) weaknesses of particular war-torn states. These donor shortcomings include (1) slow disbursement of pledged funds; (2) weak mechanisms for pledging and mobilizing assistance; (3) inadequate devices for tracking aid flows; (4) inappropriate forms of aid conditionality; (5) poor articulation between relief and development efforts; and (6) weak coordination within the donor community. The paper proposes potential reforms to correct these deficiencies.

## THE CHALLENGE OF POST-CONFLICT RECOVERY

The end of the Cold War raised hopes within the international community that the formerly marginalized United Nations and its member states might employ the anticipated "peace dividend" to repair the ravages of the superpower competition in many war-torn societies. Not only was massive aid not forthcoming, but a new set of intrastate conflicts erupted, some ninety in number between 1989-1996 <sup>4</sup>. The reinvigorated UN system found its capacities taxed by "complex humanitarian emergencies" involving chronic violence, the breakdown of governance, the collapse of civil society, the destruction of physical infrastructure, the disappearance of commerce, the displacement of populations, and massive human suffering. The initial international response was primarily humanitarian, so that by 1996 half the UN aid budget and ten per cent of global Official Development Assistance (ODA) was devoted to relief. But as the humanitarian tide has crested and the chance for peace has reemerged in many areas, the focus of international assistance has turned to laying the foundation for durable peace and recovery.

By 1998 some forty countries were enduring or emerging from protracted civil violence. (Table 1). More than half of these ranked among the poorest in the world -- and the furthest from international development goals. Just as grinding poverty helps ignite conflict, so it complicates subsequent recovery.

**Table 1: Countries In Conflict or Emerging from It, 1988-1998**

AFRICA	AFRICA	EUROPE	EUROPE	AMERICAS	MIDDLE EAST	ASIA
Angola+	(cont.)	Mali+	Armenia+	Columbia*	Algeria*	Afghanistan*
Burundi+	Mali+	Mozambique+	Azerbaijan+	El Salvador+	Lebanon+	Cambodia*
C.A. Republic+	Mozambique+	Namibia+	Bosnia-	Guatemala+	West Bank/Gaza*	Sri Lanka*
Chad+	Namibia+	Niger+	Herzegovina+	Haiti+	Yemen+	Tajikistan*
Congo+	Niger+	Rwanda+	Croatia+	Nicaragua+	Iraq+	
D.R Congo*	Rwanda+	Sierra Leone*	Georgia+	Peru+		
Djibouti+	Sierra Leone*	Somalia*	Yugoslavia*			
Eritrea+	Somalia*	South Africa+				
Ethiopia+	South Africa+	Sudan*				
Guinea-Bissau*	Sudan*	Uganda+				
Liberia+	Uganda+					

(\* = current conflict; + = in transition/post-conflict)

Sources: United Nations, World Bank, OECD

International efforts to help reconstruct war-torn societies fall under the rubric of "post-conflict peace-building." Introduced by UN Secretary-General Boutros-Ghali in *An Agenda for Peace* (1991), this concept denotes collective action to support structures that consolidate peace and reduce the chance of a relapse into conflict. Post-conflict recovery requires not only rebuilding physical infrastructure but also reconstituting critical social institutions. Bilateral donors, multilateral organizations and NGOs have undertaken myriad initiatives, helping war-torn states to: draft and implement peace accords, plan and monitor disarmament, demobilize and reintegrate combatants, repatriate refugees, resettle displaced persons, provide essential services, restore human security, establish the rule of law, monitor human rights, conduct democratic elections, reform political institutions, strengthen local governance, rebuild social capital, replace obsolete infrastructure, restore productive capacity, reconstitute financial institutions, and revive commercial activity. Such activities are broadly consonant with the UN Charter's primary objective -- "to save succeeding generations from the scourge of war" -- and with Member State commitments to "create conditions of stability and well-being" and "promote higher standards of living." Despite setbacks in Somalia, Angola, Rwanda and elsewhere, the "validity of the concept of post-conflict peace-building" was reaffirmed in Boutros-Ghali's *Supplement to An Agenda for Peace* (1995) and in Kofi Annan's reform package of July 1997.<sup>5</sup>

Post-conflict reconstruction generally commences with the signature of peace accords and lasts until a degree of political normalcy is restored, typically from two to five years. Although each post-conflict situation (like each conflict) possesses unique attributes, recovery typically involves a "triple transition": from war to peace; from a controlled to a market economy; and from authoritarianism (or totalitarianism) to democracy.<sup>6</sup> The precise sequence and duration of these transitions varies across cases.

Although post-conflict recovery has gained prominence on the global agenda, it has done so in an environment of budgetary belt-tightening. Since few OECD donors are likely to approach their agreed target for development assistance of .7% of GNP, aid donors and recipients must make maximal use of the modest resources available. To date, their record has been mixed.

Both recipients and donors share responsibility for failures in aid delivery and implementation. On the demand side, states recovering from war often lack both the absorptive capacity needed to manage considerable sums of money emanating from diverse foreign sources for multiple purposes and the administrative structures required to design and implement comprehensive plans for reconstruction. Insufficient human resources, immature political institutions, underdeveloped legal frameworks, limited transparency, and persistent (or resurgent) internal disputes can undermine good governance and encourage official corruption. Whether through venality, incompetence, or misfortune, recipients sometimes fail to meet even the most generous loan conditions established by the World Bank, the IMF or OECD donors. Post-conflict Haiti, where the international community has pledged more than \$2 billion for 1995-9, may represent the starkest example.<sup>7</sup>

It would be too easy, however, to lay all the blame at the door of war-torn societies. On the "supply" side, the generous pledges announced at initial and subsequent multilateral conferences may in reality consist of little more than a repackaging of previously committed funds. Rather than responding to the urgent needs of recipients, donor governments at times design aid packages to reflect their own political and pecuniary interests -- or the interests of their national service providers. In general, poor coordination among donors, and between donors and other relevant actors such as NGOs, results in duplicated or contradictory efforts, poorly allocated resources, inappropriate projects, and unsustainable programs. In some cases, UN peace-building initiatives collide with World Bank and IMF structural adjustment programs. Impatient with slow progress towards recovery and preoccupied with domestic concerns, donors tend to tire of expensive commitments, particularly in distant lands that are no longer on the brink of catastrophic collapse or that promise little in the way of concrete returns. Yet unsustainable and unpredictable disbursements can wreak havoc on reconstruction and peace-building efforts.

## SLOW DISBURSEMENT OF PLEDGED FUNDS

Peace accords, and the aid commitments that accompany them, generate tremendous expectations within war-torn societies. The successful transition to stable peace and recovery depends on timely aid delivery during the fragile post-conflict phase. Generous pledges mean little unless they can be translated promptly into accessible, flexible resources that address reconstruction priorities and make tangible improvements in the quotidian lives of long-suffering populations.

Given the pressing needs of recovering societies, it is demoralizing to learn that much of the aid pledged by the international community never arrives, or does so only after considerable delays. In the words of the World Bank,

Pledges are made, but commitment takes longer, and there is a considerable lag before actual disbursement takes place. Sustainable transitions out of conflict take several years, yet there is a tendency for donors to disengage once the conflict has receded from public attention [8](#).

Such delays are exacerbated by lengthy bureaucratic formalities, protracted legislative reviews and cumbersome procurement procedures. Several examples will illustrate the point.

In October 1993, following the Israeli-Palestinian Declaration of Principles, donors pledged some \$2.4 billion over five years to lay the economic foundation for Palestinian self-rule. However, less than ten percent of that money had been provided by the end of 1994. By June 1997, the top ten donors to the Palestinian Authority had pledged collectively more than \$3.4 billion and committed nearly \$2.8 billion to the PA, but less than half of the latter total had been disbursed [9](#). (See Table 2) The United States, ostensibly the largest donor, had delivered on only two-fifths of its initial pledge. Donors blamed rigid Palestinian centralization, local corruption, an uncertain legal framework, and Israeli intransigence (particularly periodic border closures) for the slow aid delivery. Meanwhile, the Palestinian Council for Reconstruction and Development (PECDAR) complained of competing donor agendas, inappropriate aid conditions, and insufficient donor pressure on Israel.

**Table 2: Aid Flows to the West Bank and Gaza Strip, June 1997 (millions of dollars)**

Donor pledged committed disbursed

<u>Donor</u>	<u>pledged</u>	<u>committed</u>	<u>disbursed</u>
US	500	296	207
EU	357	357	230
EIB	300	89	n/a
Japan	256	231	232
World Bank	230	185	66
Saudi Arabia	200	185	83
Netherland	151	150	90
Germany	150	149	89
Arab Fund	150	149	0
Spain	123	122	31
Total	3439	2799	1514

Source: *Financial Times*

Cambodia has experienced similar difficulties with the uneven disbursement of approximately \$3 billion the donor community promised to support its postwar recovery. Of \$880 million pledged at the Conference on Rehabilitation and Reconstruction of Cambodia in June 1992, only \$100 million had been disbursed by the following March, just \$200 million by September 1993 (when the new government was formed), and only \$460 million by the end of 1995. The "exceedingly slow" pace of aid disbursement was partly a result of donor interest in high profile, large-scale projects requiring extensive planning. Many donor-driven projects were inappropriate for Cambodia's priority needs and development situation and barely touched rural areas outside Phnom Penh; indeed, "whole regions of Cambodia" failed to see "any tangible evidence of reconstruction." Embarrassed by their performance in disbursing aid, some donors asked the Cambodian government not to release data on aid flows after 1995. [10](#)

Slow delivery of pledged reconstruction assistance was also one of the major criticisms made by the Joint Evaluation of Emergency Assistance to Rwanda, an unprecedented multi-donor effort to assess the aid response of the international community to a humanitarian emergency and its aftermath. Whereas emergency relief to Rwanda flowed smoothly, "financial support for national recovery has been surprisingly slow," especially "in light of the potential social, political and economic costs of delays." This was particularly true of funds pledged at the January 1995 Round Table Conference for Rwandan reconstruction, which established a mechanism for tracking disbursements. (See Table 3) Of the seven hundred million dollars pledged, only \$68.1 million -- less than ten percent -- had been disbursed by mid-year, and only one-quarter was actually received in Rwanda. Moreover, the government could use only \$22.8 million of this (less than 3% of aid pledged) for balance of payments support, equipment purchases, and technical assistance. Much of the remainder was either re-packaged "old money" or needed to clear arrears to the World Bank and the African Development Bank. By the end of 1997 two UNDP-organized Roundtable conferences had mobilized 2.86 billion, but only \$1.18 billion had been delivered. [11](#)

**Table 3: January 1995 Round Table for Rwanda: Financial Tracking (\$ Millions)**

	<b>requested</b>	<b>pledged</b>	<b>committed</b>	<b>disbursed</b>
Date (1995)	January	May	September	September
Financial Support	189.9	186.2	111.2	50.1
Repatriation and Reintegration	273.7	65.6	42.7	25.5
Rehabilitation and Reconstruction	300.9	314.2	284.5	94.1
Outside Round Table/Unallocated	0.0	141.3	84.6	75.3
<b>TOTAL</b>	<b>764.2</b>	<b>707.3</b>	<b>523.1</b>	<b>245.1</b>

*Source: Joint Evaluation of Emergency Assistance to Rwanda*

To some degree, delays in delivery reflected Rwanda's limited absorptive capacity, particularly a shortage of skilled personnel in the aftermath of genocide, and reasonable donor doubts about the accountability and legitimacy of the new government. But delays were also generated by inter-donor disagreements over channels of aid; cumbersome procedures for designing and approving development projects; Rwanda's difficulties in accommodating the requirements and

procedures of multiple donors; and questionable donor use of explicit and implicit conditionality. Partly because humanitarian relief flowed more swiftly than recovery assistance, two-thirds of the \$2 billion spent during the first year of the crisis went to refugees in asylum countries, rather than to genocide victims in Rwanda. Chastising the donor community, UNDP's Resident Representative in Rwanda warned: "delays in translation of development assistance into projects with tangible impact result in immense frustration on the part of recipient governments who receive large pledges of assistance but do not see all of the money arrive in the country." [12](#) Many donors, meanwhile, perceived that much of the aid that did arrive was wasted.

Both recipient and donor shortcomings have likewise played a role in Tajikistan. Here, a deteriorating local security situation has impeded disbursement of aid, including the \$96 million pledged at the November 1997 Vienna Conference on International Support for Peace and Reconciliation. However, UN officials add that UNDP's weak capacity in the field also hindered the elaboration of detailed proposals for reconstruction and a systematic analysis, evaluation and tracking of pledges. [13](#)

Similar aid complications, lags, and shortfalls have plagued other post-conflict transitions, including those in Lebanon and Mozambique. [14](#) The consequences are potentially grave. Insufficient external financial and other resources may exacerbate political instability and prolong economic stagnation; the two may then feed off each other to make recovery a more distant prospect. Noting that any "delay in releasing pledged assistance means that much-needed resources are not available for meeting urgent reconstruction needs," the multi-donor assessment of aid to post-genocide Rwanda urges donors to "suspend their normal administrative procedures in order to disburse funds." As the Swedish Ministry of Foreign Affairs notes, "*Pledges which are not honored frustrate the credibility of aid as well as of key players on the ground whose activities and mandate depend on timely access to aid resources.*" [15](#)

## **PROBLEMS WITH THE PLEDGING PROCESS**

As the experiences above suggest, the pledging conference is a common institutional feature of most international efforts to support reconstruction. In these multilateral gatherings, donor states, UN agencies, and international financial institutions meet with representatives of a post-conflict state to evaluate its proposed recovery plan and to promise aid to help finance this program. In return, donors insist that the recipient consent to meet certain aid conditions. Such collective pledging fora have certain advantages for donors, recipients and implementing agencies. Unfortunately, a combination of institutional and procedural flaws often undercuts the promise of these meetings.

For donors, pledging conferences are attractive partly in providing a mechanism to implement and mediate multilateral cooperation. "Insofar as foreign aid is intended for developmental and humanitarian purposes," James Boyce notes, "it has the qualities of a public good." By lowering transaction and information costs and making the efforts of counterparts more transparent, these gatherings reduce temptations and opportunities to "free ride" on the contributions of other donors, thus increasing the prospects of equitable burden sharing. [16](#) In addition, of course, pledging conferences allow donors to consider the recovery plans and aid requests of war-torn states, to shape reconstruction priorities, and to establish, publicize and enforce aid conditions. Finally, joint pledging may make it easier for donors to win domestic popular and legislative support for foreign assistance.

From the perspective of the recipients and implementing agencies, the conferences offer high-profile occasions to concentrate the minds of donor governments, to mobilize international resources and to gain public assurances that at least some of their needs will be met. On the other hand, pledging conferences possess an element of "political theater," as donors exaggerate the generosity of their aid packages to win the approval of recipients or domestic constituencies.

In multiple conversations with this author, officials at the United Nations, the World Bank, USAID and other bilateral and multilateral institutions cautioned that the heroic sums often pledged at multilateral conferences must not be taken at face value. Such pledges may involve considerable "legerdemain" (if not "prevarication"), as donors inflate their figures by "double-counting" amounts previously promised -- or already delivered to an implementing agency that will subsequently report them, too. Alternatively, donors may pledge large amounts that they cannot deliver, either ever or any time soon. In post-genocide Rwanda, for instance, donors were vague about whether the funds they pledged at the Roundtable were to count for only one or for multiple years. Moreover, an international assessment noted, "numerous old multi-year projects interrupted by the war [had] been reconfigured and included in pledged assistance," presumably to make them seem as generous as possible. [17](#)

The tendency to "dress up" modest pledges may be all-too human, but it raises unrealistic expectations and increases the likelihood of subsequent disillusionment and cynicism. The risk of dashed hopes is especially great if the recipient government is inexperienced, and thus unfamiliar with the conditions and delays associated with aid delivery. Rwanda provides a vivid example. According to one World Bank official, euphoric Rwandan officials reacted to the first pledging conference in 1995 "as if they had been handed a billion dollars in small bills." [18](#) Subsequent delays produced great disillusionment.

The international community might take a number of steps to reduce the weaknesses of current pledging conferences. First, donors must police themselves to guarantee that their pledges are honest, realistic, and transparent. Second, they must develop procedures to ensure that the composition of aid packages is driven by the objective needs of recipients rather than (as so often happens) by donor priorities. When making pledges, donors "pick and choose" among expenditure categories, geographic regions and aid sectors (e.g., public infrastructure rather than refugee reintegration). Consequently, some sectors that essential to recovery, like agriculture and education, are chronically under-funded. Many recovery efforts have been marred by an excessive focus on target groups (like ex-combatants), creating "islands of assistance" that exclude vulnerable segments of the population. Likewise, donors tend to favor "sexy," high-profile projects in capital cities, rather than smaller-scale quick-impact initiatives in rural areas. Similarly, the donor preference for "tied" aid (and for bilateral aid in general) produces a fragmented assistance regime and places heavy administrative burdens on recovering countries.

Donors often increase this burden by declining to finance the recurrent expenditures of state administrations, one of the most crushing costs facing fledgling post-conflict governments. The World Bank had difficulty mobilizing co-financing for postwar budgetary support in Bosnia-Herzegovina, Cambodia, El Salvador and Rwanda, delaying the provision of essential public services and undermining popular commitment to peace.[19](#) Donors need to embrace creative instruments like the (World-Bank sponsored) Holst Peace Fund, indispensable to the functioning of the Palestinian Authority in the West Bank and Gaza Strip. Donors must also be willing to finance peace-related activities: Despite the appeals of the United Nations, for example, most donors declined to support a new civilian police in El Salvador.

Finally, donors should consider formalizing the guidelines for pledging fora, including Roundtables and Consultative Groups, to make them less *ad hoc*. Such guidelines might establish common principles between donors and development partners. They might also specify criteria for participation in these meetings, including a role for accredited non-governmental organizations (who are sometimes observers but rarely shape aid priorities and conditions). In addition, the guidelines could outline mechanisms for reaching collective agreement on a comprehensive recovery plan to which all parties can commit and against which donors can make pledges. Finally, to ensure longitudinal continuity, the guidelines should establish robust follow-up mechanisms to coordinate and track aid delivery.

## INADEQUATE SYSTEMS FOR TRACKING AID FLOWS

This last point deserves special emphasis. The donor community is unlikely to improve on its record of aid delivery unless it adopts a comprehensive, readily accessible database (or databases) to track the pledges, commitments, and disbursements to countries emerging from violent conflict. Despite efforts to standardize reporting among DAC members, it remains difficult for third parties to establish firm data on flows of aid for postwar reconstruction. Much of this opacity, disturbingly enough, appears intentional.

Carl Bildt, High Representative for Bosnia and Herzegovina, described the problem in this appeal at a Donor's Information Meeting in Brussels on January 9, 1997:

We need to have honest numbers and more rapid efforts if we are to be successful. There is always a tendency towards creative accounting when it comes to governments making pledges. But such attempts backfire sooner or later. We should no longer tolerate such attempts but make certain that we have honest figures and honest commitments. [20](#)

Although bilateral and multilateral donors insist that aid recipients maintain high standards of "accountability" and "transparency," they do not always apply those standards to their own conduct in revealing the status of their pledges, commitments, and disbursements. Indeed, this writer was rebuffed in multiple requests for such information on war-torn countries by the World Bank's Africa Region bureau (which tracks such flows), on the grounds that "the [bilateral] donors do not want us to release this data." This attitude is generally consistent with the findings of a multi-country study on pledges of aid to countries undergoing economic post-conflict recovery. Donors generally avoid releasing their data on these aid flows, whether to avoid the embarrassment of failing to live up to their commitments, the displeasure of other donors whose performance they track, or (more charitably) the possibility that their actual performance will be misrepresented. In the long run such closure is likely to undermine the credibility of donors and their efforts to encourage transparency among recipient governments. [21](#)

Both bilateral and multilateral donors acknowledge that current practices must change. According to the OECD/DAC guidelines on *Conflict, Peace, and Development Cooperation*, "The large volume of resources mobilized for relief and rehabilitation makes it essential to establish an up-to-date, systematic means of tracking aid flows." Such a tracking system would require donors to standardize their definitions "of the related nomenclature, *i.e.*, statement of intent, pledge, commitment, obligation and disbursement." As UNDP's Emergency Response Division (ERD) observes, such terms are generally "confusing and so often used for political effect." The ERD proposes creating on-line information systems to monitor the flow of aid in crisis environments and to publicize aid reports "at much more frequent intervals" than UNDP's current Development Assistance Reports. [22](#)

Interpreting those donor matrices that are made public is problematic, because in most cases the sources for the "official" are the donors themselves. One recent effort to track disbursements to Bosnia-Herzegovina since the Dayton accords has concluded that the data are themselves "a political function;" this fact is underlined by the presence of three rival, inconsistent databases maintained by different parties. The discrepancies between estimates for aggregate deliveries are enormous -- on the order of \$500 million to \$1 billion! [23](#)

The best sources for general figures on bilateral aid to developing countries are the *Quarterly Report on Individual Aid Commitments* and the *Geographical Distribution of Aid Flows*, published by OECD/DAC. Both depend on reporting from donor states, and they are muddied by the donors' use of different reporting methods and unique classification schemes (in determining what aid counts as "relief," "reconstruction," or "development," for example). This makes it

extremely difficult to dis-aggregate aid flows according to purpose, to establish temporal links to specific recovery efforts, or to link these flows with the relevant UN Consolidated Appeal or pledging conference where the resources were mobilized. Moreover, donors often double-count aid deliveries by including their share of contributions to UN implementing agencies (which report the same disbursement). Finally, despite the high profile of "pledges" in recovery efforts, neither OECD database tracks these as a category of aid. Indeed, most bilateral and multilateral donors speak only of "commitments" and "disbursements." Given the role pledges play in generating expectations, it seems essential to track them as well.

In sum, the international community sorely needs a systematic mechanism to track pledges, commitments and disbursements of post-conflict aid. Such a facility might resemble the 'Financial Tracking Database for Complex Emergencies' that the United Nations Office of the Coordination of Humanitarian Affairs (OCHA) maintains to track relief aid. Making aid matrices public would provide an incentive for donors to meet their obligations in timely fashion. So long as the data remain confidential, the only hope is that the institutions tracking aid flows will occasionally leak this information.

## **DONOR INCONSISTENCY OVER CONDITIONALITY**

In assessing gaps in the delivery of pledged aid, one should bear in mind that disbursements are generally subject to the recipient's ability to meet certain conditions -- whether formal performance criteria or implicit behavioral standards. From the donor's perspective, a low delivery rate might seem an appropriate response to the recipient's unwillingness (or inability) to meet agreed fiscal targets or to its repeated violation of (say) human rights standards. Unfortunately, the donor community does not often speak with one voice, either in designing or in enforcing the terms of its aid. Indeed, donors often work at cross-purposes by stipulating conditions that are inappropriate or irreconcilable.

The most troubling inconsistencies have arisen from the competing priorities of two sets of donors: the International Financial Institutions, which generally condition their assistance on a economic stabilization and structural adjustment, and other donors (both bilateral and multilateral) that use conditionality to consolidate peace. The latter approach considers macroeconomic reforms not on economic logic alone but also according to their likely impact on social welfare and the political legitimacy of fledgling governments. (Thus an "optimal" budget deficit might be larger in a peace-building context than in a generic development situation).

Peace-building imperatives have collided with concerns about economic rigor in a number of post-conflict settings. Perhaps the most visible instance was in El Salvador, following the Chapultepec Accords of January 1992. One widely cited article likened El Salvador to an anaesthetized patient undergoing simultaneous but uncoordinated operations at the hands of the United Nations and Bretton Woods Institutions. The authors chided the World Bank and the IMF for designing an economic reform program "as if there were no war." El Salvador might be forced to choose between sacrificing economic stability for peace or adopting structural adjustment -- and "perhaps endangering the peace." [24](#)

While the "patient" metaphor is inexact (El Salvador was hardly a passive actor), the image of uncoordinated surgeries underlines the need to harmonize donor interventions to support both economic recovery and peace-building. The Bretton Woods Institutions have often neglected to use their resources to assure the fulfillment of the terms of peace accords and (indeed) have imposed conditions that make sustainable peace less likely by aggravating social inequalities and hardship. In fragile, often volatile post-conflict situations, the donor community cannot afford to design conditions as if a conflict had never occurred. The development assistance strategy must be embedded in the political reality of the transition. According to the United Nations, this implies that "the overriding criterion for the selection and establishment of priorities is political;" that

considerations of "equity" may be subordinated to the "overriding ethic of peacemaking;" and that that resource allocations may depart from standard economic optimality. Rather than conventional structural adjustment, donors must support "adjustment toward peace." [25](#) They can do so by showing greater tolerance for deficit financing and a large public sector; by funding programs mandated by peace accords; and by using performance criteria and informal dialogue to ensure that all parties comply with peace accords and that the government allocates enough of its budget to these commitments. In El Salvador, the IMF and the World Bank might have conditioned aid on lower military spending; broad-based tax, judicial and legal reform; and land transfers to ex-combatants.

Recognizing these imperatives, the Carnegie Commission report *Preventing Deadly Conflict* calls on the Bretton Woods Institutions "to establish better cooperation with the UN's political bodies so that economic inducements can play a more central role in early prevention and in post-conflict reconstruction." Similarly, the Secretary-General's report on Africa insists that "structural adjustment" be "people-friendly" and not feed the causes of conflict. Aimed especially at the IMF, the report notes that "the Fund's policies of austerity have sometimes hindered reconciliation." [26](#)

This attention to the political preconditions for peace runs counter to the traditional approach of the IFIs. The World Bank has in the past resisted peace conditionality by citing its Articles of Agreement, which prohibit the institution from basing its loans on political criteria or from interfering in the internal affairs of any state. However, these same Articles also call on the Bank to give the needs of war-torn societies special consideration:

For the purposes of facilitating the restoration of the economy of members whose metropolitan territories have suffered great devastation from enemy occupation or hostilities, the Bank, in determining the conditions and terms of loans made to such members, shall pay special regard to lightening the financial burden and expediting the completion of such restoration and reconstruction. [27](#)

This clause would seem to justify greater flexibility in applying stabilization and structural adjustment than in typical developmental situations. As expressed in a consultant's report for the Bank, "The sequencing of standard economic policy reform and of governance redevelopment ... needs to be tailored to avoid negative effects on the sustainability of peace agreements" [28](#)

Moreover, despite their claims to be "apolitical" entities, the Bank and the IMF have over the past decade begun to condition loans on considerations of excessive military expenditure, transparency and "good governance." They have done so under the rubrics of economic efficiency and sustainable development. At the same time, the IFIs have begun to incorporate social welfare analyses into their lending practices and to build safety nets into their stabilization and structural adjustment packages. [29](#) If the IFIs are serious about pursuing peace, political stability, and poverty reduction, there is no better place to apply such concerns than in countries shattered by war. In addition to formal peace conditionality, they should expand their current use of "private" conditionality and behind-the-scenes "policy dialogue" to support the implementation of sensitive reforms by post-conflict governments

There are indications that the World Bank, at least, is moving in this direction. Its 1997 guidelines on involvement in post-conflict reconstruction declare that "structural adjustment programs should also be peace-friendly." As the *World Development Report 1997* explains, "the sequencing of standard economic policy reforms and of governance measures... needs to be tailored to avoid threatening the sustainability of peace agreements." [30](#) A recent internal study goes even farther, noting that the "centrality of the peace objective" requires that the Bank "thoroughly grasp the political framework" in formulating its assistance strategy. According to the Operations Evaluation Department (OED), which reviewed the Bank's role in nine troubled countries (Bosnia-Herzegovina, El Salvador, Uganda, Cambodia, Eritrea, Haiti, Lebanon, Sri Lanka, and Rwanda),

the social and political fragility of post-conflict environments "may require that some conventional wisdoms of development be set aside." For example, insistence on structural adjustment in some recovering African countries has "undermined the peace process by forcing too many budget cuts." Similarly, the Bank's pressure to downsize the Cambodian civil service "was not politically realistic from the outset," since it ran counter to compromises made to forge a governing coalition. Likewise, efforts to improve government tax collection in Uganda turned out to have "a chilling effect" on foreign investment in that country. In general, the OED concludes, "drawing a line in these conflicts between the realm of (economic) issues appropriate for Bank attention and those (political) inappropriate under the Bank's mandate is difficult." Indeed, "a case can be made" for the Bank to impose "policy and economic conditionality" that will encourage "economic and distributional policies and programs that can avoid a slide into conflict within deeply divided societies." [31](#)

Within the donor community more broadly, the past decade has witnessed the emergence of a "second generation" of conditionality focused not only on market liberalization and budgetary balance but also on democratic governance, human rights, and administrative accountability. The DAC of the OECD has cited the "vital connection between open democratic and accountable political systems, individual rights, and the effective and equitable operation of economic systems." It has also begun to consider "excessive military expenditures" in making aid decisions. In addition, donors should consider making greater use of "counterpart" funds -- conditioning the release of a local-currency equivalent of their foreign aid on the achievement of certain agreed objectives. Although some recipients may object that this constitutes interference in their internal affairs, donors might mitigate this dilemma by insisting on an explicit "development contract" spelling out the mutual obligations of partners in the recovery effort. [32](#)

Instead of continuing to apply peace conditionality in an *ad hoc* manner, DAC member states should begin to formulate generally applicable principles, norms, rules and decision-making procedures to design and enforce aid conditions on post-conflict states. They must also avoid reacting in uncoordinated and contradictory ways if recipients fail to meet agreed conditions. Following Hun Sen's July 1997 coup in Cambodia, for example, the United States suspended most of its assistance, whereas Japan chose to continue its engagement and other donors took intermediate steps. The divided donor community enjoyed little leverage over the new Cambodian government. Likewise, in Bosnia-Herzegovina some donors have used bilateral aid channels in order to escape imposing peace conditionality (despite having committed themselves to it at the 1996 London Conference and at every subsequent donor gathering).

If peace conditionality is to be effective, it must rest on a firmer multilateral foundation. Donors must make aid conditions explicit; pursue consistent, coordinated policies towards the recipient; monitor and enforce conditions; and avoid the tendency to go their separate ways if recipients fail to meet their obligations. A more rigorous approach will confront donors with certain dilemmas, including whether to use formal or informal conditionality, and whether to accept the human costs of denying aid to recipients. Finally, donors must be realistic about the types of outcomes amenable to manipulation by external actors. By and large, donors can only assist indigenous forces working for peace.

## **DIFFICULTIES LINKING RELIEF AND DEVELOPMENT**

Another reason for delays in aid delivery -- and for the delivery of inappropriate aid -- has been failure to design and finance interventions fostering a smooth transition between emergency relief, reconstruction and (eventually) development. Part of the problem has been conceptual. Too often, donors operate from the assumption of a linear continuum from "relief" to "recovery" to "development," ignoring that these three phases overlap both temporally and spatially in crisis environments. And by treating complex emergencies as temporary "blips" on a steady developmental path, they overlook the profound ways that conflict transforms societies. [33](#)

Although emergency assistance is essential to alleviate suffering in humanitarian catastrophes, recent experience shows that pure relief rarely addresses the underlying causes of poverty and conflict. Worse, it can undermine recovery from crisis by creating gaps, distortions and duplication of assistance. When relief agencies depart too quickly -- or developmental actors delay their involvement - aid ceases to flow. Alternatively, prolonged emergency aid builds dependency and undermines indigenous capacities for recovery. (Free food distribution, for instance, undercuts local agricultural production). Finally, uncoordinated interventions encourage humanitarian actors to duplicate the rehabilitation activities of their development agency counterparts.

The obvious objective is to build synergy, rather than competition, by recognizing the forward and backward linkages between different types of interventions. As the European Commission Humanitarian Office (ECHO) explains, "Better 'development' can reduce the need for emergency relief; better 'relief' can contribute to development; and better 'rehabilitation' can ease the transition between the two." Unfortunately, efforts to apply this insight have been "disappointing." [34](#) Generally speaking, the budgets and programs for relief and development are still designed by different departments or agencies; funded through distinct windows; subject to dissimilar assessment and approval procedures; shaped by disparate political considerations; subject to divergent timetables; and implemented by diverse partners. These persistent budgetary, institutional and operational divisions prevent humanitarian and development actors from cooperating in planning interventions, mobilizing resources and implementing projects.

Post-conflict environments call for flexible, quick-disbursing funds, but few bilateral or multilateral donors possess financial instruments addressing the unique requirements of reconstruction. Relief funds generally need to be disbursed within one year, a horizon too narrow for sustainable recovery from crisis. Recovery assistance generally comes out of development aid baskets, which is both slower to disburse and more likely to be conditioned on rigid macroeconomic objectives or political criteria.

At the global level, the international community lacks a "third funding window" (between existing windows for humanitarian assistance and development) that might be dedicated to mobilizing resources for recovery. This gap has become more acute as relief and development agencies compete for declining levels of ODA and, as a result, funds for reconstruction fall through the cracks. In a typical complex emergency, resources dry up when the crisis moves into the less acute, post-conflict phase. Such a pattern occurs even when rehabilitation activities are incorporated into the United Nations' Consolidated Appeals Process (or CAP). The country of Georgia provides a case in point. In a March 1996 meeting in Tbilisi, donors agreed to include \$61 million worth of post-conflict, transitional programs in the CAP (in addition to \$50 million for emergency relief). But by November 1996, only 40% of the total appeal had been funded -- and only 31% of the early recovery programs. As the UN Department of Humanitarian Affairs (DHA) concluded, "projects which bridge relief and development do not readily attract donor support." More broadly, the sudden end to many conflicts had "exposed the lack of appropriate modalities among donor organizations for providing assistance that is neither 'relief' nor 'development.'" [35](#)

A similar verdict emerged from the Joint Evaluation of Emergency Assistance to Rwanda. Noting the "considerable overlap" between humanitarian relief and development, the task force documented frequent confusion among donors, aid providers, and the recipient government about which funding mechanism, the DHA-sponsored CAP or the UNDP-sponsored Roundtable, should apply to intervening activities. One result was insufficient funding for critical "rehabilitation" and "reconstruction" initiatives. Moreover, the vague division of labor between the CAP and Roundtable processes "complicated issues of accountability and transparency, and also makes simple tracking difficult." The study recommended "new mechanisms" to deliver rehabilitation assistance rapidly and "to shorten the transition from emergency assistance to reconstruction aid." The OECD/DAC has echoed this appeal, endorsing flexible "planning, programming, and disbursement procedures." [36](#) Several donors have responded by funding transitional activities from current budgetary categories or by creating new budget lines.

Perhaps the most promising initiative has been the exploration of an "Expanded Consolidated Inter-Agency Appeal" (or ECAP). Promoted heavily by UNDP, the ECAP is designed to mobilize resources for urgent rehabilitation activities (like the reintegration of demobilized soldiers or the organization of post-conflict elections), but at a much faster pace than conventional pledging conferences. In current practice, donor Roundtables often occur too late to address priority rehabilitation needs, while Consultative Group meetings (chaired by the World Bank) require the presence of a legitimate recipient government -- a condition not always met in a post-conflict environment. In late 1996, UNDP and DHA tested the ECAP concept in Sierra Leone, Afghanistan, Somalia and Liberia, with uneven results. The two institutions found it difficult to agree on their respective responsibilities or to clarify the "uncertain relationship between ECAPs and Roundtables, CGs and other resource mobilization mechanisms." Despite these setbacks, UNDP and DHA (now OCHA) endorse broadening the CAP "to embrace rehabilitation and development." As part of an effort to "build bridges between relief and development," the ECAP is intended to provide "a coherent and prioritized program avoiding agency-specific 'shopping lists,'" to ensure "the consistency between the CAP and other fund-raising mechanisms;" and to create "a monitoring and management mechanism to facilitate systematic reporting on achievements of stated goals and the utilization of resources provided, as well as to identify critical funding shortfalls." Kofi Annan's reform package of July 1997 announced that henceforth "appeals for rehabilitation and reconstruction will be included in the CAP, "where appropriate." [37](#)

The CAP has begun to evolve into a broader mechanism to mobilize donor resources for countries emerging from crisis, but its promise has yet to be fulfilled. The General Assembly has asked member states to respond "quickly and generously" to CAP appeals designed for "early rehabilitation and recovery purposes." As ECOSOC observes, however, donor response to these expanded appeals "to date has been generally disappointing." Accordingly, the Secretary-General has authorized a comprehensive review of donor attitudes toward ECAPs. [38](#)

## **GROPING TOWARDS COORDINATION: NEW ACTORS, NEW INSTRUMENTS**

The above weaknesses in reconstruction assistance flawed pledging arrangements, inadequate tracking mechanisms, inappropriate conditionality, and failure to bridge relief and development evince a pervasive lack of donor coordination. This deficiency is not unique to recovery aid of course; the entire "regime" for development assistance is overly fragmented, "characterized by a multiplicity of actors, with often different priorities, lending terms and procedures." To harmonize their efforts, donors need to adopt "an integrated strategic framework for political, social, and economic rehabilitation in post-conflict countries," including common principles, operational guidelines, and organizational responsibilities. [39](#)

Currently, each donor generally drafts its own assistance strategy for each war-torn country, a document labeled variously a "Policy Framework Paper" (IMF), "Country Cooperation Framework" (UNDP), "Country Assistance Strategy" (World Bank), "Country Strategy Paper" (AfDB), "Country Operational Strategy (AsDB), "Country Programming Framework" (Canada), "Country Aid Implementation Guidelines" (Japan), or "Strategic Plan" (United States), (etc.).[40](#) These parallel efforts are pursued through diverse pledging initiatives, variegated financing instruments, and sundry implementing partners. The results include incoherent strategies, incompatible projects, administrative burdens, redundant initiatives, gaps in assistance, insufficient accountability and minimal organizational learning.

There is some hope for improvement. Recently, a number of donors have created functional units to design and deliver recovery assistance. By August 1998 there were two dozen such entities in various multilateral and bilateral agencies, including several within the UN system. (See Table 4) This heterogeneous groups now holds semi-annual meetings to share information and resources, to establish common standards and principles, to collect "best practices" and "lessons to be learned," and to explore initiatives towards high-priority countries. [41](#) Most of these units,

however, remain marginal within their respective bureaucracies, agencies or organizations. Moreover, some entities (like UNICEF and FAO) possess no core funding for emergencies, to which they must respond to on a case-by-case basis.

**Table 4: Functional Units Devoted to Post-Conflict Assistance**

<b>MULTILATERAL</b>	<b>BILATERAL</b>
<p><b>United Nations System</b></p> <p>FAO, Special Relief Operations Service            International Organization for Migration            UNICEF, Office of Emergency Programs            UNDP, Emergency Response Division            UNHCHR, High Commissioner for Human Rights            UNHCR, Reintegration and Self-Reliance Unit            OCHA (Office for Coordination of Humanitarian Affairs)            UN Office for Project Services (UNOPS), Division for Rehabilitation and Social Sustainability            UN Research Institute for Social Development (UNRISD), War-Torn Societies Project            UN World Food Program (WFP)            World Health Organization, Interagency Cooperation Unit</p> <p><b>Bretton Woods Institutions</b></p> <p>IMF, Development Issues Division            World Bank, Post-Conflict Unit</p> <p><b>European Commission</b></p> <p>European Community Humanitarian Office (ECHO) Canada: Canadian International Development Agency (CIDA), Peace-building Unit; and Department of Foreign Affairs and International Trade (DFAIT), Peacebuilding and Human Security Division</p>	<p><b>Canada:</b> Canadian International Development Agency (CIDA), Peace-building Unit; and Department of Foreign Affairs and International Trade (DFAIT), Peacebuilding and Human Security Division</p> <p><b>Germany:</b> Gesellschaft für Technische Zusammenarbeit (GTZ), Emergency Aid and Refugee Program</p> <p><b>Netherlands:</b> Ministry of Foreign Affairs, Conflict Prevention and Crisis Management Division</p> <p><b>Sweden:</b> Swedish International Development Cooperation Agency (SIDA), Division for Humanitarian Assistance</p> <p><b>United Kingdom:</b> Department for International Development (DFID), Conflict and Human Affairs Dept.</p> <p><b>United States:</b> United States Agency for International Development (USAID), Bureau for Humanitarian Response, Office of Transition Initiatives</p>

*Source: The World Bank*

If bilateral and multilateral donors are to make effective use of scarce resources, they will need to deepen collaboration from the outset of recovery efforts. This means carrying out joint damage and needs assessments; consulting broadly with all stakeholders on reconstruction programs; formulating a common assistance strategy; creating coherent, complementary resource mobilization and financing mechanisms; designating lead agencies for implementation in the field; and developing indicators to monitor progress towards peace-building. The following sections evaluate important recent initiatives emanating from the United Nations system, the World Bank, and the OECD's Development Assistance Committee.

## ***The United Nations System***

The Secretary-General's reform program of July 1997 elevated "post-conflict peace-building" to the top of the UN's global agenda, designating the Department of Political Affairs (DPA) as the "focal point" for these activities. This assignment reflected the "political nature" of the undertaking and DPA's institutional role as chair of the Executive Committee on Peace and Security. To date, however, there has been little practical follow-up to this designation. DPA's authority and capacity to coordinate UN interventions are limited by the department's lack of operational responsibilities and by the injunction that it "fully respect[] existing mandates, lines of authority, and funding arrangements of the UN organizations and agencies" involved in peace-building. [42](#)

UNDP has taken the lead operational role within the United Nations system. In the words of UNDP's Emergency Response Division (ERD), "post-conflict transition [has] moved development to center stage in devising sustainable solutions to crisis." To move beyond "saving lives" to "saving livelihoods," ERD monitors "countries in special development circumstances," assists OCHA in elaborating and reviewing ECAPs, supports the work of UN Resident Coordinators in crisis countries, and drafts overall frameworks to guide UN system response. UNDP also administers financial instruments for post-conflict recovery, including trust funds to which donors may contribute and its own fast-disbursing "TRAC 1.1.3" resources; the latter have been used to launch "special program initiatives" or to design "strategic frameworks" for some two dozen countries in "complex development circumstances." However, these funds remain modest (\$50 million in 1998), and UNDP lacks both the human resources and the political authority to coordinate an effective response to post-conflict recovery. [43](#)

As the UN's own Joint Inspection Unit (JIU) concludes, "There are no effective coordination mechanisms for post-conflict peace-building at the policy, Headquarters, and system-wide levels." Hoping to improve collaboration among (what the JIU terms) a "fragmented configuration of competing organizations," the UN's Administrative Committee for Coordination (ACC) endorsed the concept of a "Strategic Framework Approach for Response to and Recovery from Crisis." Responsibility for elaborating the Strategic Framework was given to the new Deputy Secretary-General, Louise Frechette. [44](#)

As elaborated over the past two years, the Strategic Framework (SF) has assumed the aura of a *deus ex machina*, a miraculous device that will meet an impressive number of objectives and encourage actors notoriously resistant to coordination suddenly to "speak with one voice." As currently projected, an SF for each crisis country would harmonize the political, security and human rights components of post-conflict peace-building with the accompanying humanitarian and development assistance strategies. Ideally, a single SF would outline clearly the causes of the crisis; define shared aid principles; facilitate needs assessment; identify (and justify) aid priorities; outline a common strategy for mobilizing resources; develop a unified framework for programming; establish a timetable for phases of assistance; link relief and development initiatives; define institutional arrangements at headquarters and in the field; allocate roles and responsibilities among donors and recipients; create a unified coordination mechanism; introduce transparency and accountability; promote a sense of "local ownership;" and outline clear exit strategies to minimize dependency. Designed to foster relationship networks and policy consensus among development partners, the SF is to be an evolving document -- "as much about process as product," according to UNDP. The OECD endorsed the SF concept in May 1997. [45](#)

To test the SF approach, the UN's Inter-Agency Standing Committee (IASC) sent a mission to Afghanistan in autumn 1997. In view of the ongoing civil war in that country and the obstacles the Taliban have created for international donors, this choice was unfortunate. Nevertheless, the mission returned with a few useful recommendations, including that donors "establish[] and maintain[] a system for tracking all external assistance from all sources" and that the entire international assistance program be financed "through a single funding mechanism to increase

"coherence, accountability, and predictability." The Afghanistan mission reinforced earlier findings that the UN system's traditional "coordination by consensus" should yield to more forceful "coordination by management." [46](#)

Nevertheless, the Strategic Framework remains essentially an exhortation, stronger on broad principles than on practical operational guidance about improved coordination. Frustrated with the lack of cooperation among UN agencies, departments, and programs, bilateral donors warned in May 1998 (at a meeting of the Afghanistan Support Group) that their response to future UN appeals would depend on a coordinated assistance program. The UN responded with a document titled *Making A Reality of Principled Common Programming*. It remains to be seen whether the United Nations will summon the energy to transcend traditional institutional mandates and bureaucratic inertia. [47](#)

### ***The Bretton Woods Institutions***

Like the United Nations, the Bretton Woods Institutions have begun to develop initiatives and to cooperate with other donors in consolidating peace agreements, assisting recovery from war, and preventing the re-emergence of violent conflict. At their June 1995 Summit in Halifax, Nova Scotia, the leaders of the G-7 nations called on the World Bank and the International Monetary Fund "to establish a new coordination procedure to facilitate a smooth transition from the emergency to the rehabilitation phase, and to cooperate more effectively with donor countries" in assisting post-conflict reconstruction.

The World Bank has been more responsive than the IMF to this appeal. In September 1995, James Wolfensohn announced that rebuilding war-torn societies would become one of the Bank's developmental priorities. He evinced this new commitment at a Brussels donor's conference in December 1995, called to support the Dayton Peace Accords, by announcing the creation of a \$150 million fund to jump-start the recovery of Bosnia-Herzegovina.

This renewed interest in postwar recovery marks a modest return to one of the Bank's original purposes. Established in 1944 as the International Bank for Reconstruction and Development (IBRD), the institution was intended "to assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war, [and] the re-conversion of productive facilities to peacetime needs." In fact, the Bank played only a limited role in financing recovery from World War II, as the United States responded to European economic crisis (and the onset of the Cold War) with massive bilateral aid in the form of the Marshall Plan. Over the next several decades the IBRD and its concessional window, the International Development Association (IDA), undertook occasional lending operations in post-conflict countries like Ghana, Nigeria, Sri Lanka and Zimbabwe. Still, the Bank's portfolio focused overwhelmingly on "normal" development activities in the Third World. "In effect," observes Executive Vice President Mark Malloch Brown, "we lost our middle name." [48](#)

Within the Bank the return to reconstruction activities has been controversial; some critics fear involvement in risky projects or political activities outside the institution's mandate. Nevertheless, an epidemic of state collapse and conflict in the post-Cold War era convinced the Bank Board that it could not relegate the recovery of war-torn societies "to the sidelines of development." [49](#) Since 1989 the volume of World Bank lending for post-conflict recovery purposes has increased more than 800%.

By spring 1998, the institution had committed \$6.2 billion to support 157 reconstruction operations in 18 countries. One quarter of its concessional lending to countries other than China and India

now goes to nations experiencing or emerging from conflict (including one half of all Bank commitments to the regions of Europe/Central Asia and Middle East/North Africa and one third of its commitments to Sub-Saharan Africa). The Bank has provided sizable loans for reconstruction to Croatia (\$265 million), Cambodia (\$237 million), Angola (\$197 million), Lebanon (\$175 million), Rwanda (\$120 million), Eritrea (\$25 million) and Bosnia-Herzegovina (\$150 million); and it has transferred nearly \$400 million from its surpluses as grants to post-conflict governments and UN agencies engaged in recovery efforts. The institution has played a pivotal role in Bosnia-Herzegovina, collaborating with the European Union to design and implement a \$5.1 billion priority investment program, and in the West Bank and Gaza Strip, sponsoring the Holst Peace Trust Fund to finance recurrent expenditures of the Palestinian Authority.<sup>50</sup> The Bank's lending portfolio includes comprehensive packages covering all economic sectors, as well as focused assistance targeted at specific aspects of recovery like macroeconomic stabilization. Its non-lending services include damage and needs assessments, sectoral analysis, formulation of country assistance strategies, and aid coordination.<sup>51</sup>

In response to internal criticism that the Bank's involvement in reconstruction "shows virtually no evidence of any process of learning," the Executive Directors have authorized new guidelines and procedures. In summer 1997 the Bank earmarked \$650 million from its Development Grant Facility for a new Post-Conflict Trust Fund and created a Post-Conflict Unit (PCU) to serve as an internal secretariat for these activities. The PCU collects and monitors information on crisis countries, provides support to country teams, organizes missions to post-conflict countries, manages a database on post-conflict activities, develops "best practices", advises senior Bank management, and coordinates actions with international partners. The PCU has proposed flexible operational guidelines for emergency lending, including "streamlined procurement, audit, and disbursement," to expedite funds in fragile settings.<sup>52</sup>

A recent booklet, *Post-Conflict Reconstruction: The Role of the World Bank*, outlines five phases of involvement in recovery from crisis. The Bank now maintains a "watching brief" in countries where it has no active portfolio. It prepares a "transitional support strategy" once a cease-fire is imminent. As field conditions permit, it begins "early reconstruction activities," focusing on demining, demobilization and reintegration, social safety nets, and priority rehabilitation. In the subsequent phase, "post-conflict reconstruction" proper, it undertakes large-scale infrastructure projects, economic recovery, institution-building, and social reintegration. The Bank eventually resumes "normal lending operations." The Bank has begun building linkages with other multilateral donors involved in rehabilitation and recovery. In April 1998 it signed a 'Framework for Cooperation' with the High Commission for Refugees to foster sustainable reintegration and resettlement of displaced populations.<sup>53</sup>

The Bank's Executive Directors remain divided on several crucial issues: whether the Bank should wait until the end of all conflict and tension before re-entering a country; which sectors the Bank should take the lead in; what strategy it should adopt if hostilities resume; and what financing instruments can best address post-conflict needs. Some directors advocate a unitary Post-Conflict Trust Fund or a Development Grant Facility. Others, "concern[ed] that supply would create demand and raise expectations that the Bank could not meet," prefer creating new instruments on a "case-by-case" basis.<sup>54</sup>

According to a recent, frank internal review of the Bank's experience with post-conflict reconstruction, the Bank has been "particularly effective" in using Consultative Groups to mobilize resources, to arrange the clearing of arrears, to facilitate macroeconomic policy coordination, and to foster assessment of needs, and to monitor information on aid flows. During peace negotiations, it has an important role to play in advising parties on the economic dimensions of possible accords; once a conflict ends, the Bank has a comparative advantage in restoring physical infrastructure and a significant (if untapped) potential to restore human and social capital. However, the Bank's Operations Evaluation Department (OED) considers the current operational policy for disaster assistance (OP8.5) to be "inadequate" to post-conflict environments, and it recommends expanding the recent *Framework* document into concrete

guidelines appropriate to fluid and volatile settings. In current practice, "standard Bank procurement and disbursement procedures have often created stumbling blocks to post-conflict recovery," resulting in "the untimely delivery of goods and the replenishment of funds."

In contrast to the ambitious initiatives that the Bank has introduced, the IMF has taken a hesitant approach to post-conflict reconstruction. This reluctance reflects the institution's narrower mandate: to assist countries experiencing balance of payments difficulties. Nevertheless, the Fund's Executive Board conceded in September 1995 that its current technical assistance and policy advice "might not be fully suitable, or available in all cases that could merit IMF financial support." Although a number of directors "expressed the need for great caution given the limited role that the Fund could play in such circumstances," the Fund decided to expand the scope of its existing policies on disaster assistance to include "carefully defined post-conflict situations." Henceforth, IMF assistance would be appropriate when three preconditions prevail:

[1] [T]he country's institutional and administrative capacity ha[s] been disrupted by conflict, but the member, while not yet able to develop and implement a comprehensive economic program that could be supported by a Fund arrangement, ha[s] sufficient capacity for planning and policy implementation and a demonstrated commitment on the part of the authorities; [2] there [is] an urgent balance of payments need to help rebuild reserves and meet essential external payments and a role for the IMF to catalyze support from other official sources; and [3] IMF support would be part of a concerted international effort to address the aftermath of the conflict in a comprehensive way. [55](#)

Access to Fund resources is generally be limited to 25% of the country's quota, and it is conditioned on the recipient's presentation of a compelling economic policy (including macroeconomic framework) and its stated intention to move as soon as possible to a normal borrowing arrangement. Several countries have taken advantage of the new "emergency post-conflict assistance" facility, including Albania (November 1997), Bosnia-Herzegovina (December 1995), Rwanda (April and December 1997), and Tajikistan (December 1997). Other post-conflict states like Cambodia, El Salvador, Georgia, and Haiti have made use of standard IMF facilities. [56](#)

One of the chief contributions the Bretton Woods Institutions could make to "adjustment towards peace" is to help alleviate the crushing debt burden faced by so many war-torn countries. [57](#) Early clearance of arrears is critical to access new resources from the IDA and IMF, not to mention access to foreign investment. Africa's debt burden is especially onerous, with sovereign debt exceeding some eighty percent of the continent's GDP. The World Bank and the IMF have recently agreed to extend the Highly Indebted Poor Countries (HIPC) initiative, first introduced in 1996, in part to address the "special challenge" of post-conflict states like Burundi, the Democratic Republic of the Congo, Somalia and Sudan. According to an internal Fund document: "Their needs are great, opportunities for progress substantial, but institutional and administrative capacity [in these countries] is often severely limited." Still, the Bank's board remains deeply divided on the issue of resuming lending operations to countries with arrears. One World Bank consultant suggests that a post-conflict trust fund, seeded with a modest contribution of \$25 million, might leverage much larger donor contributions to reduce arrears. [58](#)

### ***Bilateral Donors***

In parallel with these efforts by multilateral organizations, the members of the Development Assistance Committee (DAC) of the OECD have begun to harmonize their approaches toward post-conflict reconstruction. Following lengthy consultations within the donor community, the DAC

in May 1997 approved a set of guidelines on *Conflict, Peace, and Development Cooperation*.<sup>59</sup> Like the Strategic Framework concept, the guidelines are replete with unassailable general propositions about the principles that should guide post-conflict assistance. DAC members acknowledge that cooperation to rebuild war-damaged nations requires "international responses that are more coordinated, coherent and integrated," as well as partnership among bilateral donors, intergovernmental organizations and non-governmental actors. Although developing countries are ultimately responsible for sustained recovery from war, OECD states accept their obligations to strengthen indigenous capacities, to tackle the "root causes" of conflict, and to design their interventions so as to build "local ownership." The DAC's ultimate goal must be to foster an environment of "structural stability," conceived as

the interdependent and mutually reinforcing objectives of social peace, respect for the rule of law and human rights, social and economic development, supported by dynamic and representative political institutions capable of managing change and resolving disputes, without resort to violent conflict.<sup>61</sup>

Unfortunately, in common with the Strategic Framework, the DAC offers few operational guidelines about how to improve coordination among development partners. Indeed, the advice given is rather ambiguous. On the one hand, the DAC asks donor states and aid agencies "to surrender a measure of independence and accept the consensus implicit in meaningful coordination" and recommends that they "designat[e] an independent coordinating authority to monitor the donors' adherence to agreed principles." (Indeed, experience shows "that the coordination of technical and financial assistance benefits from the leadership of a bilateral or multilateral agency or donor that is recognized as credible by donors and aid recipients."). Yet, elsewhere in the document the DAC retreats from the "lead donor" concept, contending:

The voluntary character of aid coordination makes it fundamentally different from the concept of 'management', which implies substantial control of the various elements present. Good coordination should not be confused as forcing activities into a single mold.<sup>62</sup>

This view contrasts with the UN's own conclusion that "coordination by consensus" is inferior to "coordination by management."

A number of bilateral donors, including Canada, Germany, the Netherlands, Sweden, the United Kingdom, and the United States, have created rapid-response functional units to assist the sustainable recovery from complex emergencies and war. The United States, for instance, created an Office of Transition Initiatives (OTI) in 1994 within the United States Agency for International Development (USAID). OTI is intended to serve as an agile foreign policy instrument to help conflict-prone countries move forward rapidly toward stable, democratic forms of government. Created out of USAID's International Disaster Assistance account, OTI can make use of fast-disbursing funds without having to endure the lengthy (roughly 18-month) cycle of program design, Congressional authorization, and implementation characteristic of a typical development initiative. From an initial budget of \$10 million, OTI's budget has grown to nearly \$50 million for FY 1999. In the past several years OTI has launched initiatives to advance human security, civil society and good governance in more than a dozen countries, including Angola, Haiti, Guatemala, Bosnia-Herzegovina, and Rwanda.<sup>63</sup>

Unfortunately, like many other functional units, OTI's budget and staff remain modest. This lack of capacity has hindered OTI's efforts "to tackle the problems [of post-conflict transition] to any meaningful extent." Moreover, resistance and turf wars, both within USAID and with the State Department, have served to circumscribe OTI's mandate.<sup>64</sup>

Given increased budgetary constraints and public disillusionment with foreign assistance, bilateral donor governments often find it difficult to marshal the political will necessary "to commit

substantial long-term resources to rebuild war-torn societies. Moreover, notes Krishna Kumar of USAID, "Even when they make commitments, they are not always in a position to fulfill them." [65](#)

### ***A Global Reconstruction Fund?***

Despite pledges of aid from bilateral donors, regular humanitarian appeals by the United Nations system, and periodic Consultative Group and Roundtable meetings, it remains difficult to secure predictable, flexible, and fast-disbursing funds for post-conflict recovery. Bemoaning the "diversity, overlap, and lack of coherence" of current financing mechanisms, the director of UNDP's Emergency Response division has proposed creating unified trust funds within each war-torn state. Administered in the field by UNDP, the trust fund would finance priority projects as rapidly as possible. [66](#)

Other policymakers, seeking a holistic solution at a higher level of organization, propose that donors pool their resources to create a Global Post-Conflict Reconstruction Fund (GRF). The GRF would be similar to the Global Environment Fund (GEF), currently administered by the World Bank, UNDP, and the United Nations Environmental Program. The fund's core capital could be formed from donor assessments negotiated according to an agreed burden-sharing formula, and a parallel Trust Fund window -- consisting solely of concessional grants -- might be filled through voluntary contributions. Donors would be represented on the GRF's governing body in proportion to their financial stake. An inter-agency secretariat, possibly located in the World Bank, would manage the fund and be held accountable for effectiveness and financial probity. [67](#) Such a rapid-response facility could improve possibilities for co-financing or parallel financing; provide a basket of resources for implementing partners; reduce the strain on post-conflict governments facing multiple reporting requirements; exploit complementarities among agencies; encourage earlier local planning for recovery; and sustain multi-year recovery activities.

Setting up the facility would require a much higher level of coordination than multilateral and bilateral donors have shown thus far. It would need to be large enough to satisfy the needs of the World Bank, the leading institution for international development finance; UNDP, the main UN entity charged with sustainable human development; and UNHCR, the primary humanitarian actor in early post-conflict recovery (as well as other agencies on a case-by case basis). The greatest resistance to the GRF concept would probably come from DAC member states. Not only might these governments object to regular assessments, but most would probably also prefer to retain sovereign control of the objectives and uses of their development assistance. Bilateral aid agencies would presumably wish to protect their institutional privileges, while foreign ministries would insist on bilateral aid channels to achieve critical political (as well as developmental) objectives. Nevertheless, the GRF concept merits further exploration.

## **CONCLUSION**

Although private capital flows now dwarf official development assistance in this age of globalization, the vast bulk of foreign direct investment destined for the developing world focuses on a handful of dynamic emerging markets. [68](#) Most poor countries and war-torn ones above all - remain marginalized from the world economy. The donor community retains an indispensable role in assisting beleaguered societies to achieve enduring political stability and sustainable economic growth.

Bilateral and multilateral donors have committed themselves rhetorically to support post-conflict recovery, and they have reaffirmed this objective repeatedly in pledging conferences and other venues by offering generous support for these purposes. Good intentions notwithstanding, the financial resources disbursed often lag behind donor pledges. The delivery and effective

implementation of reconstruction aid has been hindered by *ad hoc* and misleading pledging conferences; the absence of reliable databases to track aid flows; the pursuit of incompatible conditionalities; poor articulation between relief and development initiatives; and weak coordination in the design and execution of donor interventions.

Improving international assistance is not simply a technical exercise. It requires political will. Still, the findings outlined above point to several concrete reforms that donors might take. These include:

*Re-evaluating the current approach to pledging conferences like Consultative Group meetings and Round Tables.* The objectives should be to enhance the transparency of the pledging process; to increase accountability for pledges made; to ensure that pledges correspond to realistic needs assessments and recipient (not donor) priorities; to generate resources for the recurrent expenditures of recovering states; to establish formal guidelines and principles acceptable to all partners; and to expand participation to include representatives from civil society and the private sector.

*Creating a standardized, transparent system for reporting, tracking, and monitoring pledges, commitments, and disbursements to countries under reconstruction.* Such a database, which should be publicly accessible, could be maintained by the World Bank's Post-Conflict Reconstruction Unit, the Development Assistance Committee of the OECD, or (should it receive greater human and financial resources) the UNDP.

*Harmonizing, insofar as national interests and institutional mandates allow, the conditions that donors place on aid to post-conflict countries.* Despite their "non-political" status, the Bretton Woods Institutions increasingly accept that their interventions must foster peace-building objectives. The World Bank and the IMF should deepen collaboration with the United Nations from the onset of peace negotiations (if not earlier). Bilateral donors, meanwhile, should use the DAC framework to improve the collective design and enforcement of aid conditions.

*Designating additional budgetary lines for reconstruction activities between the categories of humanitarian assistance and normal development aid.* The UN system should standardize use of the expanded Consolidated Inter-Agency Appeals (or "E-CAP") in post-conflict environments, and bilateral aid agencies should invest functional transitional units with flexible, fast-disbursing funds.

*Deepening the current tentative movement toward donor coordination, both at headquarters and in the field, to respond to countries emerging from crisis.* Multilateral and bilateral agencies can improve the impact of dwindling resources by developing a single "Strategic Framework" for the entire donor community. Such a process, undertaken for each crisis country, might facilitate joint needs assessments; permit a rational division of labor and the designation of lead agencies by sector; unify diverse resource mobilization mechanisms; facilitate joint programming and implementation; and advance the joint monitoring and evaluation of aid effectiveness. Finally, donors should explore the creation of a unified, *Global Reconstruction Fund*: such a facility would provide donors with an efficient mechanism to leverage their individual commitments and (particularly if administered through the World Bank) foster transparency and accountability in post-conflict reconstruction.

## Endnotes

- 1 The author presented a previous version of this paper at the 1998 annual meetings of the Academic Council of the United Nations System.
- 2 Members of the donor community include the bilateral members of the Development Assistance Committee (DAC) of the OECD; the departments, programs, and specialized agencies of the United Nations; International Financial Institutions (IFIs), and important non-governmental organizations (NGOs) such as the International Committee of the Red Cross. The figure of \$60 billion is a conservative estimate, compiled from OECD, World Bank, UNDP, and bilateral aid agency sources.
- 3 A pledge is a public expression of donor intent to mobilize an approximate sum of funds for a recipient country. A commitment is a firm obligation, undertaken by a government, agency or international organization and expressed in an agreement or contract, to furnish to a recipient with a specified amount of available public assistance, under agreed financial terms and for specific purposes. Finally, a disbursement is an "actual international transfer of financial resources." Depending on the type of flow, it may be recorded at various stages (e.g., when placed in an earmarked account or when goods or services are provided). OECD, [www.oecd.org/dac/pdf/geodocen.pdf](http://www.oecd.org/dac/pdf/geodocen.pdf).
- 4 Anthony Lake, ed., *After the Wars: Reconstruction in Afghanistan, Indochina, Central America, Southern Africa, and the Horn of Africa* (New Brunswick, NJ: Transaction Publishers, 1990), pp. 9-10. Canadian Department of Foreign Affairs and International Trade, 'Canada's Peacebuilding Initiative,' [www.dfait-maeci.gc.ca/peacebuilding](http://www.dfait-maeci.gc.ca/peacebuilding).
- 5 *An Agenda for Peace*, cited in Adam Roberts and Benedict Kingsbury, eds., *United Nations, Divided World*, (Oxford: Clarendon Press, 1993), p. 475. *An Inventory of Post-Conflict Peacebuilding Activities* (New York: United Nations, 1996). Preamble and Chapter IX, Art. 55 of the UN Charter. United Nations, *Supplement to An Agenda for Peace* (January 3, 1995), paragraphs 47-56. 'The Secretary-General's Statement to the Special Meeting of the General Assembly on Reform,' (July 16, 1997), [www.un.org/reform/track2/htm](http://www.un.org/reform/track2/htm).
- 6 Krishna Kumar, 'The Nature and Focus of International Assistance for Rebuilding War-Torn Societies,' in *Rebuilding Societies after Civil War: Critical Roles for International Assistance*, ed. by Krishna Kumar (Boulder: Lynne Rienner, 1997), pp. 1-38. 'USAID Conference on Promoting Democracy, Human Rights, and Reintegration in Post-Conflict Societies' (Washington: October 30-31, 1997) p. 2.
- 7 Larry Rother, 'As Leaders Bicker, Haiti Stagnates and Its People Fret,' *New York Times* (July 17, 1998).
- 8 *Post-Conflict Reconstruction: The Role of the World Bank* (Washington: the World Bank: 1998), p. 21.
- 9 Judy Dempsey, 'Palestinian Aid Faces Obstacle Course,' *Financial Times*, June 6, 1997.
- 10 Janet E. Heininger, 'Cambodia: Relief, Repatriation, and Rehabilitation, in *The Politics of International Humanitarian Aid Operations*, ed. by Eric A. Belgrad and Nitza Nachmias (London: Praeger, 1997), pp. 127-9. Alvaro de Soto and Graciana del Castillo, 'Obstacles to Peacebuilding', *Foreign Policy* (Spring 1994) 94, p. 73. Author interview with Kenji Yamada, International Development Center of Japan (May 8, 1998).

11 One third of the aid had arrived after nine months, and half by the end of the year. Krishna Kumar, et. al., *The International Response to Conflict and Genocide: Lessons from the Rwanda Experience. Study 4: Rebuilding Post-War Rwanda* (Copenhagen: Steering Committee of the Joint Evaluation of Emergency Assistance to Rwanda, March 1996), pp. 12, 15, 29-33. Nicola Reindorp, 'Towards an Assistance Strategy for Rwanda,' (Consultant's report for UNDP, July 1998), p. 3.

12 UNDP Rwanda Mission, *Linking Relief to Development*, (June 1998).

13 Interview with former SRSG for Tajikistan and UNDP officials (June-July 1998).

14 Most of the \$3.2 billion pledged to Lebanon in December 1996 by international donors had "yet to materialize" by August 1997. Daniel Pearl, *Continental Divide*, *Wall Street Journal* (August 22, 1997). On Mozambique, see Economist Intelligence Unit, *EIU Country Report: Mozambique* (Second Quarter, 1993), p. 13.

15 *The International Response to Conflict and Genocide*, p. 101-106. Swedish Ministry of Foreign Affairs, 'Mobilization and Allocation of Resources for Post-Conflict Assistance and Identification of Appropriate Modalities for Implementation' (Note for discussion by the DAC Task Force on Conflict, Peace, and Development Cooperation, January 9-10, 1997), p. 4.

16 James K. Boyce, 'External Assistance to the Peace Process in El Salvador,' *World Development* 23, 12 (1995) 2101-2116, p. 2106

17 *The International Response to Conflict and Genocide*, pp. 32-35. Interview with World Bank official, May 1998. Government officials in Tajikistan similarly believed that funds pledged at the donor conference would be deposited in an account for their immediate use.

18 Interview with UNDP official, July 1998.

19 *The World Bank's Experience with Post-conflict Reconstruction, Vol. 1: Synthesis Report* (Washington: The World Bank, May 4, 1998), p. 27.

20 Cited in Zlatko Hurtic, Amela Sapcanin, and Susan L. Woodward, 'Pledges of Aid: The Case of Bosnia and Herzegovina', draft paper (May 1998), p. 28.

21 Shepard Forman and Stewart Patrick, eds., *Investing in Peace: Underwriting Recovery in Post-Conflict Countries* (forthcoming: 1999). One of the exceptions to rigorous reporting and transparent records is the tracking of pledges, commitments and disbursements to the West Bank and Gaza maintained by the World Bank and the Palestinian Ministry of Planning and International Cooperation (MOPIC).

22 OECD, *Conflict, Peace, and Development Cooperation on the Threshold of the 21st Century* (Paris: OECD, 1997), p. 36. UNDP Emergency Response Division, 'Building Bridges Between Relief and Development: A Compendium of the UNDP Record in Crisis Countries', [www.undp.org/~erdweb/bridges.htm](http://www.undp.org/~erdweb/bridges.htm).

23 Hurtic, Sapcanin, and Woodward, 'Pledges of Aid: The Case of Bosnia and Herzegovina.'

24 de Soto and del Castillo, 'Obstacles to Peacebuilding', pp. 70-2. Similar tensions between stabilization and peacebuilding have plagued Mozambique. See Joseph Hanlon, *Peace Without Profit: How the IMF Blocks Rebuilding in Mozambique* (Oxford: Heineman, 1996).

[25](#) An Inventory of Post-Conflict Peace-Building Activities, p. 1. "James A. Boyce, 'Adjustment Towards Peace: An Introduction,' World Development 23, 12 (1995), pp. 2067-2077. James Boyce and Manuel Pastor, Jr., Aid for Peace: Can International Financial Institutions Help Prevent Conflict?, World Policy Journal 15, 2 (Summer 1988).

[26](#) Preventing Deadly Conflict (New York: Carnegie Commission, 1997), p. 146. Africa: Secretary-Generals Report to the United Nations Security Council (United Nations: April 16, 1998). P. 2.

[27](#) World Bank Articles of Agreement, Art. IV, Sec. 10; and Article II, Sec. I, part (b).

[28](#) Robert Muscat, 'Conflict and Reconstruction: Roles for the World Bank,' (Washington: World Bank, 1995), p. 7

[29](#) In December 1991 World Bank President Barber Conable called for a "united front" against excessive defense spending. Similarly, IMF Managing Director Michel Camdessus announced in 1991 that henceforth military budgets would be "a proper subject for our attention." James K. Boyce, 'External Assistance and the Peace Process in El Salvador', pp. 2111-2113.

[30](#) Carol Graham, Safety Nets, Politics, and the Poor (Washington: Brookings Institution Press, 1994). World Development Report 1997 (Washington: World Bank, 1997), p. 161.

[31](#) Bank staff should develop "Good Practices" that are "sensitive to predatory and exclusionary behavior." The World Bank's Experience with Post-conflict Reconstruction, Vol. 1, pp. x, 24-26. 'Conflict Prevention and Post-Conflict Reconstruction: Perspectives and Prospects,' (Washington: World Bank, August 1998), p. 5.

[32](#) Olav Stokke, ed., Aid and Political Conditionality (London: Frank Cass, 1995). pp. 21-24, 80.

[33](#) 'Strengthening of the Coordination of Humanitarian Emergency Assistance of the United Nations,' General Assembly Resolution 46/182 (December 19, 1991). Joanna Macrae, 'Linking Relief, Rehabilitation, and Development,' RRN Newsletter (June 1996), pp. 17-18. Mark Duffield, 'Complex Emergencies and the Crisis of Developmentalism', IDS Bulletin 25, 4 (October 1994), p. 40'

[34](#) Linking Relief, Rehabilitation, and Development (LRRD),' Communication from the Commission to the Council and the European Parliament (Brussels, March 28, 1996). Interview with ECHO official, April 1998.

[35](#) Department of Humanitarian Affairs, Humanitarian Report 1997 (New York: United Nations, 1997), pp. 103-106.

[36](#) Conflict, Peace, and Development Cooperation, p. 34. The International Response to Conflict and Genocide, pp. 32-35, 101-106

[37](#) One-page rationale for Expanded Consolidated Inter-Agency Appeals,' Emergency Response Division, UNDP (undated). 'Second Report to the Secretary-General on the Work of the Special Coordinator for Economic and Social Development,' (United Nations, December 1996), p. 13. Memo from Emergency Response Director Edmund Cain to UNDP Administrator Speth (December 19, 1996). 'Building Bridges Between Relief and Development, Final Report of DHA-UNDP Workshop, United Nations Staff College, Turin, Italy (UNDP: June, 1997). 'Report of the Secretary-General, (United Nations: July 16, 1997).

[38](#) General Assembly Resolution 51, 'Strengthening of the Coordination of Emergency Humanitarian Assistance of the United Nations' (February 10, 1997). ECOSOC, 'Strengthening of the Coordination of Emergency Humanitarian Assistance of the United Nations: Report of the Secretary-General,' (June 12, 1998).

[39](#) Kumar, The Nature and Focus of International Assistance for Rebuilding War-Torn Societies. pp. 33-4. '

[40](#) Partnership for Development: Proposed Actions for the World Bank,' World Bank discussion paper (May 20, 1998), pp. 11-20, 48. '

[41](#) Conflict Prevention and Post-Conflict Reconstruction: Perspectives and Prospects,' p. 26. These units have created working groups to develop and share analytical tools on a range of categories of activity, such as: children in conflict, de-mining, demobilization and reintegration, early warning indicators, gender and conflict, refugees, security sector reform, human rights, small arms control, good governance and transparency, social and cultural rehabilitation, and measuring results.

[42](#) Comments of the Secretary-General and the ACC on the Report of the Joint Inspection Unit (United Nations: July 30, 1998). 'TRAC" stands for "Target for Resource Assignments from the Core."

[43](#) TRAC 1.1.3 initiatives have included demobilization in Angola and Mali; mine action in Cambodia and Laos; election preparation in Cambodia and Haiti; socio-economic rehabilitation in Lebanon; government capacity-building in Rwanda; peace-building in El Salvador; and area rehabilitation in Afghanistan, Azerbaijan, Bosnia and Herzegovina, Djibouti, Georgia, Guatemala, Central America, the Palestinian-administered Territories, North Korea, and Somalia. ERD has completed or initiated strategic frameworks for Afghanistan, Rwanda, the Democratic Republic of the Congo, Somalia, Yemen, Tajikistan, the Horn of Africa, and the Palestinian Authority. UNDP, 'TRAC 1.1.3 Crisis Committee Approvals' (December 17, 1997). UNDP/ERD, 'Working for Solutions to Crisis: The Development Response', (no date; spring 1998).

[44](#) JIU, 'Coordination at Headquarters and Field Level between the United Nations Agencies involved in Peace-Building: An Assessment of Possibilities. (September 1997). Office of the UN Deputy-Secretary-General, Draft Generic Guidelines for a Strategic Framework Approach for Response to and Recovery From Crisis (October 27, 1998). UN Deputy Secretary-General, 'Strategic Framework for Afghanistan' (June 23, 1998).

[45](#) Hugh Cholmondeley, 'The Role of the UN System in Response to Crisis and Recovery - a Strategic Approach', Report for the Consultative Committee on Program and Operational Questions (CCPOQ) (March 3-7, 1997). UNDP/ERD, 'Informal Briefing Note on Strategic Frameworks' (December 1997). OECD/DAC, Conflict, Peace, and Development Cooperation, p. 33.

[46](#) 'Draft Strategic Framework for International Assistance in Afghanistan,' Report of the Inter-Agency Mission to Islamabad and Afghanistan, September 19-October 15, 1997. Antonio Donini, The Politics of Mercy: UN Coordination in Afghanistan, Mozambique, and Rwanda (Occasional Paper, Thomas J. Watson Institute, 1997)

[47](#) 'Framework for Operational Cooperation between UNHCR and UNDP' (April 10, 1997).

[48](#) Articles of Agreement, I (i), International Bank for Reconstruction and Development. Mark Malloch Brown (Executive Vice President for External Affairs), observations at World Bank-sponsored meeting of post-conflict reconstruction units (April 20, 1998).

[49](#) Paul Blustein, 'A Loan Amid the Ruins: World Bank Shifts Aid to Rebuilding War-Torn Countries,' The Washington Post (February 13, 1996). James Wolfenson, preface to Post-Conflict Reconstruction: The Role of the World Bank (Washington: The World Bank, 1998), p. v. Steven Holtzman, 'Post-conflict Reconstruction,' Work in Progress, Social Policy and Resettlement Division, World Bank (1995).

[50](#) The Bank has other significant operations planned or under way in Armenia, Azerbaijan, Georgia, Mozambique, and Uganda. Preventing Deadly Conflict, p. 20.

[51](#) The World Banks Experience with Post-conflict Reconstruction, pp. 14-15.

[52](#) This would include a revision of the OP/BP 8.50 guidelines for emergency assistance.

[53](#) Post-Conflict Reconstruction: The Role of the World Bank, pp. 6-10.

[54](#) The World Banks Experience with Post-conflict Reconstruction, pp. 7-8

[55](#) Interview with Division Chief of Development Issues Division, Policy Development and Review Department, IMF (April 1998). IMF, A Macroeconomic Framework for Assistance to Post-Conflict Countries, (1996). IMF Annual Report (1996), pp. 124-6. 'Adaptations of IMF Policies and Procedures,' IMF Survey, September 1996.

[56](#) IMF Survey (November 7 and December 12, 1997), [www.imf.org/external/np/exr/facts/confli.htm](http://www.imf.org/external/np/exr/facts/confli.htm)

[57](#) Mozambique's plight has been particularly compelling. See Bending the Rules, The Economist (June 28, 1997); and Help for a Self-Helper, Washington Post (September 2, 1997).

[58](#) IMF document cited in Robert Chote, Finally, Relief in Sight: The IMF and the World Bank Plan to Ease the Debt Burdens of Poor Countries Emerging from Conflict, Financial Times (September 9, 1998). Muscat, 'Conflict and Reconstruction,' p. 39. The World Banks Experience with Post-Conflict Reconstruction, p. 9.

[59](#) Members of the Task Force included Australia, Austria, Belgium, Canada, Denmark, the European Commission, Finland, France, Germany, Ireland, the IMF, Italy, Japan, the Netherlands, Norway, Portugal, Sweden, Switzerland, the United Kingdom, the United States, UNDP, UNHCR and the World Bank. Conflict, Peace, and Development Cooperation, pp. 5-9

[60](#) Bernard Wood, 'Lessons and Guidance for Donors: Key Points from the Development Assistance Committee's Guidelines on Conflict, Peace, and Development Cooperation.' Conflict, Peace, and Development Cooperation, p. 17

[61](#) OECD/DAC, Conflict, Peace, and Development Cooperation, pp. 32-35, 29.

[62](#) UN Department of Humanitarian Affairs, 'Afghanistan: Coordination in a Fragmented State' (United Nations: December 1996).

[63](#) Andrew S. Natsios, US Foreign Policy and the Four Horsemen of the Apocalypse: Humanitarian Relief in Complex Emergencies (Westport, CT: Praeger, 1997). USAID/OTI, 'Operational Challenges in Post-Conflict Societies', (USAID Workshop, October 28-9, 1997), pp. 8, 14

[64](#) Nicole Ball, *Making Peace Work: The Role of the International Development Community* (Washington: Overseas Development Council, 1996), p. 56.

[65](#) Kumar, 'The Nature and Focus of International Assistance for Rebuilding War-Torn Societies', p. 33.

[66](#) UNDP Rwanda Mission, *Linking Relief to Development*, June 1998.

[67](#) Lake, *After the Wars*, p. 23. Marika Fahlen, 'Post-Conflict Reconstruction: the need for a new Global Financial Mechanism', UNHCR note for discussion (February 8, 1996). *Post-Conflict Reconstruction: The Role of the World Bank*, p. 48.

[68](#) Jeffrey E. Garten, *The Big Ten: The Big Emerging Markets and How They Will Change Our Lives* (New York: Basic Books, 1998).