Fighting Corruption in Post-Conflict Countries: Practitioner Guidance for Negotiators and Development Assistance Professionals

Bertram I. Spector
Center for Negotiation Analysis
Potomac, Maryland USA

December 2008

Supported by the United States Institute of Peace (USIP) and the Jacob and Hilda Blaustein Foundation

The opinions, findings, and conclusions or recommendations expressed in this report are those of the author and do not necessarily reflect the views of the United States Institute of Peace.

The author gratefully acknowledges the assistance of Ketevan Nozadze and Tara Thwing who researched and collected much of the case-related data on international development assistance that supported the analysis.
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>1</td>
</tr>
<tr>
<td>1. Introduction</td>
<td>2</td>
</tr>
<tr>
<td>2. Corruption Risks in Rebuilding Settings</td>
<td>3</td>
</tr>
<tr>
<td>3. Country Readiness for Anticorruption Programs</td>
<td>8</td>
</tr>
<tr>
<td>5. Lessons Learned about the Negotiation Process</td>
<td>12</td>
</tr>
<tr>
<td>6. Lessons Learned about Past Development Assistance Programs</td>
<td>15</td>
</tr>
<tr>
<td>7. Planning and Operational Considerations</td>
<td>24</td>
</tr>
<tr>
<td>Bibliography</td>
<td>26</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

Corruption can undermine effective statebuilding in post-conflict settings. The legitimacy and effectiveness of the state can be severely impeded by corrupt practices, thereby reducing public trust and diminishing the capacity of the state to function effectively. To reduce the resurgence of corruption in the post-conflict period, negotiators can seek to include anticorruption and good governance provisions in the peace agreement and international development assistance practitioners can support implementation of those provisions by providing resources and technical support that builds transparency, accountability and integrity into the reestablished institutions and procedures of the post-conflict state. This handbook provides practical guidance, ideas and lessons learned from past experience on how to accomplish these goals.1

The peace negotiation process needs to target more than just an end to the violence. It needs to start rebuilding the political, economic and social institutions of the state as well. To do this, the negotiators need to recognize that the underlying causes of the conflict must be resolved. They need to introduce a forward-looking negotiation formula that includes innovative ideas and approaches to deal with past grievances and future growth. They should structure the negotiations to be inclusive of all domestic factions as well as interested external parties to facilitate commitment and ownership of the negotiated outcome. The ultimate agreement ought to present a comprehensive vision of the future that promotes democratic participation and economic growth. But it needs to go beyond a broad statement of principles to outline detailed and practical provisions that can be implemented in the post-agreement period.

Experience demonstrates that implementation of a comprehensive, multisectoral and sequenced anticorruption strategy with donor support, even under challenging post-conflict conditions, can be relatively effective in reducing corruption levels over several years, thus enabling the rebuilding state to strengthen its governance and economic capacity. To reassert state legitimacy and effectiveness after violence has ceased, priorities in anticorruption programming should be given to:

- Reestablishing basic public services and reasonably trained civil servants,
- Ensuring that adequate legal frameworks are in place to facilitate the rule of law,
- Creating accountability mechanisms both within and outside government to place limits on state power,
- Initiating reliable public finance systems for budgeting, procurement, and tax administration, and
- Simplifying regulations for business to facilitate economic growth.
1. INTRODUCTION

This handbook examines how anticorruption initiatives can be implemented as effective components of statebuilding programs. The impact of corruption on post-conflict settings can be significant for both future political and economic development and peace prospects. Likewise, the fragility of the rebuilding context after conflict can seriously influence the growth of corruption, exacerbating the vulnerabilities of the state and completing a vicious circle.

Corruption -- the abuse of entrusted authority for private gain -- is an obstacle for political, economic and social growth in all international development settings, but it is particularly nefarious in post-conflict rebuilding settings. Corruption can stand in the way of strengthening state legitimacy and effectiveness. It can destabilize a new and fragile peace in countries emerging from conflict and beginning to rebuild their political, economic and social institutions and processes. If governing structures, procedures and the rule of law remain fragile and corruption runs rampant, development gains may be hampered, divisiveness within society may continue, spoiler factions may be emboldened, and conflict can reignite, resulting in renewed chaos and human suffering.

On the other hand, experience demonstrates that if effective anticorruption practices and institutions are promoted and implemented, post-conflict countries have a greater opportunity to pursue a trajectory toward stable peace and positive economic and social development. The transparency and accountability features of anticorruption programs facilitate a new compact of dialogue and negotiation between the state and local and external stakeholders that makes the statebuilding process progress faster. In some cases, anticorruption initiatives have been mainstreamed into peace agreements, but it almost always falls upon donor organizations to stimulate appropriate anticorruption mechanisms through special funding and technical assistance -- usually under challenging conditions.

This handbook emphasizes the following propositions:

1. Mainstreaming detailed anticorruption and good governance provisions into peace treaties at the negotiating table can provide a crucial starting point that prevents the post-conflict state from backsliding into corrupt and abusive practices.
2. Corruption can be a significant contributor to deficits in state legitimacy and effectiveness that characterize fragile post-conflict societies and aggravate the grievances that generate civil violence.
3. As post-conflict statebuilding focuses on countering these deficits by building legitimacy and effectiveness, anticorruption programs will be an important component of that agenda in those instances where corruption is seen to be undermining effectiveness and legitimacy.
4. When anticorruption programming emerges as a priority, it should proceed in levels of engagement, from basic foundational activities to more targeted ones as conditions and domestic support warrant.

While there is still much to be learned and the literature on the subject is quite recent, there is enough evidence to begin developing generalizable findings about what does and does not work in fighting corruption in developing countries, and, in particular, in post-conflict rebuilding countries. This handbook synthesizes what is known to date from case studies, assessments, evaluations, and targeted analyses. To supplement these findings, a detailed comparative analysis of six recent rebuilding cases was conducted and its conclusions are integrated into the broader results. Overall, the handbook provides practical guidance to peace negotiators and development assistance professionals on how to assess the situation to detect particular conditions of corruption risk and what programming priorities -- based on experience -- are most appropriate to the rebuilding situation. A cautionary note: what is presented here may not be valid equally to all situations and the recommendations ought not to be applied unquestioningly.
2. CORRUPTION RISKS IN REBUILDING SETTINGS

The weak and fragile condition of societal structures, governmental institutions, and economic systems in the aftermath of conflict, multiplied by the vulnerability of a newly established peace and the ever-present threat of renewed violence, make rebuilding countries particularly susceptible and defenseless to all major types of corrupt behaviors.

- **Petty or administrative corruption** is often widespread, affecting all citizens when, for example, unofficial fees are charged for public services, items are sold on the black market and government payrolls are padded by ghost workers. These practices can generate an overall public cynicism and mistrust of the authorities, and a culture of lawlessness that can cause a relapse to earlier conflicts and violence.

- **Grand corruption** typically involves high-level officials and the exchange of large sums of money and resources or other competitive advantages. It is often manifested as outright theft of public funds, steering government contracts to family or friends, and various forms of patronage (cronyism, nepotism, and political favoritism). It can divert critical funds dearly needed to rebuild all aspects of a state recently ravaged by war.

- **State capture** by economic interests highlights the influence of private business on state power and collusion with public officials to extract advantage. This can be the most insidious form of corruption for rebuilding states because it diverts needed assets to an elite few and it limits economic growth from diversifying across many stakeholders.

**Rebuilding Settings**

Post-conflict rebuilding states pose a unique set of problems concerning corruption in comparison to typical developing countries. Some even say it is unrealistic to deal with corruption issues under most post-conflict conditions because these states generally lack the minimum requirements for effective remedies. They often face weak security situations, factionalized societal relationships, a breakdown in the rule of law, minimal administrative infrastructure to delivery services, and a lack of mechanisms to generate and assert legitimate authority (Carvalho 2006).

While an unintended consequence, corruption is sometimes institutionalized into peacebuilding and reconstruction initiatives. The rapid influx of large sums of relief and development funds can be difficult to monitor and control, and a target for corruption and abuse. In the initial shift from coercive to more open political systems in the post-conflict era, corrupt activities may be energized. Clientelism, vote buying, misappropriation of public funds and abuse of state resources can thrive because the rules and institutions that ensure accountability and guard against impunity are too immature. As well, the transition to a liberal market economy after conflict and insufficiently regulated privatization can create new opportunities for grand corruption and the unlawful grabbing of state assets by well-placed political elite.

Some analysts view the potential development of such a corrupt state as a welcome stabilizing occurrence in the statebuilding process. The mutual incentives of corrupt exchange can bring together formerly opposing groups into durable multiethnic coalitions that reduce the possibility of violence. As well, the political and economic elite who seek to protect their kleptocracy can impose strict controls on society to support their new order, thus suppressing spoilers that pose a risk to the peace and threaten a renewal of violence and chaos. If this occurs, the stability and order that such a corrupt state brings can put democratic goals on the backburner.
However, the difficult job of rebuilding firm foundations for democracy along with designing and implementing accountable governance can occur simultaneously (O'Donnell 2008). In fact, some are convinced that ignoring the corruption problem in early post-conflict phases can be dangerous; in Bosnia, Nicaragua and Mozambique, for example, such a policy facilitated the entrenchment of corrupt elite making reforms more difficult to achieve later (Mathisen 2007). If anticorruption programs are pursued vigorously in the post-conflict setting, democratic, human rights and good governance values and reforms can be promoted that yield stability and effective statebuilding results.

Statebuilding Dimensions

Recent literature on post-conflict statebuilding highlights at least two important findings that can help put corruption phenomena into proper perspective.

1. There is donor consensus on the need to strengthen state-societal relations in terms of effectiveness and legitimacy. Pervasive corruption poses a serious challenge to the effectiveness of the fragile post-conflict state. It hinders meaningful capacity building that can help the state rebound and it prevents effective functioning to deliver services and benefits to citizens. Corruption also puts at jeopardy the legitimacy of the post-conflict state. Ready acceptance of the state’s authority as legitimate can be reduced because corrupt practices prevent effective service delivery, and stand in the way of accountable leadership and socially accepted beliefs of rightful authority. However, if political processes can be built or strengthened that facilitate open negotiation between the state and societal groups, then issues of transparency, accountability and integrity can be addressed, expectations can be moderated, corrupt practices can be controlled, and positive statebuilding processes can be promoted.

2. Effective statebuilding in post-conflict societies requires parallel consensus building efforts. A consensus must be built on the strategy going forward concerning state goals and functioning between (a) country leadership and the international community and (b) the state and its citizens. This double compact can promote state legitimacy and stability by ensuring that all stakeholders are basically seeking the same objectives and outcomes. However, pervasive corruption can stand in the way of developing such compacts by perverting the necessary relationships among stakeholders. Anticorruption programs that target the human interface within these internal and external compacts can help to resolve priorities and refocus post-conflict states toward effective statebuilding processes.

Thus, fighting corruption is an essential element of the statebuilding enterprise. Effective anticorruption strategies will bring parties together that need to communicate with each other and work in unison to develop functioning governance and it will remove the veil of opacity and lack of accountability to promote greater popular acceptance and legitimacy of the post-conflict state.

Corruption Risks

Certain conditions of post-conflict rebuilding environments increase the risk of corruption. These include, in particular, weak institutions, a fragile consensus, limited human capital, the possibility of a return to violence, an insecure environment, the challenge of working with leaders of questionable backgrounds, and unreformed security forces, among others. These factors need to be detected and assessed because they require special attention by host governments and donors. In particular, corruption risks can be categorized as crises of legitimacy and effectiveness.
Legitimacy Problems

Countries rebuilding after conflict typically need to gain or regain broad popular acceptance for their laws and authority to govern and exercise power. With low levels of legitimacy, government is subject to many problems and weaknesses that can promote corrupt behaviors. The rule of law may be lacking, citizen participation and inclusiveness may be limited, and government accountability may be inadequate. Particular legitimacy-related risks include the following:

- **Spoilers.** Spoilers of the peace can manifest their dissatisfaction through corrupt or criminal acts that undermine and weaken the post-conflict state (O’Donnell 2006; Boucher et al. 2007).
- **Inadequate tracking of public expenditures.** It is important to determine whether public funds actually get into the treasury and if planned expenditures actually get spent in the appropriate places. Inadequate control procedures and mechanisms can result in limited oversight and accountability of funds (Gallagher 2007).
- **Corruption at the top.** If there is corruption among top leadership, even serious efforts to build fiscal regimes and institutions with integrity may fail (Gallagher 2007).
- **Limited political will.** Post-conflict administrations often lack the political will to adopt and implement tough anticorruption measures. However, there may be a few key stakeholders within and outside of government who are motivated and can form an informal network to mobilize political will and action (Giraldo 2006).
- **Weak civil society and mass media.** Years of violence can rob civil society and the mass media of their capacity to organize, mobilize and educate citizens; oversee government effectively; and advocate and pressure for reforms (Giraldo 2006).

Effectiveness Problems

Post-conflict countries often have minimal capacity to deliver adequate and quality services to the public, fail to manage budgets and infrastructure wisely, and neglect to govern the economy effectively and establish workable frameworks for prosperity and growth.

- **Diminished state capacity.** The necessary infrastructure, professionalism, systems and resources to deliver meaningful services may have been weakened by the conflict and alternative unofficial power structures may have emerged to fill the gaps. Lapses in administrative capacity and resources in formal government can encourage corrupt practices among civil servants. If salaries are low or paid late, civil servants may resort to extortion or to informal governance systems that have resources and operate in the shadows. These informal systems may also be effective sources of delivery for social services to citizens that the formal government may not be able to provide. Multiple levels of formal and informal governance can exist side-by-side in post-conflict societies – with some more effective than others and some more corrupt than others. (Lister and Wilder 2005; Giraldo 2006).
- **Absorptive capacity.** In the period immediately after the establishment of peace, there can be a gap in the capacity of the state to effectively absorb and utilize the massive influx of international funds often provided by foreign donors, especially in a transparent and accountable fashion. These conditions can produce opportunities for both grand and petty corruption (Galtung and Tisné 2008; Sleeper 2003).
- **Petty corruption is a signal.** Widespread petty corruption can be an early signal that basic public services are not being provided, law enforcement is not adequate, and basic survival needs are at risk (Giraldo 2006).
- **Chaotic economic sector.** The absence of enforceable laws and regulations dealing with the private sector can result in black markets and other forms of illicit economic transactions that exploit the resources of the country and contribute little to its positive growth and development. Continuation of
wartime financing structures based on corrupt relationships is a signal that problems exist in this sector (Giraldo 2006; Boucher, et al. 2007).

- **High risk areas.** If corruption dynamics are entrenched in key sectors and not addressed early, they could lay the groundwork for destabilization. Of particular concern are risks to effectiveness related to (1) revenues from valuable natural resources or drugs, (2) the privatization of state assets, (3) control of reconstruction and infrastructure programs by influence networks, (4) systemic corruption regarding property rights, (5) state capture of public institutions through patronage networks, nepotism or the “purchase” of key ministries, and (6) consequences of monopolistic control of basic commodities by the state (Galtung and Tisné 2008).

- **Lawlessness and violence.** When respect for the rule of law and law enforcement is minimal, committing a crime or abuse of power becomes a low risk-high reward event. Such impunity diminishes fear of violating anticorruption laws and customs (Giraldo 2006).

- **Short-term horizon and greed.** According to a World Bank study, nearly half of post-conflict countries are back in a war-like state within five years of a peace agreement. So, there is very little time available to get reconstruction and stabilization under way. In fact, post-conflict elite who understand this fragility often take advantage of the situation to take what they can quickly (Giraldo 2006).

If such corruption risks are not addressed in a forthright way in post-conflict societies, peace processes may be distorted, damaged or reversed, and economic growth potential may be thwarted. Donor funds meant to reconstruct and stabilize the country can be jeopardized and violent conflict can resume. In fact, there is a strong empirical correlation between conflict and corruption: countries emerging from or still involved in conflict typically have low ratings on controlling corruption.

The number of potential risks in post-conflict settings and the limited capacity of most rebuilding countries to counter these risks present a clear tension for the development professional. Some priorities must be set. At a first step, field missions in rebuilding countries are strongly encouraged to conduct assessments of corruption risks to determine if weaknesses are sufficiently serious to warrant special anticorruption programming. A sample set of questions for such an assessment is presented in Table 1.

### Table 1. Key Corruption Risk Assessment Questions

**Legitimacy Questions**

1. Are spoiler factions present and mobilized?
2. Is there inadequate accountability and controls for government expenditures?
3. Is top leadership perceived to be corrupt?
4. Is there limited political will to implement tough anticorruption measures?
5. Are civil society and the mass media weak and unprepared to take an active advocacy role to pressure government for reforms?

**Effectiveness Questions**

1. Is there an atmosphere of violence, lawlessness and impunity in society?
2. Are political and economic elite poised to take advantage of the current transition and grab state resources?
3. Is the state suffering from diminished capacity to govern and provide basic services to the public?
4. Is the state unable to absorb the massive influx of development assistance being provided by foreign donors in a transparent and accountable fashion?
5. Is petty corruption visible, acknowledged and widespread?
6. Is the economic sector plagued by the absence of effective and enforceable laws and regulations?
7. Is corruption entrenched in the high risk sectors mentioned above?

---

**Build citizen confidence and trust in government**

**Strengthen legal, administrative and institutional frameworks of government**

---

**Center for Negotiation Analysis**
A significant number of affirmative answers to these questions would suggest that programmatic action should be taken. Priorities can be established:

- If legitimacy is lacking, anticorruption initiatives are probably required to build citizen confidence and trust in government.
- If effectiveness is lacking, anticorruption programs need to be focused on strengthening the legal, administrative and institutional frameworks of government.
3. COUNTRY READINESS FOR ANTICORRUPTION PROGRAMS

In addition to their particular vulnerabilities to corruption, post-conflict countries will vary in terms of their readiness to engage in anticorruption programs. Readiness reflects a country’s capacity and willingness to implement reforms. Readiness takes into account the opportunities for reform -- political will and leadership for change -- as well as the availability of resources and know-how to implement change. It also accounts for obstacles that may impede effective reforms.

Opportunities

The following key factors promote anticorruption initiatives in post-conflict rebuilding countries.

- **Peace agreement provisions that specifically address anticorruption and good governance issues.** If the negotiation resulting in the peace accord included particular agreements among the stakeholders to initiate anticorruption and good governance reforms, it suggests that there is targeted political will and interest to act.

- **Champions.** Leadership by individuals or organizations, in or out of government, can provide the needed impetus to initiate anticorruption programs effectively.

- **Pressures from external sources.** Donors, neighboring countries or allies, and regional or international organizations can provide sufficient pressure on rebuilding societies to get them moving in the right direction.

- **Internal demand.** Mobilized civil society organizations and business associations, as well as an energized mass media, can place significant pressure on government to implement anticorruption reforms.

- **Existing anticorruption initiatives.** Programs, institutions, laws and regulations that have already been implemented and put into practice can serve as openings for additional anticorruption measures.

Challenges

There are many obstacles to the success of new anticorruption efforts. These can take the form of any of the risks outlined in Section 2 above. The outbreak of renewed violence, the activation of spoiler factions, limited rule of law and law enforcement, minimal checks and balances on government authority, and the diminished capacity of the state to govern and deliver services, for example, are all potent barriers to initiating new anticorruption programming or achieving successful outcomes.

External Actors

External actors – donors, foundations, international and regional organizations, and peacekeepers – can play both positive and negative roles in the post-conflict recovery. On one hand, they can stimulate anticorruption initiatives through funding reform programs, providing technical assistance, and putting pressure on the government and other key stakeholders to comply with the commitments they made in the peace agreement and beyond. On the other hand, external actors can become part of the problem itself. The influx of donor funds and relief goods can generate a black market. They can be pressured into using existing corrupted systems and engaging corrupt leaders. Resident staff of external actors have also been known to engage in corrupt behaviors themselves, taking advantage of lax accountability and weak institutions.

Assessing the readiness of a post-conflict country for meaningful anticorruption activity must take into account these opportunities and challenges, while evaluating the facilitating or inhibiting roles played by external actors as well. The questions in Table 2 can serve as the basis for an assessment of readiness for significant anticorruption programs.

Center for Negotiation Analysis
Table 2. Key Readiness Assessment Questions

Opportunities for Readiness

1. Did the peace agreement include explicit anticorruption or good governance provisions?
2. Are there obvious champions for anticorruption reform in or out of government?
3. Are there external pressures on the government to initiate and implement anticorruption reforms? Are external actors providing sufficient and targeted funds and assistance?
4. Is there forceful internal demand for change and reform?
5. Is there a meaningful existing framework for anticorruption reforms (that is, laws, regulations, institutions, procedures, etc.)?

Obstacles to Readiness

1. Are there serious questions about the government’s legitimacy? Are there questions about the government’s authority to govern, limited accountability, limited rule of law and minimal inclusiveness of citizens in decision making?
2. Is security still a problem area? Is there frequent lawlessness, violence and impunity, and is the state a kleptocracy with excessive greed exhibited by the ruling elites?
3. Are there serious questions about the effectiveness of the state? Does the state suffer from a limited capacity to perform, deliver and govern; is petty corruption widespread; and is the informal economy thriving?
4. Are external actors contributing to the problem?

Evaluating readiness status in the context of corruption risk can help development practitioners design effective strategies. Table 3 presents examples of relevant strategies in the face of high versus low readiness, and legitimacy versus effectiveness risks. Obviously, low readiness inhibits the extent to what can be accomplished effectively and sustainably, but this need not halt anticorruption programming. Basic capacity-building activities can be accomplished that will yield fruit over time and when the political will shifts. On the other hand, high readiness bodes well for more aggressive and substantial anticorruption initiatives.

Table 3. Assessing Corruption Risks and Anticorruption Readiness to Develop Targeted Strategies – Some Examples

<table>
<thead>
<tr>
<th>Readiness</th>
<th>Low readiness</th>
<th>High readiness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Legitimacy problems</strong></td>
<td><strong>Effectiveness problems</strong></td>
</tr>
<tr>
<td></td>
<td>• Strengthen CSOs organizationally</td>
<td>• Reestablish basic public service delivery</td>
</tr>
<tr>
<td></td>
<td>• Initiate public awareness/education programs</td>
<td>• Fill in gaps in legal/regulatory framework</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Train and organize citizen watchdogs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Promote investigative journalism</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Strengthen judicial sector and parliamentary oversight</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Build public finance and local governance systems</td>
</tr>
</tbody>
</table>
4. NEGOTIATING ANTICORRUPTION PROVISIONS IN THE PEACE AGREEMENT

Getting the Process Started

Taking integrity into consideration in the peace negotiation and implementation processes is critical for long-term stability. But how can interest in including these issues be encouraged?

First, there needs to be a recognition by the former combatants, as well as any external participants in the peace process, that the underlying causes of conflict need to be resolved. An emphasis needs to be given to political over military or imposed solutions to the conflict. A lasting solution must be envisioned that repairs the grievances and injustices of the past while formulating the way forward. To get to this point, all sides to the conflict need to understand the pain and reasoning of their former foes. This often occurs when all parties perceive that the conflict has become ripe for resolution, when, as in Zartman’s terms, they all sense that they have reached a mutually hurting stalemate or an overwhelmingly rewarding opportunity that make it illogical to continue the conflict. At this realization, all sides are ready to both look back at what caused the conflict and look forward at what they can do to fix those problems.

Second, innovation needs to be introduced into the negotiation process. It is not good enough for the parties to understand that the time is ripe for resolving their deeply held differences, they need to have some creative ideas that can reasonably address those problems. While certainly such ideas can be generated by the local factions, a major source of innovation can come from external interested parties, such as neighboring states, international and regional organizations, major powers, and nongovernmental groups. When they serve as formal or informal mediators, experts or observers at the negotiations, they can intercede with their expertise, experiences and lessons learned from other circumstances, peace processes in other countries, and historical conflict resolution efforts. Ideas transferred into the conflict zone by neutral external parties to resolve agonizing problems are more likely to be viewed as novel and acceptable by local combatants and worth a try. Over the long term, it is critical for there to be local ownership of such ideas to ensure their sustainability.

Next, it needs to be recognized that, looking forward, the institutions of the state and the economy must be strengthened. Fragile institutions and weak procedures for their operation will only encourage abuse and misconduct. If the peace process is to yield a stable future, well-structured institutions will need to be formulated, backed up by a trained and professional civil service, good public administration standards, and audit and control mechanisms that keep government decisions and actions transparent and accountable to the public. Since many of these government and economic institutions typically provide public services to the population, they are among the first that can evoke an image of competency, trust and legitimacy for the newly invigorated government. Over time, such public perceptions are critical to the stability of government.

Fourth, there is the “shame” factor. How can any party to the negotiation publicly condone corruption? If they resist including anticorruption provisions in the peace agreement, they may be viewed as endorsing corrupt behavior in the past and into the future. What it takes is for at least one party to the negotiation to introduce cogent anticorruption provisions. It may be too difficult or embarrassing for any party to oppose their inclusion in the final treaty.

Lastly, external parties can motivate the process by waving carrots and sticks. They can offer implied threats that future donor assistance will be withheld if good governance provisions are not integral elements of the peace agreement. Alternately, they can promise assistance programs, resources, investment and trade as rewards if such provisions are included.
Within the Negotiation Process

Once started, the peace negotiation process ought to operate according to several key principles – inclusion, external participation, comprehensiveness, and attention to detail.

Inclusion. Every attempt should be made to ensure that all factions are included in the peace talks and have their opportunity to state their positions and make their demands. Hopefully, through the dialogue and process of give-and-take, they all will buy-in to the negotiated outcome and be committed to implement it. The risk of excluding one or more factions is to create an opening for spoilers of the peace.

External participation. Outside parties can contribute in many ways to the peace negotiations. They can motivate innovation by injecting new ideas into the process. They can cause the process to speed up by introducing deadlines. They can also influence the issues considered and the shape of the final outcome by wielding their sticks and carrots.

Comprehensiveness. Attention to the initiating and underlying causes of the conflict, including corruption and abuse of power, necessitates a comprehensive and multifaceted negotiation formula. If corruption is reduced in one sector or at certain government levels, it often reappears in other sectors or levels. Because of this resilient nature of corruption, international experience has shown that it is essential for countries to develop comprehensive programs against corruption. When peace agreements have the foresight to include anticorruption provisions they often are not comprehensive in scope. They most often target corruption in the judicial sector or recommend establishment of an anticorruption commission, for example, because these reforms are seen as attacking the most vulnerable aspects of the system. But even if these reforms are implemented as intended in the post-agreement period, it does not necessarily portend the end to corruption in the country. In fact, as some of the measurements indicate, even the most sincere of efforts by the government, citizens and international community can yield very little in terms of reducing corruption or, worse yet, measurement might show an increase in corruption, because it reappears in another sector or function. Peace agreements that include anticorruption provisions would do better if they include a more comprehensive, multisectoral approach to the problem.

Attention to detail. Experience has shown that vague or imprecise provisions are not very useful. The more specific and detailed the formulations, the more implementable they will be after the agreement is signed. Broad statements of principles about good governance and fighting corruption that are not followed up by more detailed actions in the agreement may only serve to delay implementation while the parties debate them later on. It is worth spending the time during the peace talks to introduce and agree on detailed approaches to achieve the broader principles of integrity.
5. LESSONS LEARNED ABOUT THE NEGOTIATION PROCESS

The ability to negotiate provisions into a peace agreement that seek to control and reduce corrupt behaviors can stimulate targeted post-conflict programs and international development assistance. Where such anticorruption provisions have been incorporated in peace agreements, empirical findings demonstrate that corruption has been measurably controlled within several years after the agreement. Lessons learned from six cases where anticorruption provisions were negotiated along with the peace agreement are presented below. None of these conclusions, by themselves, may appear to be unusual or unique, but together they constitute a set of propositions that negotiation practitioners should take into account when negotiating peace agreements to promote the development and acceptance of anticorruption provisions.

Actors

- Early inclusion in the negotiation process of stakeholders to the conflict can produce progress in the talks and generate true and sincere buy-in to the agreement’s eventual provisions.
- Exclusion of actors from the negotiation process can guarantee the existence of spoilers when it comes to implementing the agreement.
- A respected international mediator can serve as a critical agent of momentum in the negotiation. A mediator in the negotiations, such as the United Nations, can raise the stakes for the local parties and make the talks irreversible. Mediators can also play facilitating roles for rebels, encouraging them to state their demands at the table.
- The international community and interested countries can play a significant role through discrete interventions and mediation/facilitation efforts, and by providing a secure environment through its monitoring forces, while allowing for local control and ownership of the process.
- Civil society organizations can play several major roles in negotiations. They can serve as a forum to debate and develop detailed proposals on contentious issues that are then fed into the formal negotiation process after consensus has been found. Civil society groups can also provide the pressure needed to keep the talks on agenda and on track.
- Changing participation in peace negotiations over time can make a significant difference, slowing down the talks and threatening commitments to reach agreement.
- Drafting of agreement provisions can be accomplished by international participants, who are likely to have more extensive experience in other negotiating contexts and can introduce new ideas concerning governance, anticorruption, and other provisions that might be outside the ken of most domestic participants. However, if the international representatives from the interested countries turnover rather frequently and do not have sufficient backup and expertise in the needed specialties, their support to the negotiations can be suboptimal.
- On the other hand, active rebel group participation in initiating drafts and proposals can be an important catalyst in introducing transparency and accountability provisions. Local ownership of the ideas and provisions, plus local ownership of the means to monitor compliance with the agreement, is most likely to produce effective solutions that are sustainable.
- Idealistic rebel demands to end corruption and abuse of power of the current regime can easily be overtaken by human greed and the desire for power, thereby leveling similar charges against the rebels.

Issues

- The appearance of a confluence of interest between competing factions in a peace negotiation, such as a common interest in limiting the authority and influence of the armed forces, opens the opportunity for resolution of many other issues, including governance and anticorruption issues.
- Structuring the negotiation process into committees and working groups that each considers a different issue area in contention can produce a systematic, comprehensive and detailed
agreement that incorporates extensive consideration of governance and anticorruption measures. By dividing the issues, solutions can be found within each domain without the complexity of interactions.

- Achieving a successful, implementable, and sustainable ceasefire is an essential prerequisite for following up with political provisions. If there is no agreement on a ceasefire, political measures can be delayed or not implemented at all. However, a ceasefire agreement can be made contingent upon acceptance by all parties that key political issues – that deal with the root cause of the conflict -- will be dealt with very early in the negotiation.
- The results of earlier failed talks can give life to new talks, when the conflict becomes ripe for resolution. The new talks can pick up on the innovations and progress made earlier.

Perceptions

- Developing a positive vision of the future for all conflicting parties can provide a sense of local ownership in it.
- It is productive if all sides to the conflict believe that they have won in the negotiation.
- Fears and suspicions of the other side can be adjusted as informal backchannel meetings produce greater familiarity and trust.

Process

- The consensus rule in the negotiation’s committee process can became unworkable because of the large number of parties and interests that need to be served, and the long time it takes to reach agreement as a result. International donors can easily lose patience with this process. Alternate approaches – coalition-building and softer consensus rules – can be introduced instead.
- Setting deadlines in the negotiations can spur progress and results.
- The extended time it takes to negotiate all of the issues on the agenda can be seen in a positive light. Over time and many negotiating sessions, each side can learn a lot about the interests, difficulties and reasoning of the other side, producing a sense of empathy and cooperation.

Power

- If the government acknowledges power symmetry with the other side, this can be the essential feature that brings the rebels to the table and allows both sides to make the necessary concessions. If there is perceived power balance, negotiation becomes a process not of victors imposing a process or its demands on the vanquished; it becomes a channel to facilitate achievement of a joint agreement.
- Power-sharing demands in peace negotiations can be used as vehicles to introduce good governance and anticorruption reforms.
- If one or both sides to the agreement are very weak, endorsing a complex multidimensional peace accord may not make sense because neither will be able to follow-up by implementing it as intended. The best situation after an agreement is to have a strong opposition that can continue to demand implementation of the agreement after negotiations.
- Idealistic rebels can make prominent demands to reduce corruption and improve governance, which are difficult for a government to reject without looking reactionary or irresponsible.
- Fighting that proceeds in parallel with the peace negotiations can serve as a potent way to extract concessions, rally civil society and international pressure on the negotiators, and motivate agreement on a ceasefire and beyond. Such fighting is usually used to the advantage of the party that is the aggressor on the battlefield. Ongoing conflict can be used as blackmail by rebels to gain advantage at the negotiating table. Communications technology (such as cell phones) and worldwide TV coverage can be used to leverage an ongoing war and make such blackmail even more potent. A temporary halt to the fighting when peace negotiations begin would tend to equalize power at the table.
• Indigenous reconciliation practices can be critical factors in resolving the conflict. Cultural norms of balanced reciprocity in traditional society can help to sew the seeds for compromises made by all parties.

• Positive and negative incentives from external sources can spur the negotiation process. International donor promises of future assistance can encourage governments to make the difficult, but necessary concessions to arrive at peace agreements. As well, pressures imposed or predicted from neighboring countries and donor countries – such as the withholding of post-conflict/reconstruction funding – can motivate agreement on post-conflict governance issues. Other incentivizing mechanisms that can be introduced by external actors include early establishment of international support units that provide immediate post-conflict support and verification of compliance with the agreement.

• If significant progress on formulating a peace agreement has been made, international participants can decide to pull the plug on funding continued peace talks or they can set firm near-in deadlines, often stimulating a rapid resolution to the remaining issues or putting them off for future post-agreement negotiation.

Formula
• An early framework agreement that establishes basic principles – a negotiation formula – can serve as the guide for a successful negotiation process. It can lead the parties to discuss and agree to a wide range of issues that are of concern to all and which often deal with the initiating causes of the conflict, as well as the effects of the conflict.

• Existing models of negotiation frameworks and peace agreements that worked in neighboring countries can serve as motivation or inspiration for peace talks.
6. LESSONS LEARNED FROM PAST DEVELOPMENT ASSISTANCE PROGRAMS

Research, analysis and case studies have been conducted over the past few years to assess the relative value of anticorruption programs in supporting the reconstruction and stabilization of governance in rebuilding societies. Examples of successes and failures in a range of anticorruption development programs in six countries are presented in text boxes. Generalizations drawn from these cases and the extant literature are presented below.

When Anticorruption Provisions are Embedded in Peace Agreements

When anticorruption provisions are incorporated in peace agreements, development practitioners need to quickly respond with resources and assistance to help the parties implement those provisions -- while their interest and political will is still vibrant. This is perhaps the most productive context for promoting anticorruption programs. The negotiation of such provisions indicates recognition by the stakeholders that corruption was either an important initiating cause of conflict or an anticipated outcome of the peace. In either case, inclusion of such provisions bodes well for early and targeted anticorruption programs. Analysis of the six cases where anticorruption provisions were included in peace agreements produced the following findings:

- **Reduced corruption outcomes.** Of the 6 countries where peace agreements included anticorruption provisions, five experienced improvements in the World Bank’s corruption index during the five years after the agreement was signed (from 1.4% to 15.4% improvements), while only one (Papua New Guinea) experienced an increase in corruption (5.4%). In comparison, among the countries that concluded peace agreements with no negotiated provisions addressing corruption, only 3 of the 7 countries experienced significant improvements in the World Bank’s corruption index over the five year after their agreements were signed, while 4 of the 7 countries saw no changes or major declines (between 0 and -14%).

- **Rapid implementation of negotiated provisions.** The inclusion of such provisions suggests a goodly degree of political will among the parties to address corruption issues head-on. Quick implementation of the provisions can take advantage of this political will. In cases where implementation lags, the negotiated commitments often fade quickly and it may be difficult to resurrect the earlier consensus for anticorruption action. It appears to be critical for the government and donors to pick up on the cues provided by the peace agreement and act in an expeditious, coordinated and comprehensive way to implement the principles agreed to by the formerly warring parties.

- **Clear and specific programs.** The more detailed, specific and targeted the negotiated provisions, the easier it will be to translate them into actionable anticorruption programs that all agree with and are willing to implement. If the negotiated provisions are broad statements of principle and not focused on practical initiatives, early donor action can support post-agreement negotiations to work out the implementation details.

- **Build capacity and commitment of local factions.** While the political elite of key stakeholder groups are the ones who typically participate in the development of the peace accords, their broader constituencies back home need to be convinced of the benefits of the anticorruption provisions and brought into the fold of supporters. Their buy-in is essential to ensure the acceptance and sustainability of anticorruption programs, and to avert the potential for spoiler factions. Early donor initiatives can help to build the capacity and participation of broad interest groups in the population in accomplishing the goals of the anticorruption provisions.
Limits to civil society participation. Activated civil society constituencies for anticorruption reform can be extremely important in establishing effective and persistent demand on government to implement and adopt such reforms. Donor support for citizen watchdog and oversight initiatives can be very helpful. However, there appear to be limits to useful civil society participation. An unyielding requirement to involve as many civil society groups as possible in all aspects of statebuilding activities has produced, in some cases, excessive delays and breakdown of planned programs and reforms, and a resurgence of factional disputes.

Early institutional and civil service strengthening programs. Institutional and civil service strengthening reforms to improve or reestablish service delivery are key early targets for donor programs in post-conflict situations, after establishing a secure ceasefire and demobilization of combatants. These reforms must be accompanied by strict embedded anticorruption controls and transparency features.
Donor coordination and commitment. Peace agreements are often highly leveraged against donor promises of quick, coordinated and appropriately funded programs. But donors are not always well prepared or resourced to support implementation of negotiated provisions. If this is the case, donors should rapidly organize a coordination working group to support implementation of the peace provisions. In addition, the timing and approach of donor programs should be seriously considered. Short-term commitments to support demobilization need to be paired with longer term anticorruption commitments. Donors should seek to address corruption issues comprehensively across all key sectors; absence of such a comprehensive approach often results in shifts of corrupt behavior to unattended sectors. Lastly, even if donor funds are scheduled to decrease over time, continued and visible demonstrations of international attention to the anticorruption programs under way can be critical in keeping the process moving forward in later years.

#### Highlights of Civil Society Programs

**Liberia and Sierra Leone.** USAID-sponsored support for West African civil society networks strengthens capacity building in civil society organizations for anticorruption and broadcasting initiatives. The project promotes wide usage of the internet and community radio networks to mobilize for democracy and anticorruption initiatives.18

**Results:** In Sierra Leone, the National Accountability Group participated in the policy formulation process that resulted in the National Anti-Corruption Strategy (GIR 2007). In Liberia, CSOs are generally active in the policy-making process and participated in development of the Liberian Anticorruption Act. Liberian CSOs formed a coalition to work on transparency in the extractive industries, as well as on anticorruption awareness campaigns.

**Burundi.** USAID funded the “Strengthen Civil Society” project to empower CSOs and local communities to advocate for their rights. The project supported expanded radio broadcasting, civil society involvement in legislative drafting, expanded citizen-government dialogue, and citizen education programs. The project strengthened transitional institutions and the peace process by advocating for effective government, the rule of law and conflict mitigation.

**Results:** Training was provided for 24 journalists and 723 radio programs were broadcasted on peace, elections, conflict, impunity, repatriation, refugees, the rights of women and children, and the role of UN forces. Communities in 11 provinces were trained to resolve their own conflicts and participated in local projects to rehabilitate community infrastructure, sports centers and schools, and potable water and electricity supplies. A radio series nurtured the seeds of conflict transformation by telling stories of courageous Burundians who saved lives across different ethnic groups. As a result of community mobilization, legal amendments have been adopted to combat sexual violence and protect women and children.19

What Appears to Work and What Does Not

Systematic monitoring of the impact of actual anticorruption programs in post-conflict settings is rather rare, so the following propositions should be viewed as promising, but unverified approaches. Of course, each country presents different conditions that may affect the value of these interventions.

A wide range of anticorruption programs has been tried in post-conflict countries, sometimes closely aligned with provisions in peace agreements. These include support for legal drafting, anticorruption institutions, law enforcement, public financial management, audit and control systems, judicial reform, parliament, elections, local governance and public sector reforms, public education and the mass media, and civil society initiatives. An interesting study (Boucher, et al. 2007) recently scanned the existing literature to integrate the findings across many research efforts to determine if there was a consensus on what to do about corruption in post-conflict countries. While their study is comprehensive, the results do not clearly differentiate programs for post-conflict settings that are distinct from typical development contexts. Moreover, they do not suggest any special program priorities in fighting corruption in post-conflict settings.20
As a result, we conducted a more detailed analysis of six post-conflict cases, in which we were able to assess the mid-term impact of specific anticorruption measures -- some had positive effects, while others were only moderately effective and yet others appeared to fail. Table 4 presents the overall results.

**Table 4. Effectiveness of Anticorruption Initiatives in Six Post-Conflict Cases**

<table>
<thead>
<tr>
<th>Examples of Anticorruption Programs Implemented in Post-Conflict Settings</th>
<th>Typical Outcomes in Post-Conflict Settings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relative successes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Audit and control</strong>: strengthening capacity through training and improved systems and infrastructure</td>
<td>Produces greater accountability, reveals ineffective expenditures, and expedites audits, but problems persist in audit follow-up</td>
</tr>
<tr>
<td><strong>Financial management</strong>: capacity building through training and technical assistance in budget monitoring, cash and debt management, and FMIS systems</td>
<td>Yields more effective reporting and controls, increases in revenue collection and greater budgetary controls</td>
</tr>
<tr>
<td><strong>Civil society</strong>: training, grants and assistance to provide public education, awareness of legal and human rights, and advocacy mobilization</td>
<td>Results in greater participation in policymaking and mobilization of advocacy campaigns</td>
</tr>
<tr>
<td><strong>Media support</strong>: training to educate public in their rights under law, investigate human rights and corruption abuses, and establish community radio networks</td>
<td>Media mobilized effectively to generate awareness of government abuses and citizen rights and advocate for speech and press freedoms, but legal threats usually persist against media</td>
</tr>
<tr>
<td><strong>Moderate successes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Local governance</strong>: capacity building in service delivery, citizen participation, and professionalism, and training in codes of conduct, streamlining, and improved administration</td>
<td>Builds cohesion and capacity, reduces ethnic and political barriers, and improves service delivery, but corrupt practices (especially patronage) persist</td>
</tr>
<tr>
<td><strong>Judicial reforms</strong>: training for prosecutors, judges and court staff, restoration of the judicial system, and building court infrastructure</td>
<td>Cases adjudicated impartially, but slow process to develop qualified staff, improper influence by political and criminal sources, and high costs to bring cases to court. Judges often continue to be influenced by corruptive pressures and incentives.</td>
</tr>
<tr>
<td><strong>Law enforcement</strong>: training and resources</td>
<td>Political influence on appointments and lack of citizen complaint mechanisms</td>
</tr>
<tr>
<td><strong>Disappointing results</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Anticorruption institutions</strong>: anticorruption commissions, ombudsman, codes of ethics, filling legal gaps</td>
<td>Political interference in work of commission, little power to actually execute mandates, and insufficient budget</td>
</tr>
<tr>
<td><strong>Electoral support</strong>: develop electoral commissions, citizen involvement, voter education, legal drafting</td>
<td>Political independence of commission questioned, electoral irregularities, and insufficient staffing. Generates raised expectations among the public that are difficult to satisfy.</td>
</tr>
<tr>
<td><strong>Parliamentary support</strong>: building capacity and professionalism</td>
<td>Lack of political will and coordination to implement reforms</td>
</tr>
</tbody>
</table>

Based on development program assessments in post-conflict Sierra Leone, El Salvador, Guatemala, Burundi, Liberia, and Papua New Guinea.

Based on these findings, anticorruption programs that appear effective typically demonstrate quick and positive results, transform training and institutional reforms into practical changes, and enhance accountability and transparency in a visible way. Those programs that appear to be less effective tend to lack genuine stakeholder political will, experience factional squabbling, and fail to obtain the buy-in from local constituencies of those political elite who want the reforms.
**Highlights of Decentralization Programs**

**Papua New Guinea.** The Governance and Implementation Fund (GIF) (2004-2007) was supported by Australia and New Zealand as a post-war recovery mechanism for the formerly rebellious Bougainville province. GIF implemented programs to strengthen public service delivery by involving civil society participation in decision making and planning, and included programs to develop the Bougainville constitution, judiciary reform, local infrastructure strengthening, decentralization projects related to planning, budgeting and revenue allocation, and provincial economic growth. GIF was funded at approximately US$2.5 million per year.

**Results:** Through GIF efforts, Bougainville’s constitution was finalized and planned elections were held for an autonomous government. Implementation of the Fiscal Responsibility Act in 2006 has improved fiscal management and accountability. Bougainville has increased its capacity for planning, human resource reform and decentralization efforts. GIF activities to rebuild infrastructure and reform the cocoa industry has restored Bougainville’s status as PNG’s largest cocoa producer, supporting peaceful economic development and stability in the former conflict region.  

**El Salvador.** The Municipal Development/Citizen Participation project was funded by USAID to enhance citizen participation in the local democratic process and improve the capacity of local governance.

**Results:** The project increased local resources for urban services: local government revenues increased over 30 percent during the project and important urban services (water and rural road maintenance) were decentralized. The local community was encouraged to get involved in local governance through participatory planning, budget hearings, and radio talk shows. The project also succeeded in developing local integrated financial management systems, automated billings and collection systems, introduced commercial accounting packages for municipal services, and trained staff. The success of the project is evident in the political motivation for further decentralization. However, encouraging citizen participation in local policy making has been a major challenge.

---

**Anticorruption Programming Priorities**

In the short-term, the programs that appear successful in reducing corruption seek to reassert or develop basic state legitimacy and effectiveness of government functions across all key sectors. This will usually require the strategic coordination of donors with an allocation of responsibilities among them. They need to assure that:

- Basic public services are delivered
- Adequate legal frameworks are developed
- The civil service is trained and professionalized
- Accountability is established through checks and balances from both inside government (through auditing and controls) and outside government (through mobilization of civil society and media watchdogs)
- Public finance systems are established and monitored
- Regulations for business are simplified to facilitate the private economy.

Those initiatives that are less effective are in the local governance, judicial, law enforcement, elections and parliamentary arenas, where it is difficult in the short term to reassert independence from political influence and other traditional corruptive pressures and incentives. These also tend to be more dispersed functions and less conducive to evenhanded control across the board. Thus, implementers might find that they can achieve success in some regions where there is the political will and resources, while not in others. Attempting to establish new anticorruption institutions almost always fails to satisfy expectations because they lack proper mandates, authority, capacity and resources to do the challenging job these agencies are assigned.
General Advice on Anticorruption Programming

Additional considerations such as setting priorities, deciding on who to work with, and sequencing reforms appropriately – all based on experience - can help the field officer make practical implementation decisions.

Strategic planning and sequencing of reforms. Overall, anticorruption measures ought to be incorporated into a strategic plan for stabilization and reconstruction operations, mainstreaming an anticorruption perspective into all initiatives. Experience shows that a multi-sector approach to fighting corruption tends to be preferable, because of the resilient nature of corruption.

Immediately after a peace settlement, physical security, economic issues (jobs and basic policy reforms) and administrative issues (delivery of basic services) need to be addressed to establish a stable framework for recovery. In subsequent transitional phases, political and judicial issues ought to take prominence, along with reconstructing economic infrastructure and institutional capability. A consequence of not achieving effective outcomes in this progression of core state functions is growing instability and the assertion of corruptive influences (Blair and Ammitzboell 2007; USAID 2007).

Experience shows that particular approaches are preferable early:
- Primary institutions and systems of the state need to be strengthened and empowered to operate under law first. But that is not to say that accountability and transparency provisions cannot be initiated in early stages after peace is achieved.
- Initiate early programs that will yield rapid and visible results. Demonstrate that corruption is a high risk-low reward activity and that laws will be enforced.
- Initial strategies should support islands of integrity where they are found.
- A solid security and political framework needs to be established early that raises the costs and risks of renewing violence.

Fighting corruption is a long-term objective, but often requires short-term actions that address immediate problems and weaknesses in the post-conflict period. Short-term reconstruction timetables often increase reliance on existing power structures and newly-created institutions and may not allow for sufficient strengthening of fundamental governance reforms. Appropriate timing and sequencing of reform interventions is critical and must be planned seriously (O'Donnell 2006; Giraldo 2006; Rose-Ackerman 2003; Brinkerhoff and Mayfield 2005; Gallagher 2007; Rondinelli and Montgomery 2005; Mathisen 2007; Galtung and Tisné 2008).

Urgency of response. Rapid and visible initiatives after peace agreements that seek to institutionalize integrity and significant anticorruption controls is desirable. Ripe moments for such anticorruption interventions come immediately after the agreement goes into force. However, at these early stages, state institutions are typically not capable of implementing such programs effectively, civil society is not organized sufficiently to demand for them, and international donors are predominantly focused on relief assistance instead. The consequences of a late awakening to needed anticorruption measures are an increase in the scope and severity of corruption problems, a spiraling public cynicism that the problem cannot be solved, and further destabilization. (Giraldo 2006; Galtung and Tisne 2008; Suhrke and Wimpelmann 2007)

Donor coordination. Strong operational cooperation among donors and with local government is essential so as not to overwhelm the rebuilding process and its fragile systems for delivery and accountability (Rondinelli and Montgomery 2005).
### Highlights of Judicial Reform Programs

**Burundi.** GTZ and the German Ministry of Justice supported the reconstruction of the judicial system in Burundi which sought to improve the efficiency, transparency, quality and internal controls of the Burundian legal system. The Burundian judiciary lacked financial resources, qualified staff, coordination, and legal documentation that would create public trust, awareness of rights and public access. The program has provided logistical and technical support to selected courts, and published a bi-monthly legal journal to educate the public about existing laws, new laws and the challenges of the Burundian legal system.

**Results:** Despite some reluctance, the courts have published some of their verdicts, making them more accountable for their decisions. A database has been created for all Supreme Court decisions. Four court buildings have been modernized and 240 bashingantahe (traditional legal authorities) and paralegals have been trained. The program has been relatively successful in training staff, building courts and pushing for transparency, thus creating the framework for a more efficient and accountable system. However, it is acknowledged that more needs to be done to increase public access to the courts, overcome expensive appeal costs, and reduce lengthy judicial processes (GIR 2007).

**Guatemala.** USAID has promoted a Rule of Law program to improve the transparency and efficiency of criminal judicial processes through expansion of oral procedures, support for justice centers, strengthened prosecution in corruption cases, and support for crime prevention. The program has initiated a 24 hour court system to speed arraignments. The Central Case Management Center centralizes all case information, statistics, and clerk functions, and combines court, prosecutor, defender and bail services in one location to enhance coordination and efficient case management.

**Results:** While it initially failed, the 24 hour court initiative has achieved certain efficiencies since it received significant multi-institutional support. The number of cases dismissed due to lack of evidence has declined from 77% to under 15%. Nearly 50 percent of cases were given alternatives to detention, such as bail, house arrest, weekly presentations in local court or restrictions on travel. In 35% of cases, the judge ruled for preventative detention. Within the first three months of the court's initiation, drug consumption cases dropped from over 30% to 7% percent, leading to the presumption that police had been regularly planting evidence to reach arrest quotas. The new courts have also issued arrest warrants that are a vital tool in suppressing gang and organized crimes. However, in spite of the success with these 24 hour courts, Guatemala's judicial performance in remains inadequate. Judges are often influenced by organized crime, political elite, and racial or ethnic affiliations. Costs to bring legal suit are too high. The national level judiciary is not obliged to provide reasons for their decisions (GIR 2006). The complexity and length of legal processes is also a problem, as is the limited investigative capacity of the public prosecutor's office which results in very few indictments for corruption crimes (NIS 2007: 23).

### Highlights of Law Enforcement Programs

**El Salvador.** USAID support to the National Civilian Police (PNC) was intended to build the capacity of local law enforcement by providing institutional and logistic support. 1,596 police officials and 650 public prosecutors were trained and computers were provided to improve case investigations.

**Result:** The National Civilian Police Force and the National Public Security Academy are now well-established. The police operate specialized investigative units successfully and the Inspector General’s Office and Internal Affairs have become more efficient in investigating citizen complaints and disciplining officers. Law enforcement mechanisms are now more accessible to people. Overall, the El Salvador police reforms have been praised as a positive legacy of the peace accords. However, the internal disciplinary of police units and strength of investigative units are still questioned by many.

---

**Transparency.** Built into most successful post-conflict anticorruption programs is the principle of transparency. Openness ought to be a major feature of these initiatives to engender greater trust and legitimacy.

**Accountability.** Independent monitoring and enforcement institutions must be established to demand accountability from and place limits on political power. In a context where there are limited checks and balances, it is important to demonstrate early after the peace agreement that “someone is watching the store” and that getting caught will yield substantial penalties (Rose-Ackerman 2003).
Dealing with formal and informal governance. Donors need to deal with the realities of multiple levels of overlapping governance – some formal and some informal and corrupt – when seeking to promote administrative reforms. Amnesties for corrupt officials of former regimes can be considered. The amnesty option can halt continuing allegations of corruption and mark a departure from traditional ways (Lister and Wilder 2005; U4 2008).

Decentralization. Measures to reestablish integrity in local level governance to ensure law enforcement and accountability may be compromised if the local elites and administrative staffs do not have sufficiently high levels of professionalism and resources. Promoting decentralization in the context of a weak central government or extensive factionalization should be considered cautiously. Concern also should be taken in restoring pre-conflict traditional authority in local governance because it may not necessarily lead to good governance practices or legitimacy (Jackson 2005; Brinkerhoff and Mayfield 2005).

Fiscal infrastructure. Reforming public finance procedures and institutions should be a priority issue for the rebuilding state because it is at the core of getting things done. Human resource constraints are typically what limit the government’s ability to respond to demands for finance support and service delivery in post-conflict countries. Reforms are typically needed in budget policy and programming budgets consistent with macroeconomic stability and resource limitations, designing public expenditure programs, operating the public financial management system, and creating a system of national accounts. Control mechanisms for public finances need to be developed to fight corruption. Statistical information systems should be a prerequisite for any fiscal reform program. Urgent reforms should include expenditure controls, receipts management, indirect tax controls, and capacity to handle fiscal policy (Gallagher 2007; u4 2008).

Post-conflict countries generally have weak systems to collect taxes and, as result, government revenues are typically low. International or shared administration of customs and other economic agencies that are being reformed may produce increased revenue collection, but may not impact anticorruption goals (O’Donnell 2006; Gallagher 2007).

Public awareness. Public education programs on the costs of corruption and anticorruption measures should be promoted hand-in-hand with capacity building reform programs. Awareness will help to mobilize popular trust in government if effective countermeasures are taken to actually make inroads into corrupt practices. Otherwise, awareness by itself can increase citizen frustration and cynicism, as well as public perceptions that corruption is on the rise as reconstruction programs progress (Rose-Ackerman 2003; Gallagher 2007; Galtung and Tisné 2008).

What to avoid. Feedback from practitioners on what to avoid includes the following:

- Donors should not place large demands on reformers that overwhelm their capabilities and those of the fragile state. An incremental approach to reforms is more in tune with the limited capacity of post-conflict situations.
- Dedicated anticorruption agencies typically are ineffectual unless they are given full prosecutorial powers, sufficient core funding for at least 10 years, and are accompanied by a functioning asset declaration procedures for all senior officials and an enforcement strategy that is a component of broad institutional reforms.
- Premature concentration on democracy and elections can lead to destabilization and renewal of the conflict.
- Economic conditions are unlikely to improve unless the legal building blocks for economic activity are in place.
- Early privatization of state assets can unintentionally create an entrenched class of corrupt officials.
Highlights of Overall Governance Reform Programs
Liberia. USAID/OTI launched the Building Recovery and Reform through Democratic Governance (BRDG) Initiative to increase the scope of Liberia’s statebuilding efforts. BRDG provides technical assistance and grants to assist in planning, budgeting, communications and coordination to help build state legitimacy. The program strengthens communication systems, empowers effective political responses to local problems, and supports regional activities to strengthen the Mano River Union.

Results: Independent Star Radio increased broadcasting to enhance civic and local budget and anticorruption awareness activities. The national judicial system was kept accountable by publicizing legislator and official attendance and performance reports (legislative report cards). BRDG also assisted the Ministry of Lands, Mines and Energy in establishing 10 regional offices to oversee the diamond industry and make it more accountable (part of the Kimberley Process Certification Scheme). The Mano River regional and local youth parliaments created a subregional network of young people who advocate for peace and human rights.

Highlights of Parliamentary Reform Programs
Papua New Guinea. UNDP support to the National Parliament targeted increased effectiveness, transparency and accountability for Parliamentary members and provincial administrations through capacity building workshops and technical support. The program aimed to strengthen the legislative, oversight and representative roles of parliamentarians by enhancing linkages between national and provincial parliaments and strengthening the parliamentary committee system.

Results: The project was deemed to be unsuccessful due to a lack of political will and coordination with the parliamentary secretariat and speaker. The continuing displacement of parliamentary staff created lack of ownership of the program by the secretariat staff and produced misunderstandings of the project’s objectives.

Highlights of Media Programs
Papua New Guinea. AusAID’s Media for Development Initiative worked closely with the Media Council and the National Broadcasting Corporation to increase the quality and operational strength of local media representatives, thus contributing to more accountable governance. Special attention was paid to strengthening rural radio networks.

Results: Media is actively involved in reporting on anticorruption initiatives and serves as the premier source of information about cases of corruption throughout the country. Even the government-owned media station reports often on corruption cases. The Media Council has taken a leadership role in supporting community campaigns and training journalists.

Highlights of Anticorruption Commission Programs
Sierra Leone. An Anti-Corruption Commission was established in 2000 (sponsored by DFID, World Bank, GTZ and UNDP) to investigate instances of alleged or suspected corruption. The Commission was meant to take necessary measures to eradicate and suppress corrupt practices by investigating and prosecuting corrupt officials, publishing reports, and fostering public support in the fight against corruption.

Results: The Commission failed to move on any high level prosecutions. Due to low political will, there has been no engagement of other governance pillars or stakeholders to fight corruption. The Commission has failed to report on corruption cases or conduct studies or investigations. As the result, donor organizations were advised to withdraw funding.
7. PLANNING AND OPERATIONAL CONSIDERATIONS

The post-conflict rebuilding situation presents many sensitivities and potential pitfalls that need to be considered carefully in programming for effective anticorruption initiatives.

The World Bank grounds its operational strategies for low-income countries under stress (LICUS) on seven principles (Carvalho 2006):

- Staying engaged despite downturns and disappointments
- Anchoring strategies in a strong socio-political assessment
- Promoting domestic demand and capacity for change
- Supporting simple and feasible entry-level reforms
- Exploring innovative mechanisms for social service delivery
- Working closely with other donors
- Measuring and monitoring results.

Applying these principles, the Bank’s business model for addressing post-conflict countries emphasizes the rapid and visible rebuilding of effectiveness and state capacity (administrative training and institution building to support revitalization of service delivery and economic development), and legitimacy and accountability of the state (oversight mechanisms in government and from civil society).

Assessing the Problem. It is important to understand both the country’s particular vulnerabilities to corruption in the post-conflict setting as well as its readiness to engage in anticorruption programs. Before programming, a thorough assessment of vulnerabilities and readiness should be conducted to determine priority areas that need to be addressed and opportunities and obstacles that might impact successful implementation of programs. The assessment should incorporate a political-economic analysis of the situation to tap the underlying causes of corruption problems not just its symptoms. If possible, conducting joint assessments in coordination with other involved donors would be appropriate to get multiparty buy-in to the conclusions (Mathisen 2007).

Mainstreamed Initiatives. Anticorruption efforts should be embedded into all stabilization and reconstruction initiatives. Primary anticorruption activities should be targeted at security, economic and administrative programs, with an underlying foundation of a mutually accepted legal framework. Political and judicial initiatives are typically meaningful at a secondary stage.

Multisectoral approach. Overall, a multisectoral anticorruption program is appropriate in most cases; it seeks to ensure that corruption does not merely migrate to another less protected venue. Programs should seek to encourage accountability and transparency. Efforts that target reforms at the local level are often successful because they motivate stakeholders to act where they experience corruption the most and in a direct and personal way.

Balanced programs. Programs should balance supply- and demand-side reforms. Government reforms are essential, while citizen, media and business involvement ensures continuing demand and pressure on government to sustain reforms. If legitimacy is the problem and readiness is low, demand-side programs are more relevant. When state effectiveness is the problem and readiness is high, supply-side programs that strengthen institutions and legal frameworks are most relevant.

Timing. Rapid rollout of anticorruption programs is critical to take advantage of the euphoria after a peace agreement and also to engage the stakeholders whose political will for such reforms is still strong. Waiting to implement anticorruption programs often results in failure. Appropriate sequencing of
initiatives is also critical in post-conflict countries because of the fragility of institutions and the fear of resurgent violence.

**Coordination.** Many donors, governments, international and regional organizations, and private voluntary organizations converge on post-conflict countries to provide assistance and resources of all types at the very time that these countries have the least capacity to absorb large amounts of support. To avoid doing further harm to these fragile states, it is critical to coordinate efforts with other providers to ensure that the rapid and massive influx of international assistance does not result in theft or abuse.

As well, in the rush to support these post-conflict countries, it is important to allocate responsibilities for the various sectoral and functional reform initiatives to prevent duplication of effort. It is also critical to control the content of messages sent to the host country from external actors; mixed messages about corruption from different actors can cause the host government to play one off against the other.

**Measuring Impacts.** Realistically, anticorruption programs are not likely to generate rapid success stories and highly significant quantifiable outcomes in the short term. Instilling a culture of integrity, especially in a fragile rebuilding setting, takes some time. However, small, but important, short-term results can be detected and serve as motivators, not only to donors but to host government and local implementers alike. Project level indicators that demonstrate incremental improvements should be sought in the short run with a long-term view of 5-8 years for more substantial anticorruption outcomes.
BIBLIOGRAPHY


Hislope, R. (2005) “When Being Bad is Good: Corrupt Exchange in Divided Societies,” paper presented at the conference on “Postcommunist States and Societies” at Syracuse University (September 30-October 1).


Endnotes

1 For a complete discussion of these issues, see Bertram I. Spector (2008) Negotiating Peace with Integrity: Anticorruption Strategies in Post-Conflict Societies. Potomac, MD: Center for Negotiation Analysis (for United States Institute of Peace).
4 Robert Hislope (2005) “When Being Bad is Good: Corrupt Exchange in Divided Societies,” paper presented at the conference on “Postcommunist States and Societies” at Syracuse University (September 30-October 1).
11 The countries included were Sierra Leone (after the 1999 peace agreement), El Salvador (after the 1992 Chapultepec Peace Agreement), Guatemala (after the 1996 peace agreement), Burundi (after the 2000 Arusha Agreement), Liberia (after the 2003 Accra Peace Agreement), and Papua New Guinea (after the 2001 Bougainville Peace Agreement).
16 Peace Diamond Alliance launched 2003 http://www.reliefweb.int/rw/rwb.nsf/mAllDocsByUNID/a3639480514fec0f85256db8005276a6
17 Peace Diamond Alliance Helps Mining Communities in Sierra Leone Sierra Leone Success Story 2004 http://africastories.usaid.gov/search_details.cfm?storyID=210&countryID=22&sectorID=0&yearID=4
20 USAID’s Economic Growth Office has developed a very useful best practices guide that focuses on lessons learned in setting and promoting economic growth priorities in post-conflict rebuilding countries (2007), most of which has the associated impact of increasing accountability and transparency in governance. Best practices are identified to support macroeconomic foundations, employment generation, private sector development, agriculture, banking and finance, trade policy and institutions, and infrastructure.