



STRATEGIC SECURITY ANALYSIS

The Economic Dimension of Peacebuilding: The UN Peacebuilding Commission in Search of Its Identity

by Tarcisio Gazzini

1 Introduction

On 4 February 2016 the United Nations (UN) Peacebuilding Commission (PBC) published its ninth annual report.¹ In spite of the pompous reference to "peacebuilding architecture", the 19-page document seems to lack vision and hardly provides any fresh insights into the understanding and implementation of peacebuilding. Instead it focuses on thematic issues (most prominently peacebuilding and the Ebola outbreak, as well as the gender dimension of peacebuilding) and specific countries, namely Sierra Leone, Burundi, the Central African Republic, Guinea, Liberia and Guinea-Bissau (the countries currently on the PBC's agenda), as well as Burkina Faso, Papua New Guinea and Somalia.

1 PBC (Peacebuilding Commission), Report of the Peacebuilding Commission

on Its Ninth Session, A/70/714-S/2016/115

of 4 February 2016.

It is worth recalling that the PBC is an inter-governmental advisory body established in 2005 as a subsidiary organ of the General Assembly and Security Council.² It is assisted and supported by the Peacebuilding Support Office, which provides strategic advice and policy guidance, and also administers the Peacebuilding Fund.³

KEY POINTS

- The United Nations (UN) Advisory Group of Experts considers the progress made by the Peacebuilding Commission established by the UN in 2005 to be unsatisfactory.
- The UN requires a fresh look at the economic dimension of the peacebuilding process in order to reconsider the conceptual framework of the Peacebuilding Commission.
- It seems appropriate to move away from the essentially intergovernmental perspective that has thus far distinguished the activities of the Peacebuilding Commission, in favour of broader participation by all stakeholders and the full involvement of the private sector.
- While the importance of donor economic assistance cannot be overestimated, especially in the short term, the peacebuilding process must have a broader vision and ensure the sustainable, long-term economic development of affected countries.

It also sketches the role of regional actors in peacebuilding. The contents of the report are particularly meagre with regard to the economic dimension of peacebuilding – an issue that deserves a bolder approach.

² Security Council Resolution 1645 (2005) of 30 December 2005, and General Assembly Resolution 60/180 (2005) of 30 December 2005.

See in particular G. Nesi, "The UN 3 Peacebuilding Commission", Italian Year Book of International Law, Vol.15, 2005, p.43; D. Salomons, "On the Far Side of Conflict: The UN Peacebuilding Commission as Optical Illusion", in P.G. Danchin and H. Fischer (eds), UN Reform and the New *Collective Security*, Cambridge, CUP, 2010, p.195; F. Baetens, "Facilitating Post-conflict Reconstruction: Is the UN Peacebuilding Commission Successfully Filling an Institutional Gap or Marking a Missed Opportunity?", in C. Stahn, J.S. Easterday and J. Iverson (eds), Jus Post Bellum: Mapping the Normative Foundations, Oxford, OUP, 2014, p.346; V. Chetail and O. Jütersonke (eds), Peacebuilding, London, Routledge, 2015, 4 vols. See also Geneva Peacebuilding Platform, White Paper on Peacebuilding, Geneva, 2015, http://www. gpplatform.ch/white-papers/whitepapers

The PBC's mandate is threefold and comprises

- bringing together all relevant actors to marshal resources and advise on and propose integrated strategies for post-conflict peacebuilding and recovery;
- focusing attention on the reconstruction and institution-building efforts necessary for post-conflict recovery and supporting the development of integrated strategies in order to lay the foundation for sustainable development; and
- 3. providing recommendations and information to improve the coordination of all relevant actors within and outside the UN, to develop best practices, to help to ensure predictable financing for early recovery activities and to extend the period of attention given by the international community to post-conflict recovery.⁴

The creation of the PBC back in 2005 was trigged inter alia by a report by the Secretary-General to the General Assembly that acknowledged the presence of "a gaping hole in the United Nations institutional machinery", since "no part of the United Nations system [was addressing] effectively the challenge of helping countries with the transition from war to lasting peace".⁵ Ten years later a panel of experts found that

the shortcomings in efforts to fill the gaping hole in the Organization's institutional machinery for building peace are systemic in nature. They result from a generalized misunderstanding of the nature of peacebuilding and, even more, from the fragmentation of the United Nations into separate silos.⁶ This rather frustrating conclusion calls for a close look at the PBC, its mandate and role, as well as a reflection on the economic dimension of peace-building.⁷

2 A converging definition and shared approach

There is a variety of largely converging definitions of peacebuilding. One of the most accurate of them was prepared in 2007 by the Secretary-General's Policy Committee and refers to a

range of measures targeted to reduce the risk of lapsing or relapsing into conflict by strengthening national capacities at all levels for conflict management, and to lay the foundation for sustainable peace and development. Peacebuilding strategies must be coherent and tailored to the specific needs of the country concerned, based on national ownership, and should comprise a carefully prioritized, sequenced, and relatively narrow set of activities aimed at achieving the above objectives.⁸

The same features were captured by the African Union, although under the substantially equivalent label of "Post Conflict Reconstruction and Development", which was described as a

comprehensive set of measures that seek to: address the needs of countries emerging from conflict, including the needs of affected populations; prevent escalation of disputes; avoid relapse into violence; address the root causes of conflict; and consolidate sustainable peace.⁹

⁴ The mandate was slightly revised by para. 4(b) of both Security Council Resolution 2282 (2016) of 19 January 2016 and General Assembly Resolution 70/262 of 12 May 2016.

⁵ UN Secretary-General, *In Larger Freedom: Towards Development, Security and Human Rights for All*, Addendum Peacebuilding Commission, A/59/2005/Add.2 of 23 May 2005, p.2.

⁶ UNGA and UNSC (UN General Assembly and UN Security Council), *Challenge of Sustaining Peace*, Report of the Advisory Group of Experts on the Review of the Peacebuilding Architecture, A/69/968–S/2015/490 of 30 June 2015, p.3.

⁷ As pointed out by A. Wennmann, *Business and the UN Peace and Security Agenda Report on a Consultation for the High-Level Thematic Debate on UN, Peace and Security*, Geneva Peacebuilding Platform Brief No. 10, Geneva, 2016, p.1: "In times when chronic instability and concurrent crises have become the 'new normal' for many investment environments, it is important to take the relationship between the UN and business to another level. This means going beyond relationships around norms, compliance, social license or funding toward operational partnerships to find solutions for peace and security challenges in specific settings."

⁸ UN Peacebuilding Support Office, "Peacebuilding & the United Nations," http://www.un.org/en/peacebuilding/pbso/pbun.shtml

⁹ AU (African Union), Policy on Post Conflict Reconstruction

Two fundamental points appear to be definitively established by these definitions. On the one hand, both definitions reflect the holistic and multifaceted nature of the current notion of peacebuilding. Peacebuilding aims not only to prevent the outbreak or resumption of hostilities, but also to create the conditions for the political, social and economic sustainable development of the country concerned. A broad range of activities may thus be undertaken to promote and protect the private and public interests of the various stakeholders.¹⁰ On the other hand, the peculiarities and specific needs of each conflict-related situation require a great deal of flexibility with regard to the selection and implementation of peacebuilding activities. It is indeed generally recognised that peacebuilding in general provides the overall framework, but its implementation requires a case-by-case approach that takes into account all relevant circumstances.

Yet the call has been made for both a redefinition of peacebuilding and a reconfiguration of its conceptual framework, if necessary through "legislation" by the General Assembly and the Security Council that sets norms and standards with regard to, respectively, "national and international activities in sustaining peace" and "the engagement in peacebuilding by peace operations".¹¹ However, such a process of norms/standards setting appears to be both problematic and unnecessary. On the one hand, it is not clear how the adoption of such norms could fall within the competences of the Security Council and even less of the General Assembly. On the other hand, what is needed is the translation of the existing objectives of peacebuilding into concrete actions. Since there is no shortage of resolutions and other kinds of official documents on peacebuilding, the adoption of new ones should not be lightly encouraged; the challenges lie elsewhere. They concern in particular the creation of a real partnership between the main actors involved in the peacebuilding process and the efficient coordination of their contributions in order to promote long-term political, social and economic development.

3 A broad and real partnership

Understandably and for several reasons, the UN has taken – and should maintain – the lead in peacebuilding, which fits squarely within the competence of the Security Council: part of its primary responsibility is to maintain and restore peace and security. It also falls within the general competence of the General Assembly, especially with regard to the aspects of peacebuilding related to economic development. Within the UN, in addition to the principal political organs (including the Secretary-General), several agencies and bodies, including the UN Development Programme, the UN Environment Programme, and certainly the UN Conference on Trade and Development (UNCTAD), have a crucial role to play in peacebuilding.

Most documents on peacebuilding recognise the importance of a broad partnership between the UN, financial international institutions, regional organisations, states and the private sector.¹² In practice, however, these institutions and organisations seem to be treated as junior partners and their role relegated to complementing the UN's work. Moreover, the focus of the entire exercise remains essentially at the inter-governmental level, with little room for the participation of the business community, not to mention the non-governmental organisation (NGO) community.

This paper argues that the perspective should be broader than that of the UN system and that a more constructive dialogue should be encouraged

and Development (PCRD), Banjul, 2006, http://www.peaceau.org/ uploads/pcrd-policy-framwowork-eng.pdf

¹⁰ See, for instance, Security Council Resolution 2282, preamble.

¹¹ UNGA and UNSC, *Challenge of Sustaining Peace*, section on "Redefining peacebuilding and implementation of the recommendations", paras. 186-91.

¹² See, for instance, Security Council Resolution 2282, para. 18.

among all actors involved. On the one hand, the World Bank Group, the International Monetary Fund (IMF), the Organisation for Economic Cooperation and Development (OECD), and the various regional financial institutions – such as the African Development Bank – can legitimately claim full participation in the peacebuilding effort. The expertise they have gained and the instruments they have developed could have a great impact on the economic dimension of peacebuilding. In this regard, the critical and complementary roles of the UN and World Bank in an integrated political, security and development framework have been recognised in several documents.¹³

On the other hand, the understanding and implementation of peacebuilding can be greatly enhanced by the active participation of the private sector in terms of the definition of objectives and priorities, both in general terms and with regard to specific sectors or crises, as well as to the selection of the instruments and means to be employed. It is rather surprising that, in spite of the systematic reference to the importance of the private sector's contribution to the peacebuilding process, no mention to it is made in the most recent document on good practices.¹⁴

From this perspective, the PBC needs to be representative of the various actors involved and should offer them a forum for discussing and reconciling their different interests with the dual common objective of securing an effective response to the immediate needs of the countries concerned and building conditions for long-term economic recovery and sustainable development. The idea of such a mixed commission or body is not original. Already in 2001 a proposal was made to create a "Peace Transitions Council" of 20 representatives with the equal participation of the UN, the World Bank, the NGO community and the international business community.¹⁵ Without discussing the composition of the proposed commission or accepting the suggested equal representation of the various stakeholders, the argument for such broader participation is convincing. It may be further noted that the involvement in the activities of the commission of representatives from donor states or organisations is also to be encouraged, as is the consultation, when appropriate, of relevant organisations and agencies on specific guestions (for instance, the World Health Organisation in the case of peacebuilding in areas affected by pandemic diseases).

The crux of the matter remains the need to coordinate the actions, competences, and resources of all these actors with a view to maximising their synergies and ultimately enhancing the overall results. Consider, for example, the repair and development of infrastructure in a post-conflict scenario. The various projects could be financed by a variety of actors, including the World Bank, donor states or organisations, private investors and public-private partnerships. These projects may also benefit from other types of activities that may occur in peacebuilding contexts, such as projects for the enhancement of the rule of law or the reform of public administration. Finally, infrastructure projects may be vehicles for capacity building and the transfer of technology. All the above implies an integrated and coherent approach in which the interests and roles of all relevant players and stakeholders are carefully balanced and efficiently coordinated.

¹³ See, in particular, UN and World Bank, "Partnership Framework for Crisis and Post-Crisis Situations", 24 October 2008, and the related guiding principles, http://siteresources.worldbank. org/EXTLICUS/Resources/UN-WBFramework.pdf

¹⁴ PBC, "Informal Experts-level Meeting on Good Practices in Peacebuilding", 7 October 2016, http:// www.un.org/es/peacebuilding/pdf/oc/mainfindings-pbcmeetingongoodpractices7oct2016.pdf

¹⁵ A. Gerson, "Peace Building: The Private Sector's Role", *American Journal of International Law*, Vol.95(1), 2001, pp.1, 113 ff.

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The importance of the economic dimension of peacebuilding is undisputed. In this regard, it has been pointed out that

Economic revitalization is an essential part of peacebuilding. It can provide crucial peace dividends in the immediate aftermath of conflict and it is a necessary foundation for longer-term development. Without it, post-conflict countries will struggle to build lasting peace and will remain at risk of relapsing into conflict.¹⁶

Although the term "revitalization" may often be an under-statement in post-conflict situations, this statement correctly emphasises the intimate relationship between the short- and long-term economic perspectives on peacebuilding.

But the PBC has privileged the short-term perspective and focused on aid and institutional funding. In this regard, the assistance and advice of business experts could certainly be beneficial. In a long-term perspective, however, a more comprehensive and structured approach is indispensable, since "Over the long term, only the private sector is capable of growing new enterprises, opening investment opportunities, and providing employment and enduring economic security".¹⁷

The real challenge of peacebuilding from an economic perspective is thus to create an environment that is favourable for profitable and responsible private business and sustainable development. In this regard, five points seem to be of great significance. First, far from being sealed compartments, the political, social and economic activities associated with peacebuilding are closely related and – at least potentially – mutually supportive. An obvious example is the economic opportunities for both domestic and foreign investors in the security or public utilities sectors. Another example is projects to reform the judiciary or upgrade public administration facilities and procedures, which are typically supported by the World Bank and may have an important positive impact on the business environment. A third example relates to the economic projects that directly or indirectly contribute to disarmament, demobilisation and reintegration, including education and training programmes.

Second, in post-conflict situations – especially in developing countries - opening the country to foreign investment may be indispensable to developing and carrying out projects in key sectors of the economy, such as infrastructure, natural resources, telecommunications, public utilities and education. This often requires the negotiation of contracts, the adoption of domestic economic policies and legislation, and the conclusion of international agreements. Whatever the instrument(s) chosen, a delicate balance has to be struck between the various private and public interests involved. Concerned states must be aware not only of the potential boosting effect of foreign investments on the domestic economy and ultimately the creation of a stable and peaceful environment, but also of the related challenges and risks.¹⁸ In this respect, a body such as the PBC – preferably in collaboration with UNCTAD - may be expected to provide crucial support in the elaboration of sound economic investment policy and its translation into legal instruments, including public-private partnership, which may be particularly important for technology transfer and capacity building.

¹⁶ PBC Working Group on Lessons Learned, "Economic Revitalization in Peacebuilding and the Development of Service Based Infrastructure", Background Paper, 22 November 2010. See also UNECE (UN Economic Commission for Europe), "Putting Economic Governance at the Heart of Peacebuilding", Geneva, 2008, https://www.unece.org/fileadmin/DAM/publications/oes/ Putting.Economic.Governance.Heart.Peacebuilding.pdf; USIP (United States Institute for Peace), "Economics and Peacebuilding", Insights Newsletter, Spring 2015, http://www.usip.org/ publications/2015/08/28/summer-2015-insights-newsletter

¹⁷ Gerson, "Peace Building", p.103.

¹⁸ In general, see "Symposium on *Jus Post Bellum* and Foreign Investment", *Journal of World Investment & Trade*, Vol.16, 2015, p.583.

Third, participation in international trade – either or both within the World Trade Organization (WTO) and through economic integration arrangements – is one of the most effective engines of development. An agreement for WTO accession or any other trade agreements should contain appropriate – and possibly temporary – provisions on the specific needs of the post-conflict country, a social and economic impact assessment, and technical assistance for both the enjoyment of the related rights and compliance with the related obligations.

Fourth, peacebuilding must respect the sovereignty of the states concerned and be based on the concept of ownership, according to which economic decisions are taken by the local government and cannot be imposed from outside.¹⁹ It is also essential to develop a culture of social corporate responsibility and to safeguard the regulatory space of the states concerned, especially in investment agreements that provide for international arbitration.

Needless to say, the lack of an independent and effective government (or the existence of competing ones) makes the entire exercise particularly arduous. What must be avoided, however, is the imposition from outside of legislation to reform the economic system, including obviously in the case of occupation, as occurred with the infamous – including from the standpoint of international humanitarian law – economic liberalisation order introduced in Iraq in 2003 by the Coalition Provisional Authority.²⁰

Fifth, a solid and lasting peacebuilding process needs high levels of transparency and effective instruments for public scrutiny, participation and consultation, especially in terms of projects concerning public utilities or the exploitation of natural resources, not to mention those affecting indigenous peoples or requiring the displacement of people. Access to the relevant documents during all phases of the projects or the negotiation of the relevant contracts or agreements also contributes to the legitimacy of the entire process.

5 Rethinking the Peacebuilding Commission

Strictly speaking, the existing conceptual framework for peacebuilding is sufficiently defined and generally accepted. From the standpoint of sustainable development, effective peacebuilding is necessarily based on the fundamental assumptions sketched above, namely, the need for a holistic approach, a case-by-case methodology that takes into account the specificities of each crisis, and a true partnership between all actors involved under UN leadership. The current PBC mandate seems to reflect these assumptions with sufficient clarity, especially when it refers to "integrated strategies" for both post-conflict recovery and the laying of the foundation for sustainable development.

If we take into account the variety of actors involved, as well as the variety and complexity of the activities they carried out in the peacebuilding context, the key challenge appears to be ensuring the efficient coordination of these actors and the systemic integration of all their activities. The leading role in this exercise clearly belongs to the UN, but it should fully respect the sovereign prerogatives of the concerned countries and closely cooperate with the other institutional actors and the private sector.

From this perspective, the PBC should become the institutional forum where the initiatives and experiences of the various actors converge and where their respective contributions are fruitfully

¹⁹ See S. Chesterman, "Ownership in Theory and in Practice: Transfer of Authority in UN State Building Operations", *Journal of Intervention and State Building*, Vol.12, 2007, p.1.

²⁰ Coalition Provisional Order 39, 19 September 2003, http:// www.iraqcoalition.org/regulations/20031220_CPAORD_39_ Foreign_Investment_.pdf

combined to achieve the common objective of ensuring sound economic peacebuilding. In this regard, the paper argues that the PBC's current purely inter-governmental composition, its primary focus on economic aid, and the rather limited involvement of institutional and private actors hardly facilitate the task it is supposed to perform.

In order to fulfil its current mandate, the PBC should accept the current theoretical framework and focus on its implementation by the institutional and private actors involved. When dealing with a specific post-conflict situation, the PBC has already adopted documents tailored to the needs of specific countries - known as Strategic Frameworks for Peacebuilding,²¹ Peacebuilding Cooperation Frameworks²² or Mutual Commitments²³ – intended to define the objectives, priorities, challenges and risks of each specific peacebuilding process. These documents, which are periodically reviewed and, when appropriate, revised, are important tools to enhance the work of the PBC, but must be coordinated with all relevant domestic strategy documents adopted under the auspices of other organisations, most prominently the World Bank and IMF.

The main function of these documents is to indicate, in strict cooperation with the government concerned and in collaboration with the relevant financial institutions and the private sector, the guiding principles of the peacebuilding effort, its short- and long-term objectives and priorities, and the respective roles of the institutional and private actors concerned. Such a document may transform a difficult situation into an opportunity not only to support the immediate recovery of the economy of the country, but also to systematically design its future development. This is an ambitious aim that requires vision, but not necessarily any breakthrough or revolutionary thinking. Instead, it is indispensable to rigorously define the overall strategy to be followed and the respective roles of the actors concerned.

Consider the following example. The restoration and development of infrastructure is often one of the priorities in a post-conflict scenario – and, indeed, a significant component of any peacebuilding strategy. It is likely than in a post-conflict situation large projects and massive investments are needed to repair infrastructure that was damaged or destroyed during the hostilities (such as roads, bridges and civilian airports). Especially in developing countries it is also possible that infrastructure would have needed to be developed or upgraded regardless of the conflict.

Thus, it becomes necessary to bring together the relevant actors with a view to mapping needs, prioritising projects, and assessing the various avenues for the provision of institutional, private or combined financial support. While the local government must be involved to the fullest possible extent, during the process the actors participating in the peacebuilding effort – primarily donor states and organisations, international and regional financial institutions, and domestic and foreign investors - should interact, compete and pool their resources as appropriate. Other actors - such as UNCTAD, the OECD, the International Criminal Court and the Multilateral Investment Guarantee Agency - could play a significant role in providing expertise, advice and services in their respective fields of competence (including drafting the relevant legal instruments, elaborating guidelines and public policies, assessing risks, and providing guarantees). Infrastructure projects must then be placed in a broader context and linked with other peacebuilding initiatives, ranging from enhancing the rule of law to reforming the public administration, and from improving transparency to fighting corruption. Each actor - and especially the institutional ones - would continue to operate in

²¹ See, for instance, Strategic Framework for Peacebuilding in Guinea-Bissau, 31 July 2008, PBC/3/GNB/3, http://www.un.org/ga/search/view_doc.asp?symbol=PBC/3/GNB/3

²² See, for instance, Sierra Leone Peacebuilding Cooperation Framework, 3 December 2007, PBC/2/SLE/1, http://www.un.org/ga/ search/view_doc.asp?symbol=PBC/2/SLE/1

²³ See, for instance, Statement of Mutual Commitments on Peacebuilding between the Government of Guinea and the Peacebuilding Commission, 23 September 2011, PBC/5/GUI/2, http:// www.un.org/ga/search/view_doc.asp?symbol=PBC/5/GUI/2

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accordance with its own mandate and established procedures. The involvement of the World Bank, for instance, will conform to its Articles of Agreement and the other relevant legal texts, including its Operational Policies.

From an organisational standpoint, the PBC should continue to establish temporary local offices in charge of the implementation of the country-tailored peacebuilding documents and the coordination of related projects and activities. The structure, size and competences of these offices would depend on the specific features of each peacebuilding process. The focus on the specific country and the proximity of the office to the actors active on the ground should optimise the use of resources and maximise the outcome of the entire process.

Equally important, the PBC should continue to operate as a permanent body and be empowered to:

- provide an efficient standing forum where the various institutional and private actors are able to exchange their views, coordinate their projects, channel their proposals and pool their resources;
- elaborate and develop peacebuilding policies and strategies aimed at tackling shortterm needs, and foster the sustainable development of the country concerned;
- monitor and review peacebuilding processes as they are implemented and make the necessary adjustments; and
- promote a culture of "learning by doing" and become the repository of best practices and conceptual and operational developments regarding the various aspects of the peacebuilding process.

6 Conclusions

The holistic nature of peacebuilding, the importance of its economic dimension, and the need to tailor it to the specificities of any given post-conflict situation seem to be generally accepted. In spite of this important acquis, the establishment of the PBC has not brought the results that one would have expected. After ten years, the call has been made for reconfiguring the entire conceptual framework.

This paper has argued that the PBC's performance could be significantly improved by moving away from the current essentially inter-governmental approach and predominant focus on economic aid. On the one hand, the PBC has to be more inclusive and develop a real partnership not only with international and regional financial institutions, but also with the business community. On the other hand, it must broaden its economic horizons and combine economic aid with the promotion of international trade, and domestic and foreign investment.

Far from requiring any revolutionary change, such a dynamic and comprehensive approach would make peacebuilding programmes more efficient and magnify the impact of the activities performed by the various actors involved. From this perspective, the PBC and more generally the UN should exercise real leadership over a true partnership between all the institutional and private actors involved in the peacebuilding effort.

About the author

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