



Thinking about Aid Management and Peacebuilding in Afghanistan

Peacepath Discussion Paper
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World attention on Afghanistan presents a new window of opportunity to push forward a political, economic and social reconstruction agenda. This opportunity, however, may also precipitate pressures and system dynamics that trigger common post-conflict reconstruction mistakes. The net impact of aid on longer-term peace and prosperity in Afghanistan depends first, on whether the new government together with donors truly make peacebuilding their overriding objective, and second, on how *effectively* their assistance serves this goal. The purpose of this paper is to outline key issues at the interface of governance and international assistance in Afghanistan, drawing upon lessons extracted from other reconstruction efforts.

The Aid Context

During the 1990s, the international community pledged more than 100 billion dollars in post-conflict aid to 36 countries, including Cambodia, Bosnia, El Salvador, Rwanda, Tajikistan and Lebanon¹. Despite this increase in post-conflict assistance largely due to the changing nature of conflicts and international responses to conflicts, the discrepancies in assistance remain large. Donors and agencies have responded in varying degrees to post-conflict challenges. Annual aid receipts have been much higher in Bosnia (\$380 / per capita) and Palestine (\$240 / per capita) for example, than in Rwanda (\$130/ per capita) or Somalia, Mozambique, Haiti (approx. \$70/per capita)². Whatever historical, geopolitical, economic or media-related factors explain these variations, it is clear that regardless of the amount pledged towards post-conflict recovery, a sustainable positive impact has consistently been difficult to reach. Multilateral and bilateral donors have supported post-conflict peacebuilding with packages of grants, concessional loans, debt forgiveness, and technical assistance – but often with less positive impact than anticipated.

Challenges

The challenges of post-conflict reconstruction are indeed daunting, often involving three key transitions³:

- a) A security transition from war to peace;
- b) A political transition from authoritarianism or quasi-anarchy to democracy;
- c) A socio-economic transition from a command economy or an informal war economy to a viable open economy.

Afghanistan faces the same triple transition challenge:

- a) A security transition from war to peace with regard to the conflict between the Taliban and the United Front - rooted in over twenty years of conflict and compounded by the current international military campaign and its security ramifications both in Afghanistan and regionally;
- b) A political transition from the current dual governance structure - characterized by a gap between a *de jure* Islamic Republic of Afghanistan and a *de facto* Islamic Emirate of Afghanistan (i.e. The Taliban) - to a single representative and democratic entity able to close the current gap;
- c) A much-needed socio-economic transition from an extensive informal war economy strengthened by years of conflict and absence of effective governance institutions, to an open, functional and legitimate economic foundation generating wealth and basic services for all Afghans.

¹ Forman, S. and Patrick S. *Good Intentions: Pledges of Aid for Postconflict Recovery*. Lynne Rienner Publishers, 2000. p.1.

² *Ibid*, p.209.

³ *Ibid*, p.5.

The Response

These profound transitions explain in turn the complexity of international assistance programmes. Post-conflict assistance today is therefore likely to include⁴:

Assistance for political rehabilitation

- Building institutional capacity for governance
- Support for elections
- Human rights monitoring and promotion
- Demobilization and reintegration of combatants
- Reforming the security sector
- Reforming the justice system

Assistance for social rehabilitation

- Repatriation and resettlement of refugees and IDPs
- Reviving and reforming health and education services
- Assisting war-stricken children
- Assisting women as war victims

Assistance for economic rehabilitation

- Removing landmines
- Reviving agriculture
- Restoring physical infrastructure
- Instituting macroeconomic policy reforms

Common Mistakes

The complexity and challenge of post-conflict reconstruction has in turn led to recurrent mistakes. The four most common mistakes in reconstruction aid have been:

1. De-linking peacebuilding from other forms of assistance

It is now recognized that inappropriate or ill-conceived aid can tilt the balance toward peace or war. Hence, the question is not whether aid has political impacts, but what these have been and will be. Aid has often been delivered without paying attention to the broader peace or development framework. For example, in some cases, inequities in assistance such as the provision of aid to returnees but not to locals have fueled conflict regardless of progress achieved in peace negotiations. In other cases, lack of domestic absorptive capacity for aid has resulted in rampant corruption, stimulated illegal trade and even arms trade, thereby fueling conflict again.

2. Over-emphasis on physical infrastructure

The emphasis on physical rebuilding has at times been detrimental to other forms of political, social and economic rehabilitation (listed above), and in some cases detrimental to a longer-term view of assistance. This tendency has been often a reflection of donor interests, the desire to show immediate results and/or the desire to promote stability in the short term by strengthening collapsing infrastructure systems.

⁴ Kumar, K. *Rebuilding Civil Societies after Civil War*. Lynne Rienner Publishers, 1997.

3. Vague promises of assistance and delays in disbursing funds

Too often aid promised has not been committed, aid committed has not been delivered, and aid delivered has arrived too late, often due to systemic constraints (e.g. bureaucracy, limited absorptive capacities). Donor agencies have also suffered from an inability to make long-term resource commitments and have favoured or opted for a “crisis management” approach to funding.

4. Weaknesses in aid management

Planning and implementation of aid has suffered from: weaknesses in the preparation and implementation of integrated strategic frameworks⁵; poor coordination among donors and the multiplicity of international actors; limited involvement of beneficiaries; high costs of implementation and lack of monitoring of impact on peace and development.

The following cases of post-conflict reconstruction in Cambodia and Bosnia-Herzegovina illustrate key weaknesses of the international assistance system⁶. Lessons extracted from these cases shed valuable light on how the government and aid community can learn from these for the benefit of Afghanistan and Afghans.

Lessons from Cambodia

Background

From 1970 to 1975, Cambodia was engulfed in a civil war that led to the victory of a revolutionary movement, the Khmer Rouge, who conducted a reign of terror, killing over a million civilians. In 1978, the Vietnamese forces ousted the Pol Pot leadership and installed a new regime: the People's Republic of Kampuchea (PRK). A Coalition government, including the royalists (CGDK) continued its armed resistance against the Soviet-backed PRK throughout the 1980s. The end of the Cold War forced major powers to rethink Cambodia's future. The outcome was the Paris Agreements signed in October 1991, urging Cambodian factions to accept a UN intervention. The United Nations Transitional Authority in Cambodia (UNTAC) would attempt to create a neutral political environment for the conduct of free and fair elections. The recovery plan would rest in the hands of the Cambodian government. The donor community however showed generosity in pledging for Cambodia's recovery. The first request by the Secretary-General of \$595 million was surpassed by pledges of \$800 million. However by the end of 1997, the donor community had disbursed only \$2.33 billion to Cambodia out of total pledges worth \$3.26 billion.

What explains the disbursement gap?

1. *Domestic obstacles:* Cambodia's limited absorptive capacity for aid (lack of human, financial and administrative capacity compounded by rampant corruption), the leadership's lack of aid coordination skills, and endemic factional conflict were responsible for delaying the disbursement process.

2. *External obstacles:* over-emphasis on relief to the detriment of rehabilitation in the initial stage, donors' limited understanding of Cambodian needs, competing donor interests and policies, lack of donor coordination, problems of impact with NGOs (often funded instead of corrupt government) contribute to explain the mitigated impact of assistance.

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⁵ A strategic framework identifies priority areas, allocates appropriate resources for them, and relates interventions to the achievement of the twin objective of peace and development. It should be more than a compilation of sectoral targets and plans without an overarching conceptual foundation.

⁶ For further details, see Forman, S. and Patrick S. *Good Intentions: Pledges of Aid for Postconflict Recovery*. Lynne Rienner Publishers, 2000.

...Cambodia

What lessons can be applied to Afghanistan from the Cambodian experience?

1. The role of the government in aid management is key. The government needs the capacities to develop an *integrated system* to plan, implement, manage, and monitor international aid. It must take the primary responsibility for recovery, and capitalize on the potential for increased coordination and performance of aid.
2. Peacebuilding objectives must be pursued as intensely as economic rehabilitation goals. Failure of the peace process will lead to failure of the recovery effort. Moreover, economic and social rehabilitation programmes must be designed and implemented in ways which contribute to peace. Isolated programmes are often counter-productive to peace objectives.

Lessons from Bosnia and Herzegovina

Background

Following its declaration of independence in 1992, opponents of independence engulfed Bosnia-Herzegovina in a four-year war. Half of Bosnia-Herzegovina's population was killed, injured, internally displaced or took refuge abroad.

The Dayton Peace Agreement (DPA) ended the fighting and created a weak state with high levels of autonomy delegated to separate ethnically-defined entities. The NATO-led peacekeeping forces were mandated to implement the military side of the DPA. The civilian side of the agreement was overseen by the Office of the High Representative and reconstruction programmes were implemented by hundreds of international organizations.

The international community pledged over \$5 billion in aid to Bosnia from 1995-1998, making Bosnia one of the largest reconstruction efforts since the Marshall Plan. The pledges had three goals: reconstruction of war damage, consolidation of cease-fire agreements and the implementation of a peace accord, and the transition to a market economy.

Key lessons

What lessons have been drawn from post-conflict reconstruction in Bosnia?

1. The importance of early planning for future post-conflict assistance cannot be under-estimated. In the case of Bosnia, early planning in late 1994 by the World Bank enabled a quick mobilization of donors and assistance, particularly in the first year after the accords.
2. Economic reconstruction cannot occur in a political vacuum. Some degree of political normalization is essential for economic recovery. Often, however, reconstruction incentives can act as catalysts for peace efforts or for some form of political normalization.
3. Peacebuilding should have been included consistently from the start of the Priority Reconstruction and Recovery Program (PRRP), rather than as an after-thought and an *ad hoc* programmatic measure. Human rights, media, democratization and arms control assistance was provided much later. Building peace was seen as a separate activity and took mainly the form of political conditionality. It was only later recognized that peacebuilding should have been at the core of all programmes including the PRRP.
4. Aid management remains a challenge to post-conflict recovery. Problems on the donor side included weak coordination mechanisms and implementation capacity and disagreements among donors about the use (and definition) of political conditionality in the provision of assistance. On the recipient side, continued disagreements about the goal of the peace accord, cumbersome decision-making procedures, and insufficient transparency and accountability on the use of aid posed its own set of challenges.

What does this mean for Afghanistan?

Pledges of aid have generally been direct responses to negotiated peace accords. As such, they have served as post-facto international backing of a peace process, and in some cases as ex ante incentive towards peacebuilding.

It is hoped that in the case of Afghanistan, the promise of aid and the commitment to reconstruction will lure parties to the negotiating table. Regardless of issues of sequencing and timing⁷, the potential new governmental authority must be prepared and capable to manage aid and relations with donors rather than react to pledges and structures, which may be inadequate, and worse, potentially detrimental to both peace and development.

In this regard, key lessons from other efforts have been: a) the importance of early planning and coordination between multilateral organizations; and b) the crucial role of the government in managing aid and increasing the impact of aid, as part of a nationally owned reconstruction agenda.

Opportunities for addressing recurrent mistakes

The net impact of aid on longer-term peace and prosperity in Afghanistan depends first, on whether the new government together with donors truly make peacebuilding their overriding objective, and second, on how *effectively* their assistance serves this goal.

Some opportunities:

1. Incorporating peacebuilding in assistance

Peacebuilding has been defined by Boutros-Boutros Ghali in the *Agenda for Peace* (1991) as “collective action to identify and support structures which will tend to strengthen and solidify peace in order to avoid a relapse into conflict”. Peacebuilding is in this sense more than a vertical aid activity (i.e. a one time community-building project) or an isolated political process, such as a high-level peace process. It is an attempt to design, deliver and monitor aid in ways that promote peace and longer-term development in fragile post-conflict settings.

2. Raising understanding of Afghan culture

International assistance in Afghanistan has suffered from a lack of understanding and dialogue on the role of culture and religion⁸. This gap is likely to persist, if not increase, in a post-conflict scenario. Thus a key leadership challenge is to find practical ways to translate cultural or religious values into governance and assistance issues to avoid polarizing domestic and international actors.

3. Developing a strategic framework for recovery

Together with donors and civil society, the government has an opportunity to develop a coherent recovery framework, identifying priority areas and resource needs in the economic, political and social rehabilitation spheres, as part of a greater peacebuilding framework and in line with its own cultural specificity.

⁷ Barnett Rubin and others however argued (prior to the current international military campaign) that the Afghan war is not a civil war but a transnational one. The transnational links are too deep to be untangled and will have to be transformed. Hence, efforts at reconstruction and institution-building need to *precede* and act as a catalyst for political agreements, rather than the reverse. Hence, the necessity of integrating the political, economic, humanitarian, and human rights components of international action. See Rubin B., Maley W., Roy O., Rashid A., Ghani A. *Afghanistan Reconstruction and Peace-building in a Regional Framework* KOFF, June 2001.

⁸ Maley, William. *Fundamentalism Reborn? Afghanistan and the Taliban*. London, 1998.

4. Improving the management, coordination and impact of aid

Part of the government's challenge is to: a) contribute to improved UN coordination; b) mobilize the Bretton Woods institutions and encourage links between development organizations and development banks; c) improve coordination among bilateral donors; and d) enhance local coordination and impact of civil society actors. In order to enhance the coordination and impact of aid, an Afghanistan Reconstruction Fund (ARF) could also be set up to serve as a catalyst for pooling donor resources in a more coherent manner; identifying those who have a fast disbursement capacity, in line with the sectoral priorities of the recovery plan⁹.

Leading systemic change

The interface between governance and international assistance is complex. Post-conflict reconstruction of Afghanistan will be no exception. This complexity will become more manageable if there is a clear and firm commitment to implementing reconstruction programmes through a peacebuilding approach. A minimum of three processes is critical to adopting this approach: understanding the context, operationalizing a commitment to peacebuilding and upholding accountability for peacebuilding.

First, long-term positive impact will depend on the ability of lead actors to understand the dynamics of the system and leverage points where experiences from other contexts can be applied to enhance the effectiveness of aid to Afghanistan. In other words, how well the lead actors understand the social, cultural and conflict dynamics of the Afghanistan crisis and how well they can select and apply appropriate lessons from other situations. This goes beyond stakeholder analyses and knowledge of the key players. It requires a policy and planning foundation based on two questions: 1) What are the roots of the conflict (i.e. the factors which, if left unaddressed, would precipitate further conflict)? 2) How are aid and reconstruction programmes impacting these roots?

Second, the lead actors need to be able to operationalize their commitment to peacebuilding. In addition to employing roots of conflict analyses at the heart of aid and reconstruction initiatives, this can be achieved by actively integrating peacebuilding principles and strategies into all facets of aid and reconstruction programming (analysis, design, implementation, evaluation, reporting and learning). Examples from Bosnia provide informative contrasts between vertical peacebuilding activities (e.g. facilitating inter-ethnic meetings) and horizontal integration of peacebuilding strategies into technical activities (e.g. looking at the impact of technical programmes on peace and development processes).

Third, lead actors in the reconstruction effort must hold themselves accountable to peacebuilding aims and objectives. On what grounds will reconstruction be considered a success? Accountability for peace outputs can be fostered through the development and implementation of performance and evaluation indicators that explicitly assess impacts on peace, governance and development.

Adopting these three processes, the new governmental entity, together with the donor community, has the potential to take a central and proactive role in defining a peacebuilding approach and to propose innovative strategies to seize opportunities for change in the international assistance system, for the benefit of the long-suffering peoples of Afghanistan.

⁹ Forman, S. and Patrick S. *Good Intentions: Pledges of Aid for Postconflict Recovery*. Lynne Rienner Publishers, 2000.

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PEACEPATH CONSULTING's core mission is to be a global leader in providing practical peacebuilding, development and management services to organizations operating in conflict and post-conflict settings.

PEACEPATH CONSULTING serves two basic needs of humanitarian actors:

1. To develop and operationalize peacebuilding policies and strategies; and,
2. To address complex management challenges faced by humanitarian organizations.

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