

HPG Research Briefing

Beyond the continuum

An overview of the changing role of aid policy in protracted crises

Researched, written and published by the Humanitarian Policy Group at ODI

Joanna Macrae and Adele Harmer HPG Research Fellows

Development and political actors are expanding their capacity to mobilise, coordinate and disburse resources, as well as set the policy framework for interventions in protracted crises. Humanitarian actors can ill-afford to ignore these major changes. In particular, they need to communicate clearly and fully the distinctiveness of their modus operandi and experience in these environments, and work with development actors to explore common ground.

There has been a significant shift in the 'linking relief and development' debate over the past decade. No longer cast only or primarily in terms of managerially linking aid instrumentation, policy approaches have begun to explore areas of shared responsibility in protracted crises. These changes have been driven by a number of new factors, including an increased focus on linking aid and security and corresponding pressures to improve development outcomes.

The expansion of interest by the development community in these environments presents both opportunities and challenges for humanitarian action. On the one hand, greater attention and resources may go to supporting the basic welfare needs of populations living in difficult environments, who have historically not received a proportionate level of

aid. On the other hand, as the aid landscape in crisis countries becomes increasingly crowded, it may be difficult (particularly for belligerents) to distinguish between the different forms of aid and security being offered by the international community.

At a minimum, this implies that humanitarian actors will have to become much more active in communicating the rationale for engagement across the relief-development divide. Given that many agencies are multi-mandated, reaching a common position within and between organisations responding to crises will be crucial. In this dialogue, it will be particularly important to develop a shared understanding of protection, and the roles and responsibilities of international aid actors under international humanitarian law.

About HPG

The Humanitarian Policy Group at the Overseas Development Institute is dedicated to improving humanitarian policy and practice. It conducts independent research, provides specialist advice and promotes informed debate.



Britain's leading independent
think-tank on international development
and humanitarian issues

Overseas Development Institute
111 Westminster Bridge Road
London SE1 7JD
United Kingdom

Tel. +44 (0) 20 7922 0300
Fax. +44 (0) 20 7922 0399

E-mail: hpg@odi.org.uk
Websites: www.odi.org.uk/hpg
and www.odihp.org

Linking relief and development: the ‘first generation’ of debate

During the 1990s, aid actors examined the ways in which relief and development assistance could be better linked. While framed initially around aid programming in response to natural disasters, these ideas were steadily adapted to the demands of conflict-related crises. This shift assumed that aid (particularly development aid) could be used to *prevent* conflict, by addressing grievances and reducing economic instability. It was also premised on the notion that conflict-related crises were essentially transitory: short interruptions to an otherwise progressive, state-led process of development.

Many of the challenges around what came to be called the ‘relief–development continuum’ were seen as primarily managerial. There was a concern to ensure that the instruments of international engagement avoided creating dependency, and contributed to revitalising people’s livelihoods: in other words, how relief might be more developmental and sustainable. Much of this work was driven by multi-mandated UN agencies and NGOs. Other development aid actors were largely absent from conflict-affected environments.

Despite some advances, including new approaches to participation and capacity-building, there was little substantive progress, either in programming or in policy. There were four key reasons why:

- The debate was driven largely by humanitarian policy actors, who remained relatively marginal on the international aid stage, both in the volume of their spending and in their capacity to shape mainstream aid discourse.
- The debate was constrained by the bifurcated architecture of the aid system – between development and humanitarian responsibilities – and there was little appetite for radical organisational change.
- The debate did not keep pace with changes in the levels and types of vulnerability in protracted crises.
- The distinction between relief and development aid was not managerial, but political. Relief aid was deployed in many protracted crises because donor governments wished to avoid engaging with states that were perceived to be repressive or undemocratic.

The emergence of ‘second generation’ thinking on aid in protracted crises

From the late 1990s, a number of new factors emerged to shape aid in situations of protracted crisis, and to inform innovations in the design of policy and programmes. These included:

- A changing focus from linking relief and development to linking aid and security.
- A concern among development aid actors to re-engage in countries potentially excluded from aid.

- A steady internationalisation of responsibility for human security and welfare, if necessary conducted outside the framework of the recipient state.
- A growing convergence between the conceptual frameworks of development and humanitarian aid.

Linking relief, development ... and security

The events of 9/11 reinforced the links between aid and security policy. Policy statements by the European Union (EU); increased pressure on the World Bank to provide assistance in ‘failed states’; the US National Security Strategy of 2002; and USAID’s White Paper on US foreign aid all highlight that aid is now expected to contribute to counter-terrorism and security. In addition, the OECD Development Assistance Committee (DAC) has signalled changes in the definition of Official Development Assistance (ODA), expanding its range of activities into the security domain.¹

While the language of counter-terrorism is largely new, many of the precepts on which such engagement is premised draw squarely on first generation thinking regarding the links between aid and conflict. This continuity of approach enables the ‘war on terror’ to be framed within a wider agenda of human security. This discourse has three core elements: a concern with the security of people, rather than states; an international and multi-disciplinary response; and a conditional, rather than absolute, respect for sovereignty.²

The human security discourse has increasingly become a driver for aid policy, alongside a requirement for more coherent governmental responses. This has led to shifts in approach, and to specific organisational change. In Canada, there has been an attempt to bring together diplomacy, defence and development policy. In the Netherlands, a Stability Fund promotes an integrated policy-driven approach to situations emerging from, or at risk of sliding into, armed conflict. In the UK, Conflict Prevention Pools have sought to develop common strategies across government in relation to key conflicts, drawing on shared funds and a diverse range of instruments. In the US, in a radical departure from earlier approaches, the Office of Food for Peace has determined that a distinction between development and emergency food assistance in fragile, failing and failed states will no longer be observed. Organisationally at least, many donor governments have recognised that poverty reduction alone will not deliver conflict reduction, and that there is a need for the more systematic linkage of investment in ‘soft’ and ‘hard’ security approaches.

¹ OECD DAC, ‘Aid Ministers Note: Rise in Aid Volume and Push for Aid Reform and New Approach to Security-Development Linkages’, www.oecd.org, 2004.

² Mark Duffield, *Human Security: Reinstating the State* (Lancaster: University of Lancaster Department of Politics and International Relations, 2004).

Aiding ‘poorly performing’ countries

In addition to the explicit shift towards linking aid and security, pressure has also increased on mainstream development actors to engage more and earlier in countries that are ‘performing poorly’. This pressure stems partly from security concerns, and partly from the establishment of the Millennium Development Goals (MDGs). While the World Bank has exerted perhaps the strongest and earliest leadership in this area, other major development aid actors including the OECD DAC have also demonstrated a growing interest in how to operate more effectively in ‘poorly performing’ countries.

In contrast to traditional relief modalities, the instruments being designed by developmental actors to engage in ‘poorly performing’ countries seek to provide more than a palliative: they are concerned with promoting political transformation. What is at issue is how to sustain engagement in difficult environments, possibly over long periods. The *durability* of disorder and crisis is acknowledged, as is the high risk associated with aid engagement. There is also increasing recognition that, for development aid actors, the problem of ‘poorly performing’ countries is largely one of state formation and functioning. This is problematic for much of the development aid community, which relies upon the presence of a legitimate and functioning state and institutions of government.

Development beyond the state

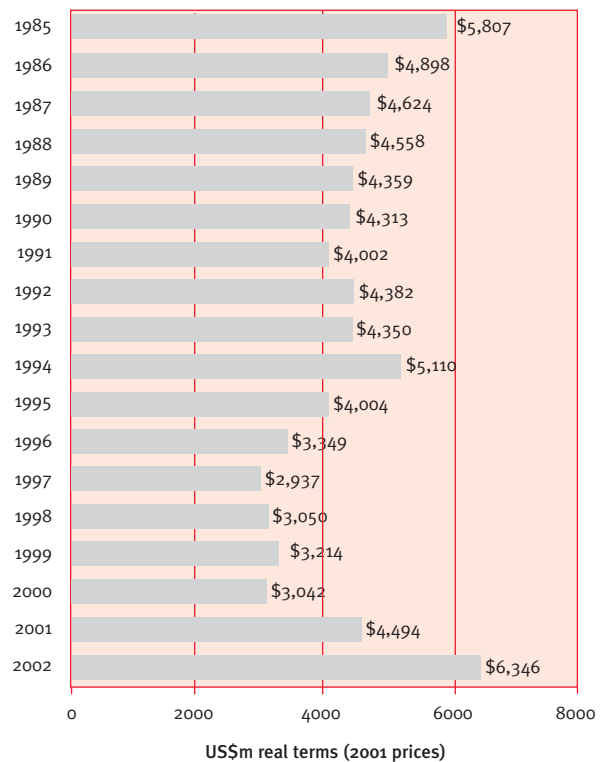
International development and financial actors have increased their capacity to normalise assistance in crisis-affected territories and countries. New mechanisms have been identified to enable lending to resume quickly to states that are in arrears. Trust funds have emerged in various forms, and non-state actors are increasingly being used to disburse funds where the state is considered an unsuitable partner.

This is an important and positive step forward in terms of aid engagement. But it also raises a critical set of questions, many of them familiar to the humanitarian community. How should development actors position themselves in relation to governments that are engaged in major hostilities, or that stand accused of major violations of human rights? How should aid actors manage the tensions between being both partners and critics of governments? On what basis, according to what principles and under whose authority, are decisions made about the prioritisation of need and the allocation of resources? To whom are international decision-makers accountable?

Trends in development aid spending in protracted crises

Measuring the levels and types of spending in protracted crises is a difficult, but important, business. Defining such contexts is not straightforward, and there are

Figure 1: Total ODA to selected countries in protracted crisis, 1985–2002



Source: OECD DAC Statistics, Table 2a.

inconsistencies between donors and within donor administrations over whether official aid is counted as emergency or development assistance.

The evidence suggests that the shifts in the policy environment described above are resulting in increased spending and activity by development aid actors in countries undergoing protracted crisis. This research looked at a group of 16 countries experiencing protracted crises in Africa, Asia, the Caucasus and Latin America and the Caribbean. In 2002, these 16 countries received \$6.3bn of ODA, the highest level they had ever received (see Figure 1).

In late 2003, the World Bank had over 80 projects totalling \$5.5bn in 13 conflict-affected countries. This is nearly equivalent to the entire official humanitarian aid budget for 2001 (\$6bn). The EU has disbursed high levels of development funds over the past decade in countries such as Afghanistan, Angola and Somalia. The commitments made at the Financing for Development conference in Monterrey, Mexico, in 2002, together with programmes such as the Global Fund for AIDS, TB and Malaria, mean that global development aid budgets could grow significantly in those countries that are the primary concern of the humanitarian community. Optimism concerning potential increases in spending to countries in protracted crisis should be tempered by the caveat that selectivity will persist, and strategic interest will remain a core priority.

Key findings of the research

While acknowledging that there is little formally articulated policy, let alone consistently implemented approaches, it is possible to identify some important implications arising out of global trends in international aid in these new environments.

- Countries around the world are experiencing very diverse forms of protracted crisis and aid responses differ significantly between countries and over time. The emergence of debates regarding aid to ‘poorly performing’ countries has the potential to influence how aid resources are managed in these situations. However, these debates remain at an early stage.
- There is scope for much greater understanding across the humanitarian and development communities regarding the determinants and dynamics of crisis, and how these impact on populations and societies. Incentives and the appropriate skills for developmental staff working in these difficult environments remain poor. Reviewing the incentives, career structure and skills mix would appear to be a common priority for both the relief and the development community.
- The trend towards deeper engagement by the development community in situations of protracted crisis is likely to continue. In situations other than those where there is a process of ‘post’-conflict transition, the predominant form of aid is likely to remain grants, rather than loans; issues of public debt will remain difficult to manage and aid will remain highly projectised, rather than programmatic, in form. In other words, aid engagement will remain ‘relief-like’. However, there is the potential for new actors, in particular the World Bank, to play an increasingly assertive role in the coordination of this aid, and in effect to serve a quasi-sovereign role in ‘governing’ resource mobilisation and disbursement and prioritising service delivery for welfare provision.
- While the utilisation of non-state actors has enabled significant increases in the capacity of the international community to disburse funds quickly, major questions remain regarding how and whether these mechanisms will link to efforts to re-establish state capacity for the financing and management of public services. Despite the increasing prevalence of weak state capacity and legitimacy, there remains significant resistance to addressing these problems strategically and systematically.
- There is considerable variation in what is feasible. The parameters of aid engagement are influenced by a range of bureaucratic and procedural issues, as well as by ‘higher’ politics. How humanitarian actors seek to engage with their developmental colleagues in responding to the securitisation of aid, and in providing aid in high-risk environments, will be important.

Old questions, new answers?

While the development community is demonstrating its concern to engage in situations of protracted crisis, and is seeking ways to better dovetail its efforts with those of the humanitarian community, humanitarians are often seeking to distinguish themselves from at least some aspects of the developmental enterprise. The EU’s Constitution has distinct chapters on its development and humanitarian assistance, with the latter reaffirming a commitment to principles of impartiality and neutrality. The Good Humanitarian Donorship initiative established at Stockholm in 2003 also recognises the distinctive purposes, principles and operating conditions of humanitarian aid.

What remains weakly debated and understood is the extent to which the objectives, principles and standards of humanitarian action are *necessarily* distinct from those of development, and if so whether there should be an equivalent set of guiding principles for development work in protracted crises. There are signs of a convergence around the concepts of social protection and welfare safety nets, as well as livelihoods frameworks in protracted crises. There is no reason why, in this area, many of the objectives and principles of humanitarian action might not apply equally to development aid, even if other areas of potential convergence, for instance around institutional

development, capacity-building and ownership, remain controversial.

Economic growth and poverty eradication remain at the centre of the development agenda. These goals are not central to humanitarian action. Nonetheless, there is considerable scope for exploring common ground between the two traditions. In doing this, both will need to decide how they position themselves politically in relation to national and international actors, and to what degree they are concerned with protecting and assisting individuals, as opposed to states. Despite the proliferation of documentation and policy reviews over the past decade, relatively little work has been done in this area.

This HPG Research Briefing is drawn from Adele Harmer and Joanna Macrae (eds), *Beyond the Continuum: The Changing Role of Aid Policy in Protracted Crises*, HPG Report 18 (London: ODI, 2004).

The full report and a background paper are available from the ODI website at www.odi.org.uk/hpg/trendso3-04.html.

© Overseas Development Institute, July 2004.

Download this paper at www.odi.org.uk/hpg/papers/hpgbrief16.pdf