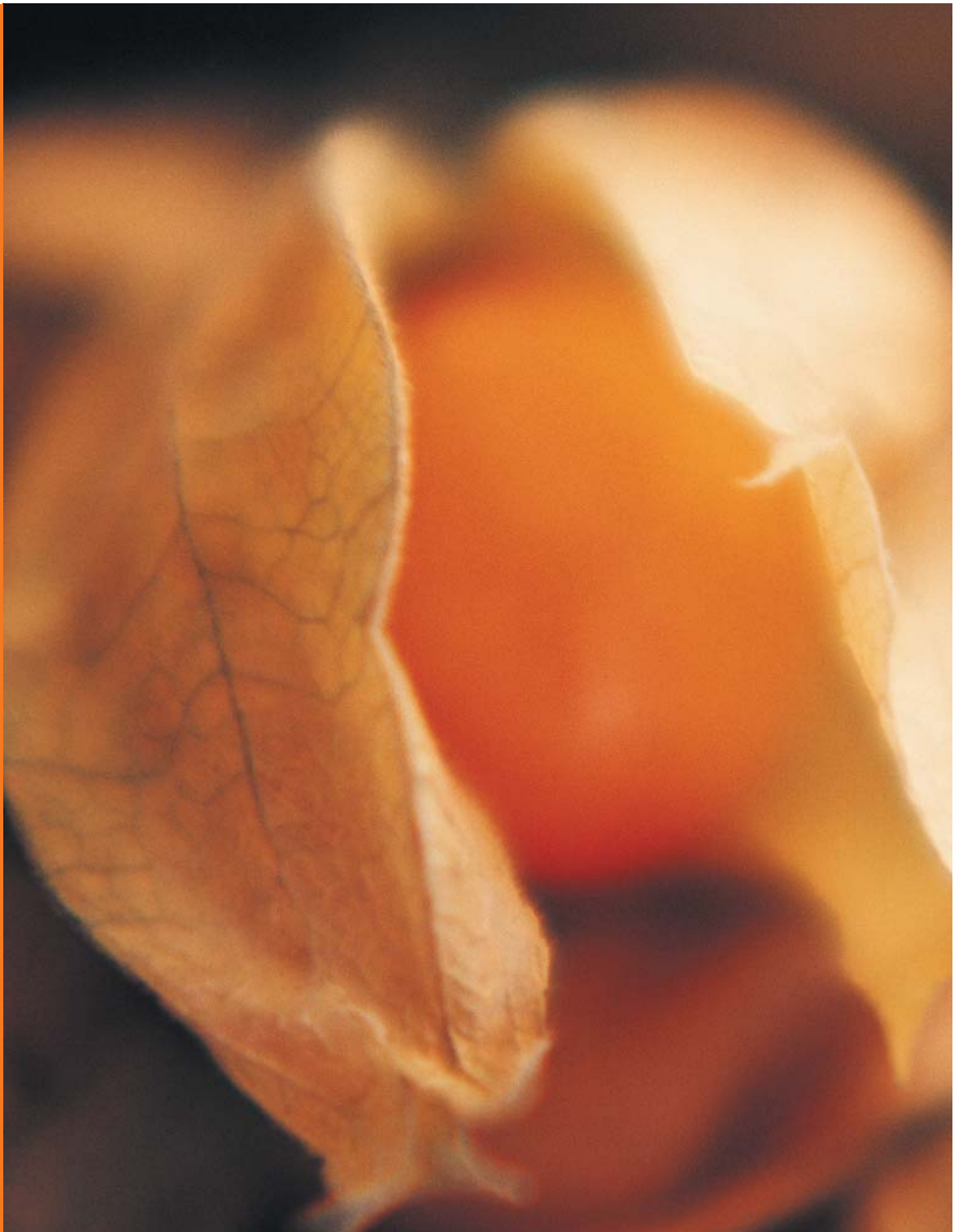


CONFLICT, CORRUPTION, PERCEPTION, REMEDIES (THE ROLE OF THE UNITED NATIONS IN WAR ECONOMIES)

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By

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A PRELIMINARY LITERATURE REVIEW: A LACK OF CONCEPTS?

Stig Jarle Hansen

When reviewing literature on the interaction between economic factors and war one cannot help but notice the huge volume of work produced in the period 1996-2005. The increase was perhaps because of a revolt against an older approach to conflict focusing on primordial ethnic and religious hatred. Books and articles like Kaplan's "The Coming Anarchy" painted a picture of irrational wars based on primitive feelings and social trends that had disappeared from the more "modern" Western world.¹ However, a new generation of scholars challenged these presumptions, for example by showing how actors benefitted from war. War became seen as "economics with other means".² Within these broad frames, methods and analytic approaches varied, as did the conclusions. A first group of researchers approached the study of conflicts and war economies using econometrics and regression based analyzes, initially focusing on "greed", and later "opportunity", as the main cause of mostly African wars, but also wars on other continents as well.³ These researchers also focused on the role primary goods had in war economies and on civil war in general. A second approach employed case studies, and theorized from these case studies.⁴ While the first approach saw civil war as greed/opportunity driven - based on neoclassical rational choice theory, the case-studies based interpretations question the sweeping assumptions and generalizations of the rational choice theorists. They shed light on specificities of the cases, feedback effects and means-ends relations.

Humanitarian actors were in general left out. The above approaches to war economy tended to view the international organizations as something neutral, or less important, the major focus was on the local actors in the conflict, and/or international corporations that sold resources for their own profit. The role of the United Nations agencies, indeed all international humanitarian actors, in war economies was simply neglected; it was regarded as an external actor of little importance.

¹ Kaplan, Robert (1994), "The coming Anarchy", *The Atlantic Monthly*, February issue

² Reno, William (1998), *Warlord Politics and African States*, New York: Lynne Rienner Publishers

³ See for example Collier, P. and A. Hoeffler (2002): *Greed and Grievance in Civil War*. CSAE WPS/2002-01.

Collier, P., V. L. Elliott, H. Hegre, A. Hoeffler, M. Reynal-Querol and N. Sambanis (2003): *Breaking the Conflict Trap Civil War and Development Policy*. Washington, D.C.: World Bank.

⁴ Reno (1998), Keen David. (1998) *The Economic Functions of Violence in Civil Wars*, *Adelphi Paper 320*, London: International Institute for Strategic Studies (IISS) Keen, D (2000): 'Going to War: How rational is it?' *FORUM*. Geneva, International Committee of the Red Cross. Berdal and Keen (1997), Keen (2001), Keen (2000), Duffield (2000), Keen (2008)

Later, literature on war economy was to include some aspects of the effect of humanitarian actors as well as United Nations agencies. In David Keens' book "Complex emergencies" he points to wars as systems, and analyses the interests of donor governments and humanitarian organizations, including United Nations organizations, as independent actors with their own interests.⁵ Mary Kaldor notices that humanitarian assistance can amplify conflicts when actors draw upon it as a source of finance, arguing that it 'may enhance the legitimacy of the warring parties and allow time for replenishment; humanitarian assistance may thus contribute to the functioning of the war economy.'⁶ However, even in this book few analyses are conducted on the economic impact of the United Nations, even more important, remedies are not suggested. Mary Anderson also explores how such unintended conflicts can occur, but does not explore the potential negative role of one of the largest aid providers, the United Nations.⁷

It could be argued that this is because of the limited impact of United Nations activities but there are several specific case studies that indicate the opposite. In Somalia, Hansen indicated that international aid agencies had been far from mere bystanders but create and form war economies through procurement services; in Somalia, warlords such as Bashir Raghe, and large businessmen as Abdulqadir Eno had built themselves up largely because of United Nations funds.⁸ Some general contributions on United Nations military peace-making/peace keeping operations touch upon similar effects. Within the study of United Nations peace keeping, the book "Unintended Consequences of United Nations peacekeeping", edited by Chiyuki Aoi, Cedric de Coning, and Ramesh Thakur, suggests that UN activities might crowd out the local sectors, push up prices, and skew the local service market in the direction of service production, even sex industry.⁹

Decision makers and humanitarian actors themselves clearly experienced that they could have an impact on war economies and several studies, often commissioned by governments, think-thanks, military forces or the humanitarian actors have been made. These studies kept the view

⁵ Keen (1998)

⁶ Kaldor Mary (1999) *New and Old Wars. Organized Violence in a Global Era*. Stanford: Stanford University Press,91

⁷ Anderson, Mary (1999) *Do no Harm, How aid can support peace.. or war*, Boulder, Colorado: Lynne Rienner Publishers

⁸ Hansen, Stig Jarle(2007):"Civil war economies, the hunt for profit and the incentives for peace" Working paper for the Norwegian Ministry of Foreign affairs, 3 may 2007

⁹ Chiyuki Aoi, Cedric de Coning, and Ramesh Thakur (1997),*Unintended Consequences of United Nations peacekeeping*, New York United Nations University Press,

that humanitarian actors, as well as United Nations agencies, were outside the conflict in the sense that they were viewed as being focused on humanitarian principles, with no ideological interests or vested interest in the wars. They are seen as having large problems with handling the uncertainty of war and the factions in the wars. The actors in civil wars are seen as actively planning how to take advantage of the humanitarian actors, as are other actors indirectly involved in the wars such as organized crime, local businessmen etc. Some international organizations suggest that certain general principles can offset a negative effect; the OECD/DAC recommends certain principles for good aid in fragile states, suggesting that these should act as guidelines, striving to be non-exclusionary, geographically extensive, possibly covering the whole country in question, the fundamental principle being to avoid doing any harm.¹⁰ However, elaborating on such general principles does not address the various tactical situations in which problems can emerge. Ken Menkhaus for example systematizes the difficulties humanitarian actors encounter. The problems he lists are highly important, focusing on “taxation” of emergency relief passing through check-points or ports. Extortion of money from aid agencies, demands for jobs or contracts, diversion of relief aid at the port of entry, function as a means to get both resources and intelligence for various factions. Menkhaus claims that the manipulation of camps of refugees or internally displaced persons which are used by militias as ‘bait’ to attract international relief, and misuse of internally displaced persons (IDP) and refugee camps for militia recruitment, protection (this sentence is not clear, ending with “protection”). Menkhaus is also worried about provisioning and the creation of bogus local non-profit counterparts, the creation of humanitarian fronts for warlords or others to control and divert aid, as well as manipulation of currency rates by the parties. The issuing of licenses, theft of agency resources, kidnapping of the local staff are used to get access to resources at a lower level of operations. Additionally, mining as well as disputes over jobs create problems for the third party.¹¹

Menkhaus also introduces some of the very real paradoxes facing humanitarian actors in a conflict zone, what he calls the *Utilitarian capitulation/ the Faustian bargain*. The Utilitarian capitulation/ the Faustian bargain is basically the trade-off between reaching the needy and

¹⁰ OECD (DAC/Fragile states group) “Workstream on Service Delivery” Room document 9 (Prepared for the 7th meeting of the Fragile States Group in the World Bank Headquarters, Paris 17-18 OCTOBER, 2006),6

¹¹ Menkhaus, Ken (2002) “ Relief and Protection: The Role of Non-State Actors” “UN on the Ground” Project , Stanley Foundation

supporting the factions. The question becomes a normative one, should one attempt to help even though resources are diverted to factions, and one thus indirectly sustains the war? For Menkhaus this is a paradox that remains unanswered. He suggests that efforts to circumvent the faction that controls an area largely fail, and that co-opting could be the best strategy to get aid to the needy, but does not suggest how much aid deliverers should be willing to pay to the factions. Menkhaus also follows an older tradition where development is seen as unrealistic in war zones. The separation of relief and development becomes important since development strengthens institutions, and such institutions might be located within one of the factions involved in war.¹² Additionally, humanitarian actors are advised to set up formal ground rules with parties. It is suggested that only factions with self-functioning relief organizations should be invited to team up in humanitarian efforts.¹³ Moreover, frequent review mechanisms within the United Nations system are suggested.

Matthew Le Richie studies the strategies that the various factions in the war might employ to use various non-governmental actors in war, seeing the problems from a security studies approach.¹⁴ He divides the strategies into tactical and strategic level strategies, tactical being more localized. At the tactical level the registration processes at refugee centers are used to reward followers with resources. The refugee camps are said to have the possibility to serve as a human shield for the factions, enabling them to hide behind a shield of civilians. At the strategic level factions might induce a humanitarian crisis in order to attract the attention of humanitarian actors. Moreover, refugees become a strategic asset, their mere existence secures aid, and thus refugees will be kept from re-allocating to their home areas. Allowing securing aid also becomes a tool in a faction's struggle to secure "the hearts and minds" of the local population, humanitarian efforts can secure the actors hold over the population that is under its control. The governments involved in war could use humanitarian aid in a similar way. Some solutions to war problems were suggested by a 1996 review of Operation Lifeline Sudan recommending several

¹² For a summary of the relief-development debate see Joanna Macrae (2001): "Aiding recovery? The crisis of aid in chronic political emergencies" Zed books, London

¹³ Karim, A., Duffield, M., Jaspars, S., Benini, A., Macrae, J., Bradbury, M., Johnson, D., Larbi, G., Hendrie, B., and (1996 July) Operation Lifeline Sudan: A Review, University of Birmingham/ Department of Humanitarian Affairs, Birmingham and Geneva.

¹⁴ *Matthew LeRiche (2004): "Unintended Alliance: The Co-option of Humanitarian Aid in Conflicts" Parameters, spring issue*

institutional remedies.¹⁵ Some of the advice includes that the United Nations agencies should avoid privatization of logistical services (in order to maintain tighter control) and make a distinction between humanitarian and development efforts.

According to the above approaches, the non-local NGOs seem to have few agendas in the civil wars in question except to help. However, several scholars and analysts question such an assumption. In his “Lords of Poverty” Graham Hancock introduced the self-interested aid worker, a worker who was more than a neutral party doing development, and had a separate agenda of honor, prestige and financial gains; organizational and personal interests become a part of the United Nations as well as humanitarian affairs in general. He suggests that the problems humanitarian and development efforts face could be due to a lack of transparency. United Nations agencies acting as in-betweens, not properly scrutinized by the democratic channels of donors, nor by the receivers, are to a certain extent powerless because of their weak state.¹⁶ Hancock’s arguments are largely supported by a variety of books, including Michael Maren’s “The Road to Hell” and Alex De Waal’s “Famine Crimes” which follows this pattern in a more rigorous way, suggesting that organizational interests, as the need to expand their own organization influence development and humanitarian actors.¹⁷ Maren and Hancock do not explicitly focus on conflict zones; De Waal focuses on famine as a part of a conflict, but does not explore the general conflict mechanisms. Linda Poleman, perhaps the newest addition to the aid skeptical approach, keeps the conflict focus in her works.¹⁸ She is focusing on several of the problems listed by Menkhaus. The tax payed by humanitarian organizations to the belligerents, including indirect taxation through local partners, becomes a major problem, as does smuggling of arms through the logistical channels of the humanitarian actors. She also introduces the concept of “**humanitarian strongholds**”, centers for reception of aid and humanitarian efforts that also develop into strongholds for one of the factions, partly because of the resources poured into these regions. Nevertheless, the assumption of self-interest both among organizations and individuals is kept, and she claims that the lack of transparency and elite circulation in aid

¹⁵ Karim, A., Duffield, M., Jaspars, S., Benini, A., Macrae, J., Bradbury, M., Johnson, D., Larbi, G., Hendrie, B., and (1996 July) Operation Lifeline Sudan: A Review, University of Birmingham/ Department of Humanitarian Affairs, Birmingham and Geneva

¹⁶ Hancock, Graham 1989. *Lords of Poverty*, London: Macmillan

¹⁷ Waal, Alex De Waal (1997), *Famine Crimes*, , New York James curry; Maren, Michael (1997) *The Road to Hell: The Ravaging Effects of Foreign Aid and International Charity*, New York: Free Press,

¹⁸ Poleman, Linda (2010) ,*The crisis caravan; whats wrong with humanitarian aid*, London;Metropolitan Books

organizations makes it hard to identify policies that are implemented because of organizational/individual interests rather than humanitarianism. The issue of the use of sub-contractors as humanitarian actors sub-contracting to a sub-contractor, who in turn sub-contracts to another sub-contractor and so forth, is seen as making control and transparency a problem.

The largest contribution of Maren, Poleman, Hancock and De Waal is precisely to introduce the non-local humanitarian actors in a conflict as actors in their own right, not a form of neutral bystanders. Kelly Kate Pease systematizes these interests in “The Problem of Moral Hazard: Humanitarian Aid during Violent Conflict”. She claims that humanitarian actors and international governmental organizations (IGOs), and individuals within them, stand to benefit from war. She also claims that they will have an interest in getting involved in conflict zones even if the odds of achieving good results are tangible, as long as the donors provide funds. There will be a vested interest in the continuation of certain conflicts as long as the benefits are large enough.¹⁹ The IGOs and NGOs are protected through the moral value ascribed to humanitarianism itself, becoming almost impossible to question them without seemingly being “cold” or “in-human”. They might also serve as an excuse for the donor states to not address the root causes of a conflict, when the donor states can show the amount of financial support they are providing into such organizations. She also adds that group thinking can add to the problem. Tony Vaux suggests that the need for power, as well as the stubborn maintenance of policy standards such as gender requirements, can create similar effects.²⁰ The approach is supported by several papers made by former UN employees as for example Dr Ismael Ahmed, describing how corrupt practices in UNDP Somalia were enabled by elite circulation, short term contracts, sub-contracting, lack of transparency, as well as the use of contractors, in the end leading to the funding of financial institutions with connections to radical islamists.²¹

The “aid skeptic” approach does illustrate several important issues. Individuals and aid organizations do have a potential self-interest; this also goes for the United Nations agencies. There might be a self-interest in keeping projects open, partly to maintain the size of

¹⁹ Pease, Kelly Kate (2004): “The Problem of Moral Hazard: Humanitarian Aid during Violent Conflict” *Refugee Survey Quarterly* (2004) 23(4):

²⁰ Vaux, Tony (2001): *The Selfish Altruist: Relief Work in Famine and War*, London and Sterling, VA: Earthscan Publications Ltd,

²¹ Ismael Ahmed (2009) “Fraud and Corruption in UNDP Somalia Remittance Programme” *The Government Accountability Project*

organizations, or because of an individual interest to build up a career inside the organization. The aid organizations, and also the United Nations aid agencies, are introduced as actors in their own right, not the neutral bystander only intended at doing good. There is not only a war economy; there is a “moral economy”, the economic transactions of the aid and humanitarian actors.²² Poleman and Maren also highlight the role of power in conflict zones, how it is the local power holders that benefit from war, adjusting who will benefit from the actions of humanitarian actors.²³ There are many examples of this; David Keen, for example, highlights the competition between UNDP and UNHCR.²⁴ Additionally, some scholars, e.g. Antonio Giustozza in the case of Afghanistan, indicate that the UN can be influenced to act in the interest of a great power rather than according to humanitarian principles.²⁵

It is possible to criticize writers within the “development skeptical approach” for not seeing that the perfect operation simply is impossible, that there have to be special advantages to getting westerners into harsh environments. It is important to underline scholars such as Alex De Waal who suggest reform rather than ending efforts in order to avoid the problem. Moreover, UN purchases might have positive consequences as well. Mary Anderson actually separates between the “connectors” or “local capacities for peace” that bring cohesion in a society as well as “tension” or “dividers” that have the capacity to push a society into conflict or keep a society in conflict.²⁶ Who are these connectors? For example, according to Henrik Lunden, the large purchasing power of the Norwegian United Nations forces contributed to less attacks against the Norwegian UN forces in South Lebanon, they were simply too valuable to be targeted.²⁷ Hansen writes how United Nations purchases were a major factor motivating the warlord Osman Atto to attempt to moderate the warlord Hussein Aideed’s policies towards the Americans in the mid-90s because of economic interests in a continuation of their stay.²⁸ Purchases as well as self-interest might ease the operations of UN agencies, as it could create a form of dependency

²² Ibid 39

²³ De Waal (1997); Linda Poleman (2010), *War Games: The Story of Aid and War in Modern Times*, London: Penguin books

²⁴ Keen, David (1998b): “Aid and Violence, with Special Reference to Sierra Leone”, *Disasters* 22(4)

²⁵ Giustozzi, Antonio (2010): “Bureaucratic façade and political realities of disarmament and demobilization in Afghanistan” *Conflict, Security & Development*, 8: 2, 169 — 192

²⁶ Anderson, Mary (1999) *Do no Harm, How aid can support peace.. or war*, Boulder, Colorado: Lynne Rienner Publishers

²⁷ Henrik Lunden (1999) “UNIFIL er vår regjering” *Patronage, Fredsbevaring og Legitimitet i Sør-Libanon*, UIB

²⁸ Hansen(2007)

amongst various factions; they need the international actors to secure income. This in return could give the United Nations agencies a form of power that can be used to facilitate low scale cooperation over service delivery, which again can be used as a spring board for wider negotiations.²⁹

There is literature relevant for any exploration of the United Nations' role in war economy, but relates to features of the war economy rather than the war economy itself as, for example, weak institutions. Roland Paris approaches the many problems of what he terms "the liberalist attempts of building peace" in his book "At War's End, Building Peace after Civil Conflict". In this book he argues that the process of liberalization is inherently tumultuous as it invites competition and will, when introduced into war shattered states without institutions capable of managing these destabilizing effects, have the potential to cause problem. The effectiveness of the peace-building project as such is at risk, and the success of the venture rests on the implementation of institutions before liberalization.³⁰ It could be argued that the United Nations could be a remedy through "portable" institutions, institutions that could be moved into a war zone, and be strong enough to handle the liberalization and tendering process. However, there are several problems with such an argument. Barakat and Chard address the problem of accountability when they seek answers to what stands in the way for adopting what is known to be the best practice of peace-building projects.³¹ One important explanatory factor, they argue, is that of a donor culture which is fixed towards financial monitoring of the moving of money rather than the effective use and outcome of the money through a more difficult social impact evaluation. The practice is determined by the nature of donor's accountability, they argue, which is fixed towards financial institutions or tax payers, not the beneficiaries. Accountability is of course made even harder in a war situation. Jan Egeland, Adele Harmer and Abby Stoddard describe two alternatives for humanitarian actors in a war zone, "**bunkerisation**" (or so-called smart security measures as an alternative) and "remote control".³² Bunkerisation is the use of intensive safety measures, leaving international staff isolated from the local community. The report launches so-called smart controls, hidden security measures as walls hardened from within, hidden defense

²⁹ Hansen, Stig Jarle, "Independent Service Authority and Compact for Service Delivery in Fragile States and Post-Conflict Settings", *NIBR Working Paper 2008:119*

³⁰ Paris, Roland. (2004). *At war's end: building peace after civil conflict*. Cambridge, Cambridge University Press.

³¹ Barakat, S. C., M (2002). "Theories, rhetoric and practice: recovering the capacities of war-torn societies." *Third World Quarterly* 23(5): 18.

³² Egeland, J. Harmer, A and Stoddard, Abby (2011) "To stay and deliver", *Policies and Studies series 28*

measures or the existence of diplomatic enclaves reducing hostile appearances, but does not promote local community control or actual project control. Most of the smart measures and bunkerization will inevitably restrict both control and accountability, as the opportunity to meet with the local community and organizations will restrict their movement, inhibiting after-implementation control. The alternative, “**remote management**”, includes investing in highly localized staff structures for field offices, recruiting staff members in consultation with their communities, which also limits central control with projects, restricting inspections and overview. Jarat Chopra, for example, claims that the problem faced by the United Nations in Somalia is a product of the influence of war on the logistical chain which outsiders basically keep out, basically remote management.³³ This is not a problem of all war zones, it has to be intense conflict before this happens, but this is an issue in specific Afghani provinces, Darfur, and before 2012 in Mogadishu.

The above theoretical discussions seem to indicate a lack of explicit focus on the United Nations agencies despite the pressure of reform against the organization, the main focus being on international non-governmental organizations. Little thought is given to strategic reform within INGOs, and the practical policy guidance provided is limited. Moreover, conceptualizations are weakly developed. This working paper strives with the problem. In short, the United Nations continues to be treated as a passive bystander, with little effect on the wars that are being fought.

³³ Interview with Jarat Chopra 12 December 2010, Nairobi

CONCEPTUALIZATION

Stig Jarle Hansen

This project studies war economies; it thus studies war zones, or former war zones. War will be defined as armed conflict with at least 1,000 military battle deaths, and war zones country/countries with such conflicts, or countries that have experienced it in recent past.

The intensity of conflict is also important, as it will influence the need for **bunkering** or **remote control**.

| | |
|----------------------------------|--|
| Level 1; Post conflict | Situation tense, but with a peace treaty between parties; Examples Kosovo in the year 1999 |
| Level 2 ; Low scale war | Small clashes (involving 10-20 combatants) not more than once a week; Mogadishu 1999 Examples; The Phony war 1939, the Houti rebellion 2012 Yemen |
| Level 3; medium scale war | Major clashes (involving 100-1,000 combatants) not more than once a week; Mogadishu April 2007, |
| Level 4 High scale war | Daily major clashes on average involving more than 1,000 combatants: Mogadishu 1993, The Houti Rebellion (Yemen) Autumn 2009. Darfur 2004. |
| Level 5; Battle situation | Daily major clashes on average involving more than 10,000 combatants; Berlin 1945 |

In some conflict zones, conflict can be dormant, peace treaty clashes might be infrequent as for example the so called “phony war”, preceding World War II (September 1939 to May 1940), where few clashes occurred; in other areas there might be an outright intensive war as for example in Berlin 20 April to 2 May 1945. One might talk of levels of war. The examples in the chart above illustrate how a single conflict might change in nature; there are also geographical differences, a conflict might be more intensive in some areas than others. Conflicts might hinder accountability and control in many situations but not in all, and the lower the level of conflict, the less the problem is. Another variable intervening is the stability of the fronts. Trench wars similar to 1914-1918, where the frontlines move very slow ease aid operations, and give a stable understanding of the local power-holders. Mobile wars, where fronts shift quickly, make such

understanding harder. Moreover, in a more stable setting, belligerents might see the use of local aid and humanitarian programs as benefiting the party in which the programs take place.

Sectors that are dependent on war in order to exist, **war entrepreneurs**, can take advantage of conflicts. Sectors dealing with illegal items banned in peacetime (export of endangered species, drugs, piracy, conflict related aid).³⁴ Another central concept is **capacities for war**, in this project referring to the factions' ability to wage war, as well as the underlying tensions.³⁵ **Capacities for peace** refer to economic factors creating peace, as interdependence, growth benefiting all parties, and economic peace dividends.

To which extent can the United Nations help build the capacities for war amongst the factions? The above literature seems to indicate several ways, the first being **income generation** for a faction. A faction can harness income from the United Nations by taxing logistical services such as sea- and airport taxes, checkpoint taxes, direct taxes on the United Nations organizations, indirect taxes on local partners, service suppliers, as well as refugees, and also currency services and licenses, not only to the United Nations, but on partners as well. As happened in Somalia with the garbage lord Bashir Rageh, the factions might directly provide services to the United Nations, and/or divert aid provided by the United Nations to the market and sell it. On a smaller scale organized theft and sale of UN property might be a problem.

The second way that the factions can take advantage of the United Nations is by drawing upon the latter for **recruitment and logistics**. By controlling aid in refugee camps factions might give extra resources to families who want to provide recruits, and even win sympathy. The United Nations, or United Nations contractors, might be used to smuggle weapons or supplies to armed groups, through corruption or through contractors with double agendas.

The third way is to **provide a faction with tactical advantages**; this could be done by dominating refugee camps, creating Poleman's "**humanitarian strongholds**" with possibilities

³⁴ *ibid*

³⁵ Anderson (1999), 68-70

for using the population as human shields. Through diversion of resources, factions might become more mobile, if one manages to steal cars to provide mobility to troops.

It becomes important to keep the multiplicity of agents in a civil war in mind; the product of United Nations' actions is not necessarily only the ones directly created by their actions, but also by local partners and sub-contractors. This leads us to what Ken Menkhaus calls the Faustian dilemma, the **War Dilemma**, namely the dilemma any international organization encounters in a war zone as, for example, if war entrepreneurs are used to build up services - since such entrepreneurs often have expertise in providing services in war zones - if losses to factions should be accepted if these are needed to provide services. Another dilemma is stricter: should one accept to be taxed by factions in order to alleviate local suffering? A third is if one should attempt development, often leaning on one faction in a conflict zone. In one sense this is the **Humanitarianism/development dilemma** and this will have a direct impact on the United Nations as some agencies such as the UNDP are engaged in police reform and state building, activities that make neutrality difficult as they run parallel with activities by other United Nations agencies such as the World Food Programme (WFP).

The causes of potential problems are also interesting, i.e. are they caused by **individual self-interest** within the United Nations, an interest in career or money, or would it be **organizational interest** behind the mistakes? However, the mistakes could also be caused by the **lack of proper procedures**, perhaps because of the lack of transparency, or the lack of checks and balances, through elite re-circulation, the use of evaluators dependent on the United Nations for their income, or through the lack of coordination. A last problem might be the lack of local knowledge, the lack of will to talk with ordinary locals, information gathering being constrained by the focus on elites, and by local gate-keepers, individuals, NGOs and businessmen that have created a belief that they are invaluable to the UN agencies.

On the other hand, there might be local **capacities for peace** that are being strengthened by the economic activities of the United Nations. United Nations economic activities might build up larger business cooperations spanning ethnic or clan groups, that even promote dialogue between

parties. A need to maintain United Nations presence due to economic grounds might moderate policies both against civilians (sanctions might be expected if there is no moderation) and against other parties (too much war may push out the United Nations). The question is whether support for the **capacities for peace** can be combined with drying up funds for the **capacities of war**.

This first report will explore Somalia in order to see if procurement of goods and services, both by the United Nations agencies and the individuals within them, **strengthens war entrepreneurs, contributes to capacities of war or capacities of peace**. It should be remembered that **war entrepreneurs** will not necessarily contribute to **capacities of war**. Direct support for the factions, including through business engagements enabling them to gain funds and/or a weakening of income sources, might influence this. A last concept is **central procedures** which in this project refer to the procedures defined centrally in the United Nations regarding procurement. How these procedures influence procurement in the field and how they relate to **war entrepreneurs, capacities of war and capacities of peace**, will be carefully explored.

THE SOMALI CASE

Inger Kristine Sørvig and Stig Jarle Hansen

Somalia is often perceived as being a country at war since 1991; this is a relative truth, places in Somalia, as Somaliland and Puntland have been at peace for 15 and 9 years respectively. In other parts, as for example Mogadishu, the intensity of the war as well as the structure of the parties have changed. In Mogadishu fighting was particularly intensive in the early 90s but the city was more peaceful from 1998 until 2006; from 2007 until 2011, the fighting again was intensive. Outside Mogadishu separate areas are in general graded differently, but today the whole of south-central Somalia is in general too insecure for normal United Nations engagement.

The high risk of operating in southern Somalia has hindered UN presence on the ground, the amount of non-Somali United Nations workers is kept low and has been so since the withdrawal of UNISOM II in 1995.³⁶ The United Nations agencies have scaled down their operations to zones that are more peaceful and often operate through local partners, also using local subcontractors to implement projects. For the last 4 years, additional problems have been created by the fact that one of the sides in the conflict, the Harakat al-Shabab, has been designated a terrorist organization by several important donors to the United Nations, including Canada, the United States and the EU.³⁷ This hampers operations in Shabab-held territories and Shebab has at several occasions attempted to hinder operations of, for example, the World Food Programme. Moreover, several United Nations agencies, including the United Nations Development Programme (UNDP) and the United Nations Support Office for AMISOM UNSOA, are directly engaged in supporting different sides in the war; UNDP engaging in building up the transitional federal government, while UNSOA is supporting the African Union forces in Mogadishu, the only forces preventing the Shabab from taking over the city in the period 2009-2011.

Nevertheless, large sums of money are channeled into the Somali economy through the United Nations. The World Food Programme is, for example, according to their own homepages

³⁶ The more peaceful period from 1998 to 2006 was not taken advantage of, perhaps because of the after-effects of the initial shock of the so-called Black Hawk Down incident, where dead American marines were displayed to the media in 1993 and the subsequent American withdrawal.

³⁷ See for example the US designation. <http://www.state.gov/s/ct/rls/other/des/102446.htm>

currently targeting some 1.2 million people in Mogadishu.³⁸ In 2009, WFP payments to all transport contractors totaled US\$62 million. Work by the three most significant transport contractors in Somalia amounted to US\$41.4 million, 66 per cent of the total payments. A revelation of the WFP's dealings with Somali business lords decreased these sums drastically.³⁹ However, the drought during the summer of 2011 again increased the efforts of the WFP and it is now buying a variety of services locally, such as landside transport, storage and handling (LTSH), direct support costs (DSC) and other direct operational costs.

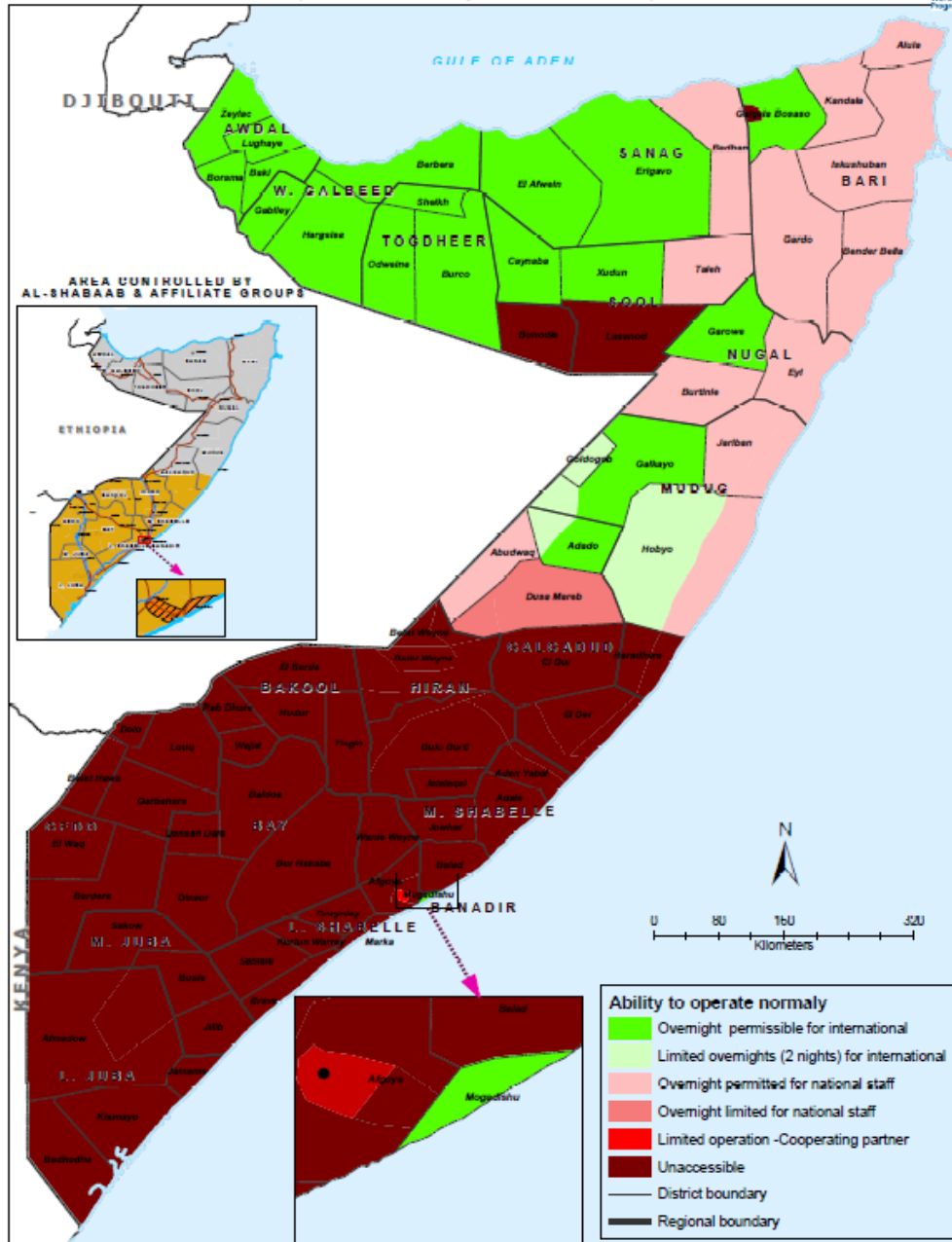
Another United Nations agency that is active within Somalia is the UNDP. The UNDP did active security sector work; from August 2009 to December 2011, the Safety and Armed Violence Reduction Project was running as a part of the United Nations Rule of Law Project which also included police training for the transitional federal government, as well as for Somaliland and Puntland. The expenditures for the Rule of Law and Security program in 2010 were US\$16,959,061.83 with the following donors contributing: Denmark: US\$182,894; Norway: US\$894,335; EU US\$1,133,723; SIDA US\$200,000. Another project is the Recovery and Livelihoods project centered on community support which strives to increase their income, improve their ability to manage natural resources, and mitigate the impact of disasters.⁴⁰ By 2011 it was closing down several projects which notably were scheduled to be active in Shabab controlled areas. UNDP was also closing down several of its HIV/AIDS related projects in central Somalia as well as governance related programs, although they still have sizable budgets. Despite this, the UNDP hires external sub-contractors, with local sub-sub-contractors doing considerable work, improving police stations and logistics. The UNDP engages in infrastructure projects as well as garbage collection projects, school rehabilitation projects, hospital rehabilitation, and police station rehabilitation. UNDP will also use local trainers.

³⁸ However, there are major activities. In 2009, WFP for example doubled its capacity to reach moderately malnourished children and women, with nearly 150,000 treated in WFP-supported supplementary feeding programs. WFP is also piloting the use of specialized ready-to-use supplementary food – at the start of 2010, 18,000 children were receiving supplementary food in Mogadishu, Somaliland and Puntland. In the capital, WFP continues to provide 80,000 hot meals each day to mainly women and children through local and international partners.³⁸

³⁹ Monitoring Group (2010) "Report of the Monitoring Group on Somalia pursuant to Security Council resolution 1853 (2008)", S/2010/91

⁴⁰ The expenditure for the Recovery and Sustainable Livelihoods programmers in 2010 was US\$9,266,757.09 with the following donors contributing: Norway: US\$571,320; Japan US\$6,000,000; OIC US\$10,000,000; BCPR US\$ 1,500,000.

TERRAIN MAP: ABILITY TO OPERATE IN SOMALIA
(As of 15 September 2010)



The boundaries and names on this map do not imply official endorsement or acceptance by the United Nations.
The regional and District boundaries reflect those endorsed by the Government of the Republic of Somalia in 1986
Produced 15th September 2010 by the WFP-Somalia VAM Unit
Datum: WGS 1984, 38N
Data Sources:
Admin Layers : UNDP,1998
Ability to operate, Control : WFP Security Unit

During 2011, UNDP has changed the face of Mogadishu, handling the construction of roads, bases, supplies storages, the purchase of AMISOM lubricants, as well as fuel.

A late-comer in the United Nations family is the United Nations Support Office for AMISOM (UNSOA), handling the logistical and infrastructural supply task for AMISOM. These contracts are usually given to reputable western firms such as REG and several private security firms including Bancroft and R9G, but according to interviews several of the war entrepreneurs in Mogadishu were engaged as sub-sub-contractors, as late as 2011.

The above actors have grown to become the largest United Nations actors in Somalia but there are others. The International Labor Union, for example, had projects for US\$1,176 000 in Mogadishu alone in 2010, mostly focusing on rehabilitation, skills training and garbage collection. UN Habitat would similarly have projects for around US\$100,000. UNICEF, FAO and UNHCR pledged around US\$20,000 for 2011 alone.

Somalia becomes a special case where the United Nations agencies are weak at the end of the logistical chain, traditionally having managed operations from afar, something which the United Nations claims are “remote management arrangements for programming in insecure environments”.⁴¹ Several experts have claimed that the alternative to such remote control lies in “**bunkering**” to carry out operations from local fortified bases. However, this tends to create somewhat similar problems, and a last solution is to sub-contract activities to western companies that are used to operate in contract zones. The solutions chosen in Somalia have varied over time.

United Nations investment has had major impact on the Somali economy. Respondents from Eastleigh Business Committee, one of the most important business organizations in Somalia although formally based in Kenya, are for-example determined that the contracts were very important for business: “Once you got two or three contracts, you can start climbing to a higher class of business”⁴². “You will be able to build new branches or even expand your activities. It works like some sort of promotion both socially and economically, and your profit can be double of what is possible to earn in other businesses”⁴³, the respondent continued. Another respondent from the business community claimed that “the ability to put a UNDP project on your company

⁴¹ Hansen, Stig Jarle “Warlords and Peace Strategies,” *Journal of Conflict Studies*, Volume xxii:2. Fall 2003

⁴² Interview no 16, 17

⁴³ Interview no 16

or organization's CV is essential in future biddings to get projects"⁴⁴. A formerly contracted businessman further explained that there is great interest in the profit of these contracts as there is not much else to do in Mogadishu than to try and get work for the UN or other international organizations. There are therefore plenty of businessmen willing to invest money in these contracts⁴⁵, the respondent explained. An FAO and WFP contracted businessman further said that the few Somalis with whom the UNDP cooperates with are seen by UNDP to represent a certain community and this makes these few representatives very powerful as they are the ones to set the agenda for UNDP's activities⁴⁶. Another NGO worker explained that it is these local NGOs who identify projects for UNDP and as such control who the agency's recipients will be. The local communities are left with little influence as they do not even have the power to raise complaints about the work done, or not done, in their areas. The transfer of power to local NGOs puts them in a powerful position in the areas they represent or are given work.⁴⁷

In this sense, purchases influence power relationship, and power relationships also influence the war itself. In large, the effects can be divided into three. **First**, the purchases of goods and services from factions lead to notable advantages for the factions which sell the services. In Somalia there are several historical examples such as when the United Nations bought services from companies that were owned by leaders of the United Somali Congress, Somali Salvation Alliance (USC-SSA). USC-SSA's leader at the time, Mohammed Farah Aideed, was wanted by the United Nations and the contracts might have supplied the Aideed faction with both intelligence and finances. In this sense the United Nations activities provided financial gains for one faction in a civil war, enabling to fight that civil war better.⁴⁸

Second, taxation leads to extra income for one of the factions. In 2009, sources within the Shabab revealed for the research team that "In the regions where al-Shabab has absolute control, they demand a percentage of the total project cost. It may range from 5 to 15% depending on the administration and the influence of the local partners implementing the project. A demand is

⁴⁴ Interview no 9

⁴⁵ Interview no11

⁴⁶ Interview no 10

⁴⁷ Interview no 7

⁴⁸ ibid

also made on landlords, vehicle owners and transport working under a contract with the UN or international organization. 15% of the rent must be paid to al-Shabab if property is leased from an international organization or from the UN. Employees are also instructed to reimburse roughly 5% of their salary on a monthly basis”.⁴⁹ In this sense, taxation is often not direct, it is rather of the local partners of the United Nations, and the taxes are nevertheless paid from project money that has been gathered by the United Nations. In some occasions, the local partners of the United Nations might be local partners of a faction as well. In Somalia the Swift trading company was engaged in the very important charcoal trade of Kismayo, as was Sinwan trading. Although this trade was essential for the Shabab it was illegal according to all relevant Somali laws (also the Shabab’s own laws), as the production of charcoal destroyed the forests of southern Somalia, forests essential for the local livelihoods as well as binding fly-sand and preventing soil erosion.⁵⁰ Firms as Swift and Sinwan have been active in the charcoal trade; however, shareholders in these firms have also been involved as sub-contractors for the United Nations according to interviews made in Mogadishu as sub-sub-contractors working with the procurement organization for AMISOM, the UNSOA.⁵¹

Third, the United Nations has more or less built factions that did not exist before by granting licenses and contracts to businessmen who in the end turned into major power holders in the conflict. In the early history of the Somali intervention, garbage handling contracts more or less allowed Bashir Raghe Shirar to establish himself as a warlord. Similarly, the relief efforts in the early 1990s also more or less established the big “business lord of Somalia, Aboukor Umar Adane and his important family dynasty. Food relief was transported through the rough port at el-Maan which was partly controlled by Adane and his business associates. The income enabled the Adane business network to establish itself as a major actor in the Somali business community. In itself, this would have been relatively un-problematic, that is, if Adane had been involved in only business. However, Adane and his businesses became major power holders in Somalia. During the ICU, the Adane dynasty probably commanded and funded the largest single

⁴⁹ Interview with head of international NGO in Nairobi, 11 June 2010

⁵⁰ See for example United Nations arms embargo commission (2011)

⁵¹ Interview with private security contractor working for the United Nations, 19 December 2010, Mogadishu. Interview with civil rights activist Mogadishu, February 5, 2011.

part of the Sharia court militia and after the ICU, the Adane dynasty waged a small war against the transitional federal government over licenses to trade in Mogadishu port.

The activities of the Adane dynasty did cause commotion but the United Nations agencies failed to take steps to prevent what was literally a situation where the United Nations funded a party in the conflict without the knowledge of the donors. By 2010 a United Nations arms embargo report claimed that Adane secured large parts of the 2009 WFP transportation budget of approximately US\$200 million.⁵² Notably the report also suggested that, since security was integrated into the project cost, the WFP aid program founded the militias of the various business lords, including Adane's forces that had been used against the transitional federal government in 2009.⁵³ The United Nations embargo commission also showed how large quantities of food aid were diverted, some used to pay taxes to the insurgents.⁵⁴ During the drought of 2011, these allegations re-surfaced and local project assistants claimed that food diversion could have reached as much as 40-50%, as did Somali NGO leaders.⁵⁵ The WFP, however, initially did not admit that more than 1% was stolen.⁵⁶ The WFP did appear more humble after the 2010 report and did take advice from other NGOs as well as strengthening their external oversight system. While it is hard to give a percentage of the aid that was looted, photos taken by our researchers as well as the press show that it was large scale (see below). Local contacts estimated the losses to be in the scale of 40 to 70%, as well as exploring how contractors kept food away from final distribution.⁵⁷

⁵² United Nations Monitoring Group (2010): "Report of the Monitoring Group on Somalia pursuant to Security Council resolution 1853 (2008)" s/2010/91, 60

⁵³ The following firms are the most famous firms within the Adane group: Ramadan Hotel in northern Mogadishu, the Ramadan Trading Company, Swift Traders Ltd, Banadir General Services (part of the Banadir group of companies through which Adaani and Enow in partnership managed Eel Ma'aan port), Banadir Gate East Africa General Trading Company (a spin-off from the Banadir group), Lower Shabelle Business Committee holding company, Banadir Maritime and Port Operation, and Banadir Maritime Import Operations

⁵⁴ United Nations Monitoring Group (2010): "Report of the Monitoring Group on Somalia pursuant to Security Council resolution 1853 (2008)" s/2010/91, 60

⁵⁵ Interview with anonymous researcher, Mogadishu 1 June 2011; Interview with Anonymous Country Director, 1 August 2011.

⁵⁶ See for example Tran, Mark (2011): "Scale of reported Somalia food aid theft implausible, insists UN" *The Guardian* Tuesday 16 August

⁵⁷ Interviews with field researcher (1x) in Mogadishu, 2 October 2011. Interviews with researcher (2x) in Amsterdam, 9 December 2011.





Sale of WFP food in Mogadishu

Although the WFP at the time claimed to have 138 workers in Somalia, they were unwilling to provide information on their allocation and many might have been in Hargeisa, which could be one of the causes of the problems. It could be argued that this showed that the World Food Programme had special problems in Somalia; however, members of the former monitoring group interviewed for this report maintained that there were similar indications that most of the UN agencies had similar problems; indeed, the United Nations was funding, if not building up, armies, that were fighting the United Nations-backed Transitional Federal Government.

The historical lessons did force the United Nations to take several steps; firstly, attempts were made to establish a database containing the various firms active in the Somali war economy in order to identify who was behind these companies. Secondly the United Nations ended the formal connections with the above actors. Third, The United Nations put up “red lines” that, if broken, should result in the termination of programs. Three special “lines” were stipulated: direct payment (material or cash) for access to people in need, payment of taxes, registration fees or other forms of payment to armed groups, transfer of humanitarian goods to any party in the conflict for distribution. However, even these strategies were highly problematical. Several Somali business actors, including former partners of Abokour Umar Adane as well as Ahmed Nur Jimale, had been exposed to sanctions before (they were accused of terror financing) and had developed strategies to deal with these, namely funding new firms with new names. As the United Nations agencies operated outside Somalia it was easy to be fooled by these firms. The United Nations sub-contracting practices also led to severe problems. The United Nations sometimes hired a European sub-contractor who hired problematic sub-sub-contractors at the local level; in this sense the UN was sub-contracting away its responsibility.

It might be asked how the United Nations agencies in Nairobi failed to discover these facts and this again could be because of UN monitoring routines. First, Nairobi is quite closed, the United Nations agencies use the same evaluators over and over again, and these evaluators grow dependent on the various United Nations agencies, hindering valuable critique from reaching the United Nations itself. Secondly, the United Nations lacks transparency. The various United Nations agencies are, for example, not used to being exposed to the press and responded to requests from, for example, the BBC with secrecy and hostility. According to BBC freelance journalist Pascal Harter:

“What we encountered was hostility to the Monitoring Report for raising certain issues, rather than a willingness to look into the issues themselves, at least publicly. It may well be that in private, the UN Somalia departments are extremely concerned and are looking into the issues raised. We believed that the tax payer has a right to know

the issues involved in providing aid to Somalia.”⁵⁸

Under normal circumstances, the press is a valuable scrutinizer but the United Nations failed to allow the few journalists that were interested access to information. Often the secrecy was blamed on operational issues inside Somalia, to protect local partners from war. However, the identities of local providers are ironically easily obtainable inside Mogadishu and widely known.

In an interview with an NGO worker, it was suggested that “non-delivery, level of verification done by external companies, proper follow-up of projects and thorough implementation”, were put at stake by UNDP’s lack of presence on the ground in Mogadishu⁵⁹.

This view was shared by many contractors. A formerly contracted businessman revealed that he had never seen any proper monitoring in Mogadishu. Staff working for UNDP in Mogadishu had once come to his site and made a call to UNDP Nairobi, he told. The staff had, however, been guided by the contractor himself and he had told them what to say and paid them some money afterwards. There was no external monitoring, he could reveal, and concluded “that’s normal life”⁶⁰. A sub-contracted businessman also told about a man who was sent from UNDP after the project he was a sub-contractor for was finished. The man from UNDP met with the primary contractor and reported what he was instructed to do. This was all he reported back about to UNDP, the sub-contractor revealed⁶¹. These claims suggest that there is a possibility that scrutinizing bodies cooperate or have an interest in not doing the job properly. They also suggest that UNDP’s methods of monitoring are not sufficiently focused on controlling the impact of projects, but that the reports are more suited to please the donors by tracking the movement of money in a more superficial manner.

⁵⁸ Interview with Pascal Harter, August 5, 2011.

⁵⁹ Interview no 6

⁶⁰ Interview no 9

⁶¹ Interview no 13; The Head of a large NGO operating in Mogadishu exemplified these insights when he told the story of a UNDP partner who had gone to a school supported by the NGO the interview represented, and asked the school committee to rehabilitate. The contracted NGO had then painted for about US\$1,000 but taken credit for the school’s good condition. The local NGO had even got local people to sit in the classroom, pretending to be the school committee when they took pictures that were sent to UNDP. UNDP thereby promoted this as their own successful project, that they were building schools and employing people, and even posted these pictures on their web pages. About US\$70,000 was put into project and probably went straight into the pocket of the local NGO. With this the respondent wanted to show how the lack of or limited monitoring is a big problem in Mogadishu and that UNDP has no insurance for the quality of the projects they issue contracts for or even that they get done. The monitoring groups they use, he further revealed, are local companies with no insurance of the quality of the work they do. As there is no proper capacity to monitor, he argued, it is wrong of UNDP to claim any success of their projects, or even of the projects taking place.

Corruption also makes the situation more difficult to monitor. An interview with a former contractee revealed that he thought what was going on in UNDP was shameful; “it is all about connections; it is not possible to get a job without connections”. He further told that he had had one contract three years ago for building a road, which he had paid to get. At the time, one of the shareholders in his company was the EU representative for Somalia, which enabled him the right connections, he revealed. When the respondent later tried to get other contracts, he did not get these because he did not have enough money to pay off the local staff. Without money, he argued, you do not get these contracts⁶². Another businessman who was sub-contracted to do a UNDP project, told about how he had got the contract: three shares were split one went to the contractor, one to the sub-contractor and one to the local UNDP staff who facilitated the contract⁶³. The claims made by these businessmen are, however, merely allegations and not proof that corruption takes place. They do, however, suggest that UNDP’s partners are familiar with such activities. Of course such procedures are illegal, but they also prevent monitoring the effects on the war economy as it creates a culture of unclarity, and creates back-channels for illegal activities that can be used to aid war profiteers or the parties in the conflict themselves. The highly corrupt environment reproduces itself as it becomes difficult for new companies to enter into without playing the same game. A network is needed and at times cost money.

It can be argued that the above effects more or less are a part of the needed sacrifice to make a humanitarian effort, the so-called **humanitarian dilemma**. However, the dilemma is not necessarily always there and this should be made clear to the donors. There will always be some taxation by various factions when operating inside a conflict zone, not necessarily of the United Nations themselves, but also amongst the sub-contractors and local partners.

Local problems of United Nations projects, a notorious lack of transparency and a tendency to only slowly respond to problems do nevertheless indicate that some of the United Nations agencies in Somalia have serious problems. There are strategies to redeem these problems. Several of the sub-contractor practices mentioned above are not a part of any humanitarian dilemma; alternative sub-contractors could easily have been found as there are many firms with

⁶² Interview no 9

⁶³ Interview no 13

similar competences. Monitoring would have been possible even when “bunkering”, by taking advantage of ‘deep dialogue’, acknowledging that even Somalia has checks and balances, partly through the clan system, through religious leaders, through local NGOs, and through the benefactors. If a dialogue is systematically conducted with these layers separately, Somalia’s own social system will provide forms of control. The answer to the dilemma of lack of control is not to disengage with the locals, rather to widen that engagement outside the project and engage different strata of Somali society independently, so that power relations get less influence (in a group setting there can be pressure against individuals for making comments in support, or even opposing, a specific project). Using the diaspora, Somalis in projects might also aid implementation since they usually understand the Somali setting much better than outsiders. However, naivety when it comes to these resources is also highly dangerous. Somali diaspora will also have clan affiliations, can be corrupt, and are able to take advantage and hide their illegal operations much better than non-Somalis since they know the context. A good use of the diaspora must be based on merit and formal education, not just because they are diaspora but also because they are qualified. Secondly, a successful diaspora operative has gone through the UN system over several years before being deployed to Somalia, building up organizational loyalty. In this sense a successful diaspora engagement is a key to success in southern Somalia. But to send untrained and untested diaspora back to Somalia to work for the United Nations is a recipe for disaster.

Openness is an issue, one which could prevent corruption. The United Nations agencies need to be much more accommodating to the press as well as to researchers. It should be remembered that these institutions also serve as checks and balances. Operational security is often used as an excuse for the lack of transparency but the researchers here nevertheless found all the necessary information, circumventing the United Nations’ formal practices, as would probably the parties in the conflict. There might also be internal barriers to criticism. Short term contracts within the agencies were also said to minimize criticism, as UN staff were afraid to raise critique and then failed to get their contract renewed. Desk study evaluations should be avoided, and evaluators should have to go to the field and have a broad approach. In this sense, both evaluators *and* donors should avoid taking the United Nations’ impartiality for granted, and projects should be

discussed in a wider setting where members of a wider civil society, including clan and religious leaders, should be present. This should be done on a more regular basis. It should be noted that the United Nations is not necessarily qualified to act as a lead in larger operations; NGOs can function better locally and in Somalia there were many examples of international organizations that managed their operations well such as the International Red Cross. This will enable UN agencies to learn from other organizations that have adapted better, and ensure the most efficient aid implementation; it is not necessarily the largest that is the best.

The perhaps most important lesson is to regard the United Nations agencies as integral to the conflict, as actors that act within the conflict framework and influence it, as actors with self-interest, rather than neutral experts and by-standers. It is important to do this while taking into account the United Nations achievements inside Somalia, and try to change the system instead of destroying it.

THE YEMENI CASE

Stig Jarle Hansen

Yemen, like Somalia, is also a country that presents unique challenges to any aid operator. Almost 46% of the adult population cannot read; female illiteracy stands at 65%, male at 27%. In 2006, the poverty rate was 35% but today stands at 43% because of increased inflation. Yemen is also amongst the most water-starved countries with a water deficit of 1 billion cubic meters (m³) per year, and less with 92m³ of renewable internal freshwater resources per year, which is far below most accepted thresholds of scarcity of water.⁶⁴ The rate of unemployment is very high thus resulting in a population unable to cope with a wide range of shocks, like the increase in cost of living. Yemen is also a highly corrupt country, and “wasta”, the use of connections, is essential to access social services.

Yemen has been subjected to domestic conflict, bringing disorder to services, insecurity for the people and a relatively great number of internally displaced persons (IDPs). The homeland security risks includes at least four components:

- i) fighting in the north;
- ii) a secessionist movement in the south;
- iii) Al Qaeda
- iv) the effects of the Arab Spring

The first conflict is currently contained although fighting in August 2009 in the north between the government security army and the Houthi in the Governorate of Sa'ada (the opposition group) led to 320,000 refugees escaping from the fighting.⁶⁵ In the south of the Republic of Yemen, almost 90,000 internally displaced persons (IDPs) resulted from the latest conflict between security forces and the rebels (insurgents), first from the loose and uncoordinated southern movement, then from Al Qaeda.⁶⁶ Due to fighting and famine in the Horn of Africa, there has been a flow of migrants, an influx of refugees and protection-seekers in the Republic of

⁶⁴ United Nations (2011): “common country assessment”, Sanaa,

⁶⁵ ibid

⁶⁶ ibid

Yemen. In the wake of the Arab Spring, demand for reforms and regime change through civil unrest by the people ended up creating tribal and militia groups and gave the widespread availability of weapons, meaning that tensions often resulted in armed fighting.

The conflict in Yemen nearest to be resolved is the one concerning transition of power in Saana between the political opposition and the old ruling party, the General People's Congress (GPC). Al Qaeda in the Arab Peninsula and their local version, Ansar al Sharia, still hold territories at the time of writing. In large southern cities as Aden, the government lacks full control, and in the Sada province, the Houthis are in control; in this sense humanitarian actors have to act with several insurgency groups and have to deal with organizations as Al Qaeda and the Houthis on a day-to-day basis, bringing forward many dilemmas. Yemen is also a tribal society. During our field studies in the country, one of our local contacts claimed that Yemen "was just a visa station in Sanaa on the way to Egypt", highlighting the importance of tribal structures on the countryside.⁶⁷ The tribes remain important political actors and some tend to kidnap, including aid workers, to get political advantages. The unity of the large tribal confederations is, however, not given, as demonstrated by the divisions within the Hasheed tribal confederation during the fighting in Sanaa in 2011.

In this troublesome context the United Nations attempts both development and humanitarian programs. The United Nations Development Programme has engaged in a variety of projects in the country, including poverty reduction programs. According to UNDP Yemen's project database, three ongoing projects on gender and economic empowerment, economic diversification, and strengthened economic policy and operating environment programs, all focus on poverty reduction. There are also three ongoing programs on energy diversification and resource management, as well as three programs focusing on local governance and on electoral support. The most important projects regarding war economy are perhaps the projects under the crisis prevention label that operate inside conflict areas such as Abayan, and in areas where the Yemeni government is weak.⁶⁸

⁶⁷ *ibid*

⁶⁸ http://www.undp.org.ye/project_database.php

Other UN agencies that are heavily involved are UNHCR, UNICEF and WFP who are attempting to deal with the various effects of combined conflict and livelihoods crisis. IOM is important in the handling of the Somali refugees. The WFP claims to be reaching 3.6 million inhabitants with their programs, but prioritize 1.8 million of the poorest.⁶⁹ Currently, WFP Yemen supports five main operations and maintains five sub-offices in Aden, Amran, Hajjah, Hodeidah and Sa'adah. According to WFP, their overall assistance in 2012 will consist of some 200,000 metric tons of food commodities with a total value of US\$207 million.⁷⁰ The UNHCR is focusing on assisting the needs of some 220,000 refugees and almost half a million internally displaced people (IDPs) in Yemen, with an estimate of US\$60 million.⁷¹

In Yemen, the openness of the United Nations agencies was markedly larger than in Somalia and Sudan. The three major conflicts nevertheless had impacts on United Nations operations. When doing anonymous interviews, it was the widespread opinion amongst the United Nations staff that UN aid provided vital benefits to the Houthi rebels in Sanaa who used the aid to gain local sympathies. However, even when this was going on several of the respondents actually expressed that by injecting resources into the local economy, peace was promoted since there were less micro level conflicts. In two interviews, local purchases were strategically used by United Nations agencies in order to get access to the area, making themselves invaluable for the Houthi forces. One respondent working with the UNHCR witnessed how the organization was pushed towards selecting local staff amongst the Houthi insurgents in order to accommodate the latter and be able to stay in the area. UNHCR, and other UN agencies, also seemed to buy food and other commodities from Houthi connected merchants. Although there was disagreement amongst the respondents, it seems there was indirect taxation through the payment of fees at checkpoints, not only to the Houthi rebels, but also at tribal, religious and government checkpoints. However, as said, the respondents were divided on the issue. Yemeni journalists nevertheless claimed that as much as 1/3 of the aid in Sada'a would be directly taxed by the Houthis.

⁶⁹ According to the WFP homepage <http://www.wfp.org/countries/Yemen/Operations>

⁷⁰ *ibid*

⁷¹ UNHCR (2012): "Mixed migration flow from the Horn of Africa reaches new record levels" "Press statement 18 May.

The respondents with experience from the Sada'a conflict in northern Yemen do draw a sad picture, one that is not easily solvable. The UN agencies were again facing the so-called **humanitarian dilemma**, the trade-off between access, neutrality and conflict promotion. In Sada'a, one of the parties, the Houthis, was cashing in on UN support and using it to support their consolidation of power by rewarding loyalists. However, by staying out of Sada'a, the various agencies would have lacked access to people in need. There is no easy solution to the paradox and the United Nations was actually quite open when commenting on these issues. In one sense Houthis were holding locals as 'humanitarian hostages'. In order to reach them one had to support a faction in the conflict.

Similar problems were identified further south where UN agencies had to deal with Al Qaeda controlled areas. Issues of remote control emerged as the UN agencies expressed problems with controlling their operations in the Yemeni periphery. Several United Nations workers expressed hostility towards the United Nations security services which actually prevented them from going into the conflict zone. But organizations such as IOM had solved this by employing sub-contractors hired through Dubai, not exposed to the same security limitations. Corruption did, however, seem to be more limited in the south than in the north, at least according to the opinion of the interviewees.

It is worrying that displaced refugees told us stories of serious corruption amongst local staff of various United Nations agencies. One refugee claimed "Yes, workers of the organizations bought flour and sugar and took money for it". It might be argued that corruption had few repercussions for the UN's influence on the war economy. However, this might not be the case as one of the respondents handling the security inside the UN system told how United Nations ex-pats expanded their security costs to get more money, "he got a five hundred dollar allowance; I negotiated the rent with him. At the end of the contract, he did not do security setups. I learned that his guards only got 100\$". Such practices lead to serious problems as there is a vested interest in increasing the image of a violent threat to get more allowances. The problem is of course that this could lead to a form of securitization, where the threat levels are estimated to be larger than they are which might in turn lead to **bunkering** or **remote control**, the dilemma

might be created artificially, when control mechanisms can be present on the ground. In this sense the UN should be wary of security threat assessments; there might be vested interests involved.

The same respondent stressed quite similarly to the United Nations in Somalia that the use of temporary contracts discouraged criticism within the United Nations which in turn enabled corruption, as employees were afraid of criticizing their leaders. Audits were seen to be of limited value, “auditing by remote control” becoming desk studies without seeing the projects in real life, one stays in the office due to the security situation. The local checks and balances were not employed adequately, and a ‘deep dialogue’ was not attempted, perhaps also because institutions such as the press and civil society were weak in the project areas. Tribal chiefs were, however, engaged. In the case of Yemen, intellectuals from specific areas, placed in Sana’a, could be used for control and engaged in a ‘deep dialogue’ process. Similarly, Yemenis can be vetted for local services by developing organizational loyalty. This can be done by sending them on other United Nations missions before going to Yemen; indeed, their conflict expertise could be highly valuable in other conflict areas.

In the south, some United Nations sub-contractors seemed to have used local sheikhs to hand out contracts. In order to ease tension, the contracts would be handed out to fellow tribesmen.

In this sense Yemen is a ‘Somalia Light’ scenario, facing many similar problems but probably to a lesser extent and in a more transparent manner.

THE CASE OF SOUTH SUDAN: THE UN, WAR ECONOMIES AND POST-WAR TRANSITION

N. Shanmugaratnam and Darley J. Kjosavik

This chapter provides a brief review of the United Nations' engagements and their links to the war economy in Sudan during the civil war in the south of the country and after the signing of the Comprehensive Peace Agreement (CPA) by the Government of Sudan (GOS) and the Sudanese People's Liberation Movement/Army (SPLM/A) in 2005, which paved the way for the formation of a Government of South Sudan (GOSS) and a six year interim phase followed by a referendum that led to South Sudan's secession in July 2011. It is based on a brief fieldwork carried out in August 2011 and a review of relevant literature. The report focuses on the links between UN's interventions in Sudan and the core areas of the war economy, which we define below as a multi-layered dynamic entity, without subscribing to a reductionist economic approach to explaining civil wars.

Sudan has been characterised as a country with a network of civil wars which were going on in the south, in Darfur and in the east⁷². It would be no exaggeration to state that these wars had spawned a network of war economies. The wars caused major protracted humanitarian crises which were compounded by war-induced famines. The discovery of oil and its subsequent commercial production in 1999 enabled the GOS to finance, intensify and geographically expand the war within the country. This meant not only a massive militarisation of the country's economy but also large scale forced displacements of people from the oil areas. The GOS kept denying that such displacements or abuse of human rights were taking place and international oil companies engaged in oil production in Sudan were colluding with the government in suppressing information about abuses related to oil development⁷³.

In 2005, Sudan had a population of around four million internally displaced persons (IDPs), the largest in the world. There were also half million Sudanese refugees, most them staying in

⁷² Johnson, D. J., 2003, *The Root Causes of Sudan's Civil Wars*, Oxford: James Currey,

⁷³ HRW (2003) "Sudan, Oil and Human Rights", 25 November, London

neighbouring countries. The second civil war in the south, which began in 1983, was not only protracted but also marked by multiple conflicts in the sense that, while the SPLA and the armed forces of the GOS were at war, there were internecine clashes between the SPLA and factions that broke away from it. This, and the frequent and extremely violent intrusions by the Ugandan rebel Lord's Resistance Army (LRA), caused mass displacements and human suffering. However, the GOS, SPLM/A, and other armed actors were not prepared to use their own resources to provide relief for IDPs and other war affected people in the areas under their control. The UN, ICRC and other concerned humanitarian actors took on these tasks.

The UN became deeply involved in wartime relief, rehabilitation and development in Sudan during the second civil war in the south. Its engagements continued through the interim phase and after the referendum. In 1989, in cooperation with the GOS, the UN created a rather unique programme named Operation Lifeline Sudan (OLS) to deliver humanitarian aid to IDPs and other people affected by the ongoing war in the south. OLS was an umbrella organisation in which UNICEF and WFP played lead roles in collaboration with other UN agencies and some 40 international and local NGOs. It was expected to cover IDPs who had migrated to the north as well. With a million US dollars a day to spend, 'the humanitarian operation was the largest and most expensive in the world at the time'⁷⁴. It was to become one of the lengthiest in the history of humanitarianism.' OLS functioned until the end of the civil war in the south, while different UN agencies remained engaged in South Sudan in the post-CPA period, relating directly to the GOSS, other donor agencies and NGOs. The UN added programmes in DDR (what does this acronym stand for?) to its activities during and after the interim phase. It is important to note that the end of the North-South war did not mean an end to armed violence or the war economy in South Sudan. Inter-communal violence is widespread and there are tensions and armed clashes in border areas with the North. These conflicts cause internal displacements and humanitarian emergencies. In September 2011, there were around 275,000 IDPs due to these conflicts (OCHA, interview 29.08.11). In the post-CPA period and after the referendum, the GOS has been increasing its spending on defence and militarisation. In response to this the South is on a war-

⁷⁴ Polman, L. (2010) *War Games, The story of aid and war in modern times*, Viking

footing and the GOSS's military spending remains, as a result. Moreover, the security sector enjoys the highest priority in the GOSS's budgetary allocations. As a major part of the state revenue is spent on defence and payment of salaries to state employees, the GOSS is highly dependent on external assistance for humanitarian relief, resettlement, rehabilitation, infrastructure construction and other development activities. The civil war in the south ended in 2005 but now there still are some important outstanding issues between the north and the south. There were also clashes between Sudan's armed forces and the SPLA in the disputed Abyei region and in north-south border areas. Fears of an inter-state war loom large, while inter-communal violence has become almost endemic to some parts of the new country.

The UN's involvement in Sudan and South Sudan and its links to the war economy can be seen in terms of three phases:

- The civil war- OLS phase 1989-2005
- The interim phase 2005-2011July
- Post-Referendum phase August 2011-

The UN's ability to operationalise its humanitarian principles was continuously put to test throughout these three phases. The OLS phase was quite challenging in this regard and our own review of this phase highlights some fundamental issues. The interim phase was not less challenging either. In fact, it turned out to be far more complex than expected with an increasing need for humanitarian relief and development assistance in a situation characterised by growing tension between the GOS and the GOSS which were devoting more resources than before to militarisation in violation of the CPA. The impressive success of the Referendum led to the South's secession but the newly formed independent country of South Sudan has been busy putting itself on a war-footing in response to the military build-up in the North. Khartoum's air force had carried out bombing raids in the southern states of Northern and Western Bahr el-Ghazal in December 2010 and March 2011. The dispute over the status of oil-rich Abyei region remained a source of North-South military tension. There had been violent clashes in Abyei in 2011. The SPLM/A, with the support of the Dinka Ngok residents, has always claimed that Abyei belonged to the South and this claim is also stated in South Sudan's interim constitution.

On the other hand, the GOS and the Arab Misseriya pastoralists, who seasonally migrate with their herds to Abyei, claim that the region is part of the North. The situation in Abyei has a lot to do with access to and control over resources at different levels. The Dinka Ngok and the Misseriya have stakes over land and grazing resources and at another level the competing claims of GOSS and GOS have a lot to do with Abyei's oil reserves as well. Clash over resources is not unique to Abyei in the Sudanese conflict but, due to its location and ethnic peculiarities, it represents a more acute manifestation of the resource dimension of the conflict. Under the CPA, a referendum should have been held in Abyei in January 2011. That did not happen and the situation in the region remains volatile.

It is also relevant to remind ourselves that there are other wars going on in Sudan and in the neighbouring countries and developments in South Sudan are highly influenced by larger geopolitical factors. The prevailing conditions do not seem to enable a systematic dismantling of the war economy and a transition towards positive peace in South Sudan. The war economy continues and the SPLA's expected transition from a guerrilla army fighting a liberation war to the armed forces of a modern state has been stalled. Nor has the GOSS been able to establish effectively functioning governance structures to ensure accountability and rule of law. The past years since the formation of the GOSS have seen an unchecked growth in corruption at different levels with the military and political elite, almost all of whom are part of (or linked to) the SPLM/A, being perceived as its biggest beneficiaries.

OLS in Sudan and the UN's Dilemma: Protecting war victims or subsidising war efforts?

'One thing was certain. The government army was feeding itself on food aid.'

'The rebels too made off with all the aid they could lay their hands on, which was one reason they were able to go on fighting.'⁷⁵ OLS was the first humanitarian programme of its kind sponsored and managed by the UN. While the OLS came into existence in 1989, the OLS Resolution was adopted by the General Assembly in December 1990. The programme was mandated to 'coordinate the efforts of the United Nations system to help the Sudan in its

⁷⁵ Polman (2010): 118

emergency, rehabilitation and reconstruction programmes, to mobilize resources for the implementation of those programmes and to keep the international community informed of the needs of that country'⁷⁶. Sudan had been conflict ridden for several years before the arrival of OLS. The international community (IC) had failed in its efforts to provide emergency aid to victims of a major war-induced famine in Bahr el Ghazal in 1988. The GOS was not willing to let external agencies enter areas controlled by a rebel movement on the grounds that such an intervention would undermine the state's sovereignty. The OLS approach was meant to deal with this issue through a negotiated 'conditional transfer of part of GOS sovereignty to the UN for humanitarian purposes' by dividing Sudan into government controlled and non-government controlled areas and transitional zones allowing OLS to service the non-government controlled areas as well, which were in the southern part of the country and controlled by SPLM/A, which was being challenged by a breakaway group in some areas⁷⁷. The logistics for the southern sector were initially based in Nairobi and later shifted to Lokichoggio, 30 km from the South Sudan border in northern Kenya.

In practice, the OLS arrangement meant that the UN and the programme's member agencies operating in the field had to work closely with the GOS in the north and the SPLM/A, and a breakaway group from it calling itself the South Sudan Independence Movement/Army (SSIM/A), in the non-government controlled south. The transitional zones, which were actually contested areas such as the Nuba Mountains, were considered part of the northern sector. Instead of using military protection for its operations, the UN chose to seek an agreement with the warring parties through negotiations based on humanitarian principles to create a space to provide assistance to war-affected populations in Sudan. The principles included neutrality, transparency, accountability and free access to the needy populations on all sides of the war. However, the UN could not reach a formal agreement with the GOS, SPLM/A and SSIM/A until 1994⁷⁸.

⁷⁶ UNHCR (1990:1) Operation Lifeline Sudan: resolution adopted by the General Assembly, Refworld, <http://www.unhcr.org/refworld/country,,UNGA,,SDN,,3b00efe454,o.html> downloaded 07.12.2011

⁷⁷ Karim, A., M. Duffield, S. Jaspars, A. Benini, J. Macrae, M. Bradbury, D. Johnson, G. Larbi, nd B. Hendrie (1996:2) Operation Lifeline Sudan, A Review, UN Department of Humanitarian Affairs

⁷⁸ Karim et al, op.cit.; Bradbury, Mark. (1998) "Sudan: International Response to War in the Nuba Mountains", *Review of African Political Economy*, 25 (77):463-474.

There is no question that OLS had provided humanitarian relief and protection to considerable sections of the war-affected populations in Sudan, although its performance in terms of coverage of the needy varied widely over time. The UN had also tried to use OLS to build local capacities and awareness about human rights. However, it cannot also be denied that the UN constantly found itself in a dilemma as it had to compromise agreed principles. Predictably, the actual implementation of the agreed principles turned out to be a major issue throughout the OLS phase. The warring parties were using various means to make OLS activities serve their politico-military and economic interests. Interestingly, both the GOS and the SPLM/A were accusing the OLS of being biased toward the other. However, both parties were looking for opportunities to capture OLS resources. For instance, both were in favour of OLS expanding its activities beyond relief to development and local capacity building in the areas they controlled as that would increase their own chances of accessing OLS resources. However, the GOS was the bigger beneficiary from OLS.⁷⁹

GOS and OLS

The GOS frequently violated the principle of neutrality, invoking the state sovereignty argument and claiming that it had ownership over OLS. It passed a series of Acts, such as the 1992 Relief Act, to legalise the government's appropriation of relief aid. Under the new laws, all relief entering Sudan belonged to the GOS; thus there was no misappropriation of relief by the government. The government imposed restrictions on the areas to be serviced through air-drops or directly by OLS in the south. 'Khartoum's approval of relief deliveries to SPLA-held areas (as it had been throughout the history of OLS) was contingent on delivering far greater quantities to often uncounted populations in government-held towns.'⁸⁰ The government had banned relief flights to areas in which people were forcibly displaced to clear land for oil drilling. It used helicopter gunships to bomb rebel-held areas and relief airstrips in the Western Upper Nile/Unity state in 1999. It did not permit relief workers into some war-devastated areas to observe the extent of destruction and assess humanitarian needs. This affected the effective functioning of OLS (HRW, 2003). The UN was not prepared to challenge the legitimacy of the Acts passed by

⁷⁹ Johnson, Daniel. J. (2003) *The Root Causes of Sudan's Civil Wars*, James Currey, Oxford; De Waal, Alex (1994) *Humanitarianism Unbound? Current dilemmas facing multi-mandate relief operations in political emergencies*, *African Rights*, Nov 1994.

⁸⁰ Johnson (2003):150.

the GOS. It seemed to be willing to compromise agreed principles for OLS to service at least some sections of the needy populations. In the north, says a review of OLS, ‘it was impossible to apply OLS principles through contractual agreements’.⁸¹

The UN did not directly deliver services to war victims in the north. It worked through partner agencies including INGOs and local NGOs. Moreover, the GOS’s policy favoured local NGOs, which grew in number while the number of INGOs decreased. Unaware of the OLS principles, the local NGOs functioned as a willing arm of the GOS (ibid). In 1993, the GOS prescribed a Code of Conduct for INGOs, which barred them from doing independent surveys regarding humanitarian needs and any involvement in land related matters. With this measure, the GOS reduced the INGOs role to a purely technical level of supplying relief as instructed by the GOS.⁸² This situation must have been conducive for contributing to develop capacities for war, especially of the Sudanese army by diverting supplies to feed the army as well as to directing the supplies to the northern part of the country thus trying to deprive the affected population of South Sudan the much needed humanitarian aid. While the aim must have been to deny the SPLA access to supplies, the SPLA itself might have made use of this space to increase their capacities for war by diverting whatever supplies were provided to the South.

On the other hand, the GOS was able to make OLS serve its military objectives. On this it is worth quoting de Waal’s observations of OLS at some length:

“On the government side, the relief operation has made possible the maintenance of garrisons that would almost certainly have fallen otherwise. The main case is Juba, which was repeatedly saved by relief airlifts in 1990 and 1991. The Lutheran World Federation has run an extended airlift to Juba. Smaller garrisons have also been sustained: UN and NGO operations have been crucial in the viability of the outpost at Terakekka, and WFP air drop to Kapoeta when it was under assault by the SPLA in September 1994 provided the garrison with supplies it could have obtained no other way”

The Sudan government has outmanoeuvred the UN, insisting on recognition

⁸¹ Karim et al op.cit:99.

⁸² Johnson (2003), op.cit.

of its sovereignty as a precondition for any UN programmes in the country, in both war and non-war areas. The UN has consistently compromised and been willing to supply relief without guarantees that it will not be diverted to the army or used to feed civilians abducted during counter-insurgency operations. Operationality has again triumphed over principle.’⁸³

HRW has also documented instances of GOS forces commandeering tons of food items belonging to the WFP and diverting them to government-controlled urban areas and to the military, while imposing flight bans to prevent deliveries to SPLM/A-controlled rural areas.⁸⁴

Thanks to OLS, the GOS was able to save a lot of money on provisioning its army. The money thus saved, ‘was spent, among other things, on its next military adventure’.⁸⁵ By the late 1990s, the government was earning US \$1 million a day in oil revenue. It was able to use the oil income to import fighter jets from China, tanks from Poland, armoured combat vehicles from Russia and to domestically produce Russian designed tanks,⁸⁶ while making OLS feed its soldiers and partnering with the UNDP in development projects at the same time.

The government refused to grant UN access to SPLM/A held areas in the Nuba Mountains which was designated as a transitional zone. This did not prevent the UN from expanding its development programmes in government controlled areas of South Kordofan.⁸⁷ In fact, at the time, the UNDP was actively collaborating with the GOS as a development partner under a country programme, while OLS was denied access to certain war-affected areas. As Karim et al observe, ‘One cannot work with the government as a development partner and, at the same time, relate to it as a warring party for humanitarian purposes. This is especially the case when, as the Review Team suspected, when the actually existing development process in Sudan is linked to

⁸³ De Waal,(1997) 148-149,

⁸⁴ HRW (2003)

⁸⁵ Polman (2010): 119)

⁸⁶ Lewis, S., 2004, Rejuvenating or Restraining Civil War – The role of external actors in the war economies of Sudan, Paper 37, Bonn International Centre for Conversion, Bonn; HRW (2003).

⁸⁷ Bradbury. (1998) 463-474.

the war aims of the government.’⁸⁸ The UN and NGOs were lending support to the government’s military and economic strategy in the Nuba Mountains in the name of linking peace and development. WFP was supplying food to ‘peace villages’ set up by the government to draw civilians to government held areas.⁸⁹

UNDP-GOS projects were using OLS resources in government controlled areas, in violation of the neutrality principle. For instance, as Karim et al report, the Area Development Schemes, which had separate funding, were also receiving resources from UNICEF and WFP in Wau, Kadugli and Juba. These schemes involved demolition of IDP settlements around Khartoum and involuntary relocations of the displaced to the ‘peace villages’ to serve the government’s so called pacification programme and to extend control over the resources of these areas through agricultural schemes owned by groups within or close links to the GOS and the military.⁹⁰ As observed by Duffield, GOS’s scheme involved a desocialisation of the IDPs from the south by denying them their ethnic identity and cultural rights and incorporating them as a source of cheap labour into the agrarian and urban economy of Northern Sudan. And ‘this incorporation defines the place of Southerners within the historic project of political Islam’.⁹¹ For UNDP, these projects represented a transition along the so called relief-development continuum! In fact, UNDP, which was the main UN agency on the ground in the north, ‘accepted the government’s programme for the displaced around Khartoum as a programme of development and urban renewal’ and ‘committed itself to helping the government to integrate large numbers of displaced into the mainstream development process of the country’ (ibid:156). By providing direct support to such projects the UN was not only compromising principles but also lending legitimacy to a regime that was prosecuting a war with impunity. Based on evidence from the field in the 1990s, Duffield concludes that ‘UN agencies, donor governments and NGOs, albeit largely unintentionally, complemented state aims and facilitated the desocialisation and subordination of displaced Southerners’.⁹²

⁸⁸ Karim et al, op.cit:2-3.

⁸⁹ Bradbury (1998), op.cit.

⁹⁰ Johnson (2003), op.cit.

⁹¹ Duffield, M. (2005), *Global Governance and the New Wars – The merging of development and security*, London:Zed Press,209

⁹² Ibid,208.

SPLM/A, other rebel groups and OLS

The SPLM/A was faced with major logistical problems when it had to move its bases out of Ethiopia in 1991 after the fall of the Mengistu regime in May that year. Until then the movement received military, daily provisions and other forms of support from and through the Ethiopian government.⁹³ Ethiopia was also hosting more than 300,000 southern Sudanese refugees. The vast majority of these refugees migrated back to southern Sudan in 1991. Already by 1988, The SPLM/A's leadership was feeling the need to find humanitarian relief for the civilian populations in the areas they had captured from the Sudanese armed forces. So it was not only the hundreds of thousands of returnees and civilians in the 'liberated' areas but also the personnel in the SPLM/A that needed food, shelter and other basic provisions. SPLM/A's relationship to OLS and other sources of humanitarian aid should be seen in this context. It is also relevant to note that the SPLM/A had a rather strained relationship with the UN in the early years of the war when the UN banned relief assistance outside government controlled areas. The SPLA responded to the UN's ban by shooting down a UN relief flight in 1986.

However, in the years that followed, compelled by the changing ground realities of war and the loss of external support due to the fall of the Mengistu regime, the SPLM/A adopted a conciliatory attitude towards the UN not only with an eye on OLS's resources but also to gain wider recognition and legitimacy as a liberation movement. The UN was initially trying to avoid any relationship with SPLM/A that could be construed as giving political recognition to the rebel movement. On the other hand, the UN had to come to terms with the reality that the rebels were in control of areas with populations in the south. In October 1991, as the issue of access to rebel controlled areas became more urgent, the UN chose to hold proximity talks with the SPLM/A and the GOS on OLS deliveries to the south. The talks failed because of the GOS's insistence that the 'SPLA United', a group that had split from the SPLM/A in August 1991 be included. The GOS had its own agenda as it was trying to form an alliance with the breakaway group. The latter protested its exclusion claiming that it also controlled territory and wanted its humanitarian wing recognised. The UN finally recognised the humanitarian wings of both SPLM/A and SPLA United as OLS partners. While UNICEF and WFP were the lead OLS agencies in the south, the

⁹³ SPLM/A also received significant funding and military and logistical support from the Ugandan government.

implementation of the biggest part of the programme was carried out by some 35 NGOs in cooperation with SRRA and RASS. The NGOs signed 'Letters of Understanding' (LOU) with UNICEF. The LOUs specified the humanitarian services to be provided by the NGOs and required them to provide quarterly progress and monitoring reports to UNICEF. The services specified included coordinating food and non-food assistance and supporting training and capacity building of Sudanese organisations. The scope of operation in terms of activities and locations expanded quite dramatically during 1994-96.⁹⁴ However, the LOUs did not turn out to be an effective mechanism for coordination and accountability and UNICEF lacked the capacity to seriously address these issues.⁹⁵ The arrangement, none the less, enabled the SPLM/A and SPLA united to be OLS's de facto main partners in the south, although the relationship between the programme and these two factions was badly strained at different times due to their rivalry. Moreover, there were also other smaller breakaway groups demanding recognition and support from OLS.⁹⁶

SPLM/A was using its fledgling and organisationally weak Sudanese Relief and Rehabilitation Association (SRRA), established in 1985, to mobilise relief resources, a considerable part of which was diverted to meet the needs of the movement and its army. The SPLA United, which later became SSIM/A, set up the Relief Association for South Sudan (RASS). Another rebel relief organisation named Fashoda Relief and Rehabilitation Organisation (FRRA) covering the Shilluk area was also recognised by OLS. SRRA and RASS were staffed mostly by former rebel commanders and combatants. Both rebel factions had some of their demobilised combatants employed in NGOs servicing the southern areas under OLS. It was also known that some of the SRRA officials still retained their military rank in the SPLA. The SRRA and RASS were competing for OLS resources. Both factions were using the availability of OLS assistance in their areas to attract civilians from areas controlled by the other side. In 1993, factional fighting also involved destruction of facilities for civilians established by OLS in Kongor and Jonglei. There were also incidents of looting of OLS stores by both rival factions and killing of aid personnel engaged in OLS work. These developments led to the formulation and adoption of

⁹⁴ The number of approved locations increased from 77 in 199 to 120 in 1996. The activities extended beyond food relief to projects in health, water, agriculture, animal health, education, capacity building and special programmes for women (Karim et al, 1996). See Appendix for a list of NGOS and type of relief operations as of 1996.

⁹⁵ Karim et al op.cit: 66.

⁹⁶ See Johnson (2003) for a detailed account of splits in SPLM/A and factional rivalries

Ground Rules for OLS agencies and rebel movements' organisations to work together. In 2002, the bulk of SSIM/A, along with its leader Riek Machar, and some other breakaway groups rejoined the SPLM/A, which consolidated itself as the biggest opposition movement in the south. By this time the SPLM/A had also gained wider international recognition as the movement with which the GOS had to negotiate to reach a political solution to the war in the south. The SPLM/A was now in a stronger position than before to relate to the UN and the international community. By this time, it had also established close working arrangements with some OLS-linked INGOs.

World Food Programme: Feeding the victims while aiding war economies?

WFP's operation in South Sudan is characterised by long duration and scale. It was one of the top five emergency operations in 2003 and perhaps the most complex one due to the protracted war in combination with drought and chronic food insecurity situation. Operations were characterized by access denials by authorities, security problems, staff evacuations and attacks hindered WFPs ability to reach the target population. Denial and manipulation of humanitarian assistance happened in Sudan as well as regards WFP operations. The International Crisis Group stated that the international community has 'acquiesced in the use of starvation as a central war tactic'.⁹⁷ Critics have also pointed out that 'the neutrality demanded by relief operations and diplomatic negotiations has conflicted with the requirement under international law to prevent and punish crimes'.⁹⁸ WFP has since then become more sensitive to the potential for food assistance to be manipulated in conflict situations.

Diversion of food and voluntary and involuntary taxation are means by which leakage of food occur. Diversion may occur at the distribution site when crowd control breaks down or after distribution when individuals take commodities from women returning from a distribution. Taxation has been reported in the southern sector especially when it was organised by local authorities through traditional structures (chiefs, clan heads etc.). In some cases re-collection of a portion of food already distributed by the local authorities also occur. For instance, in Wuncum area, each village had to give 0.5mt cereals, 0.25 mt pulses and 0.15 mt CSB for the benefit of

⁹⁷ International Crisis Group,(2002), Ending Starvation as a Weapon of War in Sudan, november

⁹⁸ De Waal (1994) op.cit.

the chiefs, ghol leaders and relief committee members. There are also cases when beneficiaries themselves may sell part of their commodities to earn cash for purchasing other types of food or non-food items. However, this was rather low in South Sudan as markets were very limited.

It is clear that the northern sector including the GOS controlled areas were the major beneficiaries of the food aid even when the majority of the affected people were living in the southern sector in SPLA/M controlled areas.

The OLS and external links to Sudan's war economy

OLS was a major international programme with links to many corporate suppliers of goods and services, such as emergency food and other relief items, vehicles, and cross-boundary transport of materials and personnel by air and over land. As reported by Karim et al (1996), OLS was a logistically demanding programme. For instance, during 1993-95, about 37 per cent of the total UN receipts of US\$ 264,496,350 were used for logistical support including transport.⁹⁹ Among the major beneficiaries of Sudan's war economy were suppliers and service providers based in Kenya, where the programme had its logistics base, and in the other neighbouring country of Uganda. Our attempts to gather specific information on suppliers and the terms of contracts from relevant UN agencies did not yield useful results. We realised that much more time than we could afford under the project had to be spent to obtain useful information on this aspect of OLS.

The Interim Phase: Faltering transition amid conflict and militarisation

The formal cessation of hostilities and the formation of the interim GOSS that followed the signing of the CPA (which also included a Ceasefire Agreement) opened the way for the conclusion of OLS and for the UN to more directly relate to the SPLM/A-led interim government and to define its role in terms of 'post-war' activities such as peacekeeping, DDR, humanitarian relief, and development. FAO and WFP became deeply involved in food relief and development activities (see below). The UN Mission in Sudan (UNMIS) was established in 2005 to support the implementation of the CPA including a DDR programme. UNMIS, mandated to operate for six years from January 2005, had over 10,500 uniformed personnel at its maximum

⁹⁹ Karim et al. op.cit., 239.

deployment and spent around US\$ 5.76 billion during this period (see Appendix 2 for details). Some 180,000 combatants from government forces and the SPLA were expected to be demobilised. However, the progress of DDR was slow and failed to meet expected targets. Moreover, UNMIS was also unable to prevent the flow of arms into Sudan including South Sudan and Darfur. It was criticised for its lack of capacity to monitor the movement of new arms into these areas.¹⁰⁰ When it wound up operations in December 2011, UNMIS what had been going on was not a real downsizing of the SPLA but its expansion. By the end of 2011, the SPLA had actually expanded to 194,000 personnel due to the integration of non-SPLA armed groups into the SPLA. According to UN sources in Juba, this number will continue to rise as the remaining non-SPLA militias and warlord armies are brought into the SPLA. This integration is considered a necessary step to move towards DDR proper. Currently a new DDR programme is being institutionalised under a partnership between the newly formed UN Mission South Sudan (UNMISS) and the DDR Commission of the GOSS. It is expected to run for 6-8 years from early 2012.

Indeed, the ground realities turned out to be more challenging for the UN as relations between the GOS and GOSS were often tense and both parties were violating the conditions of the CPA and the Ceasefire Agreement. As already noted, the interim phase was far more violent than one might have expected given the undertakings by both sides during the peace negotiations and the pledges they had given as signatories to the CPA and the Ceasefire Agreement. The GOS was bent on destabilising the south by exploiting inter-communal conflicts and by aiding anti-SPLM/A armed groups. In September 2011, there were at least five militias linked to Khartoum that were active in border areas. In these areas, GOS forces were illegally charging taxes on relief goods transported by humanitarian organisations. More importantly, there were serious issues over wealth sharing and the future of disputed areas such as Abyei, Southern Kordofan and Blue Nile. In an atmosphere charged with outstanding issues, conflicts and mistrust, arms procurements by GOS and GOSS continued on an extended scale as the inevitability of secession became growingly evident with the date of the Referendum approaching. Thus militarisation

¹⁰⁰ Lewis M. (2009) Skirting the Law: Sudan's Post-CPA Arms Flows, Small arms survey, *HSBA Working Paper 18*, Graduate Institute of International and Development Studies, Geneva.

continued to be a principal driver of the war economy in the interim phase and beyond after the Referendum.

Post-CPA military spending by GOS and GOSS

Data available of military spending by the two parties is incomplete as both parties were quite secretive on this matter. Even with the limited data available, it is easy to ascertain that the GOS more than tripled its spending on defence, national security and safety in 2006, the year following the signing of the CPA, as shown in Table 1 below. The actual spending was probably even higher. The GOS was procuring both heavy weapons and small arms. In all probability this trend continued in the following years. GOSS devoted substantial funds to SPLA affairs.¹⁰¹

Oil accounted for 98 per cent of GOSS's revenue. A major part of this was being spent on 'SPLA affairs' and payment of wages for employees in the civil administration. This severely reduced funds available for public spending on humanitarian relief, resettlement, infrastructure, health care and education. In fact health and education received less than 10 per cent of the annual budget. According to a senior OCHA official, the UN and INGOs provided 80-90 per cent of the funds and other resources for social services and household livelihood revival in South Sudan. GOSS has come to be highly dependent on external aid to meet urgent relief and development needs. The fact that GOSS was unable to spend much on relief, resettlement, rehabilitation and development including health, education and so on would mean that they were not able to invest sufficiently in building capacities for peace. On the other hand, the high spending on 'SPLA affairs' would mean that the capacities for war has either been built up or maintained given the impending threat from the North. It could also be interpreted that in such a situation the UN and other external aid agencies could be considered as subsidising the war/capacities for war.

¹⁰¹ Lewis (2009), op.cit.

Table 1: GOS Spending on defence, national security, public order, and safety (USD) 2000-2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total defence, security and safety | 390,990,600 | 414,426,600 | 504,781,000 | 627,327,000 | 640,927,600 | 423,052,000 | 1,549,856,000 |
| Total current expenditure | 1,055,791,800 | 1,240,155,000 | 1,345,431,000 | 1,938,870,000 | 2,743,185,600 | 2,965,830,000 | 3,877,972,000 |
| % of total current expenditure | 37 | 33 | 38 | 32 | 23 | 14 | 40 |

Source: Lewis, 2009, Table A1

The WFP in the Post-CPA phase

After the CPA, WFP also realised that building roads was not only a way to reduce costs of distribution, but also a way of providing peace dividend to the people (Interviews with WFP staff in Juba in August 2010). WFP was successful in getting funds from GOSS - oil revenue and through donors. They were able to build the Juba-Torit Road; earlier it took about 9 hours drive from Juba to Torit and now it takes only 2.5 hours. They were also able to build more feeder roads. This has reduced the food delivery time by WFP and has had the effect of boosting the rural economies by providing better access to the market etc. Discussions revealed that WFP undertakes these operations through implementing partners (IPs) such as INGOs, that is, WFP sub-contracts INGOs (CRS, World Vision, NPA, NCA, Oxfam, NRC, AURT, CODAID, CARITAS, GIZ) and some local NGOs who may contract private companies for the job. For example, the German organisation GIZ (formerly GTZ) is a major implementing partner with WFP in road construction and maintenance. While in some cases supervision and design are done by the WFP engineering section run by engineers. WFP undertakes the contract management, procurement etc. and the roads are built by GIZ.

GIZ has two arms – one doing traditional bilateral development projects funded by the German government, and the other providing commercial and consulting service to whoever can pay,

such as World Bank, EU, UN, governments and so on. According to the discussions we had with GIZ personnel (interviews in August 2011), though they are carrying out commercial operations, they are not supposed to make profit. Therefore, they charge the cost management fees. They charge higher fees than a regular NGO due to the use of high expertise in their projects. Currently GIZ is implementing programmes for UN agencies such as UNDP and WFP in addition to other funding agencies such as EU, Joint Donor Programme and so on. Reintegration of ex-combatants in Juba and Torit under the DDR programme; and Vocational training are their major activities funded by UNDP. The main activity funded by WFP is construction and maintenance of road infrastructure. USAID contracted WFP for this purpose and WFP sub-contracted GIZ to implement the project in February 2004. Following this USAID further increased the funding to enlarge the operations from Eastern Equatoria to northwards. After CPA in 2005, the project came under the GOSS. Then GIZ had to buy all the equipment, vehicles, machinery, earthmovers and so on. Up to August 2011 (when the discussions were conducted) 80 million Euro (100 million USD) were allocated to GIZ for this. They continued with the work and took more and more roads. However, this is now going to be phased out. According to the agreement between WFP and the Government of South Sudan, the machinery is to be handed over to the Government. The question is what will then happen to the machinery? Who will operate it? Not surprisingly, the Government has asked GIZ to stay on as consultants and continue the work. It would seem that the international development and aid agencies including those funded by UN organisations are accommodating and adapting to the new developments and new spaces created in the post-war transition phase. GIZ made a proposal to the government to the effect that they should be solely engaged in maintaining the roads, rather than constructing new roads. This is to avoid competition from private contractors, as in general private contractors engage in bribery and other corrupt practices to win the contract, and GIZ cannot do it that way. The proposal also included capacity building programmes - training of Sudanese people for labour and middle level management skills and later high level management. They are now seeking funding from Japanese government, German government, ODA and so on. Actually, it is the Government of South Sudan that should be seeking the funds, but GIZ is helping them to do that. Currently (at the time of discussions in August 2011) WFP somehow got the mandate to implement feeder roads (funding was from UN and other agencies). GIZ won the

tender for building 120 km road in Rumbeck and the construction is going on now. The contract is for 7.5 million USD. According to the discussions, this feeder road project is going to expand rapidly and GIZ expects to get more projects.

GIZ is active in the water sector as well, building rural water supply schemes. They are about to start a new potable water supply scheme and had given tenders to 4 states, and later to a fifth state as well. They are also engaged in infrastructure programmes for housing for army and civil servants. There is an extreme demand for this.

Use of contractors by GIZ

In the road sector, GIZ does not use contractors. They have their own machinery and equipment and employ Sudanese people. In the water supply arena ‘there is a bunch of Ethiopian contractors – ‘desperados’- who are here to make a quick buck’. There are no local capacities in South Sudan. Once contracts were made with a contractor for 300000 USD for providing machinery, but he delivered merely 1000 USD worth machinery and vanished. It was a UN approved company. Later the company was blacklisted by UN. But the UN as a rule refrains from initiating legal action. This allows the contractors to get away with a onetime windfall as the amounts involved are huge and such companies are not interested in a prolonged business engagement with the UN either. So blacklisting of companies that default and commit fraud does not ensure prevention of such activities. Corruption seems to be a major problem. Discussions revealed that GIZ is losing a lot of government contracts as they cannot engage in bribing. A lot of private companies from abroad engage in bribery, get contracts and siphon a lot of money out of South Sudan. About 10 million USD were lost by the UN in procurement, but no action was taken.

WFP is now trying to gradually scale down their humanitarian operations and increase recovery activities (interview with WFP personnel). During the war time and in the post-CPA period external actors were playing a major role. After the referendum, the South Sudan Government should be taking over, but external actors are still providing the basic resources. If and when the government takes over, the humanitarian and development community plans to move to

transitional development and other activities. It would seem that one way or other, the international aid community is preparing for a long stay in South Sudan. It would also mean that they will be contributing to the continuation of war economies in peace time as well.

Concluding Remarks on the Case of Sudan

This brief review exposes the dilemmas in which the UN and its partner agencies find themselves when they intervene with humanitarian relief and development assistance programmes in a country affected by a protracted civil war. As a concept, OLS looked novel and constructive. However, its operationalization posed a whole range of political, moral, organisational, and logistical challenges, although considerable sections of the victims did benefit from it in terms of immediate relief and livelihood support. The entire programme became linked to Sudan's war economies and the politico-military strategies of the warring parties in direct and indirect ways, and the conduct of the UN and its partners in the field has been strongly criticised by some independent analysts as shown above. Many of the problems encountered by OLS were not unforeseeable. In fact, the UN took a lot of trouble to reach a formal agreement with the GOS, SPLM/A and SSIM/A on certain principles such as neutrality, transparency, accountability and free access to the needy populations on all sides of the war to ensure that the OLS remained an impartial programme of humanitarian assistance.

However, the UN found itself compromising these principles throughout the OLS phase. This raises some fundamental questions about the premises of UN's humanitarian interventions in war-torn societies. These questions concern a) the legitimacy and credibility of the Sudanese state given its extremely poor track record on human rights of its citizens and the policies of successive governments in dealing with the conflict in the South (and other parts of the country), and b) the untenability of UN's position of neutrality in an intra-state conflict which resumed and turned into a protracted civil war due to the failure of the government to honour a previous peace accord. The Sudanese state was practising a policy of Arabisation and Islamisation in the South and subjecting the region's people to an oppressive rule for many years. It had lost its legitimacy among its disenfranchised Southern citizens who were lending their support to SPLM/A and

other anti-state movements. Having dishonoured the Addis Ababa peace agreement, the GOS was prosecuting the second war in the South with impunity. It would seem naïve to expect such a state and the ruling party to respect the 'agreed' principles. The GOS invoked state sovereignty and legalised its claim that all external assistance entering the country belonged to the government. With this move the GOS gained the upper hand over the UN and was able to disregard the agreed principles and manipulate OLS and UNDP to serve its politico-military strategy. For its part, the UN was treating the GOS as a government of a sovereign state in accordance with its policy. At the same time, the temporary transfer of sovereignty to the UN to enable OLS to deliver assistance to people in the non-government controlled areas, created an opportunity for OLS to partner with the SPLM/A (or perhaps the other way around). This helped the SPLM/A in some way in its struggle against the Sudanese state until the signing of the CPA. Thus the UN, perhaps unwillingly or unwittingly, had made its own contribution to the final demise of GOS's claim to sovereignty over the areas controlled by the SPLM/A. The UN's role was ridden with contradictions and inconsistencies. In these circumstances, the UN's attempt to present itself as a neutral multilateral actor does not make sense.

It would also seem that the inevitable links of UN's humanitarian and development interventions to the war economy represented the other side of UN's efforts to facilitate peace in Sudan. However, there seem to be a conceptual disconnect between the two. 'Humanitarian emergency' in a war-torn society is defined rather apolitically by avoiding the political causes of the war. This is the approach of the UN and humanitarian organisations. This apolitical approach, while appearing to be neutral, served the interests of the GOS, as shown by analysts such as Duffield. In fact, at the UN, the GOS often presented the disastrous conditions in the country as a complex emergency due to multiple problems connected to drought, environmental degradation and insecurity. It had received UN support for 'solutions' based on such a portrayal of human suffering (Duffield, 2005). The role of the UNDP in feeding the war economy in Sudan needs to be studied.

In South Sudan, the war economy continues, and the country is on a war footing. Abyei remains a flashpoint. There are internal displacements due to inter-communal clashes. The GOSS has

very little resources left for humanitarian relief and development. It is dependent on the UN, IFIs and bilateral donors to meet these needs. The SPLA is likely to expand beyond 200,000 as the remaining militias and warlord armies are incorporated. This means that the expenditure on the SPLA and defence will also increase. The new DDR programme under a UNMISS-GOSS partnership with a time frame of 6-8 years is expected to begin in 2012. The programme has a target of demobilising 80,000 from the SPLA and 70,000 from the other groups absorbed into the SPLA – i.e. a total of 150,000 to become ex-combatants. This is perhaps the biggest DDR programme in the world. Its details have yet to be worked out and a major part of the funding is expected to come from donors. It is too early to comment on its feasibility.

The UN agencies are too reluctant to provide information on contracts and the conduct of contractors. There is a lack of transparency on this aspect. The UN has not been able to take punitive action on contractors who had failed to deliver or violated the contract and the UN's procedural norms.

War economies breed corruption and the war economies of Sudan and South Sudan are no exceptions. The GOSS's failure to put in place functioning structures to deal with corruption seems to have given corporate actors and some members of the country's political and military elite a freehand to engage in corrupt practices.

CONCLUSION

Stig Jarle Hansen

More than anything else this Working Paper highlights the fact that the United Nations is an actor in war economies. The critique is a bit unfair as there are large variations between the various United Nations agencies and the various countries. However, there are common denominators. Despite its size and its position amongst donors the organisation does not escape the consequences of slow and inflexible structures, of temporary positions and a tendency to isolate itself from the society it works with. The United Nations procurement routines have also created a class of businessmen specialized in manipulating the organisation; this would have been a challenge for all organisations. There are several dilemmas faced by United Nations organisations, including a tendency to remote control or bunker where other smaller organisations control directly.

There are important lessons to be learned. Firstly, Yemen is a good example: the flexibility and transparency of the United Nations organisations in that country, maybe because of a smaller size, seem to be larger than the other cases, in this sense it illustrates what is possible to achieve even in a challenging setting, as well as the point that there are differences even within the United Nations system. The general weakness of lack of transparency was heavily felt in the cases of Sudan and Somalia and seriously hinders checks and balance mechanisms to work.

These problems should have consequences. The United Nations is often automatically put in the lead for several aid coordination mechanisms as, for example, so called 'clusters', but this should not be automatic. The mandate of humanitarian and development efforts is to secure the most efficient delivery of aid and development. If the United Nations does not seem to be efficient, then another organisation should take charge. This will also provide incentives for the United Nations to improve its operations, and to learn from peer organisations.

The team writing this report believes that the various United Nations organisations have an important role to play and see a clear and bright future for them. However, it becomes important

to learn from mistakes, to understand that the communication between field officers and headquarters has to be better, to understand that permanent positions could be good to develop experience, to understand that diaspora is a good tool if properly vetted, to understand that one needs to have a broad dialogue with the society that includes the press and tribal leaders. This would help to understand what is going on. An ongoing process gathering information following these principles is the only way to update black lists of entrepreneurs hired by the United Nations that promote war or are involved in illicit trade. The United Nations also has a big job to do on the trade-off between security benefits for employees, security level, and the hang to remote control/bunkering; in some cases, as in Somaliland, the UN simply overrated local security threats, according to UN sources, because of the benefits for the employees.

Last but not least, the United Nations needs a transparency level that can be compared with a normal state; arrogance when dealing with the media or other non-donors, is not of much help. Sub-contractors and contractor lists should in general be open to the public, and a wide dialogue should be explored, also with the benefactors of the various programs.

APPENDIX 1: UNMIS

Maximum deployment (31 January 2011)

10,519 total uniformed personnel, including 9,304 troops

513 military observers

702 police officers

966 international civilian personnel

2,837 local civilian staff

Expenditures: (Thousands of US dollars)

1 July 2004 to 30 June 2005: \$218,866

1 July 2005 to 30 June 2006: \$801,124

1 July 2006 to 30 June 2007: \$990,276

1 July 2007 to 30 June 2008: \$820,460

1 July 2008 to 30 June 2009: \$860,488

1 July 2009 to 30 June 2010: \$932,452

1 July 2010 to 30 June 2011: \$998,776

1 July 2011 to 30 June 2012: \$137,532 (estimated)

Total: \$5.76 billion (estimated)

Source: <http://www.un.org/en/peacekeeping/missions/unmis/facts.shtml477> United Nations Volunteers