Impact of Development Cooperation in Conflict Situations

Cross-section Report on Evaluations of German Development Cooperation in Six Countries

Stephan Klingebiel

Preface

The role played by development cooperation in conflict situations has become an important topic in the international debate. To study the impact of German development cooperation in conflicts and crises, the Federal Ministry for Economic Cooperation and Development (BMZ) commissioned an evaluation covering six countries (Ethiopia, El Salvador, Kenya, Mali, Rwanda and Sri Lanka). Each country was investigated by groups of experts in teams of two. This study is the summary (cross-section) report on the six evaluations, which were drawn up as internal working documents.

I would like to take this opportunity to thank everyone with whom I have had discussions for their cooperation and especially for the pointers and comments received at the BMZ, the Federal Foreign Office, the German Agency for Technical Cooperation (GTZ), the Kreditanstalt für Wiederaufbau (KfW) and the experts responsible for the various evaluations.

Berlin, August 1999   Stephan Klingebiel

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Summary

Reason for the Study and its Objective

The early 1990s saw the beginning of an intensive international debate on the contribution that development cooperation can make to stable and peaceful development in conflict situations. Various conceptual papers (by the Organization for Economic Cooperation and Development/OECD's *Development Assistance Committee*/DAC and the German Federal Ministry for Economic Cooperation and Development/BMZ among others) have meanwhile been published, and some experience has been gained at project and programme level. So far, however, there have been hardly any empirical studies of the role that development cooperation as a whole has played, or might play, in conflict situations or of the requirements that must be met if it is to make a successful contribution to the prevention of violent conflicts.

The aim of the evaluation of "the impact of development cooperation in conflict situations" is to examine the role that German development cooperation has played in conflicts and crises in the past. Both aspects which have defused conflicts and aspects which have exacerbated conflicts will be considered in this context. Factors indicating that development cooperation may well contribute to crisis prevention or conflict resolution will be identified. Above all, the interaction of the various instruments within the overall development cooperation framework must be assessed.

It should be emphasized that conflicts are necessary components of societies; they should not therefore be prevented per se. The aim is rather to contribute to their peaceful and constructive resolution and to help prevent them from being resolved by violent means.

This study is the summary (cross-section) report on six internal country studies (evaluations). The cases of *Ethiopia*, *El Salvador*, *Kenya*, *Mali*, *Sri Lanka* and *Rwanda*, which represent different phases of conflicts, have been studied. *Rwanda* has special features in view of the genocide that has occurred there.

Environment for Development Cooperation in Conflict Situations

Causes of Conflicts and Effects of Conflict Situations on Development

The conflicts studied can be largely attributed – albeit with major differences – to (1) rivalry for resources and/or (2) the dominance of certain social groups. These causes often rank high in the perception of parties to conflicts. Perception of, say, how much discrimination an ethnic group suffers or how much preference it enjoys thus frequently determines the behaviour of the actors concerned. In many cases ethnic or other lines of conflict therefore reflect instrumentalization by parties to the conflict.

Conflict situations are associated not only with human suffering and humanitarian aspects but also with high development "costs". Acute conflicts in the form of civil wars or something similar are usually the main obstacle to the development of a country or region.

Settlement and De-escalation of Conflicts and External Influences

Few general patterns providing clues to the structures of conflict resolution and de-escalation can be identified. Even in case studies that note positive tendencies over long periods or for some time a widespread phenomenon of reversibility and fragility can be detected: there is usually continuing uncertainty about steps that might lead or have already led to de-escalation and about wars that have ended.

In at least some cases (*Mali* and *El Salvador*) the following factors played an important part in the settlement of conflicts: (1) a no-win situation, (2) the high cost of war, (3) external actors had no interest in seeing the war continue and (4) attempts at mediation from outside and within.

What influence external actors have on conflict situations differs from one case to another and depends partly on the time and the regional environment. Although all the conflict situations stud-

ied were "internal" conflicts or civil wars, almost all had something to do with the regional environment.

External actors were sometimes crucially important for the course and outcome of conflicts; in various cases this also had major repercussions for German policy. The USA's massive economic and military aid, for example, had a serious influence on the civil war in *El Salvador*.

External actors' (non-military) attempts to bring influence to bear with a view to de-escalating conflicts or ending wars – such as attempts at mediation and diplomatic pressure – have differed in the impacts they have had. Many are likely to have been of secondary or subsidiary importance (as in the case of *Mali* and *Sri Lanka*), but some may have been decisive (e.g. in *Kenya* through efforts to advance democratization).

Conflict Recognition and the Flow of Information

In principle, information relevant to conflicts can be gathered and processed at three levels: (1) at project level, (2) at the level of the embassy and local development cooperation offices and (3) at headquarters level (Foreign Office/FO, BMZ and implementing agencies). In some cases the recording, forwarding and processing of information proved to be deficient and, to some extent, highly problematical (*Rwanda*). In other cases the system worked satisfactorily on the whole.

In some countries potential sources of conflict had been overlooked or underrated, and information relevant to conflicts had not been recorded by the embassies; in some instances there was a tendency to avoid any attitude that was critical of the government. Adequate assessment of information by the actors concerned (FO and BMZ) was not always ensured.

Conflict situations were often of no real interest to development cooperation projects and programmes or to the implementing agencies unless they had a direct impact on the technical imple-

mentation of a measure (safety of the project staff, etc.). Conflicts are often perceived as a "disruptive factor" over which little influence can be exercised and which the actors involved believe should as far as possible be excluded from their own development cooperation activities.

In the recording, forwarding and interpretation of information four problems can be identified: (1) the system features a wealth of information and, above all, inconsistent information; actors may tend to eliminate inconsistencies by resorting to certain mechanisms (e.g. selective perception) in their reporting ("cognitive dissonance"); (2) the local structures (projects, German Agency for Technical Cooperation/GTZ office, embassy) tend to be reluctant to refer to conflict situations; (3) projects endeavour to shield themselves from the context of the conflict: staff do not want "their" project impaired by the unfavourable environment; (4) development cooperation measures fail to forge a link between local conditions and the national or regional situation where a conflict is concerned.

From the experience gained in the countries studied various approaches to improving the flow of information within the Federal Government and the recognition of conflicts can be identified: a review of the ways in which embassies obtain and forward information, better conflict recognition and forwarding of information by project personnel and local development cooperation offices, and improved analysis by the BMZ of the tendency of some countries to plunge into crisis (utilization of the established indicator model / "Spelten indicators").

German Development Cooperation in Conflict Situations

German development cooperation pursued very different strategies in the countries studied. Two patterns of behaviour can generally be distinguished in this context: on the one hand, countries or phases in which official German development cooperation tried to act independently of the actual or potential conflict. The *reactive adjustments*

due to the conflict that were nonetheless necessary and were made in these situations are reflected, for example, in the withdrawal of development cooperation personnel because of the security situation and in the impossibility of measures being taken in certain parts of the country because of civil war. On the other hand, it is possible to identify countries or individual phases in which German development cooperation made a deliberate attempt to help prevent crises or resolve conflicts. This strategy of *explicit sensitivity to conflicts* takes many different forms, examples being a concept or strategy for preventing or resolving conflicts (in connection with the country concept, for instance), the issues raised during a policy dialogue and specific development cooperation measures designed to prevent or resolve conflicts. In most of the countries studied "mixed conflict strategies" which both contain elements of reactive conflict-related adjustments and reveal explicit sensitivity to conflict had clearly been adopted in German development cooperation. Such strategies are, however, largely the outcome of an evolving process and less the expression of explicit strategic planning.

Explicitly Conflict-related Development Cooperation Measures

Various explicitly conflict-related projects and programmes (measures to demobilize and reintegrate combatants, programme packages for the social, political and economic stabilization of certain regions, etc.) of official German development cooperation were assisted in most of the countries studied. In conflict-related projects a particularly heavy commitment is shown by non-governmental organizations (NGOs), and especially the Political Foundations and the Churches in the cases studied. The measures taken by NGOs differ widely, since some operate in substantive spheres and even, in some cases, regions (such as areas of *Sri Lanka* controlled by the Liberation Tigers of Tamil Eelam/LTTE) which are not covered by official development cooperation.

Policy Dialogue and Conditionality

Policy dialogue can be conducted at both bilateral and multilateral level. At bilateral level government negotiations and consultations and the embassies' on-going dialogue with government agencies provide regular opportunities for concerns to be expressed. Visits by leading political figures (to the partner country or to Germany) also enable topics relevant to conflicts to be raised. There are also opportunities for conducting a multilateral policy dialogue at the *Consultative Group Meetings* organized by the World Bank and at the level of the European Union, the United Nations and other international fora.

In some cases at least, bilateral relations have been seen as an opportunity for conducting a policy dialogue with a partner government on issues relevant to a conflict. In various cases, however, policy dialogue has been used to voice general criticism rather than impose any explicit conditionality (*Sri Lanka* and *Rwanda* being examples of this tendency). The policy dialogue entailing most conditionality was conducted with *Kenya*, the donor community bringing massive pressure to bear on its government. Germany played an important part at bilateral level and, as one of the leading donors, at international level in ensuring that a common international position was adopted.

Conclusions and Recommendations

As a general rule it can be said that the direct influence which German development cooperation and the whole of the international donor community can have on conflict situations is very limited; this is particularly true of acute conflicts (open confrontation phase).

On the whole, there has been a discernible tendency in German development cooperation for sensitivity to conflict situations to increase in the 1990s. Despite this positive tendency, development cooperation actors are often insufficiently aware of conflict situations. Conceptually, not enough attention is paid to this aspect; there are no real "conflict strategies" for the countries concerned. This is a major deficiency not only in

countries particularly hard hit by conflicts (such as *Rwanda*) but also in countries where memories of conflict situations are fading (such as *El Salvador*).

Development cooperation can react to conflict situations in many different ways. However, the actors are often unaware of the options open to development cooperation for responding constructively to conflict situations, and greater use should be made of them; this is particularly true of countries in the phases before a conflict becomes violent.

In countries where there is a recognizable potential for conflict it should be taken into account in an adequate form in the country concept and country discussion (possibly specific "conflict-related country discussions").

In countries with clear conflict situations efforts to broach conflict-related problems during the policy dialogue should be stepped up. This is also true of the opportunities that German development cooperation has for bringing influence to bear on the multilateral policy dialogue. The conditions should be explicit and specific.

Impact of German Development Cooperation on Potential and Actual Conflict Situations

It is methodologically difficult to analyse the impact of German development cooperation on potential and actual conflict situations. This is true both of the macro level – i.e. the influence of overall German development cooperation on a conflict – and of the level of individual projects and programmes (micro level).

Impacts at Macro Level

The six country studies come to different conclusions as to the overall impact of German development cooperation on potential and actual conflict situations. Three (*Kenya*, *Mali* and *Sri Lanka*) are, on the whole, rather positive. One (*Rwanda*) reaches a generally negative conclusion. Another

(*Ethiopia*) is, by and large, ambivalent in its findings, and yet another (*El Salvador*) concludes that, seen as a whole, no direct impact can be detected. German development cooperation had most influence in *Kenya* and northern *Mali*.

All the studies identify opposing tendencies (ambivalences); in other words, examples can be found in each case of German development cooperation exacerbating the potential for conflict or conflict situations while also making positive contributions.

The most important possible positive impacts at macro level are:

— the eventual removal of causes of conflict (regional disparities, employment opportunities, defusing of conflicts over natural resources, etc.),

— short- and medium-term political and social stabilization due to reconstruction measures,

— political openness, participation, democratization and an increase in the conflict awareness of societies and political systems,

— achievement of security and improvement of human rights conditions through the presence of development cooperation personnel,

— removal of opportunities for self-enrichment and of clientele systems through economic reform programmes / structural adjustment.

The most important possible negative or problematical impacts at macro level are:

— direct support for and stabilization of governments (through official development cooperation) which are themselves involved in conflicts,

— exacerbation of conflicts through encouragement of clientele systems and opportunities for corruption,

— wrong signals sent to the government and opposition forces through "omission" (e.g. failure to seize opportunities during the policy dialogue) and "approval",

— increased regional imbalances through the promotion of certain regions preferred by the governing elites,

— violent countermeasures taken by the regime in response to pressure for political reform exerted by development cooperation (eventually, however, removal of potential for violence),

— easing of the pressure on governments to take action to deal with the causes of conflict through development cooperation ("internationalization" of government tasks),

— increase in the pressure to modernize (changes to economic structures and forms of social organization tend to cause conflicts),

— increase in competitive behaviour in the public sector due to economic reform programmes or structural adjustment.

Some of these impacts may be conducive to conflict in the short or medium term, while in the long term they may be appropriate and lead to an easing of tension (e.g. pressure for political reform, economic reform programmes).

Impacts at Micro Level

1. Explicitly conflict-related measures

   Experience with explicitly conflict-related measures of official German development cooperation and of non-governmental development cooperation reveals largely positive impacts on potential and actual conflict situations.

   Various rehabilitation and stabilization packages in *Sri Lanka* and above all the "Northern Mali Programme" made particularly positive contributions. The measures essentially helped to normalize the situation in various regions; a decline in law-breaking and arbitrary acts is associated with the programmes. In *Mali* it was also possible to take direct action to reduce society's willingness to resort to conflict and violence and to help improve understanding between the warring parties.

Various measures to demobilize and reintegrate combatants in *Ethiopia* and *El Salvador* similarly proved successful. They also had adverse effects, however, since they were perceived as an instrument of ethnic colonization (also *Ethiopia*), and programmes assisted by other donors in *Rwanda* in this sphere were used to increase the efficiency of the military apparatus.

Most of the NGOs' conflict-related measures were rated very highly. The sometimes violent reactions of regimes (especially in *Kenya* and *Ethiopia*) to NGOs' conflict-related activities indicate that the latter were of some relevance and thus effective. Examples of positive impacts are:

— Direct action taken by the Churches to resolve conflicts in areas of unrest had the effect of promoting peace in *Kenya*. It helped to make political processes more transparent and to improve the quality of political debate at national and local level and contributed to the debate on reforms.

— In *El Salvador* the German Churches were able to provide considerable manpower, ideological and material support for the peaceful settlement of the conflict.

The measures taken – particularly by the Political Foundations – to promote democracy and human rights cannot be equated per se with the de-escalation of crises, since they may sometimes help to bring a conflict to a head in the short to medium term if the regime resorts to violent countermeasures. In the long term, however, they may prove very effective in removing potential for violence and causes of conflicts.

The work of the Churches and that of the Political Foundations differ in one important respect: while the Churches usually have very good local interlocutors, the foundations depend on identifying suitable counterparts, an approach which may cause problems (e.g. *El Salvador*).

2. Non-conflict-related measures

Various development cooperation measures not geared to any specific conflict (such measures account for the bulk of German development cooperation activities in the cases studied) are found to have a very wide variety of intended and, above all, unintended impacts.

The positive impacts are primarily contributions to the long-term reduction of causes of conflicts or to the removal of factors that exacerbate conflicts. Such contributions may, for example, take the form of projects and programmes concerning the protection of natural resources or the population policy sphere. Individual measures often have the further positive impact of contributing to the removal of clientelist structures, to the improvement of participation and to decentralization, although the real project objectives relate to "classical" areas of development policy (e.g. water supply).

On the other hand, four unintended negative impacts of development cooperation projects and programmes were identified in the countries studied. First, there was found to be a danger of some decentralization measures helping the government to develop monitoring structures and thus possibly repressive mechanisms. Second, development cooperation measures may encourage self-enriching and corrupt clientelist structures at national, regional and local level. Third, some development cooperation projects and programmes helped to increase disparities (e.g. among ethnic groups) by supporting, for example, infrastructure measures which were being implemented by the partner government and entailed the resettlement of certain ethnic groups. Fourth, there are indications of resource-related measures having unintended effects, where, for example, irrigation measures ease the pressure on land use, but also enable new settlers to move in, thus opening the way to fresh conflicts. Furthermore, the conditions may be such that other measures also have the effect of exacerbating conflicts. This was true, for instance, of a map financed

as part of a GTZ project and showing a boundary line between *Ethiopia* and Eritrea that does not correspond to the internationally recognized border.

Impact of Individual Instruments

The country studies enable a number of general statements to be made on various development cooperation instruments. The potential impact of policy dialogue and conditionality on conflict situations is particularly pronounced. Success largely depends on the leading donors' adoption of a coordinated approach, the avoidance of excessive development cooperation ("over-aiding") and verifiable concrete demands and conditions. Both financial cooperation and technical cooperation have a number of specific features that may be relevant to conflicts. As partner governments are usually very interested in financial cooperation, linking it to policy dialogue or conditions can, in principle, be very effective. Technical cooperation, on the other hand, is more controllable, which normally makes it possible to exercise greater influence on individual project and programme components. It also has a stronger external organizational structure (country offices). Furthermore, the fungibility of development cooperation may pose a problem for both financial and technical cooperation. In some cases nongovernmental organizations also offer conflict-related measures, which are particularly important and out of the question for official development cooperation. Success does, however, very much depend on there being a suitable counterpart structure, which not all NGOs have.

Conclusions and Recommendations

In the past little account was taken of the impacts of German development cooperation with regard to conflicts. This is especially true of unintended negative impacts at both macro and project level. There were no criteria to enable relevance to conflicts to be identified quickly.

An analysis of the impacts of German development cooperation on potential and actual conflict situations produces a heterogeneous picture. A

very wide range of positive and negative effects can be identified at macro and project level. The links are complex. The impacts of German development cooperation or even individual measures are often inconsistent.

More deliberate use should be made of German development cooperation for strategic purposes in conflict situations, so that better account may be taken and a better assessment made of the general positive and negative impacts it has (assessment of political consequences). In development cooperation measures account should always be taken not only of technical aspects but also of factors of relevance to conflicts, since no project is in fact purely technical.

The instruments of German development cooperation should be used more purposefully against the background of a country's conflict situation. Where the government is involved in the conflict and pursues a repressive policy that exacerbates it, serious thought should be given to terminating development cooperation or changing the instruments used.

At the level of individual measures efforts should be made to analyse systematically positive and negative impacts relevant to conflicts (*conflict impact assessment*) and to take account of the findings at every stage of the planning, implementation and monitoring/evaluation.

Special Features of Development Cooperation in Conflict Situations

Development cooperation in conflict situations has special features and requires a specific approach. The special features relate very largely to unstable and changing conditions and requirements in the countries concerned.

To achieve effective conflict-related development cooperation, (1) a high degree of flexibility, (2) greater willingness to accept responsibility and to take risks, (3) modified procedures and (4) restrictions as regards the principles of sustainability and partnership are required.

It is very important to have adequate donor coordination at a general level (especially at donor meetings in Paris) and at the level of individual thematic "on-the-spot" donor groups and specific measures if the efforts of an individual donor are not to fall flat or to be foiled by other donors. Only if a sufficient number of relevant donors is prepared to take conflict-related action does development cooperation have a chance to bring positive influence to bear on potential and actual conflict situations and to prevent adverse impacts from occurring.

It is also necessary to consider whether under the prevailing conditions other policies support or possibly run counter to any conflict-related efforts forming part of German development cooperation. As a general rule foreign policy plays a coordinating role in this context.

It should also be emphasized that the way in which German development cooperation is perceived in the country affected by conflict is very important. In general, official development cooperation tends to give one warring party – the government – direct and indirect support.

In view of the special circumstances facing development cooperation in conflict situations the following points are important: (1) the procedures and instruments of German development cooperation should be reviewed to see if they permit a sufficiently flexible and prompt reaction in conflict situations and, if necessary, they should be adjusted; (2) existing opportunities for cooperation with non-governmental counterparts in the context of official development cooperation should be clarified; new forms of cooperation with actors in civil society may need to be devised; (3) in conflict situations measures that permit a broad and open approach (along the lines of "open funds", for example) are particularly suitable for meeting a wide range of requirements; (4) a greater willingness on the part of development cooperation actors to accept responsibility and take risks needs to be backed by politicians; (5) conceptually, general principles underlying development policy (principles of sustainability and partnership/ownership) need to be adjusted when

conflicts occur; (6) German development cooperation provides opportunities for foreign policy to play a more active role in some cases; (7) German development cooperation can never be neutral or purely technical in conflict situations; however, it should endeavour to appear impartial; cooperation with the government concerned should therefore be analysed when conflict situations occur.

Other Conclusions and Recommendations

The growing sensitivity of German development cooperation to conflict situations should find practical expression in two ways, over and above the conclusions and recommendations described above.

First, the development cooperation actors involved face new requirements when conflict situations occur. Their ability to cope with these requirements appropriately depends on whether staff are adequately prepared for these tasks and whether their job specifications are appropriate. Suitable opportunities for training in "development cooperation in conflict situations" should therefore be provided for the staff of the BMZ, the Foreign Office and the implementing agencies.

Second, in view of the importance of "development cooperation in conflict situations" as an area of responsibility greater organizational importance should be attached to it within the BMZ, and it should be established as a "cross-section task". If effective influence is to be brought to bear, particularly on the regional sections and implementing agencies, a new organizational unit should be created as a specialized section. Other socio-political areas should also be covered (especially "democracy" and "human rights").

I Introduction

Reason for the Study

The early 1990s saw the beginning of an intensive international debate on the contribution that development cooperation can make to stable and peaceful development in conflict and crisis situations. At international level this has been reflected particularly in the *DAC Guidelines on Conflict, Peace and Development Co-operation*,[1] which were completed in 1997. In Germany the debate has led, inter alia, to the concept paper *Entwicklungszusammenarbeit und Krisenvorbeugung* (Development Cooperation and Crisis Prevention) drawn up by the Federal Ministry for Economic Cooperation and Development (BMZ).[2] The new Minister and senior staff of the BMZ place particular emphasis on the major importance of the subject.[3]

Some experience has been gained with projects geared to crisis prevention (e.g. demobilization measures, food aid). In certain countries a start has thus been made on including elements of crisis prevention in projects and programmes.

So far, however, there have been hardly any empirical studies of the role that development cooperation as a whole has played, or might play, in specific conflict and crisis situations or of the requirements that must be met if it is to make a successful contribution to crisis prevention.

The BMZ therefore commissioned an evaluation comprising six internal country studies (see below).

Given the importance of the terms "conflict" and "crisis" for this study, it should be said that conflicts are necessary components of societies and essential elements of development; they should not therefore be prevented per se. The aim is rather to contribute to their peaceful and constructive resolution or to help prevent them from being resolved by violent means.

Objective of the Study[4]

The objective of the evaluation entitled "Impact of development cooperation in conflict situations" is to study the role that German development cooperation has hitherto played in conflicts and crises. Both aspects which have prevented crises and aspects which have exacerbated crises will be considered in this context. Factors indicating that development cooperation may well contribute to crisis prevention or conflict resolution will be identified. Above all, the interaction of the various instruments within the overall development cooperation framework must be assessed.

The political and economic environment needed if development cooperation is to succeed will be explained, and the limits to its options defined.

This study is the summary (cross-section) report on the evaluations, which were drawn up as internal working documents.

The six internal country studies concern *Ethiopia*, *El Salvador*, *Kenya*, *Mali*, *Sri Lanka* and *Rwanda*. Various criteria were applied in the choice of the countries. Besides a degree of geographical distribution (inclusion of experience gained in African, Asian and Latin American countries), the different phases of conflict[5] played an important part in the selection. A further criterion was whether German development cooperation plays an appreciable role in the country concerned.

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1 See OECD (1997).

2 See BMZ (1997).

3 See, for example, the interviews with Federal Minister Wieczorek-Zeul and Parliamentary State Secretary Dr Eid in "Entwicklung und Zusammenarbeit" (1999), Vol. 40, No. 1, pp. 8 ff. and 11 ff. respectively.

4 See the Terms of Reference reproduced in the annex.

5 This report is guided by a scheme comprising a total of five roughly defined phases of conflict: (1) emergence, (2) escalation, (3) eruption, (4) de-escalation and (5) consolidation. The first two phases are often referred to as "pre-conflict", the last two as "post-conflict" phases.

— *Kenya* was chosen as an example of countries that have a clearly recognizable potential for conflict, although – despite various isolated violent events – it has not yet escalated into a full-blown conflict.

— *Sri Lanka* was chosen as an example of countries currently affected by civil war.

— *Ethiopia*, *El Salvador*, *Mali* and *Rwanda* were chosen as examples of countries in post-war situations. The choice of countries illustrates the very different situations and the very wide variations in the continuing potential for conflict and violence.

Rwanda differs significantly from the other "civil war countries" in various respects, there being little comparison between its genocide and the hostilities elsewhere.

Three documents in particular were used as analytical foundations for the evaluations and the cross-section report:

— the BMZ's concept paper *Entwicklungszusammenarbeit und Krisenvorbeugung* (Development Cooperation and Crisis Prevention), [6]

— the research project *Krisenanalyse in der Entwicklungszusammenarbeit* (Crisis Analysis in Development Cooperation),[7] which was commissioned by the BMZ and carried out by Angelika Spelten and contains, in particular, an indicator model for the tendency of societies to plunge into crisis, and

— the DAC Guidelines on Conflict, Peace and Development Co-operation.[8]

The countries taken as examples were to be examined to see how far German development cooperation instruments (bilateral development cooperation projects and programmes in the context of financial cooperation, technical cooperation, policy dialogue and non-governmental cooperation)

have helped to reduce the potential for conflict or to influence social mechanisms that encourage the peaceful resolution of conflicts. An explicit study was also to be made of any cases of development cooperation (see Table 1) and its various instruments unintentionally defusing or exacerbating conflicts, especially as "crisis prevention" as such has not hitherto been an avowed objective of German development cooperation.

Although the general political context and the activities of other donors (including multilateral institutions) and other actors were not to be investigated, they were to be taken into account in the analysis.

Table 1: Possible Impacts of Development Cooperation on Potential and Actual Conflict Situations	
Positive impacts / intentional	
Positive impacts / unintentional	Negative impacts / unintentional

Study Method

This cross-section report uses the six evaluations as its main sources.

Most of the information for the internal country studies was obtained from

— country and project files held by the BMZ, German Agency for Technical Cooperation (GTZ) and Kreditanstalt für Wiederaufbau (KfW),

— generally available publications (newspapers, academic reports, etc.),

— interviews conducted in Germany with representatives of the BMZ, the Federal Foreign Office, other governmental development cooperation agencies, non-governmental organizations (Churches, Political Foundations,

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6   See BMZ (1997).

7   See Spelten (1998).

8   See OECD (1997).

etc.) and relevant research institutes and experts,[9]

— interviews conducted in the various countries[10] with the embassies and development cooperation actors,

— interviews with the warring parties and the government.

Interviews and plausibility analyses were to be the tools for impact analysis.

On this basis the evaluations were to be assessed to see whether and to what extent development cooperation as a whole and/or individual project activities had been able to help influence or defuse potential or actual conflict situations.

The *Mali* evaluation is something of an exception. The experts were asked by BMZ to concentrate on the "Northern Mali Programme", while in the other evaluations an attempt was made to cover the whole spectrum of development cooperation in the countries concerned.

To give the various studies ample opportunity to consider the specific situation adequately, the focus of attention in the evaluations varies ("general conditions", "conflict recognition and flow of information", etc.).

For this cross-section report the following information and working meetings as well as the actual evaluation reports were taken into account:

— on 9 July 1998 a one-day meeting in preparation for the evaluations was held at the German Development Institute (GDI) and was attended by representatives of the BMZ (Sections 04 and 310), most of the experts and two consultants;

— on 19 January 1999 a one-day provisional appraisal meeting attended by representatives of the BMZ (Sections 04 and 310) and the Federal Foreign Office (Section 401) and by all the experts was held at the GDI;

— in the latter half of February and early March 1999[11] the various meetings were held at the BMZ to appraise the draft reports, representatives of the appropriate working units of the BMZ, Foreign Office, GTZ and KfW as well as the experts being invited to attend;

— on 2 June 1999 the draft of this cross-section report was discussed at the BMZ at a meeting attended by representatives of the various working units of the BMZ, Foreign Office (Section 401), GTZ and KfW. Account was also taken of the references added in writing by the BMZ and Foreign Office following the meeting of 2 June 1999.

In addition, the evaluation entitled "German Development Cooperation with Rwanda"[12], which was completed in 1998, was taken into account, since it is substantively linked to the *Rwanda* case study forming part of the evaluation of the "Impact of development cooperation in conflict situations" and was undertaken by the same experts.[13]

It should also be pointed out that this cross-section appraisal faced various specific methodological problems. They included the very "broad approach" adopted for the evaluation, which proved to be a challenge, particularly when it came to compiling the summary. What was examined was not a specific measure, a specific sector, a specific period, a specific region, a specific instrument or a specific implementing agency but a combination of all these dimensions. An added problem was

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9   In some cases further discussions were held in Germany with other Federal and *Land* ministries, institutions and individuals.

10 No provision was made for a visit in the case of the *Rwanda* study because the experts had already been to the country in the spring of 1998 for the BMZ evaluation entitled "German Development Cooperation with Rwanda" (see BMZ 1998).

11 18 February 1999: *El Salvador*, 23 February 1999: *Mali*, 24 February 1999: *Ethiopia*, 25 February 1999: *Kenya*, 1 March 1999: *Sri Lanka* and 3 March 1999: *Rwanda*.

12 See BMZ (1998).

13 This approach was discussed at the *Rwanda* appraisal meeting on 3 March 1999.

that in many respects new methodological and substantive ground had to be broken. Thus, although the "five development cooperation criteria" and the "policy dialogue" and its impacts were to be covered by the research, they have yet to be analysed in specific studies. The breadth of the questions raised meant that the individual evaluations could not be expected to be strictly systematic or complete, given the very complex terms of reference. Nonetheless, it should be emphasized that the ambitious evaluation objective undoubtedly had many advantages and produced findings that could probably not have been achieved with a "narrow" and more "standardized" approach.

Study Period

The draft cross-section report was completed by mid-April 1999.

The draft evaluations were prepared in the period between the preparatory meeting on 9 July 1998 and the overall appraisal meeting on 19 January 1999. After the latter meeting and the individual appraisals the drafts were revised to take account of the conclusions drawn.

The various evaluations covered different periods, which depended on the specific conditions prevailing in the countries concerned:

— *Ethiopia*: since 1991 (i.e. since the ousting of the Mengistu regime);

— *El Salvador*: 1978 - 1998;

— *Kenya*: 1991 - 1998 (i.e. since the initiation of the democratization process);

— *Mali*: roughly 1991 - 1998 (i.e. since the beginning of the preliminary deliberations on the Mali programme forming part of the German development cooperation consultations);

— *Rwanda*: 1987 to early 1998;

— *Sri Lanka*: 1995 - 1998 (i.e. since the beginning of the third "Eelam war").

Other References

The names of the countries covered by the six internal evaluations are set in italics (e.g. *Rwanda*) in the body of this report to make it easier to find references to these countries.

Italics have otherwise been used for emphasis and for quotations.

II   Findings, Conclusions and Recommendations Derived from the Evaluations

1   General Conditions for Development Cooperation in Conflict Situations

Causes of and Potential for Conflict

The causes of and potential for conflict in the countries studied differ in a number of respects. The conflicts can, however, be largely attributed – albeit with major differences – to (1) rivalry for resources and/or (2) the dominance of certain social groups.

These causes are often exaggerated and distorted in the perception of warring parties. Perception of, say, how much discrimination an ethnic group suffers or how much preference it enjoys thus frequently determines the behaviour of the actors concerned. In many cases ethnic or other apparent lines of conflict reflect political instrumentalization.

The countries studied reveal the following patterns:

— In *Ethiopia* the political system has proved to be the real cause of conflict since the collapse of the Mengistu regime. The former Tigré resistance movement Ethiopian People's Revolutionary Democratic Front/EPRDF has become the dominant political force. Considerable potential for conflict has been created by the rigging of elections, the formulation of policy along ethnic lines (e.g. the creation of

regions to reflect ethnolinguistic differences), widespread human rights violations, restriction of the freedom of opinion and other factors.

— In *El Salvador* unequal distribution in access to resources (especially in the agricultural sector) and the lack of opportunities for a large section of the population to participate in the political process can be identified as the main causes of the civil war.

— *Kenya's* process of transition in the 1990s from a clientelist one-party state to a pluralist and democratic system has generated considerable potential for conflict at national, regional and local level. This was due to a strategy adopted by the regime to maintain power, in which it attempted to obstruct and slow down the process of transition with a view to averting the threat of losing political and economic influence.

— The armed rebellion in the north of *Mali* was the expression and consequence of long-term political, economic and cultural neglect of the northern parts of the country. The conflict was exacerbated by the denial and political instrumentalization of the disparities by dominant sections of the "southern government class", who were prepared to use force. Such other factors as the disastrous droughts of the 1970s and 1980s also played an important part.

— The causes of conflict that led to genocide in *Rwanda* in 1994 and perpetuate an undeclared state of war in certain parts of the country are the subject of heated debate in political and academic circles. The origins of the conflict are to be found in history (above all, the antagonism between Hutus and Tutsis), the specific background to the violence in the 1990s being of more recent origin. The elites want to retain power and sinecures, at a more general level there are demands from people displaced from their homes at various times (primarily for the right to return and for land), and at ideological level the interpretation of history varies.

— In *Sri Lanka* the ethnic rivalry and above all the dominance of one group over the others has led to radicalization and so to civil war. This has resulted in the Sinhalese majority having firm, almost traditional ideas about being threatened, while the Tamil minority justifiably fears an irreversible loss of control over traditional areas of settlement and influence.

For analysis and political action the simultaneous existence and overlapping of different types of potential for conflict is an important and difficult aspect. In *Ethiopia*, for example, the "political system" as a factor underlying conflict is joined by potential for conflict in the form of the military border dispute with Eritrea; there are also links between the two conflicts. In *Sri Lanka* there is considerable potential for conflict and violence in the form of marginalized, chauvinistically minded young Sinhalese, which has escalated in the past, but is usually overshadowed in the perception of the people by the bloody civil war.

Whether factors assume the nature of "structural conflict factors" or act as "escalation factors" often cannot be determined, or not with any accuracy. Clear substantive and methodological classification is therefore problematical.

Impact of Conflict Situations on Development Policy

Violent conflicts are very "costly", above all in humanitarian terms. Tremendous human suffering has been caused not only by the genocide in *Rwanda* but also by other conflict situations at various levels of escalation.

Violent conflict situations are also very "costly" in development terms:

— Serious conflicts in the form of civil wars, etc. are usually the main obstacle to the development of a country or region (e.g. *Sri Lanka*).

— Civil wars destroy social and economic infrastructure; the cost of the physical damage to

El Salvador's economy, for example, is estimated at US $ 2 bn.

— Conflicts absorb enormous financial resources for military and security forces; the conflict in *Sri Lanka* accounts for about a quarter of all public funds.

— Conflicts usually result in displacement and floods of refugees (e.g. *Rwanda*, *El Salvador* and *Sri Lanka*).

— Conflicts traumatize individuals and groups, causing them to remain latent in societies for long periods and possibly hampering development capacities (e.g. *Mali* and *El Salvador*).

— Conflict situations create unstable conditions for very long periods, often continuing long after peace has officially been declared (e.g. *Mali* and *El Salvador*).

Settlement and De-escalation of Conflicts

Few general patterns providing clues to the structures of conflict resolution and de-escalation can be identified. In case studies that note positive tendencies over long periods or for some time a widespread phenomenon of reversibility and fragility can be detected: there is usually continuing uncertainty about steps that might lead or have already led to de-escalation and about wars that have ended. As a general rule, for the parties to a conflict to take a positive view there must be structures which they regard as a credible basis for a lasting and stable peace.

The following factors are relevant to the de-escalation or ending of some conflicts (*Mali* and *El Salvador*): (1) a no-win situation or acceptance by the warring factions that the war cannot be won by military means, (2) the high material cost of the war, (3) leading external actors do not exercise any negative influence (e.g. they have no interest in the continuation of the conflict) and (4) the efforts of national, regional and international actors to mediate.

Experience in northern *Mali* shows, for example, that the laboriously achieved peace process is not irreversible, but still at risk. In *El Salvador* it has proved impossible to remove the structural causes of the conflict even though the peace process is under way. In fact, there are signs that the manifestations of the conflict have changed from politically to socially visible violence. Of *El Salvador* it can thus be said that the war may be over, but the violence continues.

In *Rwanda* the situation is very unstable because the apparent stability is being imposed by repression. Genuine stability can therefore be achieved only when the confidence of the vast majority of the warring factions can be gained.

The events in *Sri Lanka* in the mid-1990s show how a process of apparent conflict resolution may eventually prove to be a willingness to accept peace and negotiations for tactical reasons.

External Influences on Conflicts and on the Conduct of German Policy

What influence external actors have on conflict situations differs from one case to another and depends partly on the time and the regional environment. Economic, political and military factors clearly play a major role as regards the importance that external actors attach to a country.

Although the conflict situations studied for the evaluation were all "internal" conflicts or civil wars, they almost always had implications for neighbouring countries or links with their regional environment. The conflict situation in *Rwanda*, for example, must be seen in context with Burundi, Uganda, Tanzania and the former Zaire, the civil war situation in *El Salvador* must be viewed against the background of the developments in Nicaragua, Algeria and Libya tried to influence *Mali's* domestic policy, and the events in *Sri Lanka* are linked to India in several ways.

Where non-regional actors play a part in conflicts, their actions are often determined, decisively in some cases, by spheres of influence (areas that

once belonged to colonial powers, etc.). German policy cannot act independently of such factors. In these situations it may forgo a political profile of its own (as in *El Salvador*, *Mali* and *Rwanda*) and avoid political actions that may not be approved by important partners (especially the USA, France and Britain).

The basic attitude adopted in German development cooperation towards various countries has been influenced and, in some cases, determined by geopolitical circumstances. In the final analysis, this is also true of German development cooperation when, for example, it faces the question whether and to what extent a country should be assisted.

The following can be given as examples of German policy being essentially geared to what are perceived to be interests of important foreign partners:

— *Ethiopia*: In the geostrategic thinking that underlies US security policy the country was seen (for a time at least) as a stabilizing factor on the Horn of Africa (and especially as a bulwark against Islamic fundamentalism). This perception has also had a major influence on Germany's attitude and policy.

— *El Salvador*: The marked dominance of US interests and the considerable weight carried by the United States Agency for International Development (USAID) limited the influence of other actors and thus of German development cooperation. For the perception of the conflict in *El Salvador* the East-West conflict was of the utmost importance.

— *Mali*: The German Foreign Office did not play a more active role in the official attempts at mediation out of consideration for France.

— *Rwanda*: Care was taken to ensure that German foreign policy on the whole Great Lakes region was consistent with French and US policy.

The behaviour of external, non-regional actors was in some cases of crucial importance for the course taken by conflicts and their outcome. The

USA's massive economic and military aid had a decisive influence on the civil war in *El Salvador*. Without US intervention in support of the government, the opposition might have had a real chance to take power.

External actors' (non-military) attempts to de-escalate hostilities or bring them to an end – such as attempts at mediation and diplomatic pressure – have varied in the impacts they have had. Many are likely to have been of secondary or subsidiary importance (as in the case of *Mali* and *Sri Lanka*). In *El Salvador* external efforts by the United Nations, the USA, the European Community and others complemented the internal peace efforts. In certain cases – as in the pre-conflict situation in *Kenya* in the first half of the 1990s – external attempts to bring influence to bear may, however, have been a decisive step towards de-escalation (through steps in the democratization process).

2 Conflict Recognition and the Flow of Information

The information and communication sphere is extremely important if development cooperation is to respond appropriately. Only if conflict recognition succeeds and the organizations involved are sufficiently well informed is it possible for development cooperation to be purposefully adjusted or generally reoriented to cope with a conflict situation.

Where the various evaluations and also this cross-section report are concerned, it must be emphasized that not only is the area of conflict recognition and the flow of information highly complex, but that the experts were not able to cover it fully. The reasons for this were that "information" and "communication" include many elements which cannot be fully analysed after the event. This is true, for example, of oral information (telephone conversations, discussions, etc.). Furthermore, not all the information that might have shed light on the subject could be appraised during the evaluations. Although the experts had access to all the

documents held by the BMZ (including some drawn up by the Foreign Office, or the embassies, and, for example, the embassies' six-monthly reports), the actual Foreign Office documentation was not available to them. Much the same was true of the reports which the Federal Intelligence Agency (BND) compiles and which form part of the Foreign Office and BMZ information system, but were not submitted to the experts.

Despite the consequent limits to their informative value, the findings of the evaluations reveal some general experience from which conclusions and recommendations can be derived.

2.1 Information on Conflict Situations, its Transmission and Interpretation

When it is asked how well informed German development cooperation actors are about conflict situations, it becomes apparent that a number of distinctions need to be made as regards the gathering, transmission and evaluation of information.

On the one hand, various levels are involved in conflict recognition: first, the individual project workers and projects, secondly, the embassies and local development cooperation offices (especially offices representing the GTZ) and thirdly, the headquarters in Germany in the shape of the Foreign Office, the BMZ and the implementing agencies.

On the other hand, two direct principal information chains can be identified in the case of the BMZ (the "strategic head" for development cooperation in conflict situations):[14] one chain (related, as a general rule, to German technical cooperation because of its "on-the-spot" structures) stretches from the project through the GTZ office to GTZ headquarters and finally to the BMZ. The other consists of the German embassy (which also takes account of information obtained, for example, from German development cooperation projects)

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14 Besides such indirect sources of information as newspaper reports.

to the Foreign Office (which, in turn, takes account of information besides that contained in the embassies' reports) and the BMZ.

Box 1:	Levels of Information Gathering, Transmission and Evaluation in German Bilateral Development Cooperation

1. Project level: measures taken by the GTZ, the German Development Service/DED and other implementing agencies; also some information obtained from non-governmental organizations
2. Country coordination and representation level: German embassy, GTZ office , DED representation, etc.
3. Headquarters level in Germany: Foreign Office, GTZ, KfW, DED, etc.

The evaluations have identified the following features, phenomena or deficiencies common to them all or true of individual levels of the information system:

Flow, Transmission and Evaluation of Information

The area of the flow, transmission and evaluation of information sometimes proved to be deficient and was highly problematical in some cases (_Rwanda_). In other cases the system was, all in all, workable, although there is room for improvement in various respects.

The following shortcomings indicate that errors may occur in this area (some aspects of which will be discussed later):

— Potential conflicts have been overlooked or underrated in the past (_Ethiopia_, _El Salvador_, _Sri Lanka_ and _Rwanda_).

— Embassies are selective in their recording of information. The knowledge of local groups (e.g. Churches) is not always adequately taken into account. In some cases embassies tended to reflect the position of the government of the country concerned rather than adopting an attitude critical of the government (_Ethiopia_, _El Salvador_, _Kenya_ and _Rwanda_).

— In some cases the embassies' reporting tended towards optimistic assessments with respect to various conflict situations (*Ethiopia*, *Kenya* and *Rwanda*).

— In many cases what is lacking is not information but appropriate evaluation and appraisal. In various cases in the past interpretations of information relevant to conflicts have been eclipsed by foreign policy and party political considerations (*El Salvador* and *Kenya*).

— Adequate collation of information by the embassies is not always guaranteed (e.g. *Rwanda*).

— The Foreign Office and BMZ are sometimes not well enough informed and therefore lack the basis that would enable them to react appropriately (e.g. *Rwanda*).

— Foreign Office information does not automatically reach the BMZ. The information that tends to be forwarded is information that seems relevant to development, with the Foreign Office deciding whether this is the case.

— In the past most conflict situations have been of interest to development cooperation only in a very strict technical sense and have often been ignored. Conflicts have frequently been perceived in development cooperation as "disruptive elements" over which little influence can be exercised and which should, where possible, be excluded from development cooperation activities. They have usually attracted more interest if they affected the technical implementation of a project (safety of the project staff, etc.).

— Information on the GTZ information chain (project – GTZ – BMZ) rarely focuses on conflicts.

— At project level there is often very good and detailed knowledge of a conflict situation and the practical conditions in a region. However, there is often a failure to relate this knowledge to a conflict situation affecting a whole society; it is not systematically recorded or passed on.

— The BMZ does not yet have an organizational structure that guarantees the proper gathering and evaluation of information relevant to conflicts.

Other features or positive tendencies are:

— In many cases information problems cannot be identified in conflict recognition at the level of the embassy and of the Foreign Office or BMZ, and the recording and transmission of information therefore pass off smoothly (*El Salvador*, *Kenya*, *Mali* and *Sri Lanka*).

— The end of the East-West conflict has resulted in an appreciable improvement in conflict recognition. Information is recorded and evaluated with a far less pronounced ideological or foreign policy bias (thinking in terms of eastern and western "camps") (e.g. *Kenya*).

— Some German non-governmental organizations are very well informed. This may be due to close links with local partner institutions (e.g. *Ethiopia*, *El Salvador* and *Rwanda*).

Country-related Experience

In *Ethiopia's* case the country study emphasizes a tendency in Foreign Office documents to play down the undemocratic and authoritarian nature of the EPRDF regime.

In *El Salvador's* case German development cooperation has clearly been eclipsed by foreign policy and party political interests, especially during the civil war. The German debate on *El Salvador* at that time was closely linked to the debates on events in Nicaragua, making it difficult to identify specific *Salvadoran* features and to react appropriately. In these circumstances German development cooperation did not accord with the principles of development policy.

In *Kenya's* case a significant increase in the sensitivity of the German actors can be identified in conflict recognition and conflict awareness since the early 1990s. Although conflicts are recognized at project level, project staff are very reluctant to

raise the matter with superior authorities. They have a tendency to want to keep the political dimension out of projects or to cope with conflicts themselves.

The level and flow of information have been satisfactory in *Mali's* case. There has been a high density of information and a lively exchange of information between the German embassy, the Foreign Office, the BMZ, the GTZ and the KfW.

Conflict recognition and the flow of information have proved to be particularly difficult in *Rwanda's* case. The situation even before the genocide in *Rwanda* should have resulted in clear warnings of what was to come. All the major information chains, or the "headquarters" level, and the German embassy as the link proved to be the main weaknesses in *Rwanda*. The "headquarters" level (especially the Foreign Office and BMZ) was surprised by the genocide, although appropriate information was available. The German embassy had information that should have led to an in-depth assessment and so to different reports. There was, moreover, a wealth of information at the level of the projects and German staff in various of the country's institutions, although it did not result in an improvement in the embassy's knowledge or in the embassy changing its reports.

The German actors are well enough informed about the civil war in *Sri Lanka*. They also anticipate other, conceivable potential for conflict besides the dominant conflict. In the past, however, not enough account was taken of the particularly relevant potential for ethnopolitical conflict in the assistance provided for two dam construction projects of considerable importance to the country. These measures were evaluated as subprojects, but an evaluation of the programme as a whole was not undertaken.

2.2   Crisis Indicators ("Spelten Criteria")

The evaluations give a predominantly positive answer to the question whether crisis indicators as defined in the BMZ research project[15] are in principle suitable for the recognition of any tendency of societies towards crisis.

In the ex post view they take various country studies (e.g. those on *Ethiopia*, *Kenya* and *Sri Lanka*) in the overall evaluation assume that the proposed crisis indicators would have improved conflict recognition. An appropriate crisis analysis might therefore have produced a complete check list and led to a more realistic assessment of potential and actual conflict situations.

Two qualifications are, however, important as regards informative value and possible supporting impacts in decision-making. Firstly, the indicator model has an inherent tendency to be "hyper-anticipatory". As it is inclined to identify a wide range of potential conflicts, its usefulness might be reduced. Secondly, the list of indicators presupposes that it is completed and used without bias and objectively. In past situations where development cooperation actors have taken a highly ideological view (e.g. *El Salvador*), such an approach would probably have yielded little additional information.

2.3   Conclusions and Recommendations

Conclusions

All in all, conflict recognition and the flow of information in German development cooperation have proved problematical in some respects in the past. The following may provide an explanation for some of the major structural shortcomings and phenomena:

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15   See Spelten (1998).

"Cognitive Dissonance"

Conflict situations usually feature human rights violations, political murders or even genocide. They are therefore associated with strong emotions, even for outside observers. This often leads to marked polarization. The studies on *El Salvador*, *Rwanda* and *Ethiopia* document such tendencies, although the circumstances and manifestations differ widely. In *El Salvador's* case, for example, there was no shortage of information, but a perception of the civil war that was ideologically biased. In *Rwanda's* case the information system (recording, transmission and processing) proved to be altogether highly problematical.

To some extent at least, these tendencies are due to the phenomenon of "cognitive dissonance", which was described in the *Rwanda* study. This indicates that the information system, on which decisions taken by German development cooperation actors are based, receives a wide range of highly disparate and, above all, contradictory information, which gives rise to inconsistencies: actors receive information (of political murders, human rights violations, etc.) that may not accord with their own experience or convictions. Such inconsistencies may be handled in various ways: no notice is taken of information that does not appear to fit (selective perception), or certain references are rated differently according to past experience. In general, there is thus a tendency not to allow inconsistent information to "disturb" an existing picture (of a conflict situation, for example).

Reluctance to Refer to Conflict Situations

The staff of some development cooperation projects, the GTZ country offices and headquarters and embassies tend to be reluctant to refer to conflicts. There are many reasons for this.

At project level there may be some fear that any problems arising in this context will be ascribed to the staff's incompetence. The transmission of such information might also result in a project being questioned or completely abandoned because of the security situation. This would have direct professional implications for the project staff.

Similar factors may play a part at the level of the GTZ country offices and headquarters;[16] referring to conflict situations might trigger an unforeseeable chain of reactions, all the more so as German development cooperation is taking increasing account of political dimensions (in the form, say, of the "five development cooperation criteria"). Individual measures or the whole programme in a country might therefore be jeopardized. Given the division of responsibilities, it can be assumed that implementing agencies have a business interest in the continuation of their respective country activities, which cannot be said of the BMZ.

It is likely to be equally difficult to assess the reaction to an "offensive" embassy report that is critical of the government concerned. In cases where the situation is not clear reports of persistent or growing signs of conflict (such as human rights violations) might result in the Foreign Office coming under pressure to act, which would eventually be reflected in certain instructions being given to the embassy (to raise the subject with the partner country's foreign ministry, etc.). This may explain why reporting tends to be restrained in certain situations (e.g. when not all observers rate the potential for conflict equally high).

Attempts to "Shield" Projects from Conflicts

There is a tendency in development cooperation measures to devise mechanisms that shield project activities from a hostile environment rather than taking direct and appropriate account of conflict situations. As far as possible, the team's "own" project is not to suffer because of the unfavourable environment, let alone come under threat. The project team may therefore have a major interest in ensuring technical implementation and in ignoring the conflict and the political dimensions.

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16 This problem may also affect other implementing agencies, especially the KfW. Little account of this was, however, taken in the evaluations, however, not least because the GTZ has a comparatively strong external structure.

Failure to Place Development Cooperation Measures in Context

Some development cooperation measures tend to recognize conflict situations at national or regional level, but not to associate them with events at local level. Conflicts relating to a specific project may not therefore be seen in the context of the country's general conflict situation. Problems are ascribed to the specific conditions prevailing in the project environment (personal circumstances, etc.).

Recommendations

In general, efforts should be made to improve the capacity for conflict recognition and the flow of information between the various levels. Such efforts should cover the following:

⇒ The flow of information between the Foreign Office and the BMZ should be reviewed with the aim of giving both a coordinated and comprehensive picture of conflict situations in partner countries.

⇒ The flow of information from the projects, the development cooperation country offices and the embassies to the BMZ is very important. Suitable means (e.g. better opportunities for travel on mission) of improving the direct flow of information should be sought.

⇒ The project level should be encouraged to refer to actual and potential conflicts and to report on them. The same is true of the GTZ's country offices and its headquarters, the aim being to ensure the forwarding of relevant political information to the BMZ and Foreign Office. The current reporting channels should be reviewed to identify any need for the inclusion of appropriate categories to take more purposeful account of the general environment.

⇒ Embassies in countries affected by conflict should consider whether all relevant local sources and groupings (Churches, etc.) are adequately involved in information gathering.

⇒ Training opportunities should be created for the staff of the BMZ, the Foreign Office and the implementing agencies with a view to achieving a higher degree of sensitivity to conflicts.[17]

⇒ Any tendency for countries to be overtaken by crisis should be more consciously and systematically recorded by the BMZ. The indicator model commissioned by the BMZ ("Spelten criteria") is therefore an appropriate and important step, which should be put into practice.[18]

⇒ To improve conflict recognition and the decision-making processes in conflict situations, the BMZ's current organizational structures should be reconsidered. A specific BMZ working unit should be set up for this area of responsibility.[19]

3 Relationship between German Development Cooperation and Conflict Situations

3.1 Planning, Conception and Implementation

Development Cooperation Strategies

German development cooperation pursued very different strategies in the countries studied. In very general terms two patterns of behaviour can be distinguished:

On the one hand, there are countries or periods in which official German development cooperation as a whole attempted to disregard an actual or potential conflict. No specific efforts were made to prevent or resolve conflicts. This behaviour is guided by the status quo. Such a strategy of *reac-*

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17 See also section 2.6.

18 The "political risk analysis" proposed by one evaluation (*Ethiopia*) is very similar to the crisis indicator model.

19 See also section 2.6.

tive conflict-induced adjustment may result in certain changes being made (withdrawal of development cooperation personnel because of the security situation, measures no longer possible in certain parts of the country because of a civil war, etc.) at least in countries where violent disputes have become fairly widespread. These actions tend, however, to be a forced reaction to a change in circumstances and rarely, if ever, a reaction to an explicitly conflict-related situation.

On the other hand, it is possible to identify countries or phases in which German development cooperation has made a conscious effort to contribute to crisis prevention or conflict resolution. Such a strategy of *explicit sensitivity to conflict* may manifest itself in different ways. It includes various of the following elements:

— A concept or strategy for crisis prevention or conflict resolution is devised (as part of the BMZ's country concept, for example).

— The issues are addressed in the form of policy dialogue at bilateral and international level (with particular account taken of the BMZ's "five development cooperation criteria").

— The development cooperation volume or development cooperation as a whole is made conditional on certain changes of behaviour related to the conflict situation (conditionality).

— Conditions relevant to the conflict are laid down at the level of individual development cooperation measures or specific sectors (project-related or sectoral conditionality).

— Current or new development cooperation measures in traditional development spheres are examined for their relevance to conflicts and, if necessary, rearranged (e.g. the ethnic composition of the target group).

— Specific crisis prevention or conflict resolution measures are planned and implemented.

— Cooperation with non-governmental organizations and the promotion of non-governmental activities are examined specifically for their relevance to conflicts and, where appropriate, stepped up.

In most of the countries studied "mixed conflict strategies" containing elements of reactive conflict-related adjustments and revealing explicit sensitivity to conflict had clearly been adopted in German development cooperation. Such strategies are, however, largely the outcome of an evolving process and less the expression of explicit strategic planning (of the country concepts, for example).

Conceptual deliberations on the conflict situation occurred in some instances, but did not lead to action being taken, or not in a form that was clearly visible. This is true, for example, of the 1993 country concept for *Kenya*, in which a strategy was devised for fostering the stagnant democratization process and thus for preventing crises, and of the GTZ's 1996 concept "Crisis prevention with emergency relief and development cooperation resources in Rwanda"; neither concept, however, has had any major influence on the actual approach to development cooperation.

Box 2:   Four Options for Influencing a Conflict Situation from Outside during the Emergence and Escalation Phases: the Case of *Kenya*

For development cooperation with *Kenya* in the 1990s there were, in principle, four options (Germany and most other donors implicitly chose the third):

1. *Maintenance of the status quo*: Stabilization of the regime through external support, especially from development cooperation with no conditions attached.

2. *Significant reduction in commitment to development*: A regime dependent on development cooperation is confronted with economic and political difficulties. As this increases the pressure on the regime, which will resort to anything in its fight for survival, the potential for violence may grow substantially.

3. *Active promotion of the transition process*: Through the attachment of conditions to bi- and multilateral financial cooperation pressure is exerted on the regime to undertake democratic reforms. In the short and medium term the danger with this strategy is that the government circles benefiting from the status quo will develop strategies to preclude or at least reduce the loss of power they fear.

4. *Active promotion of crisis prevention*: The donors press for the implementation of political reforms. They devise a strategy for improving skills and capacities for the peaceful settlement of conflicts and reducing the potential for violence. The strategy also includes conditionality in bi- and multilateral cooperation.

In most of the countries studied there was an implicit need for various adjustments to the country strategies (*Ethiopia*, *Kenya*, *Rwanda*, *Sri Lanka*). Some efforts geared specifically to the conflict situation were also made. They largely concerned certain periods or individual elements rather than longer-term and comprehensive conflict-related country strategies or a genuine concentration of effort. Thus explicit crisis-related measures were promoted (temporarily in some cases) in *Ethiopia*, *El Salvador*, northern *Mali* and *Sri Lanka* (see below). In *El Salvador* it can be seen that after a brief period the planning reverted to normal development cooperation thinking, and sensitivity to the conflict waned. In *Kenya* political pressure (conditionality) was exerted, but it was not backed by conflict-related measures of official German development cooperation. In *Sri Lanka* a number of explicit development cooperation projects were launched without any desire to focus on the conflict. The German development cooperation project in northern *Mali* was explicitly geared to the stabilization of the region from the outset. In *Rwanda* the conflict situation (civil war and genocide) did not on the whole result in any rearrangement of development cooperation; the same is true of the formulation of the country concept.

Reactive Conflict-induced Adjustments

In the cases studied reactive conflict-induced adjustments were made both to the overall orientation or large areas of development cooperation and at the level of individual projects and programmes.

The following examples can be given of the conflict-induced adjustment of development cooperation as a whole:

— An acute conflict situation prevents certain areas from being reached by official development cooperation (*El Salvador*, *Sri Lanka* and *Rwanda*).

— The question of certain groups (ethnic groups, elites, etc.) being relatively privileged by development cooperation is of general or at least latent significance (e.g. *Rwanda* and *Sri Lanka*).

— A conflict situation causes German development cooperation to be reoriented towards emergency relief and aid to refugees (e.g. *Ethiopia*).

— The escalation of a conflict situation and the resulting implications at local level may increase the need for greater sectoral and project conditionality (e.g. *Kenya*).

— Some German development cooperation staff are withdrawn or all are withdrawn for a time (e.g. *El Salvador* and *Sri Lanka*).

— Conflict situations increase the need for more rapid changes to development cooperation planning and strategies. This may be reflected in (temporarily) shortened cycles for government negotiations or commitments (e.g. *Kenya* and *Sri Lanka*).

— A conflict situation causes a conscious or unconscious division of labour with non-governmental development cooperation actors in politically sensitive spheres (e.g. *El Salvador* and *Rwanda*).

The following examples, some of which correspond to those given above, can be cited as conflict-induced adjustments at project level:

— a quota system at a teacher training institute in *Sri Lanka* in favour of an ethnic group suffering from discrimination;

— conditions attached to German development cooperation in *Kenya* in connection with a water supply project with the aim of developing water works operating on a commercial basis and applying tariffs that cover their costs, thus circumventing centralist structures and clientele systems;

— planning and implementation of emergency aid and refugee measures in *Ethiopia* and *Rwanda*.

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Box 3: Ignoring Conflict Situations at Project Level: an Example from *El Salvador*

The "Atiocoyo Rural Services" project was meant to support approaches to agricultural reform through the improvement of services (irrigation, marketing, etc.), starting in 1976. The objective was to increase the incomes of small and medium-sized farms. The project thus had a clear substantive link with the causes of the conflict.

After the project had been attacked several times (material damage being done and, in some cases, project-related demands being voiced), the German experts were withdrawn in December 1979. Despite the general "freezing" of German development cooperation, the project was continued by two local workers. The German presence was at least to be sustained at a low level for foreign policy reasons in order to maintain the traditionally good relations with the government.

The civil war was reflected in the planning and project documents in the ensuing years only to the extent that it affected the security of the project staff. Impacts that the project might have on the conflict were not singled out for comment, the same being true of the demands voiced in connection with the attacks on the project. It was not until the main progress review report in December 1989 that reference was made to the problem caused by the project planning ignoring the fact that the project was located in the middle of the conflict zone.

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Official Development Cooperation Measures Related Explicitly to Conflicts

Official German development cooperation measures related explicitly to conflicts – albeit isolated measures in some cases – were planned and implemented in *Ethiopia*, *El Salvador*, *Mali*, *Rwanda* and *Sri Lanka*. The approach adopted in these countries, however, was not, or no more than superficially, based on a country-related conflict strategy. No explicitly conflict- related measures were taken in *Kenya* within the framework of official German development cooperation. A particularly strong commitment by non-governmental organizations in this area can be seen in some countries (*Ethiopia*, *El Salvador*, *Kenya*, *Sri Lanka*) (see below).

Explicitly conflict-related development cooperation measures are geared directly to exercising influence relevant to a conflict. This specific orientation can take different forms. The six country studies enable the following to be classified as official German development cooperation measures related explicitly to conflicts:[20]

— measures to demobilize and reintegrate soldiers (including promotion of employment opportunities and housing construction) in *Ethiopia*, *El Salvador* and *Sri Lanka*,[21]

— rehabilitation and integration of war victims (orthopaedic project) in *El Salvador*,

— reconstruction of war-damaged facilities and rehabilitation in *Sri Lanka*,

— comprehensive programmes in *Mali* and *Sri Lanka* for social, political and economic stabilization (reintegration aid for returnees, income-generating measures, reconstruction of damaged infrastructure, etc.),

— project for strengthening the judiciary (especially against the background of the pending genocide trials in *Rwanda*),

— psychological counselling for children and young people in conflict situations (planned, but not yet operational),

— democratization assistance provided by the Foreign Office in *Ethiopia*.

Non-governmental Development Cooperation Measures Related Explicitly to Conflicts

German non-governmental organizations have made specific efforts to influence conflict situations in various countries (*Ethiopia*, *El Salvador*, *Kenya*, *Sri Lanka*). A particularly visible commitment in conflict-related areas has been shown by the Political Foundations and the Churches (including their relief agencies); in some cases other NGOs (non-governmental organizations) too have been active (an example being Deutsche Welthungerhilfe/German Agro Action in *Sri Lanka*).

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20 Some of these are prospective or planned measures.

21 In *Sri Lanka's* case German development cooperation actors have offered help of this kind if peaceful conditions prevail.

This is also partly true of countries where German bilateral development cooperation is not promoting any explicitly conflict-related measures (e.g. *Kenya*); in *El Salvador* there has at times been a conscious or unconscious division of labour: while official development cooperation has tended to be confined to "neutral" areas, the Political Foundations and Churches have addressed political problems. In *Sri Lanka's* case certain NGOs may also become active in areas to which official development cooperation does not have access. These are "uncleared areas" controlled by the LTTE. NGOs have also been active at times when official German development cooperation has been "frozen" (e.g. *El Salvador*). In some cases, NGOs (and particularly the Political Foundations) have assisted measures aimed at promoting democracy and protecting human rights without deliberately seeking to contribute to crisis prevention.

Table 2:   Conflict-related Measures Undertaken by Non-governmental Organizations (Examples)

– Reconciliation projects (psychosocial trauma counselling, information programmes on human and civil rights, etc.) and peace committees formed at the local and regional level by the Churches in *Kenya*,

– Misereor's support for the Justice and Peace Commission in *Sri Lanka*,

– advice on a constitution provided by the Friedrich Ebert Foundation in *Ethiopia*,

– support from the Konrad Adenauer Foundation and Brot für die Welt for such critical magazines with links to the Church as *Dialogue*, *Kinyamateka* and *Imbaga* in *Rwanda*,

– seminars, workshops and meetings organized by the Heinrich Böll Foundation in *Kenya* for the discussion of "conflict management in ethnic conflicts",

– cooperation between the Friedrich Ebert Foundation and the Regional Centre for Strategic Studies in Colombo, *Sri Lanka*,

– meeting of Oromo exile groups (*Ethiopia*) in Germany organized by the Heinrich Böll Foundation,

– measures relating to democracy and human rights taken by the Friedrich Ebert Foundation, the Friedrich Naumann Foundation and the Hanns Seidel Foundation in *Kenya*.

In most cases NGOs have been active in areas not covered by German bilateral development coop-

eration. Objectives relating to crisis prevention and conflict resolution are often reflected in the titles of the measures. While the Political Foundations concern themselves with general social issues and target groups (such as fora for dialogue between the government and opposition groups in *Ethiopia*), the Churches in particular undertake specific conflict-related measures at local level (e.g. the formation of peace committees in *Kenya*). Churches also exert political pressure at national level, as with their pastoral letters in *Kenya*.

3.2   Five Development Cooperation Criteria[22]

Some of the evaluations contain explicit statements on the five development cooperation criteria. Two assume that the criteria have been of little relevance or have not been applied, claiming that:

— in *Ethiopia's* case at least three of the five criteria were not being observed (viz. respect for human rights, the rule of law and a guarantee of legal certainty, and the participation of the people in political decision-making); on the other hand, priority had been given to the criterion of "orientation of government action towards development", but even this criterion has been eclipsed by interests relating to the country's political stability and geostrategic position;

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22 The five development cooperation criteria formulated by the BMZ in the early 1990s are: (1) respect for human rights, (2) participation of the people in political decision-making, (3) the rule of law and a guarantee of legal certainty, (4) the creation of a market-economy and socially oriented economic order and (5) the orientation of government action towards development.

The findings of the evaluations covered by this paper are comparable only to a degree in this respect. Some of the country studies discuss how far the evaluator believes the development policy criteria to have been satisfied and whether action should have been taken on this basis. One evaluation, however, considers whether the five criteria take sufficient account of conflict dimensions in their practical application.

— in *Rwanda's* case (after the genocide) three or even four of the development policy criteria had not been entirely satisfied, and no positive tendencies were identifiable (viz. respect for human rights, the rule of law and a guarantee of legal certainty, the participation of the people in political decision-making and the orientation of government action towards development); in these circumstances, development cooperation ought to have been stopped or severely curtailed on several occasions;

— the BMZ appraisals of *Sri Lanka's* policy in the context of the five development cooperation criteria revealed various links between the conflict situation and what the list of criteria covers (e.g. the human rights situation). The actual civil war, on the other hand, is not automatically or specifically covered by the structure of the five criteria; however, the category "orientation of government action towards development" is to some extent at least suitable for taking account of this dimension. Explicit provision is not made for a category that specifically covers the "the government's (or other warring factions') desire for peace", but the BMZ's appraisals of *Sri Lanka* have covered this aspect under the heading "Special features".

3.3   Policy Dialogue and Conditionality

In the context of a policy dialogue an approach at both bilateral and multilateral level is possible. At bilateral level it is primarily government negotiations as well as government consultations and the embassies' permanent dialogue with government agencies that provide a regular opportunity for concern to be expressed. Visits by leading German figures (ministerial and senior levels of the FO and BMZ, delegations from the German *Bundestag*, etc.) to partner countries or by leading figures in the partner country to Germany may also provide an opportunity for issues relevant to conflicts to be addressed. Opportunities for conducting a multilateral policy dialogue also arise at the Consultative Group Meetings organized by the

World Bank and in such international fora as the European Union and the United Nations.

In some cases at least advantage has been taken of bilateral relations to conduct with the partner country's government a policy dialogue in which issues relevant to a conflict have deliberately been raised. This is true of *Ethiopia* (1993 and 1996), *Kenya* since the early 1990s, *Sri Lanka* and *Rwanda* since the genocide. However, the tendency in various cases has been to voice criticism in general terms during the policy dialogue and not to formulate any explicit conditions (*Sri Lanka* and *Rwanda*, for example).

The policy dialogue with most conditions attached has been conducted with *Kenya*, and it very obviously had an effect on the eventual volume of development cooperation. The donor community has put enormous pressure on the government. Germany has played a major role at bilateral level and also, being one of the leading donors, at international level in seeing to it that a common international position was adopted. It reacted to the *Kenyan* government's stop-go reform process in a graded form: the German government responded, for example, by cancelling government negotiations, by making commitments to current projects for only one year, by withdrawing new commitments in the area of financial cooperation and by not disbursing financial cooperation funds.

For various countries and periods, however, it can also be shown that opportunities for policy dialogue were not, or not adequately, seized. This was true at times of *El Salvador* under the Duarte government, when no conditions relevant to the conflict were formulated. Whether or not the government satisfied development policy criteria was not seen as a problem. On the other hand, the German government froze official development cooperation resources intended for *El Salvador* at a later time (1989), referring explicitly to serious human rights violations as the reason for its action.

At only one time (1997) did those responsible for German development cooperation criticize the conduct of government in *Ethiopia*, and they have

been sparing in their criticism of this aspect in *Rwanda*.

Sri Lanka's government saw the policy dialogue as an opportunity to discuss conflict-related problems with the German government. Its main interest in this has been to draw attention to the LTTE's use of compatriots living abroad to protect much of its financial base.

During the international policy dialogue efforts were made to influence *Kenya* and *Sri Lanka*. They have been particularly obvious in *Kenya's* case since 1991: at the Consultative Group Meeting in November 1991 the leading donors decided to suspend budgetary aid until the promised economic reforms were undertaken, the one-party system was abolished and corruption was significantly reduced. The donors subsequently exerted pressure on several occasions as soon as there were signs of the process of democratization beginning to flag. They also used an informal "on-the-spot" donor group known as the Democratic Development Group to conduct a dialogue with the government and also to exert political pressure (press statements, memoranda and personal letters to President Moi). In *Sri Lanka's* case issues connected with the conflict situation were raised at Paris donor meetings (1996 and 1998) by the German delegation and others (call for direct, unconditional discussions between the warring factions, human rights situation, etc.).

3.4 Country-related Experience and Focal Issues

Although German development cooperation with *Ethiopia* was crisis-related in the late 1970s and during the 1980s in view of the civil war and its consequences, it was hardly used for the purposes of crisis prevention and conflict resolution. After the Mengistu regime had been toppled, German development cooperation initially exercised restraint, but then became increasingly sensitive to crises (even taking specific measures). Explicitly conflict-related commitment was demonstrated primarily by non-governmental organizations.

The civil war in *El Salvador* was not reflected in German development cooperation. After the peace treaty had been concluded, development cooperation began by being directly related to the conflict situation or peace process. Since the mid-1990s, however, a further change to "normal" development cooperation can be seen.

The conflict situation in *Kenya* has been considered in German development cooperation only since the early 1990s. Efforts in this respect have focused on exerting political pressure (policy dialogue and conditionality) with a view to bringing about changes. There is no evidence of more radical strategies (an item in the 1993 country concept for supporting the process of democratization) being implemented. Some explicitly conflict-related measures have been taken by NGOs.

Initially, the Tuareg uprising had little influence on German development cooperation with *Mali*. There was no response to occasional calls for the suspension of development cooperation, since the latter was, in the BMZ's view, meant to help prevent a new military dictatorship from taking power. At the time of the peace process an explicitly conflict-related measure was implemented as a step towards the stabilization of northern *Mali*.

The conflict situation before the genocide began had little influence on German development cooperation with *Rwanda*. At conceptual level and as regards specific measures this changed only slightly after the genocide. A resumption of development cooperation was seen as an obvious duty. Shifts of emphasis can be detected in German development cooperation, but no substantial changes of approach.

Development cooperation with *Sri Lanka* in the 1990s has adjusted partly implicitly and partly explicitly (specific measures) to the conflict situation. However, there is to be no focus of attention on the conflict. Some NGOs can, moreover, operate in ways and areas that are impossible for official development cooperation (activities in areas controlled by the LTTE).

3.5   Conclusions and Recommendations

Conclusions

In principle, it can be said that the influence which German development cooperation and the whole international donor community can bring to bear on conflict situations is very limited; this is particularly true of acute conflicts (open confrontation phase).

German development cooperation generally shows there to have been a tendency for sensitivity to conflict situations to grow significantly in the 1990s. This is not least due to the fact that development cooperation has become "more political" since the early 1990s – roughly along the lines of the five development cooperation criteria – and to the link that has been forged to such issues as "human rights" and "democratization".

Despite this positive tendency, development cooperation actors are often insufficiently aware of conflict situations. Conceptually, not enough attention is paid to this aspect; there are no real "conflict strategies" for the countries concerned, as part of country concepts, for example. This is a major deficiency not only in countries particularly hard hit by conflicts (such as *Rwanda*) but also in countries where memories of conflict situations are fading (such as *El Salvador*).

Conflict situations have influenced German development cooperation in the past, significantly in some cases. As a rule, this has not been adequately considered, and few conclusions have been drawn for the German approach.

It is therefore important to refer to the difference that exists between reactive conflict-induced adjustment and an explicit sensitivity to conflicts and strategy for addressing them.

Development cooperation can react to conflict situations in many ways. The actors are, however, often unaware of the options open to German development cooperation for responding constructively to conflict situations, this being particularly true of countries in the period before conflicts become violent (e.g. *Kenya*).

Recommendations

⇒ Greater advantage should be taken of the development cooperation options in conflict situations so that conflict strategies for German development cooperation based on greater awareness may be devised and implemented.

⇒ Possible graded forms of reaction by the BMZ in conflict situations (see the section on "Development cooperation strategies") should be more transparent and considered more purposefully in country and other strategic discussions. The options available to development cooperation for developing conflict-related measures should be more widely publicized in the BMZ and the implementing agencies.

⇒ The division of labour between NGOs and official development cooperation agencies, or the duplication of effort, should be considered and discussed with the non-governmental organizations (country discussions and similar fora) so that joint objectives may be pursued in conflict situations and suitable areas for assistance sought.

⇒ The need for "conflict-related country discussions" (attended by the BMZ, FO, implementing agencies, NGOs and experts/researchers) should be considered.

⇒ In countries where there is a recognizable potential for conflict the country concept must take adequate account of this potential. It should both undertake a brief analysis of the conflict situation and ask what options there might be for German development cooperation on this basis.

⇒ The five development cooperation criteria should be supplemented and developed (possibly as part of the existing category of "orientation of government action towards development") to include an item that analyses and appraises "willingness to prevent crises" and

the "desire of the government and other warring parties for peace".

⇒ In conflict situations it should be considered whether policy dialogue is likely to address conflict-related problems. This is also particularly true of the ways in which German development cooperation can influence the multilateral policy dialogue. The conditions should be explicit and specific.

4 Impact of German Development Co-operation on Actual and Potential Conflict Situations

Analysing the impact of German development cooperation on actual or potential conflict situations is methodologically difficult. This is true both of the macro level – i.e. the influence of German development cooperation as a whole on a conflict – and of the level of individual projects and programmes (micro level).

The following factors are relevant to the difficulties encountered in impact analysis:

— There are many factors that may influence potential and actual conflict situations. German development cooperation is only one variable, to which decisive importance should not normally be attached, as against internal and other external factors.

— In view of the complexity of conflict situations there are no simple impact chains (e.g. "an action of type A leads to a reaction or has an impact of type B").

— German development cooperation is of very limited relevance not least because it is but one part of the whole spectrum of development cooperation (and its often marginal relevance to conflicts) of the international donor community. It is frequently impossible to isolate the impacts that one donor has had.

— A question that always arises is whether the behaviour of a party to a conflict (the government, say) can be ascribed to a given ac-

tion (e.g. in the form of the policy dialogue) by a donor or the whole donor community (problem of attribution).

— In the past (until about the early 1990s) there were, moreover, virtually no conflict-specific objectives in German development cooperation that might have been used to analyse certain impacts or impact indicators.

Accurate or even quantitative impact analysis is impossible in these circumstances.

Despite these methodological problems, the evaluations of the six countries contain a wide range of findings on the impacts of German development cooperation on potential and actual conflict situations. These findings are predominantly based on plausibility considerations and situation assessments.

It should also be emphasized that the findings on German development cooperation presented here consider only conflict-related aspects. The possible benefits for (other) development or humanitarian objectives are not therefore analysed and appraised.

4.1 Macro Level: General Impact on Potential and Actual Conflict Situations

The six country studies do not agree in their conclusions on the overall impact of German development cooperation on potential and actual conflict situations.

The conclusion drawn by three country analyses (*Kenya*, *Mali* and *Sri Lanka*) is, by and large, fairly positive (German development cooperation has helped to remove causes of conflicts, to prevent escalation or to resolve conflicts). One country study comes to a generally negative conclusion (*Rwanda*). One study is, on the whole, ambivalent in its views on impact (*Ethiopia*), and a further country study concludes that, all in all, no direct impacts can be demonstrated (*El Salvador*).

Table 3:	General Impact of Development Cooperation on Potential and Actual Conflict Situations in the Six Countries Evaluated			
	Positive impacts	Negative impacts	Overall impact	Intensity of influence
Ethiopia	Impacts in certain areas that defuse conflict in the long term (removal of causes of conflict)	International development cooperation keeps regime in power No attempt to defuse conflict	Positive and negative impacts	Low to medium
El Salvador	Reaction to current needs	Support in principle for government as party to conflict Counterproductive consequences for German development cooperation because conflict situation neglected	No direct impacts demonstrable	Low
Kenya	Promotion of democratization process Building of public awareness	Violent reactions by regime following pressure for democratization Strengthening of local clientele systems	Predominantly positive results	High
Mali	Peaceful resolution of Tuareg conflict and handling of its political and economic consequences	Acceleration of the pressure to modernize	On the whole, very positive	High
Rwanda	Moderating influence on regime	Stabilization of regime	Contradictory impacts, with German development cooperation tending to exacerbate conflict	Low to medium
Sri Lanka	Removal of causes of conflict and strengthening of conflict resolution mechanisms	De facto strengthening of government as party to conflict	Predominantly positive impacts	Low

When these conclusions are examined, however, it should be emphasized that all the country studies identify and stress the simultaneous existence of opposite tendencies (ambivalence); in other words, in every case examples can be found of German development cooperation exacerbating potential or actual conflict situations and also making positive contributions. The overall appraisal of development cooperation in the various countries thus depends on the specific situation and weighting in each case.

The country evaluations are partly explicit and partly implicit in expressing views on the question

of how strong was the overall influence – positive and/or negative – of German development cooperation on the various potential and actual conflict situations. In *Kenya* and *Mali* it is found to have been strong, although it should be emphasized that this influence relates to certain events, phases or regions (in *Mali's* case, for example, to the relevant parts of the north of the country). In the other four countries studied the influence of German development cooperation was fairly limited, partly demonstrable or assumed.

4.1.1   Positive Impacts

The positive overall influence of German development cooperation on potential and actual conflict situations in the six countries studied can be summarized under the following five headings:

— *Contributions to the eventual removal of structural causes of conflicts*: German development cooperation as a whole makes an important positive contribution in cases where it can help to defuse the causes of conflicts (e.g. *Ethiopia*, *Mali*, *Rwanda* and *Sri Lanka*). In these cases the sum of development cooperation measures ultimately makes an effective contribution to the removal of the causes of conflicts. Development cooperation can have an impact of this kind in a wide range of "classical" spheres if they are associated with potential conflicts or causes of conflicts. Examples of this (see also the comments below) include country programmes which are geared to the removal of regional and economic disparities, have poverty alleviation as their goal, help to defuse conflicts over resources (and especially land) by population policy means, create employment opportunities, etc.

— *Contributions to short- and medium-term political and social stabilization through reconstruction*: German development cooperation as a whole has been able to contribute to the stabilization of countries or individual regions. This is particularly true of countries that have concluded peace accords, but continue to have a latent or pronounced tendency

to be faced with crises (e.g. *El Salvador* and *Mali*) or are in an acute conflict situation, which does, however, permit or indicate the wisdom of stabilizing measures in certain areas (*Sri Lanka*).

— *Contributions to political openness, participation, democratization and conflict awareness*: Taken as a whole, German development cooperation is able to contribute to political openness, to the improved participation of the people in decision-making processes and so to democratization.

The political pressure associated with development cooperation can be a decisive cause of or contribution to a country's democratization. This is especially true of *Kenya*, where the purposeful application of conditionality has helped in this respect. In *Ethiopia* it has not been possible to change the political system decisively as an overarching general condition, but toeing the political line is now less common (as a result of socio-political activities, for example). As many measures that do not have any explicitly political orientation do include elements of participation and as authority and power are in many cases being shifted to local levels through a decentralized approach, the sum of development cooperation measures often tends to weaken the causes of conflicts and to strengthen conflict settlement mechanisms (in *Sri Lanka*, for instance). With targeted measures it has also been possible to help increase society's conflict awareness and reduce its willingness to resort to conflict and violence. This has been experienced in *Mali* and (owing to Church measures) *Kenya*.

— *Contributions to the achievement of security and respect for human rights through the presence of development cooperation staff*: The presence of foreign development cooperation personnel can make for a high level of transparency and communication as regards the conflict situation in a region or country. In *Sri Lanka* and, to some extent, *Rwanda* this helped to improve the security and human rights situation. It was therefore possible to curb the behaviour of armed militias and in-

timidation by members of the armed forces (at the security forces' checkpoints, for example), etc. or at least to pass on appropriate information (to the embassy, inquiries addressed to government agencies, etc.).

— *Elimination of self-enrichment opportunities for groups willing to resort to violence through economic reform programmes / structural adjustment*: There are some indications (*Ethiopia*) that economic reform packages triggered or supported by structural adjustment programmes (with appropriate multilateral or bilateral components in the form of credits or conditionality) can help to remove acquisition or enrichment structures (through the privatization of state-owned enterprises, etc.).[23]

4.1.2   Negative Impacts

The negative overall influence of German development cooperation on the potential and actual conflict situations in the six countries studied can be summarized under the following six headings (some of which are linked):

— *Governmental development cooperation directly supports and stabilizes the government, which is itself one of the warring parties*: As a general rule, bilateral German development cooperation supports and stabilizes the government of the partner country. In most of the countries studied this means direct political and physical support for the party to the conflict that holds the reins of government. In countries such as *Ethiopia*, *El Salvador*, *Kenya*, *Rwanda* and *Sri Lanka* this is a fundamental problem, which does, however, differ widely from one country to another. The apparatus of state in each case is developed and supported by international (including German) development cooperation. Countries such as *Ethiopia* and *Kenya* are heavily dependent on development cooperation funds, even – in the final analysis – for their ability

to wage war. This means that, indirectly at least, Germany, as a donor country, "approves" the various practices and "rewards" the approach even of repressive regimes, as in *Rwanda* under Habyarimana and the Front Patriotique Rwandais/FPR, in *Ethiopia* under Meles Zenawi and in *El Salvador* under Duarte. Something of a gradation is achieved through the degree of autonomy allowed the government of the partner country in the utilization of development cooperation resources. In the case of *El Salvador*, for example, the Duarte government was able, for a time at least, to make direct use of German development cooperation resources, since they largely consisted of commodity aid, whereas the strict conditions attached in *Kenya's* case imposed much tighter limits on the government.

In all development cooperation measures the support for and stabilization of the apparatus of state is also reflected in the fact that, as a rule, the whole project portfolio is useful to the government (because it would not otherwise request, support or permit the measures) and the cooperation is largely or completely confined to government counterparts (e.g. *El Salvador*).

— *"Omission" and "approval" result in opportunities to exercise influence being missed and in incorrect signals being given*: As advantage has not been taken of openings for policy dialogue and for more effective coordination of official and non-governmental development cooperation, opportunities for exercising constructive influence have been missed in *Ethiopia*. The absence of criticism and the indirect approval of government action (as in *Rwanda*) may exacerbate the conflict if opposition forces feel discouraged and peaceful opposition work is endangered as a result.

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23   However, the opposite has also occurred; see below.

Box 4:   Stabilization of the Political System by Development Cooperation: the Case of *Ethiopia*

Ethiopia has received more assistance from the international donor community in the 1990s than virtually any other African country. The repression, the absence of political pluralism, the human rights violations and the restrictions on the freedom of speech have been scarcely noticed or criticized by the donor community – including its German representatives – in the past, although the repressive nature of the regime represents considerable potential for conflict.

International development cooperation transfers are the regime's "lifeblood". Germany accounts for about 8 % of the total development cooperation volume. The close cooperation with the *Ethiopian* government with no conditions attached fosters the dominance of the minority ethnic group that runs the country. The majority of development cooperation projects support the government directly or indirectly. The support provided by development cooperation is criticized by opposition forces.

The fact that development cooperation has neglected the political factor has resulted in official and, to some extent, non-governmental assistance possibly having the effect of exacerbating the crisis by consolidating a system that stirs up conflicts by exercising total control over society and excluding some social groups.

— *Development cooperation may act as an incentive for conflict by encouraging clientele systems and corruption*: Development cooperation represents an inflow of resources that may encourage clientele systems at national, regional or local level and open the way or increase the opportunities for corruption. This incentive may be problematical primarily because groups may resort to violence to defend their privileges. These unintended impacts have been seen in *Kenya* and – for a time – in *El Salvador*, where they resulted in development cooperation contributing to increased competition for goods and privileges that were to be distributed. This may exacerbate conflicts and lead to polarization. In *Kenya* the government resorted to violent countermeasures to prevent such clientele systems from being broken up. In *El Salvador* German development cooperation could be criticized for at least indirectly encouraging the corrupt behaviour of politicians of the Christian Democratic Party, which must be seen as one of the main causes of the slowness of re-

forms and thus, in the final analysis, of problems facing the country.

— *The regional orientation of development cooperation may exacerbate imbalances or strengthen the position of government elites in certain regions*: In some cases[24] German development cooperation has helped to consolidate regional disparities or given more assistance to certain regions which the elite want to see privileged. In *Rwanda*, for example, particular attention was paid to the places where the elite lived when the locations for German projects were chosen. In *El Salvador* it was found that development cooperation resources were being passed on in a distorted and one-sided way through a governmental counterpart to regions that had "voted for the right party", which can be expected eventually to be conducive to conflict.

In the north of *Mali* political conflicts may be encouraged in the future if the donors continue to adopt an unbalanced regional approach (hitherto no international development cooperation with the part of the northern region that does not benefit from German development cooperation).

— *Pressure for political reform exerted by development cooperation may prompt the regime to take violent countermeasures*: In *Kenya's* case the (short-term) reaction to pressure for political reform has been violent counteraction by the regime. Although the donors have been able to bring about some political reforms, the defensive reaction consisted in enormous obstacles placed in the path of the opposition, the harassment of the critical press and the instigation of bloody ethnic clashes by hardliners in the ruling party. Added to this, the donors' pressure resulted in some of the conflicts being shifted from national to regional and local level. As the sinecures for the clientele system were re-

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24   The report on *Ethiopia* explicitly refers to the lack of evidence of development cooperation having contributed to regional disparities.

duced in number at national level, attempts were made to replace them at lower levels.

— *Development cooperation may block work to eliminate causes of conflict by easing the pressure on the government to take action ("taker mentality")*: In *Rwanda* (and, with qualifications, *Ethiopia*) German development cooperation, which contributes to "over-aiding" in the context of total international development cooperation, has resulted in the state ignoring many of the tasks it should be performing. The "internationalization" of government tasks has eased the pressure that is needed if causes of conflicts are to be eliminated. This situation has also resulted in policy dialogue and conditionality being less effective or even completely ineffective, since the government concerned can obtain more development cooperation resources than are actually needed.

4.1.3   Other Problematical Impacts

The negative impacts of German development cooperation referred to above are joined by a number of other impacts that have proved to be problematical in individual cases or may exacerbate conflicts, especially in the short term, while having a positive impact in the medium and long term.

— *Exacerbation of conflicts due to the withdrawal of development cooperation*: In certain circumstances the evacuation of development cooperation personnel or the (temporary) shutdown of a development cooperation project may have the effect of exacerbating a conflict (e.g. *Rwanda*). While the presence of development cooperation personnel ensures a degree of international transparency, the withdrawal of certain development cooperation structures may send a signal that encour-

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Table 4: Possible Positive, Negative and Problematical Impacts of Development Cooperation in Conflict Situations

Possible positive impacts / contributions	*Possible negative impacts / contributions*
– Eventual removal of causes of conflicts (regional disparities, employment opportunities, defusing of conflicts over resources, etc.) – Political and social stabilization in the short and medium term due to reconstruction efforts – Political openness, participation, democratization and increase in conflict awareness of societies and political systems – Achievement of security and improved human rights conditions due to the presence of development cooperation personnel – Removal of opportunities for self-enrichment and of clientele systems by means of economic reform programmes / structural adjustment	– Direct support for and stabilization of the government (through official development cooperation), which is itself a party to the conflict – Wrong signals sent to the government and opposition forces through "omission" (e.g. failure to seize opportunities during the policy dialogue) and "approval" – Exacerbation of the conflict through the encouragement given to clientele systems and opportunities for corruption – Increased regional imbalances through the promotion of certain regions to the ruling elite's liking – Violent countermeasures taken by the regime as a result of pressure for political reform (eventually, however, removal of potential for violence) – Easing of the pressure exerted by development cooperation for action to deal with the causes of conflicts ("internationalization" of government tasks)

Other problematical impacts

– Possible exacerbation of conflicts by the shutdown of projects or the withdrawal of personnel in acute conflict situations

– Increase in the pressure for modernization

– Increase in competitive behaviour in the public sector due to economic reform programmes or structural adjustment

– Absence of influence on measures taken by multilateral donors that exacerbate conflicts

ages conflict (decline in legal certainty in a region, less transparency as regards the behaviour of security forces, etc.).

— *Increase in the pressure for modernization*: German development cooperation made a discernible contribution to the pressure for modernization in *Mali* and *Rwanda*. The associated change of technologies, economic systems and forms of social organization is (bound to be) conducive to conflict. In the population groups involved in the modernization process the changes mainly give rise to hopes and expectations (in connection with, say, irrigated farming) which cannot be fulfilled, or at least not entirely.[25] Such situations may cause disappointment and social conflicts.

— *Economic reforms or structural adjustment may increase the potential for conflict*: The structural adjustment promoted by the International Monetary Fund (IMF) and World Bank – and the policy therefore indirectly supported by Germany – may have had the effect of exacerbating the conflict in *Rwanda* (before the genocide). In connection with the structural adjustment policy the number of elite positions paid for by the state was reduced. This meant that most Hutu officials had less opportunity for social advancement through promotion to lucrative high-level posts; this has contributed to militant competitive behaviour.

— *Insufficient influence on measures of multilateral donors that exacerbate conflicts*: In some cases at least the development cooperation measures of multilateral institutions also have impacts that exacerbate conflicts. In principle, Germany has the opportunity to be directly involved in the decision-making, programmes, etc. through the appropriate supervisory bodies. Experience in *Rwanda*, for example, indicates that the settlement policy

supported by the United Nations High Commissioner for Refugees/UNHCR and United Nations Development Programme/UNDP exacerbated the conflict. The German Government could therefore have pressed for reviews or changes in these international institutions.

4.2   Micro Level: Project-specific Impacts on Potential and Actual Conflict Situations

At the level of individual development cooperation measures ("micro level") various intended and unintended positive and negative impacts on potential and actual conflict situations can similarly be detected. A distinction should be made between measures with a conflict-specific objective (explicitly conflict-related measures) and measures without conflict-specific objectives (non-conflict-related measures).

It must be assumed that the possible overall positive or negative impact of the majority of all individual development cooperation measures on a country is slight. Nonetheless, the measures may become highly significant at regional or local level (example: "Northern Mali Programme"; see below). There are also indications that some development cooperation projects at least are extremely relevant at national level.

4.2.1   Explicitly Conflict-related Measures (Positive and Negative Impacts)[26]

Experience of conflict-specific measures of official German development cooperation and of non-governmental development cooperation reveals

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25 It should be pointed out that as part of German development cooperation with *Mali* advice was offered in connection with the modernization process to help cushion the risks involved.

26 For a description of these measures see section 2.3. The measure known as "Psychological counselling for children and young people" mentioned in section 2.3 is not considered here, since the project has not advanced beyond the stage of preliminary deliberations.

predominantly positive impacts on potential and actual conflict situations.

Demobilization and Reintegration of Combatants

Some measures taken to demobilize and reintegrate combatants in *Ethiopia* immediately after the fall of the Mengistu regime helped to avert the potential danger of serious military intervention. A number of project elements in *El Salvador* (Obsidiana project) were also successful (in terms of reintegration); what was of primary importance here was the linking of the housing component to the target group's self-organization and the exemplary collaboration between official and non-governmental development cooperation (Misereor).

However, some of the experience of demobilization and reintegration efforts was negative. The efforts made to demobilize Tigréan fighters in *Ethiopia*, which were supported by the GTZ as part of the Dansha project, helped to increase political tensions. The project was perceived in the region as establishing a "defensive village" of Tigréan colonization, giving rise to considerable discord among the local Amharic people and the local elites. A definitive assessment cannot be made of the impacts which the training courses for former combatants had on the process of consolidation in *El Salvador*, since there is no study or anything similar on their whereabouts. A German financial cooperation project entailing the construction of modest apartments for former soldiers in *El Salvador*, which had been set up for "political reasons" with the aim of putting the target group on an equal footing with the former guerrillas (especially through efforts in the form of housing construction) was not very successful. This was due to the difference between the needs of the two target groups, the guerrillas having been without civilian housing far longer than the regular soldiers.

Comments in *Rwanda* on other donors' demobilization programmes indicate that they served primarily to increase the efficiency of the military apparatus and so proved counterproductive.

Democratization Assistance

In *Ethiopia* the democratization assistance provided by the Foreign Office in the form of election monitoring (1992 and 1995) helped to give the donors information for their assessment of the elections; this also made it possible to gather information on election rigging. The country evaluation concludes, however, that the results of the election monitoring were not adequately reflected in German development cooperation.

Rehabilitation and Integration of War Victims

An important and direct contribution to coping with the consequences of war was made by the "GTZ ISRI Orthopaedic Project" in *El Salvador*. It also had positive spillover effects on various institutions involved and on the country's policy towards the disabled.

Reconstruction and Rehabilitation of War-damaged Facilities and Comprehensive Programmes for Social, Political and Economic Stabilization

On the whole, extensive rehabilitation and stabilization programmes in *Mali* and *Sri Lanka* have proved very successful. The measures feature an approach that includes a range of activities.

The impacts of the "Northern Mali Programme" on the potential for conflict and the conflict situation include the following:

— effective support was given to the process of social and economic stabilization in parts of the regions affected by the Tuareg conflict;

— society's conflict awareness was fostered;

— society's willingness to resort to conflict and violence was reduced;

— security in the region was improved and banditry curbed;

— understanding between the warring parties was improved with the help of reconciliation meetings.

Box 5: The "Northern Mali Programme"
Background to the programme and its profile
During the intergovernmental negotiations in 1993 the German government promised the *Malian* government that it would support its efforts to develop the North, to reintegrate the population there and to restore peace to the region. Special financial cooperation resources of DM 30m, which German Minister Spranger promised as a "peace and democracy premium" during a visit (1993), were set aside for this purpose; DM 2m in technical cooperation resources was also provided. The initial project activities began in June 1994.
The stated objective of the "Northern Mali Programme" is to support the process of social and economic stabilization in the regions of northern *Mali* affected by the "Tuareg conflict" and so to help pacify the area on the basis of the programme of aid and development agreed in the *Pacte National* in April 1992.
The programme consists of the following components:
– emergency aid measures for returning Tuareg and Moors who were living in various refugee camps,
– emergency aid measures for displaced persons (especially Bellahs),
– short- and medium-term income-generating measures for reintegrating refugees and displaced persons and simultaneously assisting the local population,
– investment programme for the reconstruction of damaged infrastructure.
The "Northern Mali programme" is coordinated by two German experts and a Malian staff member. The programme team is advised on all fundamental and programmatic matters by a *Comité Consultatif*, which includes important representatives of civil society in the project region.
Impacts of the programme
The programme has succeeded in making a major contribution to the peaceful resolution of the Tuareg conflict and to the repair of the political and economic damage done. Refugees and displaced persons have returned to their homes. In the programme region security has been restored, and the ethnic groups are reconciled and live peacefully together. Conflicts are addressed openly and, for the most part, resolved without recourse to violence. The programme is also succeeding in reducing major causes of the conflict – above all, structural and regional marginalization and inadequate development dynamism.

If new conflicts are to be prevented, it is important to ensure that in the future development cooperation measures are also implemented in the other regions of northern *Mali*, which German development cooperation has not been able to cover in the past.

Although the focal areas of and background to the three measures in *Sri Lanka* (the Jaffna Rehabilitation Project/JRP, the Integrated Food Security Programme/IFSP in Trincomalee and the Water Supply and Sanitation Project/WSSP in Vavuniya / Mannar) are very different, what they do have in common is that they are located on the very fringes of territory over which the *Sri Lankan* government has regained control and are having far-reaching impacts and that – in the case of the Jaffna and Trincomalee measures – they adopt a "broad" approach (i.e. they are comparatively closely related to practical needs and less to a certain sector). The most important impacts include the following:

— the measures are contributing to the general normalization and stabilization of the region;

— the JRP in particular may form the point of departure for diplomatic peace initiatives or something similar;

— the measures are improving the international transparency of conflict situations;

— the JRP and IFSP are showing the way (in pacification, in coping with the consequences of war, etc.) to other donors and, to some extent, the *Sri Lankan* government (post-conflict preparedness);

— the measures may be creating assets that the warring parties may hesitate to destroy;

— the measures are helping to reduce breaches of the law, violations of human rights and arbitrary acts.

It should be emphasized that the conflict-reducing impacts of the measures should not in any way be overrated, given the difficult conflict situation. They may play a supporting role, but not a leading role.

Project for Strengthening the Judicial System

The GTZ project in *Rwanda* is primarily intended to develop a central database in the prosecutor general's office to support the genocide procedural law and pending genocide trials. In the short term the project is unlikely to reduce tension, since it will help to bolster the fiction that a legal solution to the genocide trials is possible, and in the medium term it will confirm the impossibility of coping with the trials. In the long term, however, it may have the effect of reducing tension by helping to overcome the prevailing "culture of impunity".

NGO Measures with an Explicitly Conflict-specific Objective[27]

Most conflict-specific NGO measures make an important positive contribution. Many NGO activities – especially those of the Political Foundations (as in *Kenya*) – are not prompted by potential or actual conflicts, but pursue goals in the spheres of "democracy" and "human rights" (positive measures).

The following impacts are particularly important:

— The sometimes violent reactions of regimes (especially in *Kenya* and *Ethiopia*) to conflict-related NGO activities indicate that these activities have some relevance and thus effectiveness.

— In some cases conflict-related work by NGOs – and especially the Political Foundations – is hampered or even completely prevented by the governments of the countries concerned. In *Ethiopia* the Political Foundations are given little scope to use their instruments. In *Kenya* the foundations' education work was regarded with considerable suspicion and constantly obstructed. The head of the Friedrich Naumann Foundation has been expelled from the country on several occasions, and the foundation has been forced to close its office.

— The measures for the promotion of democracy and human rights cannot be equated per se with crisis de-escalation, since in the short and medium term they may sometimes help directly to bring a conflict to a head if the regime takes violent countermeasures. In the long term, however, they may do a great deal to reduce the potential for violence and the causes of conflict.

— Through the work of the Political Foundations criticism has been voiced about social issues in *Ethiopia*. In the medium term the culture of seminars and symposia supported by the foundations will contribute to conflict recognition by society and is likely to promote willingness to resolve conflicts by peaceful means.

— The work of the Political Foundations has performed something of a protective function for critics of the regime in *Ethiopia*.

— The work of the Political Foundations in *Ethiopia* has proved to be equivocal, since it has helped to stabilize government institutions.

— In *Kenya* the Political Foundations' educational measures in the political field have made a major contribution to the country's democratization and so reduced the potential for violence. The most important impacts relate to (1) improvement of the quality of political debate, (2) an increase in society's conflict awareness and (3) the removal of tendencies for society to polarize.

— In *El Salvador* the German Churches were able to give strong support to the peaceful resolution of the conflict in the form of human, ideological and physical resources.

— Direct measures taken by the Churches to resolve conflicts in areas of unrest have had the effect of promoting peace in *Kenya*. They have helped to bring about greater transparency in political processes and to improve the quality of political debate at national and local level, and they have contributed to the debate on reforms.

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27 See also the comments below.

— A reconciliation project of the Heinrich Böll Foundation in *Kenya* greatly increased the political awareness of simple peasants and fostered a desire for peaceful co-existence among the victims of violence.

— Support for impartial magazines and magazines close to the Church helped to defuse the conflict in *Rwanda* (assisted by Brot für die Welt, the Konrad Adenauer Foundation, and others).

Besides actual impacts, the following observations and findings are relevant:

— In some cases NGOs are operating with conflict-specific measures in an area where official German development cooperation is not represented or cannot operate. This is true, for example, of *Kenya* and the areas controlled by the LTTE (uncleared areas) in *Sri Lanka*.

— A problem that may in principle arise in conflict situations is that NGOs' local partners do not have the freedom to operate in socio-political spheres (e.g. *Ethiopia*).

— The work of the Political Foundations in particular may be difficult because they do not automatically find suitable partners waiting for them (as the Churches do); the foundations face the added danger of their work being eclipsed by party political considerations (e.g. *El Salvador*).

4.2.2   Non-conflict-specific Measures (Positive and Negative Impacts)

At the level of individual development cooperation measures, which are not specifically geared to conflicts, a wide variety of intended and unintended impacts can be identified in the countries studied. Non-conflict-specific measures form the bulk of all official German development cooperation activities in the countries considered.

Positive Impacts

Contributions to the Eventual Removal of Causes of Conflicts or Factors that Exacerbate Conflicts

German development cooperation measures probably have their greatest positive impact through the general benefits they have for development. They may be, for example, projects and programmes concerning the protection of natural resources or the population policy sphere. They may lead to the removal of causes of conflicts or factors that exacerbate conflicts. Not even an approximate quantification of positive impacts is, however, possible.

The development cooperation measures concerned may produce inconsistent results: while the German development cooperation commitment as a whole directly and indirectly supports and stabilizes a regime, the various measures being implemented at micro level may have a positive impact on the aspects of conflict referred to here.

The following examples can be given of positive impacts that "classical" development cooperation measures have on potential and actual conflict situations:

— In *Ethiopia* German development cooperation measures are making positive contributions through activities in the areas of food security, poverty alleviation and resource protection.

— A rural settlement project on the coast of *Kenya* helped to reduce national disparities.

— Various employment promotion and vocational training schemes in *Sri Lanka* are helping to weaken causes of and potential for conflict, such as economic marginalization.

Contributions to the Removal of Clientelist Structures, Improved Participation and Decentralization

A number of German development cooperation measures are visibly helping to remove clientelist structures, to improve participation and to bring about decentralization, although the actual project

objectives relate to "classical" areas of development (such as water supply). These impacts are achieved because the project approach is appropriately designed (cooperation with local actors, specific approaches to participation, etc.) or because, seen from the angle of individual development cooperation measures, there is a need for certain general conditions to be adjusted by the partner (e.g. a sectoral policy). A change in certain general conditions is brought about particularly by means of implicit or explicit conditionality at project or sectoral level.

The following examples of these forms of positive impacts can be given:

— A regional development programme in *Kenya* (Transmara) was confronted directly with conflicts over land use and land ownership. It helped to teach the local people about land rights and limited the options open to the local clientele system. This enabled an important step to be taken in reducing the potential for conflict at local level.

— Measures in *Sri Lanka* in favour of the rural population (access to small loans, promotion of self-help, etc.) are also associated with an increase in political participation.

— Assistance for urban water supply projects (financial cooperation) in *Kenya* was made conditional on the establishment of independent water works operating on a commercial basis in the towns concerned; the scheme thus made a contribution to decentralization and the removal of local clientele systems.

— A slum clearance project in *Kenya* generated potential for violence in the short term because it was, in the final analysis, to the disadvantage of the local system of patronage. In the long term, however, it contributed to the reduction of the potential for violence because it helped to oust clientelism.

Negative Impacts

Strengthening Regimes through "Decentralization"

It was found that decentralization measures in *Ethiopia* and *El Salvador* ran the risk of helping the government to improve its control structures and thus supporting repressive mechanisms.

How this occurs is evident from the example of *El Salvador*. With the support of German development cooperation the strengthening of the municipalities was stepped up while the Duarte government was in power. The Partido Demócrata Cristiano/PDC government tried to gain at least some legitimacy by promoting local structures. This policy also served to extend the government's influence over the communes located in areas of conflict. The guerrillas fought against this strategy and committed serious human rights violations in this connection by shooting some mayors. German development cooperation thus supported the struggle against the uprising and encouraged manifestations of violence.

Creation of Material Incentives and Encouragement of Clientelist Structures

Development cooperation measures often encourage clientelist structures and mechanisms for self-enrichment and corruption at national, regional and local level. They thus have the effect of exacerbating any potential for conflict and violence. Various measures in *El Salvador* and *Kenya* have shown development cooperation acting in this way.

In *El Salvador* it was clear that commodity aid, which accounted for a large proportion of German development cooperation while Duarte was in power, provided certain Christian Democratic politicians with opportunities to line their own pockets. The growing corruption was one of the main reasons for the absence of consolidation and thus the failure of the Christian Democratic Party.

In *Kenya* a settlement project can be taken as an example of how the inflow of resources through a

project may increase the rivalry for the goods and privileges that have to be distributed at local level. As local rivalries corresponded to the political rivalries at national level, the project activities were increasingly seen by the local population as making for one-sided privileges or discrimination and so helped to polarize the people. The measure also helped to encourage the local clientele system, there being few ways of preventing corruption.

Increase in Disparities

In some cases development cooperation measures have helped to increase disparities. An increase in disparities can be detected, for example, as regards ethnic groups, party political behaviour in regional elections and settlement areas. Development cooperation measures were found to have an unintended impact of this kind in *El Salvador*, *Rwanda* and *Sri Lanka*.

A fund originally intended to provide for the social cushioning of economic structural adjustment in *El Salvador* and supported by German financial cooperation was at times conducive to conflict, since allocations depended on the various communes voting the "right" way.

German assistance (technical cooperation and financial cooperation after the genocide) for the state-owned *Radio Rwanda* exacerbated the conflict. The problem with this measure was that the German assistance led to the creation of an instrument for polarization and confrontation over whose use there is no control. The simultaneous training of journalists, for example, might conceivably have had a conflict-reducing effect.

A settlement project in *Rwanda* in which German development cooperation was involved had impacts that directly exacerbated the conflict. The location had already been seen as a suitable place for settlement on environmental and technical grounds before the war. After the war a refugee camp for Tutsis from the Masisi was set up there. This was, however, Habyarimana's home region, which became a war zone after the return of the

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Box 6: Conflict Exacerbation by Development Cooperation: the Mahaweli Programme in *Sri Lanka*

Since the 1930s and especially the 1940s resettlement projects have been implemented in *Sri Lanka* to alleviate the growing shortage of land in the south-west, where the population is largely Sinhalese. *Sri Lanka's* Tamils have opposed these projects because they threaten to change the ethnic majority in the provinces concerned to the disadvantage of the Tamils and Muslims. With the Mahaweli project, which has been planned since the 1960s and consists of a large number of subsidiary energy generation projects, the country's largest scheme was launched, the aim being to use at least 74 % of the settled area – where Tamils previously formed the majority of the population – for Sinhalese.

The Sinhalese settlement projects became one of the decisive motivating factors in the Tamils' resistance. This is not least evident from the many attacks on colonies of new Sinhalese settlers during the civil war. As the Tamils and now the LTTE see it, the settlement policy is one of the main causes of the civil war.

The international donor community has supported the Mahaweli project since 1977. The Federal Republic of Germany contributed large loans to the financing of two dams forming part of the overall project (Randenigala: DM 400 m; Rantembe: DM 230 m); one loan agreement was signed before, the other after the outbreak of the civil war.

For a long time Germany did not see the ethnically oriented settlement policy underlying the Mahaweli project as a particular problem. As late as September 1983 the Federal Government stated in its written answer to a question raised in the *Bundestag* that the project had no discernible implications for the conflict between Tamils and Sinhalese. The settlement policy was financed and implemented by the *Sri Lankan* government entirely on its own responsibility.

In the early 1990s some donors (especially Norway, Canada and the World Bank) began looking critically at their own development cooperation policies in the context of the Mahaweli project.

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new refugees in February 1997. The local population saw the planned settlement as a provocation: the camp was eventually attacked twice.

Resettlement projects forming part of energy generation schemes have been used by the government in *Sri Lanka* on a large scale in the past to change the ethnic majority in some parts of the country to the disadvantage of the Tamil people. The Sinhalese settlement projects became a decisive motivating factor in the Tamil resistance and so a cause of the conflict. As part of the largest

energy generation programme ("Mahaweli") German development cooperation became involved in the financing of dam construction projects without adequate account being taken of the problems posed by a settlement policy that caused conflict.

Inconsistent Impacts of Resource-related Measures

Many measures associated with resource use and distribution are relevant to conflicts. This is particularly true of land use projects and related issues.[28]

Such projects may have both positive and negative impacts. Irrigation projects, for example, make land use in an area more attractive. As soon as land becomes scarce through the influx of new settlers, groups that have traditionally occupied the area often claim it for themselves. This leads to conflicts, which may become violent (e.g. *Ethiopia*).

Other Measures

A project activity forming part of German technical cooperation in *Ethiopia* probably exacerbated the border conflict between *Ethiopia* and Eritrea. The *Ethiopian* government produced a map of the Tigré region in which the border was shown as it had been before the colonial period and so did not correspond to the internationally recognized border. The map was financed by a GTZ project and also bore the GTZ logo. It is impossible to gauge any impact due to the existence of the map or its significance as a cause of the war. It may, however, have been a factor that exacerbated the conflict in the unstable situation in Eritrean-*Ethiopian* relations, because it was known to the Eritrean government.

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28 See also the regional development programmes in *Kenya*, for example.

4.3 Impacts and Special Features of Individual Instruments

Besides the findings on the impacts of German development cooperation at macro and project level, some additional findings on individual German development cooperation instruments can be presented. The main aim is to identify the special features and the strengths and weaknesses of instruments and the agencies concerned as far as the country evaluations allow.

Policy Dialogue and Conditionality

Policy dialogue and conditionality must be regarded as being particularly important for conflict situations and as having a high impact potential where a multilateral agreement is reached on the approach to be adopted; this is especially true of the phases before conflicts become acute and violent (open confrontation phase).

The impacts are most clearly discernible in *Kenya's* case, despite the stop-go process. Here the coordinated approach adopted by most of the leading donors was a crucial requirement for the high level of effectiveness.

Conversely, the initial situation in *El Salvador* and *Rwanda*, where there was an excess of development cooperation ("over-aiding"), was unfavourable for an effective policy dialogue. Development cooperation needs to be kept on a relatively short rein if conditionality is to be effective.

The country studies on *Ethiopia*, *Rwanda* and *Sri Lanka* implicitly and explicitly reveal that, if the policy dialogue had been more clear-cut and had set out more concrete demands and conditions, it would have had the potential to influence the conflict situation more effectively.

Financial and Technical Cooperation

Financial and technical cooperation have a number of specific features that may be relevant to conflicts. They include the following:

Box 7: Factors Determining the Success of the Policy Dialogue and Conditionality in *Kenya*

In *Kenya's* case various reasons can be given for the pronounced effectiveness of the policy dialogue and conditionality:

1. the existence of strong internal forces fighting for a democratic multi-party system; the intervention from outside in support of the opposition forces merely tipped the balance,

2. *Kenya's* heavy dependence on development cooperation resources,

3. the country's waning strategic importance after the end of the East-West conflict,

4. the coordinated approach adopted by almost all leading donor countries (exception: France).

— Governments (e.g. *Ethiopia*) are obviously far more interested in financial cooperation than in other forms of (German) development cooperation. This is particularly due to the fact that financial cooperation gives governments more flexibility in the use of resources. Furthermore, financial cooperation tends to entail the presence of fewer donor personnel in the country than other development cooperation instruments.

— With partner governments so interested in financial cooperation, it is likely to be particularly suitable for the formulation of effective conditions (policy dialogue and conditionality).

— Commodity aid may pose particularly serious problems under conflict conditions.

— Technical cooperation can be controlled fairly well throughout the project or programme cycle, greater influence on individual project and programme components thus usually being possible.

— Technical cooperation usually has a good external structure; it can therefore continue or begin to operate even under relatively unstable conditions.

In addition, the fungibility of development cooperation may pose a problem for both financial and technical cooperation; in other words, development cooperation tends to ease the pressure on the government concerned to perform certain tasks (in social sectors, for example), thus possibly enabling it to use resources for other activities (which may be inappropriate to development or in a conflict situation).

Non-governmental Activities

The particular strength of non-governmental development cooperation in conflict situations is emphasized by the studies on *Ethiopia*, *El Salvador*, *Kenya* and *Sri Lanka*. Important findings in this context are that:

— NGOs are sometimes able to take appropriate conflict-related action in phases or areas where this would be impossible for official development cooperation;

— the substantive profile (criticism of the regime, etc.) of NGOs is often far clearer than that of official development cooperation;

— the Political Foundations play a very important role in the social policy sphere, especially compared to financial and technical cooperation;

— the work of the Political Foundations very much depends on whether they are able to find or develop appropriate counterpart structures;

— the Churches in particular have very good local interlocutors in many countries and are very sensitive to the local situation.

4.4   Conclusions and Recommendations

Conclusions

In the past the impacts of German development cooperation of relevance to conflicts were hardly recorded or considered. This is especially true of unintended impacts at both macro and project level. There are no criteria to enable relevance to conflicts to be identified quickly.

An analysis of the impacts of German development cooperation on potential and actual conflict situations produces a heterogeneous picture. A wide variety of positive and negative impacts at macro and project level can be identified. The links are complex. German development cooperation as a whole and individual measures often have both positive and negative impacts.

Although the impacts of German development cooperation should not be overrated, some relevant findings can nonetheless be borne in mind. Positive tendencies can probably be increased and negative tendencies reduced if more thought is given to the way the actors involved operate in terms of relevance to conflicts.

At macro level a particularly important factor is that development cooperation often has the effect of stabilizing the regime and so intentionally or unintentionally supports one party to a conflict. This may have consequences that exacerbate the conflict.

At project level there are options for developing positive impacts in conflict situations. It is equally important, however, for the unintended negative consequences possibly associated with development cooperation measures to be recognized and removed.

Recommendations

⇒ More deliberate use should be made of German development cooperation for strategic purposes in conflict situations, so that better account may be taken and a better assessment made of the general positive and negative impacts it has (assessment of political consequences).

⇒ The negative impacts that German development cooperation as a whole may have in various countries should form the basis for deliberations (related primarily to the BMZ, FO, GTZ and KfW) on whether and, if so, where general changes (promotion of certain countries, instruments, concepts, procedures) are appropriate and feasible. The negative

impact areas should be systematically analysed from this angle.

⇒ The instruments of German development cooperation should be used more purposefully against the background of a country's conflict situation. Where the government is involved in the conflict and pursues a repressive policy that exacerbates it, serious thought should be given to terminating development cooperation or changing the instruments used. Specific conditions – at sectoral and project level, for example – may be an appropriate option.

⇒ Efforts should be made to analyse the positive impacts of individual conflict-specific measures to see if they can be applied to other suitable countries.

⇒ At the level of individual measures efforts should be made (primarily by the BMZ, GTZ and KfW) to make a systematic analysis of positive and negative impacts relevant to conflicts (conflict impact assessment) and to take account of the findings at every stage of planning, implementation and monitoring/ evaluation.[29]

⇒ In development cooperation measures account should always be taken not only of technical aspects but also of relevance to conflicts, since no project is in fact purely technical.

⇒ The largely positive conflict-related work of NGOs should be discussed (by the BMZ and appropriate NGOs) in terms of the question whether there are appropriate openings for assistance in conflict situations in addition to the existing options and instruments.

⇒ The BMZ should ask the leading international development cooperation institutions whether they analyse the impacts of conflicts adequately and take account of them in their conceptual and operational approaches.

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29 References to conflict impact assessment can be found in Bush (1998).

5 Special Features of Development Cooperation in Conflict Situations

5.1 Flexibility and Willingness to Accept Responsibility and to Take Risks

The country evaluations (e.g. *El Salvador*, *Mali*, *Sri Lanka*) clearly indicate that in conflict situations development cooperation must demonstrate a particular degree of flexibility if it is to be effective and successful. This flexibility is needed in various respects of relevance to planning and implementation:

— Rapid action at the right time: It is often necessary to react very quickly to conflict situations with development cooperation measures.[30] This is true, for example, when the political circumstances in a country change (increase in repression, etc.) or the aim is to help stabilize certain areas in the short term (as in northern *Mali* or on the Jaffna peninsula in *Sri Lanka*). Particularly important in this context is the willingness and ability to take early action in post-war countries or in areas where hostilities have been brought to an end (post-conflict preparedness).

— Working in an unstable environment: A feature of conflict situations is a high degree of instability. Development cooperation actors wanting to operate in such situations must therefore be prepared for a lack of security (as in *Mali* and *Sri Lanka*).

— Counterparts: The often exclusive or heavy concentration of official development cooperation on government counterparts may be problematical or even unsuitable in conflict situations (as in *Ethiopia* and *El Salvador*).

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30 It should be emphasized, however, that conflict-related action in the context of development cooperation cannot and should not consist solely of short-term measures. Reference should be made, for example, to the opportunities for having a long-term impact on the causes of conflicts.

— Instruments: Conflict situations often call for a "broad" approach because, for example, not only infrastructure measures but also additional social activities are needed and suitable counterparts are not available. In principle, it is therefore necessary to ensure effective interaction of various instruments (financial, technical and human resources cooperation) (as in *Mali*) or to look for ways of making individual forms of project more flexible; experience of technical cooperation with "open funds" may be a basis for further deliberation.

Box 8:   Factors Determining the Success of the "Northern Mali Programme"

Various factors can be said to have determined the particular success of the "Northern Mali Programme". They include:

– Timing and nature of the measure: The programme was operational at a very early stage. It was ready at the time when support for basic needs, reconciliation and the return of the refugees and displaced persons became politically possible.

– Efficiency and aptitude of the programme team: The programme coordination team is small (two German and one *Malian* staff member), covers various disciplines and is technically and socially competent.

– Use of different development cooperation instruments: No strict distinction was made between emergency aid and development cooperation; the activities were deployed flexibly. Technical cooperation, financial cooperation, food aid, emergency aid and aid for refugees complemented one another.

– Visible success: The programme was seen to be successful within a short time; this was also due to the support of multilateral institutions.

– Participation and transparency: Those directly concerned were involved as far as possible in the planning, negotiation and implementation of all project components.

– Autonomy: The programme largely enjoys administrative and substantive autonomy as regards its integration into the *Malian* organizational structure.

– Decentralized implementation: The programme activities are undertaken through scattered bases, which are managed by local personnel and operate largely on their own responsibility.

– Regional investment: The programme had particular recourse to locally available labour-intensive technologies and local enterprises.

— Making the procedures more flexible: It is therefore advisable to make the procedural stages connected with applications, project approval and project implementation more flexible.

In certain cases flexibility may entail higher risks than is the case with normal development cooperation. Willingness to accept responsibility and to take risks concerns various aspects. There are development policy risks, since objectives in conflict situations may, for example, be inconsistent with the principle of sustainability and the partnership idea (see below). The general risk of a measure failing completely or having to be suspended because a conflict has come to a head is also far higher than in other forms of development cooperation. Finally, there may be a particular security risk for domestic and foreign development cooperation personnel.

5.2   Procedures

Potential or actual conflict situations are not systematically referred to or appraised in German development cooperation procedures. The frameworks of the following stages in the BMZ's and implementing agencies' procedures, for example, have so far taken little or no account of the conflict dimension (as in the question of effects/side-effects on potential and actual conflict situations):

— tendering for the implementation of projects,

— project progress reviews,

— review reports and final appraisals,

— evaluations,

— BMZ country concepts,

— "five development cooperation criteria" (e.g. the dimension "the warring parties' desire for peace").

5.3   Development Policy Principles

Development cooperation in conflict situations may lead to conflicts between objectives and development policy principles. This primarily concerns two principles: that of "sustainability" and that of the "partnership idea" (or ownership).

— Under certain conflict conditions the principle of sustainability must of necessity play a different role from the one it plays in development cooperation under normal conditions. Conflict situations may make it necessary to pursue short-term objectives (such as the stabilization of a region) without seeking or achieving the degree of sustainability that is usually called for. Conflict-induced risks (such as the danger of armed conflict perhaps returning to a region) may threaten the sustainability of measures.

— The idea of partnership and the principle of the highest possible level of ownership may, where a conflict is concerned, also play a subordinate role or require redefinition. In the case of repressive regimes and in civil war situations where the government is itself a warring party the idea of partnership and the principle of ownership is not only threatened but would in most cases produce results that were undesirable in development terms and exacerbate the conflict. The problem in this context is that in official development cooperation the partnership idea and the ownership principle are primarily geared to cooperation with governments and state agencies and do not yet involve many actors in civil society. This is also true, for example, of the selection of counterparts.

5.4   Coordination with Other Donors

Various examples show that the success of conflict-related development cooperation very much depends on satisfactory donor coordination. The joint policy dialogue between the donor countries and *Kenya* was one of the main determinants of success. What is very important in this context is that the donors formulated specific and verifiable

requirements. A major barrier to be overcome if a joint policy dialogue is to be effective is an excess of development cooperation ("over-aiding"), which leaves no incentive to adjust behaviour (e.g. *El Salvador* and *Rwanda*).

Thematic donor groups "on the spot" may make an important contribution. In *Kenya* an informal donor group (Democratic Development Group) repeatedly took action through press releases, memoranda, letters to the President, etc. In *Ethiopia* a consultative group of ambassadors repeatedly intervened in political activities.

The country evaluations (e.g. *El Salvador* and *Sri Lanka*) similarly emphasize the need for adequate donor coordination at sectoral and project level.

Some references (*El Salvador* and *Sri Lanka*) indicate that a multilateral institution should play a special role in donor coordination in conflict situations.

5.5 German Development Cooperation in Conflict Situations: the Influence of Other German Policies

The country evaluations contain various references to other German policies which, like development cooperation, influence potential and actual conflict situations. Not least because there is usually little external influence, an effective German development cooperation strategy geared to conflict situations depends on the policies concerned being implemented as coherently as possible.

The country evaluations reveal points of contact with other areas of German policy:

— Role of German foreign policy: German foreign policy exercises the most obvious influence because it is responsible for German policy towards other countries; this is not least true of crisis and conflict situations.

In this context two features of German foreign policy can be identified in the country evaluations. Firstly, it must be assumed in some cases that German foreign policy – and

so German development cooperation's room for manoeuvre – are essentially or largely determined by the foreign policies of third countries (especially the USA, France and Britain). This is true, for example, of *Ethiopia*, *El Salvador*, *Mali* and *Rwanda*.[31] Secondly, some of the country evaluations emphasize the low profile of German foreign policy as regards diplomatic initiatives aimed at preventing crises or resolving conflicts. This primarily concerns *Mali* and *Sri Lanka*. In *Sri Lanka* there might have been other opportunities for using explicitly conflict-related measures (especially on the Jaffna peninsula) as the basis for diplomatic initiatives.

— Foreign activities financing the military activities of opposition groups and liberation movements / asylum: Activities abroad evidently play a major role in the financing of the LTTE's part in the *Sri Lankan* civil war. Germany and other western countries are very important in this context. It is considered certain that the blackmailing of Tamils in Germany is a major source of funds for the LTTE. As the *Sri Lankan* government sees it, the asylum granted by Germany supports this source of funds for the LTTE, since asylum is the basis on which most Tamils emigrate to Germany.

5.6 Perception of German Development Cooperation

The country evaluations (e.g. *El Salvador* and *Sri Lanka*) show that German development cooperation in conflict situations can never be "neutral" or purely technical. If only because of its regional orientation or choice of target groups, development cooperation runs the risk of supporting one party to a conflict or at least of being perceived as lacking balance. As a general rule there is therefore a potential danger of German (and other) de-

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31   See sections 2.1 and 2.2.

velopment cooperation being exposed to considerable animosity from one party to the conflict.

In principle, official German development cooperation is designed to support governments as parties to conflicts, since they are the partners in official development cooperation. An attempt can be made to include certain offsetting elements through the shaping of the policy dialogue and conditionality and of individual measures.

Despite the fundamental danger of tending to support the government as a warring party, German development cooperation has largely succeeded in being perceived as not excessively partial but as relatively balanced. This can be said, for example, of *Sri Lanka* and *El Salvador*, where German development cooperation (in favour of the Duarte government) was deemed to be well-intentioned by most interviewees. In *Mali* German development cooperation was not suspected by the groups that supported the government of wanting to instigate a conflict with the Tuareg, nor was Germany accused of being hostile to the Tuareg.

This is not to say that there was no criticism at all; at the last donors' meeting in Paris, for example, the donor community was urged by the LTTE to stop development cooperation in favour of the *Sri Lankan* government. Certain German development cooperation projects are regarded by the government as "Tamil projects".

In *Ethiopia*, on the other hand, more fundamental criticism is levelled by opposition groups at German development cooperation for what they see as excessive support for the dictatorial government.

5.7   Conclusions and Recommendations

Conclusions

Development cooperation in conflict situations has special features and calls for a specific approach. The special features very largely concern unstable and changing conditions and requirements in the countries affected by conflict.

If development cooperation is to be effective and conflict-related,

— a high degree of flexibility,

— a greater willingness to accept responsibility and to take risks,

— changed procedures, and

— qualifications as regards the principle of sustainability and partnership

are needed.

It is very important for there to be adequate donor coordination at a general level (especially at donor meetings in Paris) and at the level of individual thematic "on-the-spot" donor groups and of specific measures if the efforts of an individual donor are not to fall flat or to be foiled by other donors. Only if a sufficient number of relevant donors is prepared to take conflict-related action does development cooperation have a chance to bring positive influence to bear on potential and actual conflict situations.

It is also necessary for it to be considered under the prevailing conditions whether other policies can support possible conflict-related efforts by German development cooperation actors or perhaps counteract them. In principle, foreign policy has a special role to play in this context.

It should also be emphasized that the perception of German development cooperation is vitally important. As a rule, official development cooperation tends to support one party to a conflict – the government – directly and indirectly.

Recommendations

⇒ The procedures and instruments of German development cooperation should be reviewed to see whether they are sufficiently flexible in conflict situations and permit prompt reaction and, where appropriate, they should be adjusted.

⇒ Existing opportunities for cooperation with non-governmental counterparts in the context

of official development cooperation should be clarified; it may be necessary to develop new forms of cooperation with actors in civil society. A particular option here is direct assistance for local NGOs or their activities.

⇒ In conflict situations measures that permit a broad and open approach (along the lines of "open funds", for example) are especially suitable for meeting a wide range of requirements.

⇒ There is a need for the policy sphere (BMZ and FO) to show greater willingness to accept responsibility and to take risks in the context of development cooperation in conflict situations.

⇒ Conceptually, general development policy principles (principles of sustainability and partnership/ownership) need to be adjusted under conflict conditions. In conflict-related development cooperation other, short-term considerations may appropriately take the forefront and be acceptable and necessary in development policy terms.

⇒ German development cooperation provides openings for foreign policy to play a more active role in some cases (specific crisis prevention and conflict resolution initiatives).

⇒ In conflict situations German development cooperation can never be neutral or purely technical. However, it must endeavour not to act partially or to be perceived as acting partially. As a matter of principle cooperation with the government concerned should therefore always be analysed in conflict situations.

6   General Conclusions and Recommendations

More Political Conception of Development Cooperation in Countries Affected by Conflicts

The development cooperation community's self-image in conflict situations is of paramount importance. A conception reduced to technical prob-

lems and operational approaches derived from it run the risk of exacerbating conflicts. Development cooperation is political, serves interests in the various countries and is therefore never neutral.

⇒ The role of development cooperation in conflict situations needs to be singled out for discussion within the BMZ and especially the implementing agencies. The institutions involved should be encouraged to engage in "more political" thinking, which will help to make for the better recognition and assessment of the risks and strengths of German development cooperation in countries affected by conflicts at macro level, with regard to individual sectors and regions and practical measures.

Training of Development Cooperation Personnel

Development cooperation in conflict situations places new demands on the institutions involved. Whether these demands can be appropriately met very much depends on whether the staff are adequately prepared for these tasks and their job specifications are appropriate.

⇒ Suitable opportunities for training[32] in "development cooperation in conflict situations" should be available for the staff of the BMZ, FO and implementing agencies. Similar training should be developed for seconded development cooperation personnel (experts, development workers, etc.). The job specifications given when posts are advertised and new staff are recruited should also be reviewed along these lines.

Substantive Responsibility within the BMZ

Within the BMZ there is no substantive assignment of "crisis prevention and conflict resolution in development cooperation" to a specialized or sectoral department. It is currently the responsibility of the "Principles Section" (Section 04). The

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32 See, for example, the material for the EU training programme: Engel / Mehler (1999).

place it has been assigned in the ministry does not reflect the importance of this area of responsibility. There are also organizational problems when different regional desks are affected by a conflict situation.[33]

The country evaluations emphasize the need for a separate organizational unit within the BMZ. Important questions in this context are:

— Is the creation of a new organizational unit meant primarily to send a political signal to the public?

— If this organizational unit is set up, will it primarily perform specialist tasks outside the BMZ for the FO and implementing agencies?

— If this organizational unit is set up, will it primarily perform a cross-section task within the BMZ (similar to "environment" or "gender")?

— Will "development cooperation in conflict situations" have a better chance of influencing other BMZ service units if established within the existing structures or separately?

— How many staff can be made available to perform these tasks?

In principle, various forms of task assignment are conceivable. A development policy crisis centre as a staff unit attached to the Minister's office, a specialized section, assignment to an existing section or the retention of the current structure, but with more staff to cover the new responsibilities, might be basic options.

⇒ In view of the importance of these tasks, the substance needs to be upgraded and established as a "cross-section task". If it is to have effective influence on the regional desks and implementing agencies in particular, the unit should be established as a specialized section. It should be a new unit that also covers other socio-political areas (above all, "democracy"

and "human rights"). Concentration on short-term tasks, which would tend to be associated with assignment to Section 305 (food aid, emergency aid and aid for refugees; World Food Programme/WFP), should be avoided.

Conceptual Work and Other Substantive Approaches

The experience gained during the country evaluations shows development cooperation to have a major conceptual need in the area of crisis prevention and conflict resolution. Documents published by the BMZ and DAC have been able to provide important indications in this context. Questions concerning, in particular, country strategies, sectors and spheres and individual measures and basic principles have still to be answered, however.

⇒ The BMZ should continue to oversee the subject conceptually and to support appropriate initiatives at international level (DAC, individual multilateral donors).

⇒ The BMZ should identify other approaches yet to be adopted so that it may use conflict-specific measures effectively. The following areas, for example, might act as links:
  — openings for collective trauma counselling,
  — problem-solving capacities of national and local actors,
  — "violence" as a point of departure and cross-section topic for development cooperation.

⇒ The BMZ's country concepts should take sufficient analytical account of conflict situations, particularly with a view to establishing crisis prevention and conflict resolution strategies.

Division of Labour between German Development Cooperation and Multilateral Institutions

It must be assumed that the concentration of bilateral German development cooperation is appropriate if as extensive know-how as possible is to be developed and comparative advantages of mul-

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33 As in the case of the multidimensional conflict in *Rwanda*, where various neighbouring countries played a major role and different regional desks were responsible.

tilateral institutions are to be exploited in conflict situations.

⇒ German development cooperation should seek a division of labour in the area of crisis prevention and conflict resolution so as to exploit its own advantages or make purposeful use of the advantages of multilateral institutions. Guidelines (tasks for German bilateral development cooperation, tasks for multilateral development cooperation) should be drawn up to this end.

III   Annex

Re: Evaluation of "Impact of Development Co-operation in Crisis Situations"

in particular: *Terms of Reference*

These terms of reference are also to be taken as a framework structure for the evaluation report that is to be submitted.

I.   PRELIMINARY REMARKS

1.   Reason for the Evaluation

Substantive debate on the contribution development co-operation can make to stable and peaceful development in conflicts and crises is at a very advanced stage: At the beginning of May, the OECD High Level Meeting adopted a detailed document on the subject and on 3 June 1997, Minister Spranger presented our thoughts on the matter to the press (in the brochure "BMZ aktuell").

A great deal of experience has been gathered through projects that have been implemented in various different areas and that must be regarded as contributing to crisis prevention (e.g. demobilisation, food aid, etc.). In some countries, efforts are gradually being made to incorporate elements of crisis prevention into projects or programmes.

As yet, however, no empirical studies are available regarding the role that has been, or could be, played by development co-operation as a whole in actual conflicts and crises or regarding the conditions that must exist if development co-operation is to be successful in helping prevent crises.

In this context, a "crisis" is defined as a situation in which social conflict is carried out using violent means.

2.   Objective of the Evaluation

The aim of the evaluation is to achieve a clear picture of the role played by development co-operation in social conflicts and crises to date – in terms of both averting and defusing them. The conditions necessary if development co-operation is to be successful in preventing crises are to be identified. Here, an assessment should be made of the interplay of the various instruments within the overall development co-operation programme.

It should be investigated what political and economic conditions are required if development co-operation is to be successful and the limits of what development co-operation can achieve.

These questions should be tackled empirically by means of several case studies.

The following documents in particular provide the **analytical basis** for the assessment:

—   BMZ aktuell "Entwicklungszusammenarbeit und Krisenvorbeugung"

—   current research project on "crisis indicators"

—   OECD/DAC: "DAC Guidelines on Conflict, Peace and Development Co-operation".

These documents detail the possible causes of conflict and also those areas that are regarded as important with respect to crisis prevention. Here, it must be <u>assumed</u> that there is, in fact, a connection between these areas (e.g. political participation or the use of natural resources) and the stability or violent nature of development in a particular country or region.

The case studies are to be used to investigate the extent to which development co-operation instruments (bilateral development co-operation projects and programmes in the form of financial co-operation, technical co-operation or technical co-operation in the broader sense (promotion of non-

governmental organisations), political dialogue) contributed to limiting the potential for crisis or, by influencing social mechanisms, ensuring that conflicts were resolved peacefully. A further important aspect is the investigation into the unintentional influence development co-operation and its instruments may have in alleviating or aggravating conflicts, since "crisis prevention" as such has not to date been a declared aim of programmes or projects.

Whilst the overall political context and the activities of other donors (including multilateral donors) and other players cannot be a focus of the investigation, these are factors that must be taken into account in the analysis.

3.   Methodology of the Investigation

For gathering information:

—   Country and project files at the BMZ, GTZ and KfW, both those concerning official development co-operation and those dealing with NGO projects

—   Generally available publications (newspapers, academic reports, etc.)

—   Interviews within Germany with the Federal Foreign Office, those involved in official development co-operation at all levels, those involved in non-state development co-operation and representatives of relevant research institutes

—   Interviews in the field with embassies and those involved in development co-operation

—   Interviews in the field with representatives of conflicting parties and the government

For analysing the impact of development co-operation

—   Interviews and plausibility analysis.

On this basis, an assessment can be made of whether and to what extent development co-operation in general and/or the individual project activities in particular can help to influence or defuse the specific potential for violence.

4.   Period of the Investigation

The period of the investigation should be determined individually for each case study, depending on the way the conflict is developing and the involvement of our development co-operation.

5.   Composition of the Evaluation group

6.   Involvement of the Partner Country in the Evaluation

II.   SUMMARY

2.1   Major conclusions

2.2   Major recommendations (indication of to whom recommendations are directed)

III.   FRAMEWORK CONDITIONS

An investigation is to be undertaken into the extent to which framework conditions in the country in question were conducive or detrimental to the efforts to avert a crisis undertaken by development co-operation during the conflict.

3.1   The causes and the evolution of the crisis or conflict in the region under investigation are to be described. This description should be complemented by an analysis, based on the crisis indicators identified in the current research project. These take the form of political, economic, social and socio-cultural factors in the partner country and the region (e.g. human rights situation, degree of legal certainty, participatory rights of the population (according to gender), the economic and social order).

3.2   In the concrete instances being examined, an investigation should be undertaken into what particularly important framework conditions influenced the success or failure of attempts to tackle the conflict. These include:

—   the political will of the conflicting parties

— the political will of the government in the developing country

— the influence of policy areas other than development policy

— the activities of other actors in development and other fields at national and international level and the co-ordination between them (or lack of it)

3.3 Analysis of the institutional framework conditions (specifying their relevance for the success of the project)

Are there any institutions or groups working towards the peaceful resolution of the conflict? Are they in contact with development co-operation? Are there any informal structures that could be used for this purpose?

What chance is there of using local experts (instead of seconded experts)? It should, in particular, be investigated what local forces could be used as neutral agencies or mediators (traditional conflict mediation, "new" authorities). Is it easier or more difficult for external observers to understand conflicts? What particularly skills should they have?

3.4 Identifying the consequences resulting from points 3.1 – 3.3. What general and specific conditions had to be faced by development co-operation in the countries in question? What aspects must be regarded as restrictive (in these particular cases and in general)?

IV. CONFLICT RECOGNITION AND THE FLOW OF INFORMATION

In this area, it should be described what knowledge those involved in development co-operation had of conflicts, their causes and their evolution. In this context, it is also interesting to examine whether they could in fact have acquired this knowledge, i.e. to what extent the available information was disregarded. At issue is, primarily, the kind of information that could easily have been obtained from project or embassy reports or from a general reading of the newspapers.

Did those involved in development co-operation take note of existing conflicts, either actively or as affected parties, even if these did not occur in the project regions? How did those involved in development co-operation learn of conflicts? To what extent did they actively examine or ignore the causes of the conflict? What mechanisms could be used to ensure that information is put to better use?

Was there an information problem that prevented the conflict from being recognised? Did the different actors (field staff, GTZ/KfW, BMZ) have different levels of information, in other words was the flow of information obstructed? How could this flow of information be improved?

Are the indicators identified through the crisis indicators research project suitable for early recognition of crisis in the particular country concerned, or would they have been so?

V. CONNECTION BETWEEN DEVELOPMENT CO-OPERATION AND CONFLICTS OR CRISES/ ANALYSIS OF PLANNING

Was their any coincidental or intentional connection between the causes or the evolution of the crisis and development co-operation?

What evidence is there that, in project/programme planning, conclusions were drawn from the knowledge of conflicts or their escalation and that these conclusions were applied to development co-operation (individual instruments or development co-operation as a whole, including political dialogue)? Was an attempt made to use development co-operation to solve the underlying problems, in other words were special projects or programmes formulated to tackle the causes of the crisis?

How did the application of the BMZ's five development policy criteria influence co-operation in conflict situations?

To what extent did development co-operation attempt to influence the peaceful solution of the conflict? Was political dialogue used and/or conditions stipulated in projects and programmes (this examination should be conducted on the basis of both documents on the preparation of government negotiations and summary records of these negotiations)? Were social mechanisms for the peaceful resolution of conflict supported (participation, the legal system, arbitration in conflicts)?

If this was not the case: would there have been any opportunity for development co-operation to become involved in this way? Would the analytical basis formulated in the BMZ aktuell "Entwicklungszusammenarbeit und Krisenvorbeugung" and in the "DAC Guidelines on conflict, peace and development co-operation" have identified ways in which conflict resolution and crisis aversion could have been tackled in the country concerned?

VI.   IMPACT OF DEVELOPMENT CO-OPERATION ON CONFLICTS AND THE EVOLUTION OF CONFLICTS

In semi-open interviews, the following list of key words should be used to assess the impact of development co-operation (or individual programmes and projects) in the specific conflict or crisis situation.

I.   Impact on long and medium-term causes of crisis

1.   Structural disparities

   1.1 Ecological, economic, political, cultural, regional disparities or marginalisation

   1.2 Dominance of certain groups

   1.3 Threat to physical existence

2.   Social awareness of conflict (recognition and articulation of opposing interests)

3.   Society's willingness to pursue conflicts

4.   Pressure to modernise

   4.1 Serious changes in opportunities to gain political or economic power

   4.2 Impact of reforms on the competitive behaviour of groups or elites

5.   Collective perceptions of threat

   5.1 Collective negative scenarios

   5.2 Current parallels

   5.3 Mobilisation of "historical ideals"

II.   Impact of peaceful conflict resolution on social mechanisms

1.   Respect for human rights (constitution etc.)

2.   Participation of the population in the political process

   2.1 Access of the population to the state system (benefits and posts)

   2.2 Transparency of state action

   2.3 Media

   2.4 Civil society's activities

   2.5 Relations between state and citizens and groups (e.g. rules and regulations)

   2.6 Education system

   2.7 Decentralisation

3.   Legal system

   3.1 Independence of legal system

   3.2 Legislation

   3.3 Legal practice

4.   Role of police and the military

   4.1 Parliamentary controls

   4.2 Perception of role

   4.3 Size in relation to the country's security needs

Part I of this list corresponds to the indicators for analysing the *causes* of conflict that were identified in the "Crisis Indicators" project. Part II includes those factors that have a crucial impact on a society's ability to adopt a peaceful attitude to conflict or tackle conflict in a peaceful way.

Using this list, the following questions should be answered: Did development co-operation, either

as a whole or through individual projects, influence the areas mentioned and thus the causes of the conflict, its evolution and its possible escalation? What significance did co-ordination/the interplay of instruments have? Was it possible to abate the causes of the conflict or contribute to a peaceful resolution of the conflict?

If the approach had been more targeted or the instruments combined into a package, is it likely some impact would have been achieved?

Here, it should not only be considered whether an impact was achieved in terms of defusing the conflict, but also whether the conflict was aggravated. Did development co-operation as a whole or the individual projects serve to aggravate the conflict? The following hypothetical examples serve to illustrate this problem: support for an educational system that practices ethnic discrimination, support for media (radio) that is misappropriated for particularist interests. It may well be impossible to ascertain whether such unintentional side-effects have occurred. For this reason, it would also be interesting to examine whether and to what extent control mechanisms that would preclude such an impact are built into projects (e.g. control of the subject matter, where financial co-operation is used to support the media, or control of teaching matter and teaching staff, where schools are given support).

Overall assessment.

VII. PARTICULAR CONDITIONS FOR DEVELOPMENT CO-OPERATION IN CONFLICT AND CRISIS SITUATIONS

The question of the most appropriate time frame and a reasonable reaction time for development co-operation measures is of particular significance where crisis prevention projects are concerned. This also applies to the flexibility of the overall programme or of the individual measures, since it must be assumed that the prevailing conditions are more difficult than average and that there will be frequent and abrupt alterations in the political situation. Given these special conditions, is the existing range of instruments at all applicable? Are present procedures appropriate for dealing with such situations?

VIII. RECOMMENDATIONS

— regarding the account taken of or influence exerted on framework conditions? (including partner government and other donors)

— regarding the design/ application of development co-operation, the combination of certain instruments?

— regarding the adaptation of procedures

— others

IX. GENERAL CONCLUSIONS

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