Building Capacity in Post-Conflict Countries

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This brief looks at the challenge of building capacity in post-conflict countries, reviews options for creating capacity, and identifies trade-offs between a rapid result and longer-term impacts of capacity strategies. Six lessons for more sustainable approaches to capacity building are identified: (a) leadership matters, (b) incentives also matter, (c) build on what exists, (d) arrange learning activities within a country wherever possible, (e) training needs to be defined in its strategic capacity, and (f) training should build on the comparative advantage of international partners.

The Context for Building Capacity under Post-Conflict Conditions

Those of us partnering with countries to build capacity to reconstruct in a post-conflict environment must at the outset become fully aware of the context in which we operate. Apart from the obvious destruction of infrastructure, presence of armed groups, and difficult working conditions, we need to appreciate several other characteristics of post-conflict conditions:

First, civil conflicts seldom end in clear-cut victories for one side. Nonetheless, some elements of “winners” and “losers” exist, although the winners are likely to have settled for less than they sought to achieve. Moreover, even if one side appears to have “won,” how that winner treats the defeated party is critical to national reconciliation and the sustainability of peace. Failure to effect genuine reconciliation is likely to lead either to an unstable alliance of competing parties or to an uneasy coalition between former fighters and technocrats who sat out the war in relative comfort abroad.

Second, a conflict-affected country’s ability to utilize aid is low immediately after the conflict due to institutional and physical constraints. World Bank research shows that absorptive capacity for aid is relatively low for three years after the conflict. In the next seven years, this capacity is double its normal level, growing two percentage points on average a year, but peaking between the third and seventh years, before tapering off.

Third, public expectations of the benefits from peace are likely to be unrealistically high. After suffering from war, the people expect a “peace dividend” and want it immediately.

Fourth, donor pressures to achieve early results are also likely to be unrealistically high. Donor country policymakers rarely understand either the project planning, design, procurement, delivery and construction process or the institutional constraints to project implementation. This is compounded by the “CNN effect,” which heightens international interest when the country is least able to absorb aid and diminishes such interest when the country is able to utilize foreign assistance most effectively.
Options for Creating Capacity to Reconstruct

Given the risks of conflict re-emerging and high expectations inside and outside the country for results on the ground, the challenge for the post-conflict government is to lift the ability of the country to absorb aid productively when donor resources are most likely to be available. Because the greatest capacity constraints to implementing programs are institutional—human and organizational—early institution strengthening will not only provide long-term benefits from aid, but enable effective use of aid when most available and mitigate risks from unfulfilled expectations; however, this can be difficult in the immediate post-conflict period and has been addressed in several ways:

Bypass weak government capacity. Donors are often tempted to bypass weak government capacity and rebuild the country themselves, that is, contract services directly and provide assistance in kind. This strategy appears most attractive when government institutions are demonstrably weak, skilled nationals are in short supply, and fiduciary systems to ensure money goes to intended purposes are poorly or not at all developed. A bypassing strategy seems even more attractive when failure of the reconstruction program has regional or global costs or jeopardizes the prestige of the donor.

A bypassing strategy, however, can undercut the more important long-term strategy of transforming weak institutions into capable ones in a manner that allows a people and their leaders to take ownership of post-conflict development policy. Even in the short term, bypassing may not achieve anticipated results. Donor country firms may not perform well in a post-conflict situation, where logistics, start-up, and learning local conditions may cause formidable costs and delays. The recipient country bureaucracy may refuse to cooperate or, at best, passively support foreign interventions, and technical and institutional solutions designed without local participation may turn out culturally, institutionally, and/or economically inappropriate, creating citizen resentment. Moreover, bypassing local institutions is often more expensive than local solutions, particularly when aid money is used to fund donor country firms and NGOs and these are not selected through competitive and transparent processes. It remains to be proven whether bypassing, rather than building local capacity, produces results more quickly.

Buy capacity. Governments may buy capacity by contracting services to the private or nongovernmental sectors, particularly when there is no time to build indigenous capacity. It may also be necessary to establish confidence in the government, particularly to assure donors that their funds will be well spent. In such circumstances hiring international firms to provide key fiduciary services such as procurement, financial management, and audit services has been successful, for example, in Afghanistan. In other countries, large international firms have been engaged to provide a broad range of services—so-called “reconstruction consultants”—but with mixed success. Few firms can offer a wide breadth of services with uniform technical depth, and large firms may lack the agility or experience to respond to the unpredictable reality of a post-conflict country. Buying capacity can work when no other option exists, but it is better to employ a number of medium-sized firms, each with particular strengths.

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Create temporary capacity. In between buying and building permanent capacity is a strategy to build temporary capacity to jumpstart a reconstruction program before more permanent capacity can be put in place. One solution is to attract nationals with good technical skills residing abroad back to senior government positions in a managerial and/or advisory role. These advisors may be permanent or temporary, although one hopes they will sink roots into their country and remain. Tensions can arise, however, between those who lived outside of and those who remained in the country during the conflict. Foreign advisors with good technical skills and cultural sensitivity have
worked well, but these people are first and foremost advisors, not policymakers.

Another temporary approach is a local aid management agency. These concentrate scarce technical and decision-making skills and provide fiduciary assurance to donors as part of a multidonor trust fund process that is designed to generate, coordinate, and streamline donor funding of reconstruction programs, among others. Such aid management agencies have in several post-conflict situations made up for weak government capacity. For example, the Council for Development and Reconstruction in Lebanon, the Palestinian Economic Council for Development and Reconstruction in West Bank and Gaza, and the Afghan Assistance Coordination Authority have all formed useful bridges between donors and the country during the early years of reconstruction.

Similar to entrenched external suppliers who undercut local capacity building, however, such agencies are easier to start up than end, particularly when they become governments within governments with little or no accountability to an elected leadership. Often corrupt, they can prevent development of capacity in conventional ministries that do face accountability mechanisms. To succeed, an aid management agency must have a charter with built-in sunset provisions transferring its functions to other ministries as they develop capacity. This is happening in Afghanistan with the transfer of aid coordination and payments processing to the Ministry of Finance, reconstruction program management and fiduciary capacity to the new Ministry of Economy, and capacity building to the Civil Service Commission.

Building Permanent Capacity

Building permanent capacity is clearly the best option, if not an immediately feasible one, but will only work if initiated early in the reconstruction process and must move ahead in parallel with temporary arrangements enabling a quick start to reconstruction. Several key lessons have emerged from experience in post-conflict countries:

**Leadership matters.** Building institutions depends critically on leaders in key ministries and institutions who can articulate a **vision** for their domain, translate this vision into **programs**, and insist on **accountability for results**. Strong and effective leaders have legitimacy through deep roots in society, are respected for their abilities, and have **integrity**. They can also **communicate** their vision, programs, and achievements to society; attract high-quality staff and advisors; and mobilize funding.

**Incentives also matter.** It is almost impossible to attract and retain motivated staff and fight corruption unless staff receive decent pay for honest work and merit forms the basis for selection and promotion, rather than factional or ethnic bias. Creating the right incentives may require a fundamental restructuring of the civil service, which is difficult in the frenetic atmosphere of post-conflict reconstruction; however, the process need not be comprehensive and completed immediately, but create permanent islands of excellence as a first step in longer reform.

**Build on what exists.** Institutions that survive a war may be more resilient than they appear. For example, the Afghan system of local government has in many respects survived two decades of conflict. Municipalities in the West Bank and Gaza have maintained good administrative and financial capacity. Often U.N. agencies and NGOs have the field presence and experience of implementing humanitarian programs that can be scaled up to implement government reconstruction programs, possibly changing their roles from independent actors to government contractors.

**Arrange learning activities within the country wherever possible.** Because country capacity is already scarce in a post-conflict country, sending people out of the country for training and meetings does not make sense, unless absolutely essential, and can slow reconstruction; instead, such activities should be used selectively and targeted for results. Most knowledge needed for work is not acquired in classrooms, so support should go to knowledge outcomes, not learning instruments. Instruments should provide on-the-job, just-in-time knowledge, for example, establishing Internet access and e-mail early in the reconstruction process or an in-country distance learning center with content relevant to post-conflict conditions.

**Training needs to be defined in its strategic context.** Learning activities should be selective and focused and support the government’s reconstruction and development strategy. Destruction of institutional capacity due to war provides an opportunity to eliminate government departments,
functions, and enterprises, and generally to restructure government and the public sector. It, therefore, makes sense to focus learning activities on core functions of a post-conflict government and/or practice a policy of benign neglect for ministries, departments, and public enterprises destined for closure or major restructuring. Furthermore, learning must complement modernization of institutions by introducing modern information and human resource systems, as well as changes in organizational culture toward outcomes, client orientation, and performance monitoring.

Training should build on the comparative advantage of international partners. Some organizations are good at providing strategic and policy advice, others at technical studies, and others at providing training. The challenge is to ensure that all aspects of capacity assistance fit together so that the whole is greater than the sum of the parts.

Conclusion

The characteristics of post-conflict countries require that capacity be put in place quickly to meet expectations of the population for improved living conditions. The international community is also likely to expect quick results, particularly if the consequences of renewed conflict spread beyond the country’s borders. Although it may be necessary in some situations to buy capacity, bypassing government capacity may not prove better at delivering reconstruction outcomes than building the government’s own capacity. New capacity must be built on what already exists and may require adjustments to incentives for public employment as part of administrative reform. Success ultimately depends, however, on strong government leadership and coordination among the donor partners.

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References

1. This CE Brief is based on a lecture delivered at the UNITAR Inaugural Conference on Training and Human Capacity Building in Post-Conflict Countries in Hiroshima on November 19, 2003. The note was also published in the Conflict Prevention and Reconstruction series of Social Development Notes, No. 14, December 2003 (http://www.worldbank.org/conflict).
3. For a discussion on aid management agencies see Salvatore Schiavo-Campo, "Financing and Aid Arrangements in Post-Conflict Situations", World Bank Social Development Papers, No. 6 (June 2003)