



**USAID**  
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# CONFLICT MITIGATION AND MANAGEMENT POLICY



Cover photo: © Sven Torfinn. Mai-Mai rebels carrying guns near Lake Tanganyika in South Kivu, Democratic Republic of the Congo. Congo has been at the center of what has been called Africa's world war. Governments and troops from Angola, Namibia, Zimbabwe, Uganda, and Rwanda have all been involved in the conflict. Human rights organizations estimate that 2.5 million people have been killed during the conflict—as a direct result of fighting or because of disease and malnutrition.

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# Conflict Mitigation and Management Policy

## Introduction

In September 2002, President George W. Bush elevated the importance of development in the National Security Strategy, citing it, along with defense and diplomacy, as a key pillar of U.S. security. According to the Strategy, “The events of September 11, 2001, taught us that weak states, like Afghanistan, can pose as great a danger to our national interests as strong states.”<sup>1</sup> In response, U.S. for-

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*National Security Strategy of the United States of America, September 2002*

eign affairs agencies, under the leadership of former Secretary of State Colin L. Powell, sought to redefine their strategic priorities. Regional stability is now one of the strategic goals of the joint Department of State-USAID Strategic Plan.<sup>2</sup> In January 2004, USAID issued a white paper that identifies five operational goals for the Agency in line with the new strategic priorities. These goals include promoting transforma-

tional development and strengthening fragile states while supporting U.S. strategic interests.<sup>3</sup> USAID has developed a fragile states strategy to address the distinct challenges posed by such states.<sup>4</sup> The strategy distinguishes fragile states that are vulnerable (where services, security, and legitimacy are tenuous) from those already in crisis, and where violent conflict is a reality or great risk. Not all fragile states are beset by conflict, but many are. Violent conflict threatens U.S. national security and produces serious development and humanitarian costs. For these reasons, USAID is giving priority attention to conflict mitigation and management.

This USAID policy addresses violent, deadly conflict. Such conflict arises due to a complex set of variables coming together and reinforcing each other at multiple levels and critical junctures of a country or region’s development. USAID recognizes that some conflict is an inherent and legitimate part of social and political life, and often a precursor to positive change. Indeed, USAID seeks to act as an agent for positive change through its assistance programs. USAID established the Office of Conflict Management and Mitigation

1 From the cover letter to *The National Security Strategy of the United States of America*, 2002. <[www.whitehouse.gov/nsc/nss.html](http://www.whitehouse.gov/nsc/nss.html)>

2 *Strategic Plan, Fiscal Years 2004–2009*, U.S. Department of State and U.S. Agency for International Development (Washington, D.C., August 2003).

3 See *U.S. Foreign Aid: Meeting the Challenge of the Twenty-First Century* (Washington, D.C.: USAID, January 2004), 5, 6, 7, 13–14, 19–20, 26–27, 30. PD-ABZ-322.

4 *Fragile States Strategy* (Washington, D.C.: USAID, January 2005). PD-ACA-999.

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(CMM) in the Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA) to support USAID operating units to manage positive change.

But the consequences of violent conflict can be alarmingly high, creating significant development and humanitarian challenges. Therefore, this policy outlines a framework by which the Agency, through its operating units, will aggressively expand the development and implementation of programs that mitigate the sources and consequences of violent conflict. *More specifically, Agency managers are tasked with identifying bold new programmatic interventions to address the development and humanitarian challenges causing or resulting from violent conflict, consistent with guidance set forth in this policy paper.*

**The Cost of Conflict**

Over the 1995–99 period, violent conflict affected approximately 60 percent of the countries in which USAID operated. No single definition captures the many forms that violent conflict has taken in this period. It has been explosive and short, and it has dragged on for years. It has followed a traditional path, pitting military factions against each other, and it has spilled over from local or regional violence in countries where institutions are weak and eroding. Violence has taken an explicit ethnic or

religious form, and it has had a strong ideological component. It has been nationalist or secessionist, and it has been criminal on a new and devastating scale. Whatever their manifestations, violent conflicts have proven increasingly disruptive and lethal to local populations.

- By 2000, internal conflict and repression had generated 13 million refugees and asylum seekers worldwide. In addition, nearly 25 million people were displaced within their own countries.<sup>5</sup>
- In today’s conflicts, civilians are nine times more likely to be killed than combatants. Child soldiers; gender-specific atrocities (such as the raping of women and the killing of men); and the killing, injuring, and kidnapping of aid workers are all aspects of conflict in the twenty-first century.
- While change can be positive, change leading to internal conflict can polarize societies and fuel criminality and extremism.
- Conflict can reduce growth and discourage investment, destroy human and physical capital, redirect natural resources to nonproductive uses, and

<sup>5</sup> See *USAID Assistance to Internally Displaced Persons Policy* (Washington, D.C.: USAID, 2004). PD-ACA-558.

cause a dramatic deterioration in the quality of life.

- In the public sector, funds that might otherwise be invested in public goods necessary for growth are spent on security.
- In countries undergoing political transition, violent conflict has the potential to undermine popular support for democracy.

**Disaster Assistance for Conflict-Affected Populations**

Between 1994 and 2003, USAID provided over \$5.2 billion in disaster assistance and emergency food aid to assist millions of people affected by conflict. The 13 countries below represent only an illustrative portion of USAID’s total assistance to conflict-affected populations during this period.

Angola	\$663.8 million
Bosnia-Herzegovina	\$539.2 million
Burundi	\$223.7 million
Eritrea	\$121.9 million
Ethiopia	\$1,253.2 million
Haiti	\$45.1 million
Indonesia	\$67.4 million
Liberia	\$362.6 million
Rwanda	\$530.3 million
Sierra Leone	\$300.3 million
Somalia	\$307.3 million
Sudan	\$855.1 million
West Bank-Gaza	\$0.3 million



The United States and other donor countries have incurred substantial financial costs as a result of violent conflict in the developing world. In the past 40 years, the United States has spent billions on development programs, the benefits of which, in many cases, would have been greater if not for conflict. Violent conflict is an expression of state failure, which in turn has allowed sanctuaries for terrorist networks that have attacked U.S. interests and U.S. citizens. Human and institutional development, including democratic institutions and the rule of law, have been stunted or reversed. Conversely, we have also seen that conflict has led to some fundamental and positive political changes in places such as Afghanistan, Sierra Leone, and Bosnia. USAID and others need to pursue peaceful changes to advance democratic ideals, where necessary and possible.

## Factors Contributing to Violent Conflict

An effective and strategic response to violent conflict must be based on a thorough understanding of the factors that contribute to its emergence and sustain it over time. While many factors contribute to violent conflict,<sup>6</sup> some are more important than others. None is as critical as the failure to provide *impartial and equitable security*. The state's inability to secure its borders, prevent lawlessness, impart justice equitably, and enable citizens to resolve their disputes without recourse to violence is at

6 See "Conducting a Conflict Assessment: A Framework for Strategy and Program Development," Office of Conflict Management and Mitigation, USAID, 2004.

the heart of the potential for instability and conflict. Security at the individual, community and national level is critical for economic growth and democratic development. Weak or predatory police and armed forces will fail to prevent, and may often directly cause, violent conflict. Excessive or inefficient spending on security also takes away resources that could be better used for other important development goals.

Economic factors also play a critical role in violence. *Poverty and stagnant or negative economic growth are highly correlated with civil conflict*, and internal conflict is overwhelmingly concentrated in low-income countries. Research shows that good political institutions, ethnic and religious homogeneity, or high military spending are insufficient to defend against large-scale violence in the absence of economic development.<sup>7</sup>

The desire for economic gain can also fuel violence. For example, unemployed, alienated young men often join militant groups because violence offers opportunities for financial gain. Certain groups and individuals, loosely termed "conflict entrepreneurs," use violence and instability to amass significant economic power. One example is Charles Taylor, former president of Liberia, who is estimated to have made more than \$400 million per year from his country's civil war between 1992 and 1996.<sup>8</sup> Similarly, a variety of armed groups in

7 *Breaking the Conflict Trap: Civil War and Development Policy*, A World Bank Policy Research Report, (Washington, D.C.: World Bank, 2003).

8 M. Berdal and D. Malone, eds. *Greed and Grievance: Economic Agendas in Civil Wars*, International Peace Academy (Boulder: Lynne Rienner, 2000)

Colombia is estimated to have made hundreds of millions of dollars from the cocaine trade. War economies, or the cluster of economic activities that feed into and flow out of conflict, require an extremely high level of instability to function and have a corrosive effect on state institutions.

Finally, the potential for violence, instability, and state failure is deeply influenced by the *strength and health of institutions* that govern political participation and competition. In a democracy, political inclusion and effective participation guarantee that groups with competing interests can engage in a political search for solutions. A healthy civil society and independent media can articulate priorities and monitor abuses of power. And an equitable and impartial rule of law can provide protection for basic economic and political rights. Weak or predatory institutions fail to provide critical public goods, such as voice, accountability, and good governance, creating frustration among groups. Groups unable to address their needs through existing structures may turn to violence.

## USAID's Role

USAID is acutely aware that stability no longer characterizes its operating environment and its assistance needs to adapt to manage positive change. Part of that change involves *recruiting and training* a new cohort of development officers conversant with conflict and instability, willing to take risks, able to think in new ways about old problems, and willing to question whether the Agency

is using U.S. assistance as strategically as it might in high-risk environments.

Another key transformation lies in *mainstreaming*, integrating a sensitivity to conflict into all USAID assistance. Because widespread conflict is so multidimensional, every major USAID development sector—from democracy and governance to agriculture to economic growth and health—implements programs that have the potential to manage and mitigate the causes and consequences of violence.

A number of programs attempt to offer youth the opportunity for constructive political engagement, such as an upcoming program in Haiti that will link young people with reformers in political parties to encourage youth participation and campaign against the use of violence as a political tool. Such mainstreaming activities help counter efforts in many parts of the world by political parties and other social movements to use young people to intimidate rivals, destabilize opponents, and fill campaign coffers.

Similarly, USAID's health activities offer a number of unique opportunities for peace building. In divided societies, issues such as infectious disease and maternal and child health are often important to all sides. Because health programs are seen as relatively neutral, they can provide an entry point for dialogue and open the door for discussion about more intractable issues. In places where support for the government is weak, such as Afghanistan and Nepal, expanding and increasing healthcare services to all segments of a society can be an important tool for conflict reduction,

### **Global Development Alliance and Conflict**

In an innovative program supported by the Global Development Alliance (GDA), International Alert works with multinational oil companies and civil society groups to encourage greater transparency in the use of resources generated by oil. Through this program and others like it, GDA harnesses its ability to mobilize the ideas, efforts, and resources of governments, businesses, and civil society by forging public-private alliances to address the root causes of conflict.

because it directly and tangibly demonstrates the government's concern for the welfare of its citizens and its capacity to provide badly needed services.

Another key component of change is to explore *new partnerships*. The private sector and economic associations, both local and international, have a number of unique qualities that have not been sufficiently harnessed for the purposes of conflict management. Their material interest in stability is self-evident, and they can often bring more pressure to bear on government officials than traditional peace-building NGOs. In areas where other civil society groups are divided along ethnic lines, local economic associations and networks are often multiethnic.

In Sri Lanka, for example, the local business community played a critical role in getting the government and the Tamil Tigers back to the negotiating table after 20 years of fighting by sponsoring a very effective pro-peace media campaign

that spelled out in dollar terms what the country was losing in growth and investment because of instability. Today, these same businesses are training young people and helping put them to work.

In addition to the fact that development and humanitarian assistance have the potential to deal directly with many of the most important causes and consequences of violence, USAID has

- a strong, worldwide, locally driven operational presence in the field
- the technical expertise and ability to work across sectors
- the capacity to mobilize assistance quickly to seize opportunities for change, especially in transition countries (as characterized by the programs of the DCHA Office of Transition Initiatives in countries such as Afghanistan, Peru, and Indonesia)
- a mandate to operate in short-, medium-, and long-term timeframes, and at country and regional levels
- experience in delivering humanitarian and development assistance and supporting conflict mitigation and management and postconflict reconciliation and reconstruction (from Bosnia to Afghanistan and Iraq)
- over 10 years experience in delivering conflict mitigation programming and research, as well as supporting successful transitions from conflict to peace at regional, national, and local levels (such as in El Salvador, Guatemala, Mozambique, Namibia, and the Philippines)

## Policy Framework

Mitigating, managing, and responding to violent conflict are priority areas for USAID assistance. This policy defines conflict mitigation as activities that seek to reduce the threat of violent conflict by promoting peaceful resolution of differences, reducing violence if it has already broken out, or establishing a framework for peace and reconciliation in an ongoing conflict. Conflict management refers to activities explicitly geared toward addressing the causes and consequences of likely conflict. These activities may need to be implemented while pursuing any of the Agency goal areas.

Working in close collaboration with its partners, USAID will contribute to U.S. national security by assisting states or other entities threatened by, experiencing, or recovering from violent conflict. Led by DCHA/CMM, the Agency has developed a framework to assess conflict vulnerability, is funding research to understand conflict, and is developing toolkits to help Agency officers design more conflict-sensitive programs across many sectors.<sup>9</sup> Working in close collaboration with USAID's partners, Agency operating units should identify and address the sources and consequences of deadly conflicts, focusing on situations where

- if ignored, such conflicts will have a significant negative impact on national stability and development and threaten USAID's program-

<sup>9</sup> These tools and DCHA/CMM's technical staff will serve as resources for Agency efforts to develop prescriptions and resources for action.

matic investments and broader U.S. national interests

- USAID assistance stands a reasonable chance of making a significant difference

Principles and rules of public international law apply to the involvement of nations in civil conflicts. Operating units contemplating conflict mitigation activities in situations of active civil conflict will do so only in consultation

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with USAID/Washington and the local U.S. embassy prior to initiating activities that could be perceived as a violation of neutrality.

## Guiding Principles in Mitigating Violent Conflict

A number of principles will guide USAID's work to mitigate the consequences of and reduce—to the extent possible—violent conflict in USAID-assisted countries.

### Directly Address the Sources and Consequences of Conflict

USAID will seek to understand and more effectively address sources of conflict and its consequences in transformational development, fragile state, and humanitarian assistance programming.

In practice, this will require the following:

- In countries where clear potential for conflict exists, and in countries experiencing or recovering from violent conflict, all operating unit strategic plans should reflect findings stemming from a conflict vulnerability analysis.<sup>10</sup>
- If the country and program meet the criteria set out above, the strategic

plan should outline how USAID will attempt to address conflict or the sources of potential conflict in its strategy.

- Mission directors, working with their ambassadors, country teams, and regional and pillar bureaus, should engage actively to recognize, understand, and help ameliorate potential or existing violent conflict in countries where USAID assistance is provided or planned.

### Mainstream Conflict Mitigation and Management

Violent conflict is a critical issue in twenty-first century development,

<sup>10</sup> DCHA/CMM has developed an Agency Conflict Assessment Framework for the use of missions <<http://inside.usaid.gov/DCHA/CMM/docs>>. Other frameworks or secondary source material would also qualify as an analytical basis for programming decisions.

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fragile state, and humanitarian assistance programming. Therefore, the Agency will apply a conflict “lens” to address issues associated with violent conflict—whether threatened, ongoing, or in the immediate aftermath—when designing, implementing, or assessing its programs.<sup>11</sup> Agency managers are asked to be bold in their thinking and creative in their approaches.

### **Partnership Is Paramount**

USAID has an important role to play in mitigating conflict, but it does not hold all the pieces for crafting and implementing an entire conflict mitigation strategy. Effective conflict mitigation requires USAID’s close collaboration with other U.S. Government agencies, partners in the country or region, and with the NGO, private sector, and donor communities. A coordinated, strategic approach to realizing political, social, economic, and security solutions to conflict requires close collaboration with local partners.

### **Engage Spoilers**

While donors have traditionally looked to groups such as human rights organizations, religious groups, and women’s groups committed to dialogue

<sup>11</sup> This emphasis on addressing conflict is consistent with and incorporated into the Fragile States Strategy’s comprehensive approach to analyzing and addressing state fragility.

and peace, more attention needs to be paid to the institutions and actors driving violence. These elements should be identified and addressed. USAID must recognize, however, the challenges and potential tradeoffs in dealing with such groups. USAID must also recognize that it might not be able to engage some groups that participate in or instigate conflict.<sup>12</sup>

**USAID should develop a deeper, context-specific understanding of the underlying sources of conflict and their interaction with development.**

### **Work Cross-Sectorally and at Multiple Levels within a Society**

Every major focus area in foreign assistance, including economic growth, agriculture, democracy and governance, the role of women, health and HIV/AIDS, and security and disaster relief, has some bearing on the sources of violent conflict. A cross-sectoral,<sup>13</sup> multidisciplinary perspective is therefore crucial when designing assistance programs in envi-

<sup>12</sup> In engaging a broad range of actors, USAID will be sensitive to the rights of other agencies in enforcing laws and regulations that address terrorist financing, among other issues.

<sup>13</sup> Cross-sectoral democracy and governance experience in Africa serves as a base for this approach: <[www.dec.org/partners/dg\\_cross\\_sectoral/default.cfm](http://www.dec.org/partners/dg_cross_sectoral/default.cfm)>.

ronments of potential or actual conflict. Program designers must understand how problems emerge at multiple levels, and how solutions can be developed or strengthened at each level.

### **Invest in Research and Analysis**

USAID should develop a deeper, context-specific understanding of the underlying sources of conflict and their interaction with development. USAID will promote and internalize relevant, world-class research and use it in strengthening its conceptual framework and designing and implementing its programs.

DCHA/CMM has been charged by the Administrator with leading the Agency’s

central efforts and supporting field programs in this technical area. At the same time, USAID operating units are encouraged to invest in the capacity of local, in-country institutions to conduct research on violent conflict and promote local discussion of relevant issues.

### **Implementation**

USAID will equip its bureaus and missions with the knowledge and resources required to address conflict-related issues. DCHA/CMM has developed an Agency Conflict Assessment Framework and additional toolkits to guide implementation, including program

toolkits in areas such as youth, local governance, security, and natural resource management. These toolkits provide guidance and program options for using assistance in a more strategic and focused way in conflict and postconflict environments, and will help design more conflict-sensitive programs across many sectors.

The companion document to this policy, *USAID Conflict Management and Mitigation Implementation Guidelines*, provides further detailed approaches for implementing this policy.



## **U.S. Agency for International Development**

The U.S. Agency for International Development (USAID) is an independent federal agency that receives overall foreign policy guidance from the Secretary of State. For more than 40 years, USAID has been the principal U.S. agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.

USAID supports long-term and equitable economic growth and advances U.S. foreign policy objectives by supporting

- economic growth, agriculture, and trade
- global health
- democracy, conflict prevention, and humanitarian assistance

The Agency's strength is its field offices located in four regions of the world:

- Sub-Saharan Africa
- Asia and the Near East
- Latin America and the Caribbean
- Europe and Eurasia

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